



MBA Audit Committee Meeting Minutes – July 7, 2025

Chair David Ybarra called to order the meeting of the MBA Audit Committee for July 7, 2025, at 1:05 p.m. Commissioner Margaret Anderson Kelliher and Commissioner Tony Sanneh were present.

Commissioner Anderson Kelliher moved approval of the agenda, seconded by Commissioner Sanneh and approved unanimously - 3 YEAS, 0 NAYS.

APPROVED

7-17-25 Proposed Resolution 25-MBA-215

Purpose:

To authorize a supplemental appropriation to amend the 2024 budget.

Background:

The MBA's annual general salary adjustments and employee benefits for the Administrative Manager and the Administrative Assistant positions are consistent with the terms of the labor agreements Hennepin County negotiates with its various employee bargaining units. Hennepin County typically adopts a resolution establishing pay adjustments and effective dates for employees in December, which is two months after the MBA Board adopts its annual budget. For 2024, the general salary adjustments along with increases in health insurance costs created a small budget gap.

MBA staff reviewed the status of the 2024 General Fund expenditures as they relate to the original adopted 2024 budget. The following table shows details of areas exceeding the authorized expenditure budget and where adjustments are required.

2024 General Fund Budget - Supplemental Appropriation

SUPPLEMENTAL APPROPRIATIONS

		<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
Personal Services	EXPENDITURE	82	892200	50020	Salaries & Wages	\$ 18,000
	EXPENDITURE	82	892200	50540	Health Insurance	\$ 11,000
Investment Earnings	REVENUE	82	892200	43100	Interest on Investments	\$ 29,000

Personnel services cost increased in 2024 for employee benefits.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority approves a supplemental appropriation of \$29,000, increasing the 2024 General Fund Budget, utilizing additional revenue from investment earnings to cover additional costs for personnel benefits in 2024.

Commissioner Anderson Kelliher moved to recommend the proposed resolution 25-MBA-215 to the MBA Board for approval at the July 17, 2025 meeting. Commissioner Sanneh seconded. 3-YEAS, 0-NAYS.

APPROVED

7-17-25 Proposed Resolution 25-MBA-216**Purpose:**

To authorize a supplemental appropriation to amend the 2025 budget for legal and personal services.

Background:

The MBA's 2025 operating budget was approved on October 10, 2024, prior to developments that have prompted the need for additional legal services to successfully complete negotiations on the Operations and Maintenance Agreement with the North Loop Green project. While significant progress has been made over the past few months, the budget for contract services is not sufficient to cover necessary legal fees for the rest of the year.

The 2025 MBA adopted budget also did not capture increases in salaries and wages consistent with Hennepin County's pay adjustments for 2025. The difference between actuals and budget are expected to be approximately \$10,000. This difference includes budget for a PTO buy-back allowance employee benefit.

A Board action to increase the operating budget by \$40,000 will allow for the MBA to cover the additional legal and personal services needed.

2025 General Fund Budget - Supplemental Appropriation**SUPPLEMENTAL APPROPRIATIONS**

		<u>Fund</u>	<u>Dept ID</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
Personal Services	EXPENDITURE	82	892200	50020	Salaries & Wages	\$ 10,000
Contracted Services	EXPENDITURE	82	892200	52129	Consulting-Legal	\$ 30,000
Investment Earnings	REVENUE	82	892200	43100	Interest on Investments	\$ 40,000

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority approves a supplemental appropriation of \$40,000, increasing the 2025 General Fund Budget for legal contract services and salaries and wages, increasing the revenue source budget for investment earnings.

Commissioner Sanneh moved to recommend the proposed resolution 25-MBA-216 to the MBA Board for approval at the July 17, 2025 meeting. Commissioner Anderson Kelliher seconded. 3-YEAS, 0-NAYS.

APPROVED

MBA Audit Committee Approval of 2026 Operating and Capital Budget

Executive Director Dan Kenney and Finance Coordinator Brenda Juneau presented the proposed 2026 MBA General Fund budget of \$749,000, an increase of \$35,000, or 4.9%, from the 2025 budget as amended (per proposed Resolution MBA-216). The increase is mainly attributed to employee salaries and health benefits, bridge inspection and a budget for contingency. A small increase is included for auditing services.

The 2026 proposed budget request to Hennepin County for a Capital Reserve contribution is \$1,631,900. This is an increase of 2.3% from last year's budget. The Capital Reserve Fund revenue consists of investment earnings, tenant rent, and the annual capital contribution from Hennepin County. The proposed budget request for total tenant rent in 2026 is calculated at \$1,190,127, which is a 1.7% increase from the previous budgeted amount.

Commissioner Anderson Kelliher moved to recommend the proposed 2026 MBA General Fund and Capital Reserve Fund Budget to the MBA Board for approval at the July 17, 2025, meeting. Commissioner Sanneh seconded the motion, and it was approved unanimously - 3 YEAS, 0 NAYS.

APPROVED

There being no further business, Chair Ybarra moved to adjourn. The motion was approved unanimously - 3 YEAS, 0 NAYS. The meeting of the MBA Audit Committee for July 7, 2025, was adjourned at 1:17 p.m.