

M Management Committee

Executive Summary

Item: SW 2008-247

Meeting date: September 24, 2008

ADVISORY INFORMATION

Date:	September 10, 2008
Subject:	Metropolitan Sports Facilities Commission 2009 Budget, Resolution No. 2008-xxx
District(s), Member(s):	All Members
Policy/Legal Reference:	Metropolitan Sports Facilities Commission annual budget and user fee review. Minnesota Statutes Section 473.595, Subd. 3
Staff Prepared/Presented:	Mary Bogie, Controller, 651-602-1359; Bill Lester, Executive Director, Metropolitan Sports Facility, 612-335-3316
Division/Department:	Fiscal Services

Proposed Action/Motion

The Metropolitan Council approve Resolution No. 2008-xxx granting approval of the proposed year 2009 Metropolitan Sports Facilities Commission Budget and Report on User Fee Charges.

Background

Under State statutes, the Council is required to approve or disapprove the annual budget of the Metropolitan Sports Facilities Commission (MSFC) by October 1 of each year.

Overview and Funding

Historically the Council's review was to determine if there were sufficient funds in the budget to make debt service payments and to provide for operating needs. Since there currently is no outstanding debt, the budget review focuses on the reasonableness for meeting operating/capital improvement needs. On August 21, 2008, the MSFC held a public hearing on the budget and sent it to the Council for review. Highlights of the 2009 budget are shown below. The entire budget is attached for your review.

	<u>Operating Accounts</u>	<u>Repair/Capital/ Concession Accounts</u>
Total Revenue	\$ 13,527,420	
Total Expenses	(15,081,400)	\$(1,285,000)
Transfers between funds	<u>(1,340,000)</u>	<u>1,340,000</u>
Net Increase (Decrease)	<u>\$ (2,893,980)</u>	<u>\$ 55,000</u>
Ending Account Balance	\$ 4,000,682	\$ 7,544,359

Total operating revenues for 2009 are budgeted flat as compared to 2008 projected results. An increase in operating revenues of approximately \$250,000 for the 2009 NCAA men's basketball regional offsets lost income resulting from Minnesota Gopher football moving to its campus stadium. Operating expenses are budgeted to increase by \$912,900 (6.4%). Operating expenses related to the NCAA regional costs account for the majority of the increase. Wage related expenses increase by 2.6% (\$100,000). All other expenses are budgeted to increase by less than 1%. The proposed budget recommends reducing the reserve account balances by \$2,838,980. The projected 2007 ending operating account balance of \$4,000,682 covers 27% of the 2009 budgeted operating expenses. Total ending balances of \$11,545,041 are expected to fully fund planned future repair, replacement, and capital improvement projects, concession repairs, maintenance, replacements and promotions through 2011.

The budget appears to be reasonable given the current operating position of the MSFC.

METROPOLITAN COUNCIL

Mears Park Centre, 230 East Fifth Street, St. Paul, Minnesota 55101
651 602-1000 TDD 651 291-0904

RESOLUTION NO. 2008-xxx

**RESOLUTION APPROVING THE 2009 BUDGET OF THE
METROPOLITAN SPORTS FACILITIES COMMISSION**

WHEREAS, Minnesota Statutes Section 473.595, subd. 3 requires that the Metropolitan Sports Facilities Commission (MSFC) budget, including operating and capital accounts, be reviewed and approved by the Metropolitan Council; and

WHEREAS, Minnesota Statutes Section 473.595, subd. 3 also requires that the budget show:

- (a) estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance and debt service;
- (b) capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated costs of capital improvements to be paid out or expended during the year; and
- (c) estimated source and use of pass-through funds; and

WHEREAS, Minnesota Statutes Section 473.595, subd. 3 also requires that MSFC publish a report on user charges; and

WHEREAS, the Council has reviewed the proposed MSFC 2009 Budget and Report on User Fee Charges.

NOW, THEREFORE, BE IT RESOLVED

That the attached Metropolitan Sports Facilities Commission 2009 Budget and Report on 2009 User Fee Charges is approved.

Adopted this 24th day of September, 2008

Peter Bell, Chair

Pat Curtiss, Recording Secretary



METROPOLITAN SPORTS FACILITIES COMMISSION

**YEAR 2009 BUDGET
AND
REPORT ON USER FEE CHARGES**

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES**

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**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2009 BUDGET SUMMARY AND REPORT ON USER FEE CHARGES**

8/21/2008

	<u>Actual 12/31/2006</u>	<u>Actual 12/31/2007</u>	<u>2008 Adopted Budget</u>	<u>2008 Projection</u>	<u>2009 Recommended Budget</u>
Revenues					
MN Twins Regular Season Net Revenues	\$ 1,853,890	\$ 1,532,581	\$ 2,027,640	\$ 1,474,200	\$ 1,474,200
MN Twins Post Season Net Revenues	65,276	-	-	-	-
MN Vikings Regular Season Net Revenues	6,643,448	6,203,621	5,802,480	6,668,920	6,668,920
U of M Gopher Football Net Revenues	183,463	168,466	140,060	168,240	-
Other Events Net Revenues	1,646,531	1,603,357	1,638,000	1,568,000	1,830,800
Miscellaneous Revenues	3,687,578	3,233,078	2,859,500	3,053,500	3,053,500
Investment Income	808,403	1,071,484	350,000	500,000	500,000
Total revenues	<u>\$ 14,888,589</u>	<u>\$ 13,812,587</u>	<u>\$ 12,817,680</u>	<u>\$ 13,432,860</u>	<u>\$ 13,527,420</u>
Expenses					
Operating expenses:					
Personal services	\$ 3,639,189	\$ 3,724,557	\$ 3,915,000	\$ 3,854,000	\$ 3,954,000
Professional services	412,441	307,839	430,000	417,500	420,000
Contractual building services	4,334,432	4,705,832	4,770,000	4,720,000	4,685,000
Audio-visual maintenance costs	362,744	346,100	435,000	410,000	358,000
Travel and meetings	42,202	41,722	65,000	55,000	50,000
Supplies, repairs and maintenance	721,821	885,713	1,010,400	934,000	900,400
Utilities	3,526,626	3,729,779	3,720,000	3,720,000	3,750,000
Insurance	481,715	551,483	543,000	543,000	561,500
Communication	87,055	93,603	90,000	90,000	105,000
Miscellaneous	2,122,612	2,085,575	2,030,000	2,680,000	3,402,500
Less: reimbursed expenses	<u>(3,252,070)</u>	<u>(3,396,363)</u>	<u>(3,255,000)</u>	<u>(3,255,000)</u>	<u>(3,105,000)</u>
Subtotal operating expenses	<u>\$ 12,478,767</u>	<u>\$ 13,075,840</u>	<u>\$ 13,753,400</u>	<u>\$ 14,168,500</u>	<u>\$ 15,081,400</u>
Repairs, Replacements and Improvements	1,939,853	627,573	620,000	635,000	635,000
Concessions - Repair and maintenance	381,774	312,003	350,000	350,000	350,000
Concessions - Replacements and new equipment	378,432	221,874	400,000	400,000	200,000
Concessions - Promotions expense	127,868	127,923	100,000	125,000	100,000
Total expenses	<u>\$ 15,306,694</u>	<u>\$ 14,365,213</u>	<u>\$ 15,223,400</u>	<u>\$ 15,678,500</u>	<u>\$ 16,366,400</u>
Change in Account Balances	\$ (418,105)	\$ (552,626)	\$ (2,405,720)	\$ (2,245,640)	\$ (2,838,980)
Beginning Account Balances	<u>\$ 17,600,392</u>	<u>\$ 17,182,287</u>	<u>\$ 16,629,661</u>	<u>\$ 16,629,661</u>	<u>\$ 14,384,021</u>
Ending Account Balances	<u>\$ 17,182,287</u>	<u>\$ 16,629,661</u>	<u>\$ 14,223,941</u>	<u>\$ 14,384,021</u>	<u>\$ 11,545,041</u>
Recap Ending Account Balances:					
Operating Account	\$ 9,564,850	\$ 8,970,302	\$ 6,744,282	\$ 6,894,662	\$ 4,000,682
Repair, Replacements & Improvements Account	5,742,436	5,114,863	4,494,863	4,479,863	3,844,863
Concessions Reserve Account	1,875,001	2,544,496	2,984,796	3,009,496	3,699,496
Total Ending Account Balances	<u>\$ 17,182,287</u>	<u>\$ 16,629,661</u>	<u>\$ 14,223,941</u>	<u>\$ 14,384,021</u>	<u>\$ 11,545,041</u>

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES**

8/21/2008

Account Number	Account Title	Actual 12/31/2006	Actual 12/31/2007	2008 Adopted Budget	2008 Projection	2009 Recommended Budget
OPERATING ACCOUNT:						
Revenues:						
MN Twins Regular Season Revenues:						
	Tickets sold	2,285,018	2,296,347	2,200,000	2,200,000	2,200,000
	Number of games	81	81	81	81	81
A-100-430	Concessions receipts	\$ 16,535,463	\$ 16,584,589	\$ 15,928,000	\$ 16,240,000	\$ 16,240,000
A-100-521	(MN Twins share of concessions receipts)	(6,721,463)	(6,675,393)	(5,792,000)	(6,496,000)	(6,496,000)
A-5202	Cost of concessions operations	(8,180,370)	(8,567,499)	(8,282,560)	(8,444,800)	(8,444,800)
	Net concessions profit to MSFC	\$ 1,633,630	\$ 1,341,697	\$ 1,853,440	\$ 1,299,200	\$ 1,299,200
	% Concessions gross to MSFC	9.88%	8.09%	11.64%	8.00%	8.00%
A-100-440	Plaza concessions receipts	\$ 495,325	\$ 519,983	\$ 484,000	\$ 500,000	\$ 500,000
A-5215	MN Twins share of plaza concessions receipts	(220,374)	(247,374)	(217,800)	(225,000)	(225,000)
	Cost of plaza concessions operations	(250,185)	(246,611)	(242,000)	(250,000)	(250,000)
	Net plaza concessions profit to MSFC	\$ 24,766	\$ 25,998	\$ 24,200	\$ 25,000	\$ 25,000
	% of Plaza concessions gross to MSFC	5.00%	5.00%	5.00%	5.00%	5.00%
A-100-450	Admission tax	\$ 3,908,466	\$ 4,478,762	\$ 3,384,000	\$ 3,894,000	\$ 3,894,000
A-100-420	Parking	49,599	48,016	50,000	50,000	50,000
A-100-473	Share of novelties	145,895	116,870	100,000	100,000	100,000
	Subtotal admission tax, parking & share of novelties	\$ 4,103,960	\$ 4,643,648	\$ 3,534,000	\$ 4,044,000	\$ 4,044,000
	Subtotal MN Twins Regular Season Revenues	\$ 5,762,356	\$ 6,011,343	\$ 5,411,640	\$ 5,368,200	\$ 5,368,200
A-100-460	(Less: Facilities Cost Credit)	(3,908,466)	(4,478,762)	(3,384,000)	(3,894,000)	(3,894,000)
	Net MN Twins Regular Season Revenues	\$ 1,853,890	\$ 1,532,581	\$ 2,027,640	\$ 1,474,200	\$ 1,474,200
MN Twins Post Season Revenues:						
	Tickets sold	111,252	-	-	-	-
	Number of games	2	-	-	-	-
A-100-430	Concessions receipts	\$ 1,066,785	\$ -	\$ -	\$ -	\$ -
A-100-521	(MN Twins share of concessions receipts)	(480,053)	-	-	-	-
A-5202	Cost of concessions operations	(527,756)	-	-	-	-
	Net concessions profit to MSFC	\$ 58,976	\$ -	\$ -	\$ -	\$ -
	% Concessions gross to MSFC	5.53%	#DIV/0!	0.00%	0.00%	0.00%
A-100-440	Plaza concession receipts	\$ 44,125	\$ -	\$ -	\$ -	\$ -
A-100-521	(MN Twins share of plaza concession receipts)	(21,711)	-	-	-	-
A-5206	Cost of plaza concession operations	(20,208)	-	-	-	-
	Net plaza concession profit to MSFC	\$ 2,206	\$ -	\$ -	\$ -	\$ -
	% Plaza concession gross to MSFC	5.00%	#DIV/0!	0.00%	0.00%	0.00%

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

Account Number	Account Title	Actual 12/31/2006	Actual 12/31/2007	2008 Adopted Budget	2008 Projection	2009 Recommended Budget
OPERATING ACCOUNT (continued):						
Revenues:						
A-100-450	Admission tax	\$ 314,626	\$ -	\$ -	\$ -	\$ -
A-100-410	Rent	94	-	-	-	-
A-100-420	Parking	4,000	-	-	-	-
	Subtotal admission tax, rent & parking	<u>\$ 318,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Subtotal MN Twins Post Season Revenues	\$ 379,902	\$ -	\$ -	\$ -	\$ -
A-100-460	(Less: Facilities Cost Credit	<u>(314,626)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Net MN Twins Post Season Revenues	<u>\$ 65,276</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MN Vikings Regular Season Revenues:						
	Tickets sold	678,134	610,827	625,000	625,000	625,000
	Number of games	11	10	10	10	10
A-200-430	(Concessions receipts	\$ 6,329,994	\$ 5,937,576	\$ 5,831,000	\$ 6,429,000	\$ 6,429,000
A-200-521	(MN Vikings share of concessions receipts	<u>(922,172)</u>	<u>(890,636)</u>	<u>(882,000)</u>	<u>(964,000)</u>	<u>(964,000)</u>
A-5202	Cost of concessions operations	<u>(3,131,554)</u>	<u>(3,067,316)</u>	<u>(3,032,120)</u>	<u>(3,343,080)</u>	<u>(3,343,080)</u>
	Net concessions profit to MSFC	<u>\$ 2,276,268</u>	<u>\$ 1,979,624</u>	<u>\$ 1,916,880</u>	<u>\$ 2,121,920</u>	<u>\$ 2,121,920</u>
	% Concessions gross to MSFC	35.96%	33.34%	32.87%	33.01%	33.01%
A-200-440	(Plaza concession receipts	\$ 118,922	\$ 86,187	\$ 112,000	\$ 100,000	\$ 100,000
A-5215	MN Vikings share of plaza concessions receipts	<u>(55,896)</u>	<u>(37,000)</u>	<u>(50,400)</u>	<u>(45,000)</u>	<u>(45,000)</u>
	Cost of plaza concessions operations	<u>(57,080)</u>	<u>(44,877)</u>	<u>(56,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>
	Net plaza concessions profit to MSFC	<u>\$ 5,946</u>	<u>\$ 4,310</u>	<u>\$ 5,600</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
	% of Plaza concessions gross to MSFC	5.00%	5.00%	5.00%	5.00%	5.00%
A-200-450	(Admission tax	\$ 4,355,489	\$ 4,193,656	\$ 3,875,000	\$ 4,537,000	\$ 4,537,000
A-200-410	(Rent	4,087,680	3,938,108	3,608,000	4,223,000	4,223,000
A-200-473	(Share of novelties	<u>5,745</u>	<u>26,031</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
	Subtotal admission tax, rent, parking & share of novelties	<u>\$ 8,448,914</u>	<u>\$ 8,157,795</u>	<u>\$ 7,488,000</u>	<u>\$ 8,765,000</u>	<u>\$ 8,765,000</u>
	Subtotal MN Vikings Regular Season Revenues	\$ 10,731,128	\$ 10,141,729	\$ 9,410,480	\$ 10,891,920	\$ 10,891,920
A-200-460	(Less: Facilities cost credit	<u>(4,087,680)</u>	<u>(3,938,108)</u>	<u>(3,608,000)</u>	<u>(4,223,000)</u>	<u>(4,223,000)</u>
	Net MN Vikings Regular Season Revenues	<u>\$ 6,643,448</u>	<u>\$ 6,203,621</u>	<u>\$ 5,802,480</u>	<u>\$ 6,668,920</u>	<u>\$ 6,668,920</u>

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES**

8/21/2008

Account Number	Account Title	Actual 12/31/2006	Actual 12/31/2007	2008 Adopted Budget	2008 Projection	2009 Recommended Budget
OPERATING ACCOUNT (continued):						
Revenues:						
U of M Gopher Football Revenues:						
	Tickets sold	274,628	302,148	315,000	315,000	-
	Number of games	6	7	7	7	-
A-300-430	Concessions receipts	\$ 1,696,146	\$ 1,955,047	\$ 1,947,000	\$ 2,038,000	\$ -
A-300-521	U of M Gopher Football share of concessions receipts	(678,458)	(782,019)	(799,000)	(815,000)	-
A-5202	Cost of concessions operations	(839,112)	(1,009,966)	(1,012,440)	(1,059,760)	-
	Net concessions profit to MSFC	\$ 178,576	\$ 163,062	\$ 135,560	\$ 163,240	\$ -
	% Concessions gross to MSFC	10.53%	8.34%	6.96%	8.01%	#DIV/0!
A-300-440	Plaza concessions receipts	\$ 48,867	\$ 66,646	\$ 50,000	\$ 60,000	\$ -
A-5215	U of M Gopher Football share of plaza concessions rece	(21,956)	(32,290)	(22,500)	(27,000)	-
A-5206	Cost of plaza concessions operations	(24,468)	(31,024)	(25,000)	(30,000)	-
	Net plaza concessions profit to MSFC	\$ 2,443	\$ 3,332	\$ 2,500	\$ 3,000	\$ -
	% Plaza concessions gross to MSFC	5.00%	5.00%	5.00%	5.00%	#DIV/0!
A-300-450	Admission tax	\$ 789,088	\$ 898,707	\$ 779,000	\$ 820,000	\$ -
A-300-420	Parking	2,444	2,072	2,000	2,000	-
	Subtotal admission tax & parking	\$ 791,532	\$ 900,779	\$ 781,000	\$ 822,000	\$ -
	Subtotal U of M Gopher Football Revenues	\$ 972,551	\$ 1,067,173	\$ 919,060	\$ 988,240	\$ -
	Less: Facilities cost credit	(789,088)	(898,707)	(779,000)	(820,000)	-
	Net U of M Gopher Football Revenues	\$ 183,463	\$ 168,466	\$ 140,060	\$ 168,240	\$ -
Other Events Revenues:						
	Attendance	337,770	195,028	400,000	400,000	460,000
A-900-430	Concessions receipts	\$ 1,752,676	\$ 1,808,020	\$ 2,100,000	\$ 2,100,000	\$ 2,460,000
A-900-521	Other events share of concessions receipts (Twins fest)	(77,880)	(97,433)	(20,000)	(90,000)	(90,000)
A-5202	Cost of concessions and plaza operations	(882,347)	(886,897)	(1,092,000)	(1,092,000)	(1,439,200)
	Net concessions profit to MSFC	\$ 792,449	\$ 823,690	\$ 988,000	\$ 918,000	\$ 930,800
	% Concessions gross to MSFC	45.21%	45.56%	47.05%	43.71%	37.84%
A-900-450	Admission tax	\$ 481,687	\$ 338,576	\$ 300,000	\$ 300,000	\$ 550,000
A-900-410	Rent	324,132	392,711	300,000	300,000	300,000
A-900-420	Parking	16,283	15,946	20,000	20,000	20,000
A-950-473	Share of novelties	31,980	32,434	30,000	30,000	30,000
	Subtotal admission tax, rent, parking & share of novelties	\$ 854,082	\$ 779,667	\$ 650,000	\$ 650,000	\$ 900,000
	Total Other Events Revenues	\$ 1,646,531	\$ 1,603,357	\$ 1,638,000	\$ 1,568,000	\$ 1,830,800

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

Account Number	Account Title	Actual 12/31/2006	Actual 12/31/2007	2008 Adopted Budget	2008 Projection	2009 Recommended Budget
OPERATING ACCOUNT (continued):						
Revenues:						
Miscellaneous Revenues:						
A-200-4102	Private box annual payment	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
A-950-4720	Private box commissions	427,806	453,787	400,000	400,000	400,000
	Less: Twins share of private box commissions	(41,870)	(48,514)	(42,000)	(42,000)	(42,000)
A-4204	City of Minneapolis parking agreement	75,000	75,000	75,000	75,000	75,000
A-950-4722	MN Running Club	400	374	500	500	500
A-950-4726	In-Line Skating	10,000	10,213	10,000	10,000	10,000
A-950-4740	Miscellaneous	337,379	36,225	15,000	15,000	15,000
A-950-4744	Building Use fee	208,300	204,600	190,000	190,000	190,000
A-950-4748	Advertising	2,261,410	2,094,291	1,800,000	2,000,000	2,000,000
A-950-4750	Tour fees	9,153	7,102	11,000	5,000	5,000
	Total Miscellaneous revenues	\$ 3,687,578	\$ 3,233,078	\$ 2,859,500	\$ 3,053,500	\$ 3,053,500
Interest Income:						
A-950-4610	Interest	\$ 808,403	\$ 1,071,484	\$ 350,000	\$ 500,000	\$ 500,000
	Total Revenues	\$ 14,888,589	\$ 13,812,587	\$ 12,817,680	\$ 13,432,860	\$ 13,527,420
Expenses:						
Personal services:						
A-5112/6	Wages-full-time and part-time	\$ 2,900,414	\$ 2,944,280	\$ 3,100,000	\$ 3,047,000	\$ 3,120,400
A-5122	Employee retirement	89,251	107,803	110,000	112,000	113,000
A-5124	Health insurance	355,082	378,245	377,000	391,000	393,400
A-5126	Life insurance	8,316	7,973	11,000	8,000	11,000
A-5128	Disability insurance	4,258	3,295	7,000	3,000	7,000
A-5130	Dental insurance	16,157	16,553	19,000	17,000	19,000
A-5142	FICA & Medicare costs	215,723	220,860	231,000	229,000	232,700
A-5144	Workers compensation insurance	48,440	43,609	55,000	45,000	55,000
A-5146	Unemployment compensation	1,548	1,939	5,000	2,000	2,500
	Subtotal personal services	\$ 3,639,189	\$ 3,724,557	\$ 3,915,000	\$ 3,854,000	\$ 3,954,000
Professional services:						
A-5222	Consulting Services					
	Affirmative Action/Human Resources	\$ 25,270	\$ 5,040	\$ 15,000	\$ 15,000	\$ 15,000
	Public Affairs	12,000	-	-	-	-
	Risk Management	13,106	5,392	10,000	2,500	-
	Other	66,547	20,249	50,000	50,000	50,000
A-5223	Investment advisor and custodian	53,928	54,096	55,000	55,000	55,000
A-5232	Legal services-general counsel and legislative represent	196,901	187,712	250,000	250,000	250,000
A-5234	Audit fees	44,689	35,350	50,000	45,000	50,000
	Subtotal professional services	\$ 412,441	\$ 307,839	\$ 430,000	\$ 417,500	\$ 420,000

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

Account Number	Account Title	Actual 12/31/2006	Actual 12/31/2007	2008 Adopted Budget	2008 Projection	2009 Recommended Budget
OPERATING ACCOUNT (continued):						
Expenses:						
Contractual building services:						
A-5240	Stadium cleaning supplies	\$ 350,816	\$ 473,917	\$ 350,000	\$ 400,000	\$ 350,000
A-5241	Stadium cleaning services	2,095,845	2,224,229	2,400,000	2,300,000	2,300,000
A-5243	Building maintenance-contractual	877,376	931,566	900,000	920,000	935,000
A-5244	Tent/plaza expense	286,574	332,533	350,000	350,000	335,000
A-5245	Relamp field lights	30,022	32,982	40,000	35,000	40,000
A-5247	Other labor services	379,993	375,716	400,000	385,000	385,000
A-5250	Painting-contractual	185,897	232,555	200,000	200,000	240,000
A-5252	Turf cleaning	127,909	102,334	130,000	130,000	100,000
	Subtotal contractual building services	\$ 4,334,432	\$ 4,705,832	\$ 4,770,000	\$ 4,720,000	\$ 4,685,000
Audio-visual maintenance costs:						
A-5246	Ad panel and marquee maintenance	\$ 8,419	\$ 5,892	\$ 10,000	\$ 10,000	\$ 10,000
A-5255	Video production	-	-	-	-	-
A-5256	Color scoreboard	122,356	149,994	180,000	150,000	150,000
A-5257	Black and white scoreboard	123,440	74,230	125,000	125,000	80,000
A-5259	Sound system	70,881	67,952	75,000	75,000	70,000
A-5260	TV system service	37,648	48,032	45,000	50,000	48,000
	Subtotal audio-visual maintenance costs	\$ 362,744	\$ 346,100	\$ 435,000	\$ 410,000	\$ 358,000
Travel and meetings:						
A-5272	Local travel and meetings	\$ 19,189	\$ 18,906	\$ 30,000	\$ 20,000	\$ 20,000
A-5274	Out-of-town travel and meetings	23,013	22,816	35,000	35,000	30,000
	Subtotal travel and meetings	\$ 42,202	\$ 41,722	\$ 65,000	\$ 55,000	\$ 50,000
Supplies, repairs and maintenance:						
A-5304	Office supplies	\$ 27,690	\$ 31,270	\$ 35,000	\$ 35,000	\$ 35,000
A-5306	First aid supplies and related costs	28,678	50,669	30,000	50,000	55,000
A-5308/12	Office equipment and repairs	5,516	6,832	7,000	5,000	7,000
A-5316	Parking lot supplies, maintenance and snow removal	41,220	64,979	95,000	70,000	70,000
A-5320	Building maintenance supplies	337,113	424,584	500,000	450,000	450,000
A-5324	Motor fuel	14,525	15,666	18,000	18,000	18,000
A-5328	Equipment repairs	25,383	21,580	45,000	25,000	25,000
A-5329	Computer administration costs and supplies	114,224	157,939	120,000	120,000	120,000
A-5332	Field maintenance supplies and field lights	79,030	68,968	90,000	90,000	70,000
A-5333	Artificial turf repairs and plywood storage	20,400	20,400	20,400	21,000	20,400
A-5335	Security	28,042	22,826	50,000	50,000	30,000
	Subtotal supplies, repairs and maintenance	\$ 721,821	\$ 885,713	\$ 1,010,400	\$ 934,000	\$ 900,400

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

Account Number	Account Title	Actual 12/31/2006	Actual 12/31/2007	2008 Adopted Budget	2008 Projection	2009 Recommended Budget
OPERATING ACCOUNT (continued):						
Expenses:						
Utilities:						
A-5402	Sewer and water	\$ 316,041	\$ 354,967	\$ 320,000	\$ 320,000	\$ 350,000
A-5403	Electricity	975,300	1,043,102	1,000,000	1,000,000	950,000
A-5404	Heating	1,478,336	1,520,912	1,500,000	1,500,000	1,600,000
A-5405	Air conditioning	756,949	810,798	900,000	900,000	850,000
	Subtotal utilities	<u>\$ 3,526,626</u>	<u>\$ 3,729,779</u>	<u>\$ 3,720,000</u>	<u>\$ 3,720,000</u>	<u>\$ 3,750,000</u>
Insurance:						
A-5411	Liability-general and umbrella (includes terrorism)	\$ 242,159	\$ 250,129	\$ 255,000	\$ 255,000	\$ 250,000
A-5412	Property (includes terrorism)	229,121	291,297	275,000	275,000	300,000
A-5415	Auto	1,860	1,482	4,000	4,000	2,500
A-5416	Crime	8,575	8,575	9,000	9,000	9,000
	Subtotal insurance	<u>\$ 481,715</u>	<u>\$ 551,483</u>	<u>\$ 543,000</u>	<u>\$ 543,000</u>	<u>\$ 561,500</u>
Communication:						
A-5432	Postage and delivery services	\$ 14,040	\$ 18,142	\$ 15,000	\$ 15,000	\$ 25,000
A-5434	Telephone	73,015	75,461	75,000	75,000	80,000
	Subtotal communication	<u>\$ 87,055</u>	<u>\$ 93,603</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 105,000</u>
Miscellaneous:						
A-5302	Tour expense	\$ 7,613	\$ 7,521	\$ 12,000	\$ 12,000	\$ 9,000
A-5502	Personnel recruitment	5,404	2,315	10,000	10,000	2,500
A-5503	Bid specifications	6,542	5,030	10,000	10,000	5,000
A-5504	Notices public meetings	1,305	2,846	1,000	1,000	2,000
A-5510	Equipment rental	11,425	4,041	10,000	10,000	10,000
A-5512	Special occasion fund	500	14,573	10,000	10,000	-
A-5514	Commissioners expense	14,945	14,895	40,000	40,000	25,000
A-5516	Dues and subscriptions	9,345	9,033	10,000	10,000	10,000
A-5518	Books and pamphlets	64	428	2,000	2,000	1,000
A-5522	License and inspection fees	10,831	11,105	15,000	15,000	13,000
A-5524	Miscellaneous	9,715	18,347	10,000	10,000	10,000
A-5528	Event services and event related costs	497,544	546,703	700,000	600,000	600,000
A-5533	Facilities planning, research, public information, pymt t	390,158	1,082,666	750,000	1,500,000	1,500,000
A-5544	NCAA expense	710,450	1,483	-	-	800,000
A-5545	Marketing expense	197,628	126,335	200,000	200,000	165,000
A-5546	Advertising expense	249,143	238,254	250,000	250,000	250,000
	Subtotal miscellaneous	<u>\$ 2,122,612</u>	<u>\$ 2,085,575</u>	<u>\$ 2,030,000</u>	<u>\$ 2,680,000</u>	<u>\$ 3,402,500</u>

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

Account Number	Account Title	Actual 12/31/2006	Actual 12/31/2007	2008 Adopted Budget	2008 Projection	2009 Recommended Budget
OPERATING ACCOUNT (continued):						
Expenses:						
Less: reimbursed expenses:						
A-100-441	(MN Twins reimbursed expenses	\$ (2,139,242)	\$ (2,230,439)	\$ (2,140,000)	\$ (2,140,000)	\$ (2,200,000)
A-200-441	(MN Vikings reimbursed expenses	(574,995)	(546,947)	(575,000)	(575,000)	(550,000)
A-300-441	(U of M Gopher reimbursed expenses	(294,135)	(363,908)	(295,000)	(295,000)	(100,000)
A-900-441	(Other events reimbursed expenses	(9,952)	(10,491)	(10,000)	(10,000)	(10,000)
A-950-441	(Miscellaneous reimbursed expenses	(233,746)	(244,578)	(235,000)	(235,000)	(245,000)
	Subtotal reimbursed expenses	<u>\$ (3,252,070)</u>	<u>\$ (3,396,363)</u>	<u>\$ (3,255,000)</u>	<u>\$ (3,255,000)</u>	<u>\$ (3,105,000)</u>
	Total expenses	<u>\$ 12,478,767</u>	<u>\$ 13,075,840</u>	<u>\$ 13,753,400</u>	<u>\$ 14,168,500</u>	<u>\$ 15,081,400</u>
Transfers out:						
A-5734	Transfer to Concessions- Repair and maintenance	\$ 555,569	\$ 532,518	\$ 516,120	\$ 536,000	\$ 536,000
A-5736	Transfer to Concessions-Replacements and new equipm	555,569	532,518	516,120	536,000	536,000
A-5738	Transfer to Concessions-Promotions	277,784	266,259	258,060	268,000	268,000
	Subtotal transfers out	<u>\$ 1,388,922</u>	<u>\$ 1,331,295</u>	<u>\$ 1,290,300</u>	<u>\$ 1,340,000</u>	<u>\$ 1,340,000</u>
	Total Expenses and Transfers Out	<u>\$ 13,867,689</u>	<u>\$ 14,407,135</u>	<u>\$ 15,043,700</u>	<u>\$ 15,508,500</u>	<u>\$ 16,421,400</u>
	Change in Account Balance	\$ 1,020,900	\$ (594,548)	\$ (2,226,020)	\$ (2,075,640)	\$ (2,893,980)
	Beginning Operating Account Balance	<u>\$ 8,543,950</u>	<u>\$ 9,564,850</u>	<u>\$ 8,970,302</u>	<u>\$ 8,970,302</u>	<u>\$ 6,894,662</u>
	Ending Operating Account Balance	<u>\$ 9,564,850</u>	<u>\$ 8,970,302</u>	<u>\$ 6,744,282</u>	<u>\$ 6,894,662</u>	<u>\$ 4,000,682</u>

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

Account Number	Account Title	Actual 12/31/2006	Actual 12/31/2007	2008 Adopted Budget	2008 Projection	2009 Recommended Budget
REPAIR, REPLACEMENTS and IMPROVEMENTS ACCOUNT						
Expenses:						
	Audio and video projects	\$ 45,811	\$ -	\$ 110,000	\$ 125,000	\$ 125,000
	Building improvement/replacement projects	-	-	200,000	200,000	200,000
	Equipment new/replacement projects	360,477	627,573	300,000	300,000	300,000
	Concessions improvement-Point of Sale project	933,554	-	-	-	-
	Miscellaneous projects	-	-	10,000	10,000	10,000
	Terrace Suite II	600,011	-	-	-	-
	Total expenses	\$ 1,939,853	\$ 627,573	\$ 620,000	\$ 635,000	\$ 635,000
	Change in Account Balance	\$ (1,939,853)	\$ (627,573)	\$ (620,000)	\$ (635,000)	\$ (635,000)
	Beginning Repair, Replacements & Improvements Accc	\$ 7,682,289	\$ 5,742,436	\$ 5,114,863	\$ 5,114,863	\$ 4,479,863
	Ending Repair, Replacements & Improvements Accoun	\$ 5,742,436	\$ 5,114,863	\$ 4,494,863	\$ 4,479,863	\$ 3,844,863

CONCESSIONS RESERVE ACCOUNTS

Transfers In:

	Transfer from operating account	\$ 1,388,922	\$ 1,331,295	\$ 1,290,300	\$ 1,340,000	\$ 1,340,000
	Subtotal Transfers in	\$ 1,388,922	\$ 1,331,295	\$ 1,290,300	\$ 1,340,000	\$ 1,340,000

Expenses:

	"F" Concessions - Repair and maintenance	\$ 381,774	\$ 312,003	\$ 350,000	\$ 350,000	\$ 350,000
	"G" Concessions - Replacements and new equipment	378,432	221,874	400,000	400,000	200,000
	"H" Concessions - Promotions expense	127,868	127,923	100,000	125,000	100,000
	Subtotal Concessions repair, replacements, and promotion	\$ 888,074	\$ 661,800	\$ 850,000	\$ 875,000	\$ 650,000
	Total Expenses	\$ 888,074	\$ 661,800	\$ 850,000	\$ 875,000	\$ 650,000
	Change in Account Balance	\$ 500,848	\$ 669,495	\$ 440,300	\$ 465,000	\$ 690,000
	Beginning Concessions Reserve Account Balance	\$ 1,374,153	\$ 1,875,001	\$ 2,544,496	\$ 2,544,496	\$ 3,009,496
	Ending Concessions Reserve Account Balance	\$ 1,875,001	\$ 2,544,496	\$ 2,984,796	\$ 3,009,496	\$ 3,699,496

METROPOLITAN SPORTS FACILITIES COMMISSION
 NOTES ON YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

	<u>Actual</u> <u>12/31/2006</u>	<u>Actual</u> <u>12/31/2007</u>	<u>2008</u> <u>Adopted</u> <u>Budget</u>	<u>2008</u> <u>Projection</u>	<u>2009</u> <u>Recommended</u> <u>Budget</u>
NOTE 1:					
MN Twins (regular season)					
Number of games	81	81	81	81	81
Attendance (tickets sold)	2,285,018	2,296,347	2,200,000	2,200,000	2,200,000
Attendance (turnstile)	2,080,573	2,042,893	2,000,000	2,000,000	2,000,000
Average ticket price	\$ 17.92	\$ 20.62	\$ 17.92	\$ 20.62	\$ 20.62
Concession per cap (tickets sold)	\$ 7.24	\$ 7.22	\$ 7.24	\$ 7.38	\$ 7.38
Concession per cap (turnstile)	\$ 7.95	\$ 8.12	\$ 7.96	\$ 8.12	\$ 8.12
MN Twins share of concession receipts	35%, 45%	35%, 45%	35%, 45%	35%, 45%	35%, 45%
Admission taxes paid on all tickets	10%	10%	10%	10%	10%
MN Vikings (regular season)					
Number of games	11	10	10	10	10
Attendance (tickets sold)	678,134	610,827	625,000	625,000	625,000
Attendance (turnstile)	609,951	540,250	585,000	585,000	585,000
Average ticket price	\$ 72.23	\$ 84.56	\$ 72.23	\$ 84.56	\$ 84.56
Concession per cap (tickets sold)	\$ 9.33	\$ 9.72	\$ 9.33	\$ 10.29	\$ 10.29
Concession per cap (turnstile)	\$ 10.38	\$ 10.99	\$ 9.97	\$ 10.99	\$ 10.99
Rent	9.50%	9.50%	9.50%	9.50%	9.50%
MN Vikings share of concession receipts	10% - 2005 season 15% - 2006 season	15%	15%	15%	15%
Admission taxes paid on all tickets	10%	10%	10%	10%	10%
U of M Gopher Football					
Number of games	6	7	7	7	n/a
Attendance	274,628	302,148	315,000	315,000	n/a
Average ticket price	\$ 28.81	\$ 30.34	\$ 28.81	\$ 30.34	n/a
Concession per cap (tickets sold + comps)	\$ 6.18	\$ 6.47	\$ 6.18	\$ 6.47	n/a
U of M Gopher share of concession receipts	40%	40%	40%	40%	n/a
Admission taxes paid on all tickets	10%	10%	10%	10%	n/a

METROPOLITAN SPORTS FACILITIES COMMISSION
NOTES ON YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

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NOTE 2:	Actual	Actual	2008	2008	2009
Other Event Days	<u>12/31/2006</u>	<u>12/31/2007</u>	<u>Adopted</u>	<u>Projection</u>	<u>Recommended</u>
			<u>Budget</u>		<u>Budget</u>
Amateur baseball, football, and soccer events	102	112	110	125	110
College sporting events	55	76	25	81	25
High school sport events	8	7	7	7	7
In-line skating	70	69	75	75	75
U of M Dairy Queen baseball classic	3	3	3	3	3
U of M alumni baseball/football scrimmage	2	1	1	1	1
U of M Baseball	18	8	12	14	7
Motor Sports	3	3	4	3	2
Golf Show	3	3	3	3	3
Corporate sponsorship days and other events	13	18	13	15	13
Twins Fest	3	3	3	3	3
NCAA Regionals	2	-	-	-	2
Home and Landscape Show	6	6	6	6	6
Concerts	1	1	1	1	1
Hmong New Year	2	2	2	2	2
U of M Softball	-	-	-	4	4
MN Thunder Soccer	-	1	-	1	1
Total Other Event Days	<u>291</u>	<u>313</u>	<u>265</u>	<u>344</u>	<u>265</u>

NOTE 3:

Concessions Receipts "2009"

The Commission owns the concessions in the Metrodome and has a concession services agreement with Centerplate to operate the concessions. Centerplate receives 5% of the net concessions operating profit and the Commission receives the remaining 95%. The Commission distributes a portion of the net operating profits to the major tenants based upon the terms of the individual use agreements.

	2009
	<u>Recommended</u>
	<u>Budget</u>
Concessions receipts	\$ 25,129,000
Teams' share of concessions receipts	(7,550,000)
Cost of concessions operations	<u>(13,227,080)</u>
Net concessions profit to MSFC	<u>\$ 4,351,920</u>
% Concessions gross to MSFC	<u>17.32%</u>
Plaza concessions receipts	\$ 600,000
Teams' share of plaza concessions receipts	(270,000)
Cost of plaza concessions operations	<u>(300,000)</u>
Net plaza concessions profit to MSFC	<u>\$ 30,000</u>
% Plaza concessions gross to MSFC	<u>5.00%</u>

**METROPOLITAN SPORTS FACILITIES COMMISSION
 NOTES ON YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES**

8/21/2008

Facilities Cost Credit "2009"

In 1998 the Commission created the facilities cost credit to assist the major tenants in enhancing team revenues and/or reducing event day cost of operations in the Metrodome. Since 1999 the Commission has issued a payment to the Minnesota Twins that is equal to the admission tax for their events in the Metrodome. At the request of the Minnesota Vikings, the Commission waived the required rent payment in lieu of the facilities cost credit. Although the facilities cost credit may not exceed the admission tax amount for each team's events, the tax is not waived or pledged to the teams.

	2009
	Recommended
	<u>Budget</u>
MN Twins	\$ 3,894,000
MN Vikings	<u>4,223,000</u>
Total facilities cost credit	<u>\$ 8,117,000</u>

NOTE 4:

Professional Contracts "2009"

Advertising	Information technology
Affirmative Action/human resources	Investment advisor and custodian
Construction/Architectural Management	Legal and legislative representation
Financial Analysis	Marketing

METROPOLITAN SPORTS FACILITIES COMMISSION
NOTES ON YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

NOTE 5:

	<u>Actual</u>	<u>Actual</u>	<u>2008</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
	<u>12/31/2006</u>	<u>12/31/2007</u>	<u>Adopted</u>	<u>Projection</u>	<u>Recommended</u>	<u>Forecast</u>
			<u>Budget</u>		<u>Budget</u>	
Repair, Replacement and Improvements						
Audio and video projects:						
Domevision, video equipment, scoreboard replacement	\$ 45,811	\$ -	\$ 50,000	\$ 50,000	\$ 75,000	\$ 75,000
Domevision, video equipment, scoreboard-new	-	-	15,000	-	-	-
Sound equipment replacement	-	-	30,000	30,000	50,000	50,000
Sound equipment-new	-	-	15,000	15,000	-	-
Subtotal	<u>45,811</u>	<u>-</u>	<u>110,000</u>	<u>95,000</u>	<u>125,000</u>	<u>125,000</u>
Building improvement/replacement projects:						
Various building replacements	-	-	200,000	200,000	200,000	200,000
Subtotal	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Equipment new/replacement projects:						
Various equipment replacement	360,477	627,573	75,000	100,000	200,000	200,000
Various equipment-new	-	-	200,000	200,000	100,000	100,000
Computer upgrades	-	-	25,000	-	-	-
Subtotal	<u>360,477</u>	<u>627,573</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Concessions improvement-Point of Sale project	<u>933,554</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous projects	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Terrace Suite II	<u>600,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,939,853</u>	<u>\$ 627,573</u>	<u>\$ 620,000</u>	<u>\$ 605,000</u>	<u>\$ 635,000</u>	<u>\$ 635,000</u>

METROPOLITAN SPORTS FACILITIES COMMISSION
NOTES ON YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

NOTE 6:	Full-time
Personnel	<u>Positions</u>
Full-time positions:	
Exempt:	
Executive Director	1.0
Director of Operations	1.0
Director of Facilities and Engineering	1.0
Director of Finance	1.0
Technical Services Manager	1.0
Cleaning Services Manager	1.0
Event Services Manager	1.0
Security Manager	1.0
Supervisor Field and Grounds	1.0
Subtotal full-time exempt positions	<u>9.0</u>
Non-exempt:	
Video Production Engineer	1.0
Assistant to Finance Director (class 2)	1.0
Executive Assistant to Chair and Executive Director	1.0
Receptionist/General Secretary	1.0
Lead Security Guard - Loading Dock	1.0
Maintenance Clerk	1.0
Cleaning Custodian	1.0
Security personnel	3.0
Subtotal full-time non-exempt positions	<u>10.0</u>
Labor Agreement Personnel:	
Technical Maintenance	8.0
General Maintenance	6.0
Subtotal full-time labor agreement personnel	<u>14.0</u>
Total full-time positions	<u>33.0</u>

Part-time positions:
 Color Graphics Specialist
 Color Video Director
 Senior Video Engineer/Event Engineer
 Color Video Crew
 Black and White Message Scoreboard Crew-Graphics Specialist
 Black and White Message Scoreboard Crew
 Color Video and Production Utility
 Clerical Assistant
 Parking Lot Supervisor
 Parking Attendants
 General Maintenance

METROPOLITAN SPORTS FACILITIES COMMISSION
NOTES ON YEAR 2009 BUDGET AND REPORT ON USER FEE CHARGES

8/21/2008

NOTE 7:

2009 Proposed Reserve Account Balances

The Commission funds the cost of operations, repair and maintenance items, significant capital improvements, and concession operations from current resources and the reserve account balances. The Proposed 2009 Budget recommends reducing the reserve account balances by \$2,838,980. The proposed reserve account balances of \$11,545,041 will be used to fully fund planned future repair, replacement, and capital improvement projects, concession repairs, maintenance, replacements and promotions through 2011.

	2009 Recommended Budget
Operating Account	\$ 4,000,682
Repair, Replacements and Capital Improvements Account	3,844,863
Concessions Reserve Account	<u>3,699,496</u>
Total Reserve Account Balances	<u>\$ 11,545,041</u>

NOTE 8:

Budget Change Authority

The Executive Director or his/her designee has the authority to make line item budget adjustments within an account and to establish and adjust accounts to carry out the intent of the Commission.