

M Management Committee

Executive Summary

Item 2007- 303

Meeting date: September 12, 2007

Metropolitan Council Meeting: September 26, 2007

ADVISORY INFORMATION

Date:	September 12, 2007
Subject:	Metropolitan Sports Facilities Commission 2008 Budget, Resolution No. 2007-30
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
Division/Department:	Fiscal Services

Proposed Action/Motion

The Metropolitan Council approve Resolution No. 2007-30 granting approval of the proposed year 2008 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 16, 2007, the MSFC held a public hearing on the budget and sent it to the Council for review. Highlights of the 2008 budget are shown below. The entire budget is attached for your review.

	Operating <u>Accounts</u>	Repair/Capital/ <u>Concession Accounts</u>
Total Revenue	\$ 12,817,680	
Total Expenses	(13,653,400)	\$(1,470,000)
Transfers between funds	<u>(1,290,300)</u>	<u>1,290,300</u>
Net Increase (Decrease)	<u>\$ (2,126,020)</u>	<u>\$ (179,700)</u>
Ending Account Balance	\$ 5,932,210	\$ 7,228,037

2008 operating revenues are budgeted to be flat compared to 2007 projection. All revenue sources are budgeted to be at 2007 actual projection, except for reduced investment income. Operating expenses are budgeted to increase by approximately 3.6%. While most costs are budgeted to equal 2007 projections, there are small increases in contractual building services (\$115,000), maintenance costs (\$86,400), event services (\$100,000), insurance (\$50,000 or 10%) and utilities (\$50,000). Anticipated payroll expenses increase by 1.8% (\$68,000). The proposed budget recommends reducing the reserve account balances by \$2,305,720 to a new balance of \$13,160,247. The ending operating account balance of \$5,932,210 covers 43% of the budgeted operating expenses. Total operating and other reserve account balances of \$13,160,247 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
390 North Robert Street, St. Paul, Minnesota 55101
651 602-1000 TDD 651 291-0904

RESOLUTION NO. 2007-30

**RESOLUTION APPROVING THE 2008 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 2008 Budget and Report on User Fee Charges.

NOW, THEREFORE, BE IT RESOLVED

That the attached Metropolitan Sports Facilities Commission 2008 Budget and Report on 2008 User Fee Charges is approved.

Adopted this 26th day of September, 2007

Peter Bell, Chair

Pat Curtiss, Recording Secretary



METROPOLITAN SPORTS FACILITIES COMMISSION

**YEAR 2008 BUDGET
AND
REPORT ON USER FEE CHARGES**

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2007 BUDGET AND REPORT ON USER FEE CHARGES**

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**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2008 BUDGET SUMMARY AND REPORT ON USER FEE CHARGES**

7/19/2007

	<u>Actual</u> <u>12/31/2005</u>	<u>Actual</u> <u>12/31/2006</u>	<u>2007</u> <u>Adopted</u> <u>Budget</u>	<u>2007</u> <u>Projection</u>	<u>2008</u> <u>Recommended</u> <u>Budget</u>
Revenues					
MN Twins Regular Season Net Revenues	\$ 1,006,321	\$ 1,853,890	\$ 1,173,000	\$ 2,027,640	\$ 2,027,640
MN Twins Post Season Net Revenues	-	65,276	-	-	-
MN Vikings Regular Season Net Revenues	5,316,894	6,643,448	5,639,400	5,802,480	5,802,480
U of M Gopher Football Net Revenues	270,365	183,463	149,960	140,060	140,060
Other Events Net Revenues	1,275,637	1,646,531	1,638,000	1,638,000	1,638,000
Miscellaneous Revenues	3,908,487	3,687,578	2,791,500	2,859,500	2,859,500
Investment Income	523,089	808,403	350,000	500,000	350,000
Total revenues	\$ 12,300,793	\$ 14,888,589	\$ 11,741,860	\$ 12,967,680	\$ 12,817,680
Expenses					
Operating expenses:					
Personal services	\$ 3,453,431	\$ 3,639,189	\$ 3,847,000	\$ 3,847,000	\$ 3,915,000
Professional services	474,359	412,441	562,000	430,000	430,000
Contractual building services	3,965,868	4,334,432	4,505,000	4,555,000	4,670,000
Audio-visual maintenance costs	234,594	362,744	425,000	400,000	435,000
Travel and meetings	44,238	42,202	65,000	65,000	65,000
Supplies, repairs and maintenance	984,677	721,821	1,000,000	959,000	1,010,400
Utilities	3,237,338	3,526,626	3,575,000	3,670,000	3,720,000
Insurance	539,870	481,715	595,000	493,000	543,000
Communication	75,092	87,055	90,000	90,000	90,000
Miscellaneous	1,045,637	2,122,612	1,780,000	1,930,000	2,030,000
Less: reimbursed expenses	(2,956,830)	(3,252,070)	(3,160,000)	(3,255,000)	(3,255,000)
Subtotal operating expenses	11,098,274	12,478,767	13,284,000	13,184,000	13,653,400
Repairs, Replacements and Improvements	1,623,640	1,939,853	820,000	750,000	620,000
Concessions - Repair and maintenance	258,240	381,774	350,000	300,000	350,000
Concessions - Replacements and new equipment	260,423	378,432	350,000	350,000	400,000
Concessions - Promotions expense	79,340	127,868	73,000	100,000	100,000
Concessions Renovation expenses	-	-	-	-	-
Total expenses	\$ 13,319,917	\$ 15,306,694	\$ 14,877,000	\$ 14,684,000	\$ 15,123,400
Change in Account Balances	\$ (1,019,124)	\$ (418,105)	\$ (3,135,140)	\$ (1,716,320)	\$ (2,305,720)
Beginning Account Balances	\$ 18,619,516	\$ 17,600,392	\$ 17,182,287	\$ 17,182,287	\$ 15,465,967
Ending Account Balances	\$ 17,600,392	\$ 17,182,287	\$ 14,047,147	\$ 15,465,967	\$ 13,160,247
Recap Ending Account Balances:					
Operating Account	\$ 8,543,950	\$ 9,564,850	\$ 6,887,360	\$ 8,058,230	\$ 5,932,210
Repair, Replacements & Improvements Account	7,682,289	5,742,436	4,922,436	4,992,436	4,372,436
Concessions Reserve Account	1,374,153	1,875,001	2,237,351	2,415,301	2,855,601
Total Ending Account Balances	\$ 17,600,392	\$ 17,182,287	\$ 14,047,147	\$ 15,465,967	\$ 13,160,247

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES

7/19/2007

Account Number	Account Title	Actual 12/31/2005	Actual 12/31/2006	2007 Adopted Budget	2007 Projection	2008 Adopted Budget
OPERATING ACCOUNT:						
Revenues:						
MN Twins Regular Season Revenues:						
	Tickets sold	2,034,243	2,285,018	2,000,000	2,200,000	2,200,000
	Number of games	81	81	81	81	81
A-100-430	Concessions receipts	\$ 13,129,135	\$ 16,535,463	\$ 12,900,000	\$ 15,928,000	\$ 15,928,000
A-100-521	MN Twins share of concessions receipts	(5,224,661)	(6,721,463)	(5,160,000)	(5,792,000)	(5,792,000)
A-5202	Cost of concessions operations	(7,095,674)	(8,180,370)	(6,708,000)	(8,282,560)	(8,282,560)
	Net concessions profit to MSFC	\$ 808,800	\$ 1,633,630	\$ 1,032,000	\$ 1,853,440	\$ 1,853,440
	% Concessions gross to MSFC	6.16%	9.88%	8.00%	11.64%	11.64%
A-100-440	Plaza concessions receipts	\$ 417,088	\$ 495,325	\$ 420,000	\$ 484,000	\$ 484,000
A-5215	MN Twins share of plaza concessions receipts	(199,754)	(220,374)	(189,000)	(217,800)	(217,800)
	Cost of plaza concessions operations	(196,480)	(250,185)	(210,000)	(242,000)	(242,000)
	Net plaza concessions profit to MSFC	\$ 20,854	\$ 24,766	\$ 21,000	\$ 24,200	\$ 24,200
	% of Plaza concessions gross to MSFC	5.00%	5.00%	5.00%	5.00%	5.00%
A-100-450	Admission tax	\$ 3,219,933	\$ 3,908,466	\$ 2,824,000	\$ 3,384,000	\$ 3,384,000
A-100-420	Parking	55,205	49,599	50,000	50,000	50,000
A-100-473	Share of novelties	121,462	145,895	70,000	100,000	100,000
	Subtotal admission tax, parking & share of novelties	\$ 3,396,600	\$ 4,103,960	\$ 2,944,000	\$ 3,534,000	\$ 3,534,000
	Subtotal MN Twins Regular Season Revenues	\$ 4,226,254	\$ 5,762,356	\$ 3,997,000	\$ 5,411,640	\$ 5,411,640
A-100-460	Less: Facilities Cost Credit	(3,219,933)	(3,908,466)	(2,824,000)	(3,384,000)	(3,384,000)
	Net MN Twins Regular Season Revenues	\$ 1,006,321	\$ 1,853,890	\$ 1,173,000	\$ 2,027,640	\$ 2,027,640
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	0.00%	5.53%	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	0.00%	5.00%	0.00%	0.00%	0.00%
A-100-450	Admission tax	\$ -	\$ 314,626	\$ -	\$ -	\$ -
A-100-410	Rent	-	94	-	-	-
A-100-420	Parking	-	4,000	-	-	-
	Subtotal admission tax, rent & parking	\$ -	\$ 318,720	\$ -	\$ -	\$ -
	Subtotal MN Twins Post Season Revenues	\$ -	\$ 379,902	\$ -	\$ -	\$ -
A-100-460	Less: Facilities Cost Credit	-	(314,626)	-	-	-
	Net MN Twins Post Season Revenues	\$ -	\$ 65,276	\$ -	\$ -	\$ -

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES

7/19/2007

<u>Account Number</u>	<u>Account Title</u>	<u>Actual 12/31/2005</u>	<u>Actual 12/31/2006</u>	<u>2007 Adopted Budget</u>	<u>2007 Projection</u>	<u>2008 Adopted Budget</u>
OPERATING ACCOUNT (continued):						
Revenues:						
MN Vikings Regular Season Revenues:						
	Tickets sold	559,505	678,134	625,000	625,000	625,000
	Number of games	9	11	10	10	10
A-200-430	Concessions receipts	\$ 5,254,007	\$ 6,329,994	\$ 5,880,000	\$ 5,831,000	\$ 5,831,000
A-200-521	(MN Vikings share of concessions receipts)	(525,401)	(922,172)	(882,000)	(882,000)	(882,000)
A-5202	Cost of concessions operations	(2,839,541)	(3,131,554)	(3,057,600)	(3,032,120)	(3,032,120)
	Net concessions profit to MSFC	\$ 1,889,065	\$ 2,276,268	\$ 1,940,400	\$ 1,916,880	\$ 1,916,880
	% Concessions gross to MSFC	35.95%	35.96%	33.00%	32.87%	32.87%
A-200-440	Plaza concession receipts	\$ 91,085	\$ 118,922	\$ 100,000	\$ 112,000	\$ 112,000
A-5215	MN Vikings share of plaza concessions receipts	(43,632)	(55,896)	(45,000)	(50,400)	(50,400)
	Cost of plaza concessions operations	(42,899)	(57,080)	(50,000)	(56,000)	(56,000)
	Net plaza concessions profit to MSFC	\$ 4,554	\$ 5,946	\$ 5,000	\$ 5,600	\$ 5,600
	% of Plaza concessions gross to MSFC	5.00%	5.00%	5.00%	5.00%	5.00%
A-200-450	Admission tax	\$ 3,406,211	\$ 4,355,489	\$ 3,649,000	\$ 3,875,000	\$ 3,875,000
A-200-410	Rent	3,212,070	4,087,680	3,397,000	3,608,000	3,608,000
A-200-473	Share of novelties	17,064	5,745	45,000	5,000	5,000
	Subtotal admission tax, rent, parking & share of novelties	\$ 6,635,345	\$ 8,448,914	\$ 7,091,000	\$ 7,488,000	\$ 7,488,000
	Subtotal MN Vikings Regular Season Revenues	\$ 8,528,964	\$ 10,731,128	\$ 9,036,400	\$ 9,410,480	\$ 9,410,480
A-200-460	Less: Facilities cost credit	(3,212,070)	(4,087,680)	(3,397,000)	(3,608,000)	(3,608,000)
	Net MN Vikings Regular Season Revenues	\$ 5,316,894	\$ 6,643,448	\$ 5,639,400	\$ 5,802,480	\$ 5,802,480

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES**

7/19/2007

Account Number	Account Title	Actual 12/31/2005	Actual 12/31/2006	2007 Adopted Budget	2007 Projection	2008 Adopted Budget
OPERATING ACCOUNT (continued):						
Revenues:						
U of M Gopher Football Revenues:						
	Tickets sold	288,466	274,628	315,000	315,000	315,000
	Number of games	6	6	7	7	7
A-300-430	Concessions receipts	\$ 1,671,186	\$ 1,696,146	\$ 1,827,000	\$ 1,947,000	\$ 1,947,000
A-300-521	U of M Gopher Football share of concessions receipts	(501,356)	(678,458)	(731,000)	(799,000)	(799,000)
A-5202	Cost of concessions operations	(903,197)	(839,112)	(950,040)	(1,012,440)	(1,012,440)
	Net concessions profit to MSFC	\$ 266,633	\$ 178,576	\$ 145,960	\$ 135,560	\$ 135,560
	% Concessions gross to MSFC	15.95%	10.53%	7.99%	6.96%	6.96%
A-300-440	Plaza concessions receipts	\$ 36,420	\$ 48,867	\$ 40,000	\$ 50,000	\$ 50,000
A-5215	U of M Gopher Football share of plaza concessions rece	(15,690)	(21,956)	(18,000)	(22,500)	(22,500)
A-5206	Cost of plaza concessions operations	(18,909)	(24,468)	(20,000)	(25,000)	(25,000)
	Net plaza concessions profit to MSFC	\$ 1,821	\$ 2,443	\$ 2,000	\$ 2,500	\$ 2,500
	% Plaza concessions gross to MSFC	5.00%	5.00%	5.00%	5.00%	5.00%
A-300-450	Admission tax	\$ 684,135	\$ 789,088	\$ 649,000	\$ 779,000	\$ 779,000
A-300-420	Parking	1,911	2,444	2,000	2,000	2,000
	Subtotal admission tax & parking	\$ 686,046	\$ 791,532	\$ 651,000	\$ 781,000	\$ 781,000
	Subtotal U of M Gopher Football Revenues	\$ 954,500	\$ 972,551	\$ 798,960	\$ 919,060	\$ 919,060
	Less: Facilities cost credit	(684,135)	(789,088)	(649,000)	(779,000)	(779,000)
	Net U of M Gopher Football Revenues	\$ 270,365	\$ 183,463	\$ 149,960	\$ 140,060	\$ 140,060
Other Events Revenues:						
	Attendance	270,696	337,770	400,000	400,000	400,000
A-900-430	Concessions receipts	\$ 1,573,325	\$ 1,752,676	\$ 2,100,000	\$ 2,100,000	\$ 2,100,000
A-900-521	Other events share of concessions receipts (Twins fest)	(61,934)	(77,880)	(20,000)	(20,000)	(20,000)
A-5202	Cost of concessions and plaza operations	(857,012)	(882,347)	(1,092,000)	(1,092,000)	(1,092,000)
	Net concessions profit to MSFC	\$ 654,379	\$ 792,449	\$ 988,000	\$ 988,000	\$ 988,000
	% Concessions gross to MSFC	41.59%	45.21%	47.05%	47.05%	47.05%
A-900-450	Admission tax	\$ 236,865	\$ 481,687	\$ 300,000	\$ 300,000	\$ 300,000
A-900-410	Rent	353,780	324,132	300,000	300,000	300,000
A-900-420	Parking	12,514	16,283	20,000	20,000	20,000
A-950-473	Share of novelties	18,099	31,980	30,000	30,000	30,000
	Subtotal admission tax, rent, parking & share of novelties	\$ 621,258	\$ 854,082	\$ 650,000	\$ 650,000	\$ 650,000
	Total Other Events Revenues	\$ 1,275,637	\$ 1,646,531	\$ 1,638,000	\$ 1,638,000	\$ 1,638,000

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES**

7/19/2007

<u>Account Number</u>	<u>Account Title</u>	<u>Actual</u> <u>12/31/2005</u>	<u>Actual</u> <u>12/31/2006</u>	<u>2007</u> <u>Adopted</u> <u>Budget</u>	<u>2007</u> <u>Projection</u>	<u>2008</u> <u>Adopted</u> <u>Budget</u>
OPERATING ACCOUNT (continued):						
Revenues:						
Miscellaneous Revenues:						
A-200-410Z	Private box annual payment	\$ 900,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
A-950-472C	Private box commissions	313,554	427,806	300,000	400,000	400,000
	Less: Twins share of private box commissions	-	(41,870)	-	(42,000)	(42,000)
A-4204	City of Minneapolis parking agreement	75,000	75,000	75,000	75,000	75,000
A-950-472C	MN Running Club	500	400	500	500	500
A-950-472C	In-Line Skating	5,000	10,000	10,000	10,000	10,000
A-950-474C	Miscellaneous	17,313	337,379	15,000	15,000	15,000
A-950-4744	Building Use fee	189,500	208,300	180,000	190,000	190,000
A-950-474C	Advertising	2,396,461	2,261,410	1,800,000	1,800,000	1,800,000
A-950-475C	Tour fees	11,159	9,153	11,000	11,000	11,000
	Total Miscellaneous revenues	\$ 3,908,487	\$ 3,687,578	\$ 2,791,500	\$ 2,859,500	\$ 2,859,500
Interest Income:						
A-950-461C	Interest	\$ 523,089	\$ 808,403	\$ 350,000	\$ 500,000	\$ 350,000
	Total Revenues	\$ 12,300,793	\$ 14,888,589	\$ 11,741,860	\$ 12,967,680	\$ 12,817,680
Expenses:						
Personal services:						
A-5112/6	Wages-full-time and part-time	\$ 2,738,810	\$ 2,900,414	\$ 3,049,000	\$ 3,049,000	\$ 3,100,000
A-5122	Employee retirement	72,653	89,251	98,000	98,000	110,000
A-5124	Health insurance	342,552	355,082	377,000	377,000	377,000
A-5126	Life insurance	9,042	8,316	11,000	11,000	11,000
A-5128	Disability insurance	4,048	4,258	7,000	7,000	7,000
A-5130	Dental insurance	15,380	16,157	19,000	19,000	19,000
A-5142	FICA & Medicare costs	216,577	215,723	226,000	226,000	231,000
A-5144	Workers compensation insurance	52,341	48,440	55,000	55,000	55,000
A-5146	Unemployment compensation	2,028	1,548	5,000	5,000	5,000
	Subtotal personal services	\$ 3,453,431	\$ 3,639,189	\$ 3,847,000	\$ 3,847,000	\$ 3,915,000
Professional services:						
A-5222	Consulting Services					
	Affirmative Action	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ -
	Affirmative Action/Human Resources	12,540	25,270	10,000	15,000	15,000
	Public Affairs	24,000	12,000	24,000	-	-
	Risk Management	25,595	13,106	25,000	10,000	10,000
	Other	126,473	66,547	50,000	50,000	50,000
A-5223	Investment advisor and custodian	53,665	53,928	53,000	55,000	55,000
A-5232	Legal services-general counsel and legislative represent	160,832	196,901	250,000	250,000	250,000
	Litigation legal fees	35,927	-	100,000	-	-
A-5234	Audit fees	35,327	44,689	45,000	45,000	50,000
	Subtotal professional services	\$ 474,359	\$ 412,441	\$ 562,000	\$ 430,000	\$ 430,000

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES

7/19/2007

<u>Account Number</u>	<u>Account Title</u>	<u>Actual 12/31/2005</u>	<u>Actual 12/31/2006</u>	<u>2007 Adopted Budget</u>	<u>2007 Projection</u>	<u>2008 Adopted Budget</u>
OPERATING ACCOUNT (continued):						
Expenses:						
Contractual building services:						
A-5240	Stadium cleaning supplies	\$ 289,535	\$ 350,816	\$ 325,000	\$ 350,000	\$ 350,000
A-5241	Stadium cleaning services	1,805,358	2,095,845	2,200,000	2,200,000	2,300,000
A-5243	Building maintenance-contractual	909,720	877,376	900,000	900,000	900,000
A-5244	Tent/plaza expense	280,169	286,574	350,000	350,000	350,000
A-5245	Relamp field lights	30,391	30,022	40,000	40,000	40,000
A-5247	Other labor services	385,693	379,993	400,000	385,000	400,000
A-5250	Painting-contractual	178,818	185,897	200,000	200,000	200,000
A-5252	Turf cleaning	86,184	127,909	90,000	130,000	130,000
	Subtotal contractual building services	\$ 3,965,868	\$ 4,334,432	\$ 4,505,000	\$ 4,555,000	\$ 4,670,000
Audio-visual maintenance costs:						
A-5246	Ad panel and marquee maintenance	\$ 4,950	\$ 8,419	\$ 10,000	\$ 10,000	\$ 10,000
A-5255	Video production	1,056	-	15,000	-	-
A-5256	Color scoreboard	74,444	122,356	180,000	150,000	180,000
A-5257	Black and white scoreboard	75,106	123,440	100,000	125,000	125,000
A-5259	Sound system	60,164	70,881	75,000	75,000	75,000
A-5260	TV system service	18,874	37,648	45,000	40,000	45,000
	Subtotal audio-visual maintenance costs	\$ 234,594	\$ 362,744	\$ 425,000	\$ 400,000	\$ 435,000
Travel and meetings:						
A-5272	Local travel and meetings	\$ 18,880	\$ 19,189	\$ 30,000	\$ 30,000	\$ 30,000
A-5274	Out-of-town travel and meetings	25,358	23,013	35,000	35,000	35,000
	Subtotal travel and meetings	\$ 44,238	\$ 42,202	\$ 65,000	\$ 65,000	\$ 65,000
Supplies, repairs and maintenance:						
A-5304	Office supplies	\$ 31,745	\$ 27,690	\$ 35,000	\$ 35,000	\$ 35,000
A-5306	First aid supplies and related costs	19,843	28,678	30,000	30,000	30,000
A-5308/12	Office equipment and repairs	6,336	5,516	7,000	5,000	7,000
A-5316	Parking lot supplies, maintenance and snow removal	93,999	41,220	95,000	95,000	95,000
A-5320	Building maintenance supplies	500,563	337,113	500,000	450,000	500,000
A-5324	Motor fuel	13,731	14,525	18,000	18,000	18,000
A-5328	Equipment repairs	21,002	25,383	45,000	45,000	45,000
A-5329	Computer administration costs and supplies	85,342	114,224	100,000	120,000	120,000
A-5332	Field maintenance supplies and field lights	89,544	79,030	90,000	90,000	90,000
A-5333	Artificial turf repairs and plywood storage	24,499	20,400	20,000	21,000	20,400
A-5335	Security	98,073	28,042	60,000	50,000	50,000
	Subtotal supplies, repairs and maintenance	\$ 984,677	\$ 721,821	\$ 1,000,000	\$ 959,000	\$ 1,010,400

METROPOLITAN SPORTS FACILITIES COMMISSION
 YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES

7/19/2007

Account Number	Account Title	Actual 12/31/2005	Actual 12/31/2006	2007 Adopted Budget	2007 Projection	2008 Adopted Budget
OPERATING ACCOUNT (continued):						
Expenses:						
Utilities:						
A-5402	Sewer and water	\$ 236,356	\$ 316,041	\$ 275,000	\$ 320,000	\$ 320,000
A-5403	Electricity	862,871	975,300	1,000,000	1,000,000	1,000,000
A-5404	Heating	1,309,131	1,478,336	1,400,000	1,500,000	1,500,000
A-5405	Air conditioning	828,980	756,949	900,000	850,000	900,000
	Subtotal utilities	\$ 3,237,338	\$ 3,526,626	\$ 3,575,000	\$ 3,670,000	\$ 3,720,000
Insurance:						
A-5411	Liability-general and umbrella (includes terrorism)	\$ 240,694	\$ 242,159	\$ 255,000	\$ 245,000	\$ 255,000
A-5412	Property (includes terrorism)	286,961	229,121	325,000	235,000	275,000
A-5415	Auto	3,640	1,860	6,000	4,000	4,000
A-5416	Crime	8,575	8,575	9,000	9,000	9,000
	Subtotal insurance	\$ 539,870	\$ 481,715	\$ 595,000	\$ 493,000	\$ 543,000
Communication:						
A-5432	Postage and delivery services	\$ 15,071	\$ 14,040	\$ 15,000	\$ 15,000	\$ 15,000
A-5434	Telephone	60,021	73,015	75,000	75,000	75,000
	Subtotal communication	\$ 75,092	\$ 87,055	\$ 90,000	\$ 90,000	\$ 90,000
Miscellaneous:						
A-5302	Tour expense	\$ 11,614	\$ 7,613	\$ 12,000	\$ 12,000	\$ 12,000
A-5502	Personnel recruitment	3,708	5,404	10,000	10,000	10,000
A-5503	Bid specifications	12,178	6,542	10,000	10,000	10,000
A-5504	Notices public meetings	368	1,305	1,000	1,000	1,000
A-5510	Equipment rental	318	11,425	10,000	10,000	10,000
A-5512	Special occasion fund	3,470	500	10,000	10,000	10,000
A-5514	Commissioners expense	11,983	14,945	40,000	40,000	40,000
A-5516	Dues and subscriptions	16,057	9,345	10,000	10,000	10,000
A-5518	Books and pamphlets	180	64	2,000	2,000	2,000
A-5522	License and inspection fees	10,956	10,831	15,000	15,000	15,000
A-5524	Miscellaneous	12,839	9,715	10,000	10,000	10,000
A-5528	Event services and event related costs	457,707	497,544	700,000	600,000	700,000
A-5533	Facilities planning, research and public information/Pm	4,865	390,158	500,000	750,000	750,000
A-5544	NCAA expense	15,060	710,450	-	-	-
A-5545	Marketing expense	211,176	197,628	200,000	200,000	200,000
A-5546	Advertising expense	273,158	249,143	250,000	250,000	250,000
	Subtotal miscellaneous	\$ 1,045,637	\$ 2,122,612	\$ 1,780,000	\$ 1,930,000	\$ 2,030,000

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES**

7/19/2007

<u>Account Number</u>	<u>Account Title</u>	<u>Actual 12/31/2005</u>	<u>Actual 12/31/2006</u>	<u>2007 Adopted Budget</u>	<u>2007 Projection</u>	<u>2008 Adopted Budget</u>
OPERATING ACCOUNT (continued):						
Expenses:						
Less: reimbursed expenses:						
A-100-441C	MN Twins reimbursed expenses	\$ (1,826,324)	\$ (2,139,242)	\$ (1,900,000)	\$ (2,140,000)	\$ (2,140,000)
A-200-441C	MN Vikings reimbursed expenses	(583,184)	(574,995)	(600,000)	(575,000)	(575,000)
A-300-441C	U of M Gopher reimbursed expenses	(297,100)	(294,135)	(310,000)	(295,000)	(295,000)
A-900-441C	Other events reimbursed expenses	(21,219)	(9,952)	(200,000)	(10,000)	(10,000)
A-950-441C	Miscellaneous reimbursed expenses	(229,003)	(233,746)	(150,000)	(235,000)	(235,000)
	Subtotal reimbursed expenses	<u>\$ (2,956,830)</u>	<u>\$ (3,252,070)</u>	<u>\$ (3,160,000)</u>	<u>\$ (3,255,000)</u>	<u>\$ (3,255,000)</u>
	Total expenses	<u>\$ 11,098,274</u>	<u>\$ 12,478,767</u>	<u>\$ 13,284,000</u>	<u>\$ 13,184,000</u>	<u>\$ 13,653,400</u>
Transfers out:						
A-5734	Transfer to Concessions- Repair and maintenance	\$ 425,746	\$ 555,569	\$ 454,140	\$ 516,120	\$ 516,120
A-5736	Transfer to Concessions-Replacements and new equipm	425,746	555,569	454,140	516,120	516,120
A-5738	Transfer to Concessions-Promotions	212,873	277,784	227,070	258,060	258,060
	Subtotal transfers out	<u>\$ 1,064,365</u>	<u>\$ 1,388,922</u>	<u>\$ 1,135,350</u>	<u>\$ 1,290,300</u>	<u>\$ 1,290,300</u>
	Total Expenses and Transfers Out	<u>\$ 12,162,639</u>	<u>\$ 13,867,689</u>	<u>\$ 14,419,350</u>	<u>\$ 14,474,300</u>	<u>\$ 14,943,700</u>
	Change in Account Balance	\$ 138,154	\$ 1,020,900	\$ (2,677,490)	\$ (1,506,620)	\$ (2,126,020)
	Beginning Operating Account Balance	<u>\$ 8,405,796</u>	<u>\$ 8,543,950</u>	<u>\$ 9,564,850</u>	<u>\$ 9,564,850</u>	<u>\$ 8,058,230</u>
	Ending Operating Account Balance	<u>\$ 8,543,950</u>	<u>\$ 9,564,850</u>	<u>\$ 6,887,360</u>	<u>\$ 8,058,230</u>	<u>\$ 5,932,210</u>

**METROPOLITAN SPORTS FACILITIES COMMISSION
YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES**

7/19/2007

<u>Account Number</u>	<u>Account Title</u>	<u>Actual 12/31/2005</u>	<u>Actual 12/31/2006</u>	<u>2007 Adopted Budget</u>	<u>2007 Projection</u>	<u>2008 Adopted Budget</u>
REPAIR, REPLACEMENTS and IMPROVEMENTS ACCOUNT						
Expenses:						
	Audio and video projects	\$ 219,426	\$ 45,811	\$ 160,000	\$ 90,000	\$ 110,000
	Building improvement/replacement projects	283,778	-	200,000	200,000	200,000
	Equipment new/replacement projects	477,903	360,477	450,000	450,000	300,000
	Concessions improvement-Point of Sale project	-	933,554	-	-	-
	Miscellaneous projects	-	-	10,000	10,000	10,000
	Terrace Suites :					
	Terrace Suite I	613,141	-	-	-	-
	Terrace Suite II	29,392	600,011	-	-	-
	Total expenses	\$ 1,623,640	\$ 1,939,853	\$ 820,000	\$ 750,000	\$ 620,000
	Change in Account Balance	\$ (1,623,640)	\$ (1,939,853)	\$ (820,000)	\$ (750,000)	\$ (620,000)
	Beginning Repair, Replacements & Improvements Acc	\$ 9,305,929	\$ 7,682,289	\$ 5,742,436	\$ 5,742,436	\$ 4,992,436
	Ending Repair, Replacements & Improvements Account	\$ 7,682,289	\$ 5,742,436	\$ 4,922,436	\$ 4,992,436	\$ 4,372,436

CONCESSIONS RESERVE ACCOUNTS

Transfers In:

Transfer from operating account	\$ 1,064,365	\$ 1,388,922	\$ 1,135,350	\$ 1,290,300	\$ 1,290,300
Subtotal Transfers in	\$ 1,064,365	\$ 1,388,922	\$ 1,135,350	\$ 1,290,300	\$ 1,290,300

Expenses:

"F" Concessions - Repair and maintenance	\$ 258,240	\$ 381,774	\$ 350,000	\$ 300,000	\$ 350,000
"G" Concessions - Replacements and new equipment	260,423	378,432	350,000	350,000	400,000
"H" Concessions - Promotions expense	79,340	127,868	73,000	100,000	100,000
Subtotal Concessions repair, replacements, and promotion	\$ 598,003	\$ 888,074	\$ 773,000	\$ 750,000	\$ 850,000
Concessions renovation expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 598,003	\$ 888,074	\$ 773,000	\$ 750,000	\$ 850,000
Change in Account Balance	\$ 466,362	\$ 500,848	\$ 362,350	\$ 540,300	\$ 440,300
Beginning Concessions Reserve Account Balance	907,791	1,374,153	1,875,001	1,875,001	2,415,301
Ending Concessions Reserve Account Balance	\$ 1,374,153	\$ 1,875,001	\$ 2,237,351	\$ 2,415,301	\$ 2,855,601

METROPOLITAN SPORTS FACILITIES COMMISSION
NOTES ON YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES

7/19/2007

	<u>Actual</u>	<u>Actual</u>	<u>2007</u>	<u>2007</u>	<u>2008</u>
	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>Recommended</u>	<u>Projection</u>	<u>Recommended</u>
			<u>Budget</u>		<u>Budget</u>
NOTE 1:					
MN Twins (regular season)					
Number of games	81	81	81	81	81
Attendance (tickets sold)	2,034,243	2,285,018	2,000,000	2,200,000	2,200,000
Attendance (turnstile)	1,771,010	2,080,573	1,800,000	2,000,000	2,000,000
Average ticket price	\$ 16.44	\$ 17.92	\$ 16.45	\$ 17.92	\$ 17.92
Concession per cap (tickets sold)	\$ 6.45	\$ 7.24	\$ 6.45	\$ 7.24	\$ 7.24
Concession per cap (turnstile)	\$ 7.41	\$ 7.95	\$ 7.17	\$ 7.96	\$ 7.96
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	9	11	10	11	10
Attendance (tickets sold)	559,505	678,134	625,000	625,000	625,000
Attendance (turnstile)	541,482	609,951	585,000	585,000	585,000
Average ticket price	\$ 68.68	\$ 72.23	\$ 68.00	\$ 72.23	\$ 72.23
Concession per cap (tickets sold)	\$ 9.39	\$ 9.33	\$ 9.40	\$ 9.33	\$ 9.33
Concession per cap (turnstile)	\$ 9.70	\$ 10.38	\$ 10.05	\$ 9.97	\$ 9.97
Rent	9.50%	9.50%	9.50%	9.50%	9.50%
MN Vikings share of concession receipts	10%	10%	15%	15%	15%
Admission taxes paid on all tickets	10%	10%	10%	10%	10%
U of M Gopher Football					
Number of games	6	6	7	7	7
Attendance	288,466	274,628	315,000	315,000	315,000
Average ticket price	\$ 24.05	\$ 28.81	\$ 24.00	\$ 28.81	\$ 28.81
Concession per cap (tickets sold + comps)	\$ 5.79	\$ 6.18	\$ 5.80	\$ 6.18	\$ 6.18
U of M Gopher share of concession receipts	30%	30%	40%	40%	40%
Admission taxes paid on all tickets	10%	10%	10%	10%	10%

METROPOLITAN SPORTS FACILITIES COMMISSION
NOTES ON YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES

7/19/2007

NOTE 2: Other Event Days	2007		2007		2008
	Actual 12/31/2005	Actual 12/31/2006	Recommended Budget	2007 Projection	Recommended Budget
Amateur baseball, football, and soccer events	109	102	110	110	110
College sporting events	28	55	25	25	25
High school sport events	6	8	6	7	7
In-line skating	76	70	75	75	75
U of M Dairy Queen baseball classic	3	3	3	3	3
U of M alumni baseball/football scrimmage	2	2	1	2	1
U of M Baseball	13	18	20	8	12
Motor Sports	2	3	3	3	4
Golf Show	3	3	3	3	3
Snowcross	0	0	0	0	0
Corporate sponsorship days and other events	13	13	13	13	13
Twins Fest	3	3	3	3	3
NCAA Regionals	0	2	0	0	0
Home and Landscape Show	6	6	6	6	6
Concerts	1	1	1	1	1
Minnesota Thunder Soccer	1	0	0	1	0
Hmong New Year	2	2	2	2	2
Total Other Event Days	268	291	271	262	265

NOTE 3:

Concessions Receipts "2008"

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.

	2008 Recommended Budget
Concessions receipts	\$ 25,806,000
Teams' share of concessions receipts	(7,493,000)
Cost of concessions operations	(13,419,120)
Net concessions profit to MSFC	\$ 4,893,880
% Concessions gross to MSFC	18.96%

	2008 Recommended Budget
Plaza concessions receipts	\$ 646,000
Teams' share of plaza concessions receipts	(290,700)
Cost of plaza concessions operations	(323,000)
Net plaza concessions profit to MSFC	\$ 32,300
% Plaza concessions gross to MSFC	5.00%

**METROPOLITAN SPORTS FACILITIES COMMISSION
 NOTES ON YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES**

7/19/2007

Facilities Cost Credit "2008"

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

	2008 Recommended Budget
MN Twins	\$ (3,384,000)
MN Vikings	(3,608,000)
U of M Gopher Football	(779,000)
Total facilities cost credit	<u>\$ (7,771,000)</u>

NOTE 4:

Professional Contracts "2008"

Advertising	Information Technology Consulting	Personnel/Human Resources
Affirmative Action	Investment Advisor and Custodian	Public Affairs
Construction/Architectural Management	Legal and Legislative Representation	Risk Management
Financial Analysis	Marketing	

METROPOLITAN SPORTS FACILITIES COMMISSION
NOTES ON YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES

7/19/2007

NOTE 5:

Repair, Replacement and Improvements

	<u>Actual</u> <u>12/31/2005</u>	<u>Actual</u> <u>12/31/2006</u>	<u>2007</u> <u>Adopted</u> <u>Budget</u>	<u>2007</u> <u>Projection</u>	<u>2008</u> <u>Recommended</u> <u>Budget</u>	<u>2009</u> <u>Forecast</u>
Audio and video projects:						
Domevision, video equipment, scoreboard replacen	\$ 11,552	\$ 45,811	\$ 100,000	\$ 50,000	\$ 50,000	\$ 75,000
Domevision, video equipment, scoreboard-new	55,911	-	15,000	-	15,000	-
Sound equipment replacement	148,068	-	30,000	20,000	30,000	40,000
Sound equipment-new	3,895	-	15,000	20,000	15,000	-
	<u>219,426</u>	<u>45,811</u>	<u>160,000</u>	<u>90,000</u>	<u>110,000</u>	<u>115,000</u>
Building improvement/replacement projects:						
Various building replacements	-	-	200,000	200,000	200,000	200,000
Ticket booth replacement project	22,213	-	-	-	-	-
Artificial turf, warning track and protection	23,568	-	-	-	-	-
Air conditioning improvement-chiller project	148,132	-	-	-	-	-
Cabling project	89,865	-	-	-	-	-
	<u>283,778</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	83,068	360,477	225,000	225,000	75,000	100,000
Various equipment-new	394,835	-	200,000	200,000	200,000	200,000
Computer upgrades	-	-	25,000	25,000	25,000	-
	<u>477,903</u>	<u>360,477</u>	<u>450,000</u>	<u>450,000</u>	<u>300,000</u>	<u>300,000</u>
Concessions improvement-Point of Sale project	-	933,554	-	-	-	-
Miscellaneous projects	-	-	10,000	10,000	10,000	10,000
Terrace Suites:						
Terrace Suite I	613,141	-	-	-	-	-
Terrace Suite II	29,392	600,011	-	-	-	-
	<u>642,533</u>	<u>600,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,623,640</u>	<u>\$ 1,939,853</u>	<u>\$ 820,000</u>	<u>\$ 750,000</u>	<u>\$ 620,000</u>	<u>\$ 625,000</u>

**METROPOLITAN SPORTS FACILITIES COMMISSION
 NOTES ON YEAR 2008 BUDGET AND REPORT ON USER FEE CHARGES**

7/19/2007

NOTE 6: Personnel	Full-time Positions
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	9.0
Non-exempt:	
Video Production Engineer	1.0
Assistant to Finance Director (class 2)	1.0
Executive Assistant to Chair and Executive Director	1.0
Assistant to Finance Director (class 1)	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	11.0
Labor Agreement Personnel:	
Technical Maintenance	8.0
General Maintenance	6.0
Subtotal full-time labor agreement personnel	14.0
Total full-time positions	34.0

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 2008 BUDGET AND REPORT ON USER FEE CHARGES**

7/19/2007

NOTE 7:

2008 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 2008 Budget recommends reducing the reserve account balances by \$2,305,720. The proposed reserve account balances of \$ 13,160,247 will be used to fully fund planned future repair, replacement, and capital improvement projects, concession repairs, maintenance, replacements and promotions through 2011.

	2008 Recommended Budget
Operating Account	<u>\$ 5,932,210</u>
Repair, Replacements and Capital Improvements Acco	4,372,436
Concessions Reserve Account	<u>2,855,601</u>
	<u><u>\$ 13,160,247</u></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.