



**MINNESOTA
SPORTS FACILITIES
AUTHORITY**

MINNESOTA SPORTS FACILITIES AUTHORITY MEETING AGENDA

Thursday, January 21, 2021, 8:00 A.M.

Zoom Link: <https://zoom.us/j/95259801477>

Zoom Phone Number: 301-715-8592

Meeting ID/Pass Code: 952 5980 1477

Pursuant to the Governor’s ongoing Emergency Executive Orders, the Minnesota Sports Facilities Authority (MSFA) is holding its previously scheduled **8:00 a.m., January 21, 2021**, Board meeting via Zoom and telephonically consistent with Minnesota Statutes, Section 13D.021. The MSFA Chair has concluded that an in-person meeting is not practical or prudent because of the health pandemic declared under the Emergency Executive Orders and the importance of social distancing and minimizing contact with others pursuant to the Orders. **The public may monitor the meeting by downloading the Zoom video app and using the following website: <https://zoom.us/j/95259801477>. If you do not have access to the video app, the public may choose to Dial-In by using the following Zoom phone number: 301-715-8592, with passcode: 952 5980 1477. Should the public want to make a public comment, they must raise their virtual hand during that portion of the meeting. In order to do this, click on the “Participant” button on the bottom of the screen, and then click on the “Raise Hand Button”. The Chair will then call your name in the order it was received. The Agenda and meeting materials will be available at www.msfa.com.**

A portion of the meeting will be closed, pursuant to Minnesota Statutes, Section 13D.05, subd. 3(b), to discuss attorney-client privileged matters regarding potential claims related to a demand filed by M.A. Mortenson Company.

1. CALL TO ORDER
2. APPROVAL OF PRIOR MEETING MINUTES – November 19, 2020
3. BUSINESS
 - a. Action Items
 - i. Approve Cisco 3-Year Maintenance
 - ii. Authorize Chair and Executive Director to negotiate and finalize proposed changes to the Parking Agreement between the City of Minneapolis, Ryan Companies, and the MSFA
 - iii. Approve Pay Equity Report
 - iv. Minneapolis Downtown Council License Agreement for Storage
 - v. Adoption of Annual Board Calendar
 - vi. Election of Officers
 - b. Reports
 - i. Q4 – 2019-2020 Budget Report – June 30, 2020
 - ii. Q1- 2020-2021 Budget report – September 3, 2020
 - iii. Vikings Man of the Year
 - iv. Stadium Update
 - v. Executive Director’s Report

4. PUBLIC COMMENTS
5. DISCUSSION
6. ANNOUNCEMENT OF NEXT MEETING – February 18, 2021
7. CLOSED SESSION
8. ACTION ITEMS REGARDING MATTERS DISCUSSED DURING CLOSED SESSION
9. ADJOURNMENT

***Items in bold require action**



MINNESOTA SPORTS FACILITIES AUTHORITY
Meeting Minutes – November 19, 2020 at 8:00 A.M.
Zoom Video & Teleconference

1. CALL TO ORDER

Chair Vekich called the meeting of the Minnesota Sports Facilities Authority (“MSFA” or “Authority”) to order at 8:00 A.M.

2. ROLL CALL

Commissioners present via phone: Chair Michael Vekich, Bill McCarthy, Barbara Butts Williams, and Angela Burns Finney

3. APPROVAL OF MEETING MINUTES – September 17, 2020. See, Exhibit A.

4. BUSINESS

a. Action Items

i. Approve 2020-2021 Capital Reserve Budget Amendment

Mary Fox-Stroman, Director of Finance at the MSFA, reported on the 2020-2021 Capital Reserve Budget Amendment. On June 22, 2020 the MSFA board approved the 2020-2021 Capital Reserve Account plan and budget with a total capital expense budget of \$16,961,032. Due to the coronavirus (COVID-19) the capital project plan has been modified, projects were added to the plan, and project budgets have changed. Costs have incurred for cleaning, sanitizing, and preparing the stadium for events, and therefore, the MSFA will need a budget increase of \$100,000 to cover these expenses. See, Exhibit B.

Commissioner Sertich moved and Commissioner Butts Williams seconded the motion to approve the following recommended motion, which was unanimously adopted:

The Authority approves an increase of \$100,000 for COVID-19 capital projects and it approves an increase of \$100,000 to the 2020-2021 capital reserve expense budget for a total capital reserve expense budget of \$17,061,032.

ii. Firewall Replacement Contract

Mr. Farstad stated that a RFP was published on October 2, 2020 to attract proposals for the replacement of the Stadium's Firewall, which is at its end of life. This RFP is focused on the selection of a proposer who will provide the best value to the MSFA. Staff is reviewing complete proposals and is finalizing the discussion about which proposal will provide the best value to the MSFA. See, Exhibit C.

Chair Vekich asked Mr. Farstad if it was a normal practice to replace a firewall, and Mr. Farstad stated that if the firewall is at its end of life, like the stadium's, then it is.

Commissioner Butts Williams stated that the firewall is only five years old, and asked Mr. Farstad if it is common to replace it after such a short amount of time. Mr. Farstad confirmed that it is, as technology is changing rapidly and there are significant upgrades in software that could help protect stadium guests even further.

Commissioner McCarthy moved and Commissioner Sertich seconded the motion to approve the following recommended motion, which was unanimously adopted:

The Minnesota Sports Facilities Authority authorizes the Chair and the Executive Director to finalize negotiations and execute a contract with the selected contractor for the Firewall Replacement project.

iii. MSFA Logo Approval

Mr. Farstad stated that at the December 2018 MSFA Board Meeting, the board approved the MSFA's new Guiding Principles, which include the MSFA's Core Values, Purpose (Stadium and MSFA), Mission,

and Vision. In order to reflect these new Guiding Principles, the MSFA staff would like to update the logo which will integrate these five Core Values. The proposed logo is a reflection of the MSFA's core values and purpose, and MSFA staff has chosen five colors to represent them: Blue, Green, Purple, Red, and yellow. See, Exhibit D.

Mr. Farstad then called upon Bob Millard from The Next Steps, to discuss the logo in greater detail. Mr. Millard gave a breakdown of the logo colors and what they represented. Firstly, Integrity in blue. The color blue is associated with trust, loyalty, sincerity, wisdom, confidence, stability and intelligence, which define what Integrity means to the MSFA. It is a personal commitment to hold ourselves to consistent standards. It means doing the right thing even when no one is watching. Integrity is one of the fundamental values the MSFA seeks in team members, coworkers, customers, and stakeholders. It means public conversations line up with private conversations. It is the foundation that all of the MSFA's other key values are built upon.

Secondly, Stewardship, represented in green. The color green is associated with nature and health and represents growth, financial impact, and safety, which define what stewardship means to the MSFA. Stewardship is the careful and responsible management of the world-class state asset that has been entrusted to the MSFA's care. The stadium operates in a safe, sustainable and efficient manner, is effectively maintained and marketed for maximum economic impact, and serves the community, the Minnesota Vikings, youth athletics, guests, and event promoters & planners. The MSFA provides fiduciary control of funds received for capital and operational purposes and warrants the procurement processes are fair, transparent, and contribute to equity goals.

Thirdly, Equity and Community Focus in purple. Purple is associated with creativity, wisdom, dignity, devotion, peace, pride, and independence. These ideas are at the heart of the MSFA's mission of ensuring the stadium is a cultural and a community asset. The MSFA is committed to ensuring the workforce is a representative of the people the MSFA serves. The MSFA believe diversity drives engagement, innovation and profitability, values dignity and inclusion for all stakeholders. The MSFA is

proactive in their outreach to diverse communities and targeted businesses to promote employment and economic opportunities.

Fourthly, Accountability in red. The color red is associated with strength, leadership, courage, assertiveness, determination, action, and the energetic and enthusiastic forward motion. It requires the MSFA to take responsibility for their actions. It ensures the MSFA acknowledges a level of ownership that includes monitoring and measuring stadium partner performance metrics, proactively answering for operating and use agreements, and personal commitments to create a culture keeping promises.

And lastly, Innovation and Responsiveness in yellow. Gold is associated with the color of hope, happiness, freshness, positivity, clarity, energy, optimism, enlightenment, remembrance, intellect, and joy. It defines what innovation and responsiveness mean to the MSFA. That the MSFA reacts quickly and positively to challenges. That they are always open to new ways of doing things. That they are catalysts who foster an open exchange of ideas. The MSFA strives to remain responsive, nimble and to quickly adapt to changing conditions, events and customer interactions as they occur. The MSFA does this by adopting well-designed business processes for consistency and desired outcomes and encourage innovative problem solving as we design ideal solutions.

Mr. Millard also stated that the purple color is shaped like a “V” to represent the Minnesota Vikings.

Chair Vekich thanked Commissioner Sertich for working closely with MSFA staff and Mr. Millard on the logo design, and Commissioner Sertich thanked Chair Vekich for the opportunity to be a part of the design process.

Chair Vekich asked Mr. Farstad if the MSFA has chosen a printer for its envelopes and business cards, and Mr. Farstad stated that the MSFA has chosen a high-quality printing company in Duluth, who happens to be the only woman-owned and union printing company in the state.

Commissioner Butts Williams complimented Mr. Millard for his work and stated that the logo brings out a lot of energy for the organization and that integrating the core values was a great and powerful idea.

Commissioner McCarthy moved and Commissioner Butts Williams seconded the motion to approve the following recommended motion, which was unanimously adopted:

The Minnesota Sports Facilities Authority approves of the new logo redesign.

b. Report Items

i. 2020-2021 Property Insurance Report

Ms. Fox-Stroman presented the 2020-2021 Property Insurance Report. She stated that Willis Towers Watson (Willis), the broker/agent for the Authority's property insurance program, provides carrier marketing services, policy administration and management services, and claim advocacy services. The program has a policy limit of \$1.2 billion, and the policy period is from September 18, 2020 through September 18, 2021. Willis contacted nine other insurance markets to discuss the Authority's property insurance program and to seek viable quotes. See, Exhibit E.

Chair Vekich asked Ms. Fox-Stroman if the MSFA's deductibles increased or decreased this year, and Ms. Fox-Stroman stated that they increased by \$500,000. Chair Vekich then stated that ASM Global holds the policy, and asked Ms. Fox-Stroman to explain the procedure. Ms. Fox-Stroman stated that the MSFA holds the policy, but bills ASM global for the annual premium.

Commissioner Butts Williams asked Ms. Fox-Stroman and Kyle Merle, Senior Client Manager of Willis Towers Watson, where U.S. Bank Stadium's coverage falls when comparing to other stadiums around the country, and Mr. Merle stated that Willis has evaluated the cost analysis by the program rate, which is 8 cents/100 dollars. He noted that they try to benchmark and compare similar facilities and noted that the MSFA's current price is very competitive. John Drum, General Manager of ASM Global, stated

that ASM Global did some of their own research, and found that the pricing is in line, but finding a comparable building was not easy.

Commissioner Butts Williams asked Mr. Merle if the price will go up every year, and Mr. Merle stated that predicting the insurance marketplace is very difficult, and it is similar to predicting the stock market. The pricing is driven by catastrophic events, which is impossible to predict.

Chair Vekich asked Mr. Merle if there is any additional unforeseen risk coverage that we should be considering, and Mr. Merle stated that active assailant coverage, nuclear attack, or a gas attack coverage could be worth adding to the MSFA's policy.

ii. Comprehensive Annual Financial Report June 30, 2020

Ms. Fox-Stroman presented the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. The CAFR has three major sections: introductory, financial, and statistical.

CliftonLarsonAllen LLP (CLA) performed the audit and issued an unmodified audit opinion dated October 28, 2020, that the financial statements present fairly the financial position of the Authority as of June 30, 2020, and the respective changes in financial position and cash flows for the fiscal year then ended.

CLA also issued a separate audit report titled: Independent Auditors' Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, and they issued a governance letter.

The financial section includes the independent auditors' report conducted by CLA, management's discussion and analysis, the basic financial statements including the notes to the financial statements and required supplementary information. The Government Finance Officers Association (GFOA)

awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its CAFR for the fiscal year ended June 30, 2019. This was the seventh award that the Authority has received.

See, [Exhibit F](#). Ms. Fox-Stroman stated that the full financial report is available on the MSFA website and will also be available in the November 2020 minutes. See, [Exhibit G](#).

Christopher Knopik, Principal at CLA, presented two letters to the MSFA board: a letter showing any significant findings (see, [Exhibit H](#)), as well as the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* letter (see, [Exhibit I](#)).

Mr. Knopik then gave a presentation to the Commissioners depicting the overview of the audit process. See, [Exhibit J](#).

iii. Status of U.S. Bank Stadium

John Drum, Interim General Manager of U.S. Bank Stadium, and Jenifer Freeman, General Manager of M Hospitality, provided the MSFA board with a Covid-19 stadium update. See, [Exhibit K](#).

Chair Vekich then called upon Lester Bagley, Executive Vice President of Public Affairs at the Minnesota Vikings, to provide an update on the Minnesota Vikings. Mr. Bagley stated that the Minnesota Vikings are picking up momentum and have a big game against the Dallas Cowboys this weekend. He noted that he is staying in close contact with the Governor's office, the Department of Health, and the City of Minneapolis in order to bring fans back into U.S. Bank Stadium when it is safe. However, Mr. Bagley noted that due to the increased number of Covid-19 cases in the state of Minnesota and Governor Tim Walz's new restrictions that were recently enacted, the Minnesota Vikings are no longer able to have 250 people in the stadium for games. He noted that all the staff working at the TCO Performance Center are taking Covid-19 very seriously and are staying socially distanced from one another.

iv. Supporting Stadium current and former employees experiencing housing and financial insecurity during Covid-19

Catherine Collins, Founder of Moxie, gave a presentation about ideas on how to support current and former stadium employees who are experiencing housing insecurity during the Covid-19 pandemic. See, [Exhibit L](#).

Commissioner Butts Williams thanked Ms. Collins for giving her the opportunity to represent the MSFA board on this project. She stated that she has been involved in a few of the planning meetings, and that it is a privilege to work on such an important issue.

Chair Vekich asked Mr. Farstad how the MSFA is tying into this project, and Mr. Farstad stated that the MSFA, Aramark, and ASM Global have an opportunity to connect to prior stadium employees to help create a framework in order for them to have access to resources for food, housing, healthcare, transportation, and security. These programs will be available through ASM Global's Human Resources department, and all meetings will be anonymous.

v. Executive Director Report

Mr. Farstad gave an update on the ongoing exterior repair project at U.S. Bank Stadium. He stated that progress is continuing at a very steady pace, and we are near the completion of Phase One. He noted that the zinc panel installation has been completed on the South and far Northeast sections of the Stadium, and all signage is installed with the video board in operation. The lower portion of the Northwest prow is not yet finished but will be complete this week. Mr. Farstad stated that the north high gutter and coping remain, but the repair, as well as the heat trace, will be completed sometime in mid-December.

Mr. Farstad stated that on the west side of the building, the video Board was reinstalled and was fully operational prior to the September 13 Minnesota Vikings' game versus the Green Bay Packers.

He noted that the skyway repairs and draining solutions at the stairs near the ticket window are nearly complete, as well as the blister repair and insulation installation.

Mr. Farstad stated that the work crew consists of 10-12 men and women on site daily in the high gutter area only, with no reported safety or Covid-19 incidents.

Regarding the snow gutter repair project, Mr. Farstad noted that installation crews are still onsite. He stated that the early snowfall has slowed down the progress, but the work is continuing and should be completed right after the Thanksgiving holiday. He noted that the new replacement panels are almost all installed, and that other ancillary work is complete.

5. PUBLIC COMMENTS

1. Dan Collison, Director of Downtown Partnerships at the Minneapolis Downtown Council, stated that he is pleased to see the MSFA and stadium partners work with Moxie to implement the initiative of helping current and prior stadium staff. He stated that the thousands of people the stadium employed constitutes to a large portion of people in the community, and he is happy to see the new affordable housing development within the city. He noted that he is grateful for the MSFA helping create this program, and if need be, he and his church would love to provide their expertise and assistance, as they help the homeless on a daily basis.

2. Ann Laughlin gave a public comment representing the Audubon Chapter of Minneapolis, Friends of Roberts Bird Sanctuary, and Minnesota Citizens for the Protection of Migratory Birds. She stated that last November, Audubon Minnesota presented its final report on the two-year bird mortality study at U.S. Bank Stadium, which documented numerous bird deaths. A recommendation was to treat problematic expanses of glass with bird deterrent window films or markers. Ms. Laughlin stated that Audubon Minnesota's report presented various options for retrofitting the deadly stadium glass, and she believes that option 1, the Feather Friendly product, should be used to treat all glass on the northwest, southwest, northeast, and southeast facades. She stated that two more migration periods have passed without any glass treatment, and she would welcome an opportunity to consult the MSFA regarding retrofitting options and next steps.

6. DISCUSSION

There was no discussion.

7. **ANNOUNCEMENT OF NEXT MEETING**

Chair Vekich announced that the next MSFA meeting will be held on Thursday December 17, 2020, at U.S. Bank Stadium in the Medtronic Club at 8:00 A.M., or possibly by teleconference based on the status of the Covid-19 pandemic.

8. **ADJOURNMENT**

There being no further business to come before the MSFA, the meeting was adjourned at 9:52 A.M.

Approved and adopted the 21st day of January 2020, by the Minnesota Sports Facilities Authority.

Tony Sertich, Secretary/Treasurer

James Farstad, Executive Director



January 21, 2021

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director

SUBJECT: Cisco 3-Year Maintenance Agreement

On June 24, 2015, the Minnesota Sports Facilities Authority (MSFA), entered into an agreement with CenturyLink (now “Lumen Technologies”) for WiFi, LAN, and IPTV services, and it included a 5-year Cisco maintenance program. The original contract was part of U.S. Bank Stadium’s construction technology Request for Proposals.

The Cisco maintenance program has now expired, and the MSFA staff would like to extend the maintenance for an additional 3 years.

The renewal of this agreement will cover all Cisco equipment and licensing, which will total \$1,031,634.39.

This maintenance program will be assigned to ASM Global as a part of its normal operating cost.

Recommended Motion: *The MSFA authorizes the Chair and Executive Director to enter into an agreement with Lumen Technologies for an amount not to exceed \$1,031,634.39.*



January 21, 2021

MEMORANDUM

To: MSFA Commissioners

From: James Farstad, Executive Director

Subject: Parking Agreement between the City of Minneapolis, Ryan Companies, and the MSFA

As part of the Stadium construction, the MSFA worked with the City and Ryan Companies in order to coordinate development of the surrounding area, including the Commons Park and the adjacent Ryan housing and Wells Fargo towers. This allowed, in part, for the Mills Fleet Farm and Downtown East ramps to function as district parking for the area.

To help fund the City's share of these redevelopment costs, the City issued Bonds that are payable from some of the parking revenues from the ramps because the ramp support Ryan's development. Ryan Companies guarantees the parking revenue and makes annual payments to the City that pay those Bonds, while the MSFA remains owner of the ramps. COVID-19 has caused a major reduction in parking revenue. The City and Ryan have negotiated a solution that lowers the City's borrowing cost on the Bonds and, thus, allows some COVID-related financial relief to Ryan without changes to the overall responsibility of Ryan to provide the guaranteed revenue to pay the City's Bonds.

The current financial structure is contained in a Parking Agreement among the City, Ryan and the MSFA. In order for Ryan and the City to proceed, the MSFA must also agree. The final version of a proposed amendment has not been drafted, but significant terms are agreed to. Staff believes the proposed amendment will not increase financial risk to the MSFA and keeps the MSFA in the same financial and contractual position as the current Parking Agreement. We ask that the Chair and Executive Director be authorized to finalize and execute an amendment.

Recommended Motion: *The MSFA authorizes the Chair and Executive Director to negotiate and execute and amendment to the Parking Agreement with the City and Ryan Companies.*





January 21, 2021

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director
Mary Fox-Stroman, Director of Finance

SUBJECT: 2021 Pay Equity Reports

The Minnesota Legislature in 1982 passed the Minnesota State Government Pay Equity Act. This act provides a process to establish equitable compensation relationships between female-dominated, male-dominated, and balanced job classes of employees. Compensation relationships are equitable when the primary consideration in negotiating, establishing, recommending and approving total compensation is the comparability of the value of the work in relation to other positions (Minn. Stat. Sec. 43A.01).

Minnesota Management and Budget (MMB) developed a software program that local units of government are required to use for pay equity compliance analysis, testing, and reporting. One of the tests, the statistical analysis test, compares salary data to determine if female-dominated job classes are paid consistently below male-dominated job classes of comparable work value (job points). The results of this test are not available because the MSFA has only one male job class and the system requires three or more male job classes to perform the statistical analysis. Therefore the Alternative Analysis Test was used to determine compliance.

The Alternative Analysis Test is a manual review of job data to determine if there is a compensation disadvantage for at least 80% of female job classes as compared to male job classes, and if compensation differences can be accounted for by years of service or performance. MSFA job data as of December 31, 2020 were reviewed and compensation disadvantages were not found. MSFA's job classes are in compliance with the Pay Equity Act.. The Salary Range Test and the Exceptional Service Pay Test are not applicable for MSFA compliance testing.

MSFA's 2021 Pay Equity Implementation Report and Compliance Report are attached.

Recommended Motion: *The Minnesota Sports Facilities Authority approves the 2021 Pay Equity Implementation Report and the Compliance Report.*

Compliance Report

Jurisdiction: Minnesota Sports Facilities Authority
1005 Fourth Street South

Report Year: 2021
Case: 1 - 2021 DATA (Private (Jur Only))

Minneapolis, MN 55415

Contact: Mary Fox-Stroman

Phone: (612) 335-3311

E-Mail: mary.fox-stroman@msfa.com

The statistical analysis, salary range and exceptional service pay test results are shown below. Part I is general information from your pay equity report data. Parts II, III and IV give you the test results.

For more detail on each test, refer to the Guide to Pay Equity Compliance and Computer Reports.

I. GENERAL JOB CLASS INFORMATION

	Male Classes	Female Classes	Balanced Classes	All Job Classes
# Job Classes	1	3	0	4
# Employees	1	3	0	4
Avg. Max Monthly Pay per employee	15101.00	8435.00		10101.50

II. STATISTICAL ANALYSIS TEST

A. Underpayment Ratio = 0 *

	Male Classes	Female Classes
a. # At or above Predicted Pay	1	3
b. # Below Predicted Pay	0	0
c. TOTAL	1	3
d. % Below Predicted Pay (b divided by c = d)	0.00	0.00

*(Result is % of male classes below predicted pay divided by % of female classes below predicted pay.)

B. T-test Results

Degrees of Freedom (DF) = 2	Value of T = 0.000
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a. Avg. diff. in pay from predicted pay for male jobs = 0

b. Avg. diff. in pay from predicted pay for female jobs = 0

III. SALARY RANGE TEST = 0.00 (Result is A divided by B)

A. Avg. # of years to max salary for male jobs = 0.00

B. Avg. # of years to max salary for female jobs = 0.00

IV. EXCEPTIONAL SERVICE PAY TEST = 0.00 (Result is B divided by A)

A. % of male classes receiving ESP = 0.00 *

B. % of female classes receiving ESP = 0.00

*(If 20% or less, test result will be 0.00)



January 21, 2021

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director

SUBJECT: Minneapolis Downtown Council License Agreement for Storage

The Minneapolis Downtown Council currently has one remaining float from the old Hollidazzle parade, which is still used for the Grand Marshall during the Aquatennial Torch Light Parade. The float's current storage facility now has plans for redevelopment, and the Minneapolis Downtown Council is no longer able to house their float at that location.

Although the search for a long-term storage solution is underway, the Minneapolis Downtown Council is seeking temporary storage for the float. Due to U.S. Bank Stadium's vast storage capabilities and the large loading dock doors, the Minneapolis Downtown Council has inquired if the MSFA would allow them to temporarily store their float in U.S. Bank Stadium's loading dock.

Recommended Motion: *The board authorizes the Chair and Executive Director into a License Agreement with the Minneapolis Downtown Council to store its float until April 30, 2021.*



January 21, 2021

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director

SUBJECT: Adoption of Annual Board Calendar

The MSFA Chair and Executive Director recommend the following dates for the 2021 monthly board meetings.

Thursday, January 21, 2021 at 8 a.m.
Thursday, February 18, 2021 at 8 a.m.
Thursday, March 18, 2021 at 8 a.m.
Thursday, April 15, 2021 at 8 a.m.
Thursday, May 20, 2021 at 8 a.m.
Thursday, June 17, 2021 at 8 a.m.
Thursday, July 15, 2021 at 8 a.m.
Thursday, August 19, 2021 at 8 a.m.
Thursday, September 16, 2021 at 8 a.m.
Thursday, October 21, 2021 at 8 a.m.
Thursday, November 18, 2021 at 8 a.m.
Thursday, December 16, 2021 at 8 a.m.

Recommended Motion: *The MSFA Board adopts the above 2021 monthly board meeting calendar.*





January 21, 2021

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director
Mary Fox-Stroman, Director of Finance

SUBJECT: Q4 Budget Report as of June 30, 2020

Attached are two budget reports. First, is the fiscal year 2019-2020 Q4 Budgetary Comparison Report for the period from July 1, 2019 through June 30, 2020 for the MSFA’s operating account, capital reserve account, and concession capital reserve account. Second, is the project-to-date budget report for U.S. Bank Stadium project trust account from project inception through June 30, 2020.

Following are highlights of the accounts’ activities for the year.

Operating Account

The operating account is used to account for the MSFA’s operations including ASM Global’s operation of U.S. Bank Stadium.

<u>OPERATING ACCOUNT</u>	2019-2020 Budget	2019-2020 Amended Budget	Q1 - Q4 – Actual 07/01/19-06/30/20
Operating revenues	\$41,688,477	\$41,688,477	\$32,072,837
Operating expenses	(\$38,939,699)	(\$38,939,699)	(\$28,481,835)
Operating income/(loss)	\$2,748,778	\$2,748,778	\$3,591,002
Net nonoperating revenues/(expenses)	\$2,514,018	\$2,514,018	(\$1,726,482)
Transfers	(\$4,500,000)	(\$4,500,000)	-
Change in Account Balance	\$762,796	\$762,796	\$1,864,520
Beginning Operating Account Balance	\$8,406,321	\$8,406,321	\$8,406,321
Ending Operating Account Balance	\$9,169,117	\$9,169,117	\$10,270,841

Capital Reserve Account

The capital reserve account is used to account for the stadium’s capital improvements including the exterior repair project.

<u>CAPITAL RESERVE ACCOUNT</u>	2019 – 2020 Budget	2019-2020 Amended Budget	Q1 – Q4 – Actual 07/01/19-06/30/20
Capital revenues	\$3,356,358	\$30,315,624	\$27,167,200
Capital expenses	(\$3,444,721)	(\$30,403,987)	(\$16,276,273)
Net income/(loss)	(\$88,363)	(\$88,363)	\$10,890,927
Transfers	\$4,500,000	\$4,500,000	\$1,904,951
Change in Account Balance	\$4,411,637	\$4,411,637	\$12,795,879
Beginning Capital Reserve Account Balance	\$2,134,288	\$2,134,288	\$2,134,288
Ending Capital Reserve Account Balance	\$6,545,925	\$6,545,925	\$14,930,167

Concession Capital Reserve Account

The concession capital reserve account is used to account for the stadium's concession capital improvements.

CONCESSION CAPITAL RESERVE ACCOUNT	2019-2020 Budget	2019-2020 Amended Budget	Q1 - Q4 – Actual 07/01/19-06/30/20
Concession Capital revenues	\$800,000	\$800,000	\$639,757
Concession Capital expenses	(\$705,080)	(\$1,998,990)	(\$674,792)
Net income/(loss)	\$94,920	(\$1,198,990)	(\$35,035)
Transfer	-	-	-
Change in Account Balance	\$94,920	(\$1,198,990)	(\$35,035)
Beginning Concession Capital Reserve Account	\$1,710,497	\$1,710,497	\$1,710,497
Ending Concession Capital Reserve Account	\$1,805,417	\$511,507	\$1,675,462

U.S. Bank Stadium Project Trust Account

The project trust account was established to account for construction of U.S. Bank Stadium. The attached budget report presents the project budget, actual revenues and expenses.

U.S. BANK STADIUM PROJECT TRUST ACCOUNT			Project-to-Date
Project revenues			\$29,313,517
Project expenses			(\$1,126,701,500)
Income/(loss)			(\$1,097,387,984)
NonOperating Income/(expense)			\$1,984,364
Capital contributions			\$1,100,459,067
Net transfers			(772,350)
Change in Account Balance			\$4,283,097
Beginning Stadium Project Trust Account			-
Ending Stadium Project Trust Account			\$4,283,097

SUMMARY OF CASH AND INVESTMENTS

As of June 30, 2020

Cash and Cash Equivalents:	BALANCE
U.S. Bank – operating account (DDA)	\$83,676.59
U.S. Bank – payroll account (DDA)	\$1,000.32
U.S. Bank – SBL accounts (DDA/trust account)	\$121,901.83
U.S. Bank – ASM Global managed accounts (DDA) operating, box office, event marketing, and cash on hand	\$31,954,748.18
Total Cash and Cash Equivalents	\$32,161,326.92
Investments:	
U.S. Bank investment account:	\$29,205,086.72
First American Government Obligation Fund \$24,205,881.72	
U.S. Treasury Bill, 7/16/2020, \$1,499,925.00	
U.S. Treasury Bill, 9/10/2020, \$1,999,460.00	
U.S. Treasury Bill, 8/06/2020, \$1,499,820.00	
Grand Total	\$61,366,413.64

MINNESOTA SPORTS FACILITIES AUTHORITY
 Budget Report 2019-2020
 July 1, 2019 to June 30, 2020

<u>Operating Account</u>	<u>Original 2019-2020 Annual Budget</u>	<u>Amended 2019-2020 Annual Budget</u>	<u>Q4 - Actual 07/01/2019-06/30/2020</u>
Revenues:			
Stadium operating payments			
State of Minnesota operating payment	\$ 6,672,378	\$ 6,672,378	\$ 6,609,089
Minnesota Vikings operating payment	\$ 9,288,180	\$ 9,288,180	\$ 9,298,867
Stadium operating revenue-SMG	\$ 25,663,719	\$ 25,663,719	\$ 14,142,738
Miscellaneous revenues	\$ 64,200	\$ 64,200	\$ 2,022,143
Total operating revenues	<u>\$ 41,688,477</u>	<u>\$ 41,688,477</u>	<u>\$ 32,072,837</u>
Expenses:			
Personal services	\$ 712,866	\$ 712,866	\$ 660,059
Professional services	\$ 1,609,725	\$ 1,609,725	\$ 1,385,176
Supplies and network support	\$ 221,000	\$ 221,000	\$ 217,992
Stadium contractual commitments	\$ 957,569	\$ 957,569	\$ 800,699
Insurance	\$ 322,118	\$ 322,118	\$ 273,812
Miscellaneous	\$ 486,220	\$ 486,220	\$ 606,771
Stadium operating expense-SMG	\$ 34,630,201	\$ 34,630,201	\$ 24,537,327
Total operating expenses	<u>\$ 38,939,699</u>	<u>\$ 38,939,699</u>	<u>\$ 28,481,835</u>
Operating income/(loss)	<u>\$ 2,748,778</u>	<u>\$ 2,748,778</u>	<u>\$ 3,591,002</u>
Nonoperating revenues/(expenses):			
Revenues-Investment earnings	\$ 84,000	\$ 84,000	\$ 152,903
Revenues-Taxes-State of Minnesota	\$ 2,430,018	\$ 2,430,018	\$ 1,836,208
Expenses-Stadium construction project expenses	\$ -	\$ -	\$ 1,204,089
Loss on disposal of assets	\$ -	\$ -	\$ (4,919,682)
Total nonoperating revenues/(expenses)	<u>\$ 2,514,018</u>	<u>\$ 2,514,018</u>	<u>\$ (1,726,482)</u>
Net Income/(loss) before transfers	<u>\$ 5,262,796</u>	<u>\$ 5,262,796</u>	<u>\$ 1,864,520</u>
Transfers:			
Transfer to Capital Reserve fund	\$ (4,500,000)	\$ (4,500,000)	\$ -
Change in Account Balance	<u>\$ 762,796</u>	<u>\$ 762,796</u>	<u>\$ 1,864,520</u>
Beginning Operating Account Balance	<u>\$ 8,406,321</u>	<u>\$ 8,406,321</u>	<u>\$ 8,406,321</u>
Ending Operating Account Balance	<u>\$ 9,169,117</u>	<u>\$ 9,169,117</u>	<u>\$ 10,270,841</u>
Capital Reserve Account			
Revenues:			
Minnesota Vikings Capital Cost payment	\$ 1,688,263	\$ 1,688,263	\$ 1,640,977
State of Minnesota Capital payment	\$ 1,668,095	\$ 1,668,095	\$ 1,652,272
Settlement agreement and project closeout funding	\$ -	\$ 26,959,266	\$ 23,607,452
Gain on disposal of assets	\$ -	\$ -	\$ 266,500
Total revenues	<u>\$ 3,356,358</u>	<u>\$ 30,315,624</u>	<u>\$ 27,167,200</u>
Capital expenses	<u>\$ 3,444,721</u>	<u>\$ 30,403,987</u>	<u>\$ 16,276,273</u>
Net Income/(loss) before transfers	<u>\$ (88,363)</u>	<u>\$ (88,363)</u>	<u>\$ 10,890,927</u>
Transfers:			
Transfer from Operating Account	\$ 4,500,000	\$ 4,500,000	\$ -
Transfer from Trust Account	\$ -	\$ -	\$ 1,904,951
Change in Account Balance	<u>\$ 4,411,637</u>	<u>\$ 4,411,637</u>	<u>\$ 12,795,879</u>
Beginning Capital Reserve Account Balance	<u>\$ 2,134,288</u>	<u>\$ 2,134,288</u>	<u>\$ 2,134,288</u>
Ending Capital Reserve Account Balance	<u>\$ 6,545,925</u>	<u>\$ 6,545,925</u>	<u>\$ 14,930,167</u>
Concession Capital Reserve Account			
Revenues:			
Concession Capital Reserve payment	\$ 800,000	\$ 800,000	\$ 639,757
Concession capital expenses	<u>\$ 705,080</u>	<u>\$ 1,998,990</u>	<u>\$ 674,792</u>
Change in Account Balance	<u>\$ 94,920</u>	<u>\$ (1,198,990)</u>	<u>\$ (35,035)</u>
Beginning Concession Capital Reserve Account Balance	<u>\$ 1,710,497</u>	<u>\$ 1,710,497</u>	<u>\$ 1,710,497</u>
Ending Concession Capital Reserve Account Balance	<u>\$ 1,805,417</u>	<u>\$ 511,507</u>	<u>\$ 1,675,462</u>

MINNESOTA SPORTS FACILITIES AUTHORITY
 BUDGET REPORT - PROJECT-TO-DATE
 U. S. BANK STADIUM PROJECT - TRUST ACCOUNT
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN ACCOUNT BALANCE

Project	2012	2013	2014	2015	2017 (18-Month)	Q4-2018	Q1-Q4-2019	Actual	Actual	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual			
Budget	08/01/12-12/31/12	1/1/13-12/31/13	1/1/14-12/31/14	1/1/15-12/31/15	1/1/16-6/30/17	7/1/17-6/30/18	7/1/18-6/30/19	7/1/19-6/30/20	Project-to-Date	
US BANK STADIUM PROJECT										
Revenues										
Miscellaneous Revenues										
Non-Capital Contributions	\$ -	\$ 833,181	\$ 588,346	\$ 6,328,588	\$ 1,145,445	\$ 9,105,852	\$ 989,440	\$ 1,005,680	\$ 9,316,985	\$ 29,313,517
	-	833,181	588,346	6,328,588	1,145,445	9,105,852	989,440	1,005,680	9,316,985	29,313,517
Expenses										
Miscellaneous Expenses										
Noncapitalizable project expenses	-	833,181	588,346	6,315,692	1,169,692	9,555,450	1,010,349	27,588	1,953,828	21,454,126
Capital improvement expenses-U.S. Bank Stadium Project*										-
Site Acquisition & Improvements	59,287,658	-	751,515	26,615,655	19,778,489	6,045,323				53,190,982
Construction Costs	909,756,576	-	15,902,234	274,863,786	441,952,844	163,667,866		6,483,759		902,870,489
Furnishings, Fixtures & Equipment	66,862,580	-	-	-	13,580,888	51,912,633	832,818			66,326,339
Development Costs	87,985,993	2,546,938	24,355,589	23,927,104	13,318,815	7,373,847	301,741			71,824,034
Other Project Costs	7,118,520	-	-	-	14,170	99,123				113,293
Project Contingency	742,010	-	-	-	-	-				-
Earnest deposit on Downtown East Parking Garage	-	-	855,000	(855,000)	-	-				-
Prepaid project insurance	-	-	10,649,497	317,895	(24,247)	-	(20,908)			10,922,237
Subtotal expenses	1,131,753,337	3,380,119	53,102,181	331,185,132	489,790,651	238,654,242	2,124,000	27,588	8,437,587	1,126,701,500
Income/(loss)	(1,131,753,337)	(2,546,938)	(52,513,835)	(324,856,544)	(488,645,206)	(229,548,390)	(1,134,560)	978,092	879,397	(1,097,387,984)
Nonoperating revenues/(expenses):										
Interest	-	-	-	2,882	219	3,886	3,225	24,418	22,018	56,648
SBL sales revenues	-	-	3,426,786	5,564,687	6,483,069	6,271,723	3,253,735			25,000,000
SBL expenses	-	-	(3,426,786)	(5,564,687)	(6,483,069)	(6,271,723)	(1,392,284)	513,394	(447,129)	(23,072,284)
Subtotal nonoperating revenues/(expenses)	-	-	-	2,882	219	3,886	1,864,676	537,812	(425,111)	1,984,364
Capital Contribution	1,131,753,337	2,546,938	52,513,835	324,869,440	488,645,206	228,299,089	1,134,559	1,225,000	1,225,000	1,100,459,067
Operating Transfer From/(To):										
Operating transfer from Operating account	-	-	-	1,523	-	1,985,405	-			1,986,928
Operating transfer to Operating account	-	-	-	(14,419)	-	(736,104)	-	(103,804)		(854,327)
Operating transfer to Capital reserve account									(1,904,951)	(1,904,951)
Subtotal operating transfer from/(to)	-	-	-	(12,896)	-	1,249,301	-	(103,804)	(1,904,951)	(772,350)
Change in Account Balance	-	-	-	2,882	219	3,886	1,864,675	2,637,100	(225,665)	4,283,097
Beginning Account Balance	-	-	-	-	2,882	3,101	6,987	1,871,662	4,508,762	
Ending Account Balance	\$ -	\$ -	\$ -	\$ 2,882	\$ 3,101	\$ 6,987	\$ 1,871,662	\$ 4,508,762	\$ 4,283,097	\$ 4,283,097



January 21, 2021

MEMORANDUM

TO: MSFA Commissioners

FROM: James Farstad, Executive Director
Mary Fox-Stroman, Director of Finance

SUBJECT: Q1 Budget Report as of September 30, 2020

Attached is the Q1 Budgetary Comparison Report for the period from July 1, 2020 through September 30, 2020 for the MSFA's operating account, capital reserve account, and concession capital reserve account. Following is a high-level summary of the accounts' activities for the year.

Operating Account

The operating account is used to account for the MSFA's operations including ASM Global's operation of U.S. Bank Stadium.

<u>OPERATING ACCOUNT</u>		2020-2021 Budget	Q1 – Actual 7/01/20-9/30/20
Operating revenues		\$36,310,146	\$4,673,944
Operating expenses		(\$34,793,267)	(\$4,649,513)
Operating income/(loss)		\$1,516,879	\$24,431
Net nonoperating revenues/(expenses)		\$87,000,	(\$30,046)
Transfers		(\$2,000,000)	-
Change in Account Balance		(\$396,121)	(\$5,615)
Beginning Operating Account Balance		\$10,270,841	\$10,270,841
Ending Operating Account Balance		\$9,874,720	\$10,265,226

Capital Reserve Account

The capital reserve account is used to account for the stadium's capital improvements including the exterior repair project.

<u>CAPITAL RESERVE ACCOUNT</u>		2020-2021 Budget	Q1 – Actual 7/01/20-9/30/20
Capital revenues		\$3,238,911	\$1,623,508
Capital expenses		(\$16,961,032)	(\$4,243,934)
Net income/(loss)		(\$13,722,121)	(\$2,620,426)
Transfers		\$2,000,000	-
Change in Account Balance		(\$11,722,121)	(\$2,620,426)
Beginning Capital Reserve Account Account Balance		\$14,930,167	\$14,930,167
Ending Capital Reserve Account Balance		\$3,208,046	\$12,309,741

Concession Capital Reserve Account

The concession capital reserve account is used to account for the stadium's concession capital improvements.

CONCESSION CAPITAL RESERVE ACCOUNT		2020-2021 Budget	Q1 – Actual 7/01/20-9/30/20
Concession Capital revenues		\$241,725	\$1,021
Concession Capital expenses		(\$1,353,910)	(\$189,324)
Net income/(loss)		(\$1,112,185)	(\$188,303)
Transfer		-	-
Change in Account Balance		(\$1,112,185)	(\$188,303)
Beginning Concession Capital Reserve Account		\$1,675,462	\$1,675,462
Ending Concession Capital Reserve Account		\$563,277	\$1,487,159

SUMMARY OF CASH AND INVESTMENTS

As of September 30, 2020

	BALANCE
Cash and Cash Equivalents:	
U.S. Bank – operating account (DDA)	\$57,190.35
U.S. Bank – payroll account (DDA)	\$1,000.32
U.S. Bank – SBL accounts (DDA/trust)	\$110,707.66
U.S. Bank – ASM Global managed accounts (DDA) operating, box office, event marketing, and cash on hand	\$32,320,728.18
Total Cash and Cash Equivalents	\$32,489,626.51
Investments (fair value):	
U.S. Bank investment account:	\$24,509,623.24
First American Government Obligation Fund \$23,009,668.24	
U.S. Treasury Bill, 10/15/2020, \$1,499,955.00	
Grand Total	\$56,999,249.75

MINNESOTA SPORTS FACILITIES AUTHORITY
YEAR 2020-2021 BUDGET
July 1, 2020 to September 30, 2020

Operating Account	Budget 2020-2021	Q1 - Actual 7/1/2020-9/30/2020
Revenues:		
Stadium operating payments		
State of Minnesota operating payment	\$ 6,000,000	\$ 1,668,096
Minnesota Vikings operating payment	\$ 9,566,825	\$ 2,391,705
Stadium operating revenue-SMG	\$ 20,679,121	\$ 388,868
Miscellaneous revenues	\$ 64,200	\$ 225,275
Total operating revenues	<u>\$ 36,310,146</u>	<u>\$ 4,673,944</u>
Expenses:		
Personal services	\$ 739,680	\$ 197,190
Professional services	\$ 1,857,000	\$ 519,522
Supplies and network support	\$ 112,326	\$ 22,087
Stadium contractual commitments	\$ 957,569	\$ 190,165
Insurance	\$ 292,722	\$ 252,893
Miscellaneous	\$ 61,070	\$ 158,894
Event cabin license fee	\$ 300,000	\$ -
Stadium operating expenses-SMG	\$ 30,472,900	\$ 3,308,762
Total operating expenses	<u>\$ 34,793,267</u>	<u>\$ 4,649,513</u>
Operating income/(loss)	<u>\$ 1,516,879</u>	<u>\$ 24,431</u>
Nonoperating revenues/(expenses):		
Revenues-Investment earnings	\$ 87,000	\$ 2,998
Revenues-Taxes-State of Minnesota	\$ -	\$ -
Expenses-Stadium construction project expenses	\$ -	\$ (33,044)
Total nonoperating revenues/(expenses)	<u>\$ 87,000</u>	<u>\$ (30,046)</u>
Net Income/(loss) before transfers	<u>\$ 1,603,879</u>	<u>\$ (5,615)</u>
Transfers:		
Transfer to Capital Reserve fund	\$ (2,000,000)	\$ -
Change in Account Balance	<u>\$ (396,121)</u>	<u>\$ (5,615)</u>
Beginning Operating Account Balance	<u>\$ 10,270,841</u>	<u>\$ 10,270,841</u>
Ending Operating Account Balance	<u>\$ 9,874,720</u>	<u>\$ 10,265,226</u>
Capital Reserve Account		
Revenues:		
Minnesota Vikings Capital Cost payment	\$ 1,738,911	\$ 1,623,508
State of Minnesota Capital payment	\$ 1,500,000	\$ -
Total revenues	<u>\$ 3,238,911</u>	<u>\$ 1,623,508</u>
Capital expenses	<u>\$ 16,961,032</u>	<u>\$ 4,243,934</u>
Net Income/(loss) before transfers	<u>\$ (13,722,121)</u>	<u>\$ (2,620,426)</u>
Transfers:		
Transfer from Operating Account	\$ 2,000,000	\$ -
	<u>\$ 2,000,000</u>	<u>\$ -</u>
Change in Account Balance	<u>\$ (11,722,121)</u>	<u>\$ (2,620,426)</u>
Beginning Capital Reserve Account Balance	<u>\$ 14,930,167</u>	<u>\$ 14,930,167</u>
Ending Capital Reserve Account Balance	<u>\$ 3,208,046</u>	<u>\$ 12,309,741</u>
Concession Capital Reserve Account		
Revenues:		
Concession Capital Reserve payment	\$ 241,725	\$ 1,021
Concession capital expenses	<u>\$ 1,353,910</u>	<u>\$ 189,324</u>
Net Income/(loss) before transfers	<u>\$ (1,112,185)</u>	<u>\$ (188,303)</u>
Transfers:		
Transfer to Capital Reserve Account	\$ -	\$ -
Change in Account Balance	<u>\$ (1,112,185)</u>	<u>\$ (188,303)</u>
Beginning Concession Capital Reserve Account Balance	<u>\$ 1,675,462</u>	<u>\$ 1,675,462</u>
Ending Concession Capital Reserve Account Balance	<u>\$ 563,277</u>	<u>\$ 1,487,159</u>