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Minnesota Amateur Sports Commission

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<https://www.mnsports.org/>

AT A GLANCE

In FY24:

- \$46.1 million was spent at the National Sports Center (NSC) by sports visitors.
- \$70.1 million in Total Economic Impact was generated by the NSC in FY24.
- 4.1 million annual visits to the NSC.
- USA CUP (North America's Largest Youth Soccer Tournament) hosted over 17,000 Athletes in July 2024

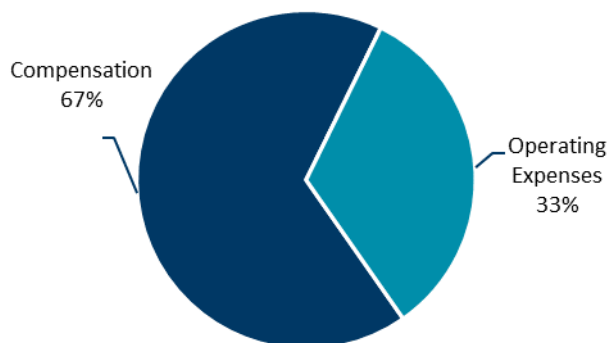
PURPOSE

The Minnesota Amateur Sports Commission (MASC) was created to promote the economic and social benefits of sport for Minnesota citizens and organizations. The MASC contributes to the State of Minnesota by:

- Generating economic benefits through sport events.
- Providing increased amateur sport opportunities for Minnesota residents.
- Improving infrastructure through developing new sport facilities and programs.

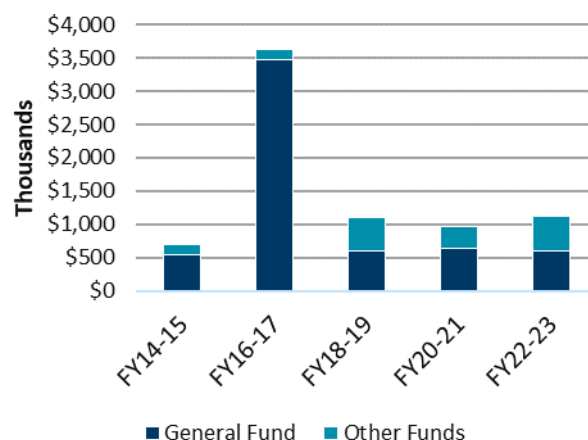
BUDGET

**Spending by Category
FY 2023 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

In the FY 2024-25 biennium, about 96% of the MASC funding is from the General Fund and about 4% is from the MASC contract for services with Hennepin County. Hennepin County now has a grant services department and will take over the youth sports grant program in FY25.

The MASC receives annual funding from the general fund in FY25 of approximately \$391,000 that is primarily used to fund its three full-time staff positions. The MASC received \$2.0 million in 2020 for the Mighty Ducks Grant Program for the purpose of improving ice arena air quality and R-22 replacement. All grants have been awarded as of FY24.

STRATEGIES

The MASC employs several strategies to achieve the agency's goals and mission to bring the economic and social benefits of amateur sports to Minnesota:

- Develop top class amateur sport facilities in partnership with select Minnesota cities. The Regional Centers are facilities that attract out-of-state visitors and serve many Minnesotans. The Regional Centers are located in Rochester, Marshall, Blaine, St. Cloud, and Biwabik.
- Create and attract new amateur sports programs and events in Minnesota with a focus on the National Sports Center in Blaine.

RESULTS

The MASC closely tracks the success of its major priorities:

- The performance of the National Sports Center (NSC) in Blaine, which is the flagship amateur sports facility in Minnesota, is the one facility in the state directly overseen by the MASC. The NSC has shown strong financial performance, is operationally self-sufficient, and shows stable attendance and growing economic impact numbers.
- The MASC has developed a model to compute economic impact for its major sports events. In addition to using this model on its own events, the MASC shares the model with other sport organizations, parks and recreation departments, and anyone hosting sports events in the state. This model was specifically designed to be used by non-economists, but it has been verified as accurate and conservative in its estimates by professionals in the field of event economics.

<i>Measure Name</i>	<i>Measure Type</i>	<i>Measure Data Source</i>	<i>Historical Trend</i>	<i>Most Recent data</i>
National Sports Center Total Economic Impact	Result	Event Impact Calculator by Destinations International	\$10M Growth Year-over-year since 2020 (pandemic)	\$70 million (FY2023)
Annual visitors to the National Sports Center	Quantity	Placer.AI (Cell Phone Tracking Data)	Steady year-over-year	4.1 million (FY2023)

Chapter 240A of the Minnesota Statutes provides the legal authority for the Amateur Sports Commission. (<https://www.revisor.mn.gov/statutes/cite/240A>)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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Expenditures by Fund

1000 - General	285	306	358	1,262	392	392	401	411
2000 - Restrict Misc Special Revenue	366	167	66	340	1	1	1	1
2340 - Renewable Development				4,200				
Total	651	474	424	5,802	393	393	402	412
Biennial Change				5,102		(5,440)		(5,412)
Biennial % Change				454		(87)		(87)
Governor's Change from Base								28
Governor's % Change from Base								4

Expenditures by Program

Amateur Sports Commission	651	474	424	5,802	393	393	402	412
Total	651	474	424	5,802	393	393	402	412

Expenditures by Category

Compensation	295	316	372	351	352	352	361	371
Operating Expenses	356	157	53	401	41	41	41	41
Capital Outlay-Real Property				5,050				
Total	651	474	424	5,802	393	393	402	412

Full-Time Equivalents

2.50	2.71	3.00	2.78	3.00	3.00	3.00	3.00
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Amateur Sports Commission

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Balance Forward In		26		871				
Direct Appropriation	311	317	1,229	391	392	392	401	411
Cancellations		37						
Balance Forward Out	26		871					
Expenditures	285	306	358	1,262	392	392	401	411
Biennial Change in Expenditures				1,029		(836)		(808)
Biennial % Change in Expenditures				174		(52)		(50)
Governor's Change from Base								28
Governor's % Change from Base								4
Full-Time Equivalents	2.37	2.50	2.78	2.78	3.00	3.00	3.00	3.00

2000 - Restrict Misc Special Revenue

Balance Forward In	4	154	406	399	62	64	62	64
Receipts	516	419	60	3	3	3	3	3
Transfers Out			0					
Balance Forward Out	154	406	399	62	64	66	64	66
Expenditures	366	167	66	340	1	1	1	1
Biennial Change in Expenditures				(127)		(404)		(404)
Biennial % Change in Expenditures				(24)		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.13	0.21	0.22					

2340 - Renewable Development

Direct Appropriation			4,200		0	0	0	0
Expenditures			4,200					
Biennial Change in Expenditures			4,200			(4,200)		(4,200)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2403 - Gift

Balance Forward In	1	1	1	1	1	1	1	1
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Amateur Sports Commission

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Balance Forward Out	1	1	1	1	1	1	1	1

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
FY2025 Appropriations	391	391	391	782
Base Adjustments				
Minnesota Paid Leave Allocation		1	1	2
Forecast Base	391	392	392	784
Change Items				
Operating Adjustment		9	19	28
Total Governor's Recommendations	391	401	411	812
Fund: 2340 - Renewable Development				
FY2025 Appropriations	4,200	4,200	4,200	8,400
Base Adjustments				
All Other One-Time Appropriations		(4,200)	(4,200)	(8,400)
Forecast Base	4,200			
Total Governor's Recommendations	4,200			
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	340	1	1	2
Forecast Base	340	1	1	2
Total Governor's Recommendations	340	1	1	2
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	3	3	3	6
Total Governor's Recommendations	3	3	3	6

Minnesota Amateur Sports Commission

FY 2026-27 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	9	19	19	19
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	9	19	19	19
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding of \$9,000 in FY 2026 and \$19,000 in each subsequent year from the general fund to help address operating cost increases at the Amateur Sports Commission.

Rationale/Background:

The cost of operations rises each year due to increases in employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat year to year.

Agencies face challenging decisions to manage these rising costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. For FY 2026-27, agencies will need to continue to find additional efficiencies and leverage management tools to help address budget pressures. Holding open vacancies in certain programs or delaying hiring in other programs are examples of ways agencies manage through constrained operating budgets. Such decisions are difficult and must be weighed against a program's ability to conduct business with less staffing and its impact to service delivery.

This recommendation provides additional resources to help address these cost pressures and pay for agency operations.

Proposal:

The Governor recommends increasing agency operating budgets to support current services. For the Amateur Sports Commission, this funding will help cover expected growth in employee compensation and insurance, and other operating costs.

Dollars in Thousands

Net Impact by Fund	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	9	19	28	19	19	38
Total All Funds	9	19	28	19	19	38

Fund	Component Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
GF	Operating Costs	9	19	28	19	19	38

Results:

This recommendation is intended to help the Amateur Sports Commission address rising cost pressures and mitigate impacts to current levels of service and information to the public.