

Formed as a result of voter approval of Prop. 302 in Nov. 2000, AZSTA is dedicated to enhancing Maricopa County's economy and the community's quality of life through the development of professional and amateur sports facilities, the attraction of entertainment, sporting, and business events.

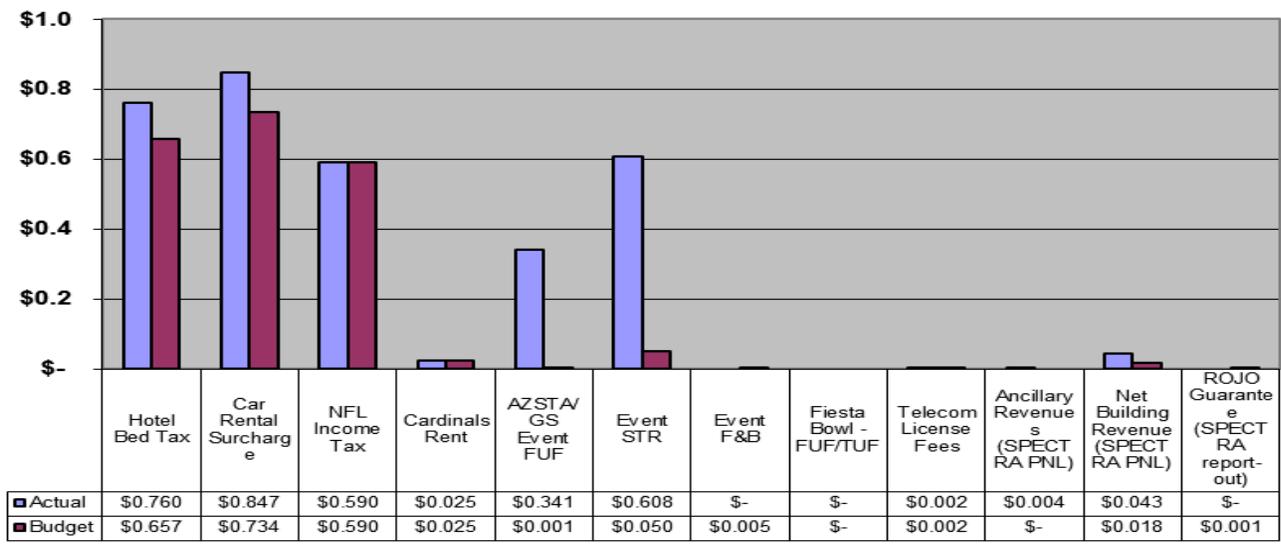
Home of 2016 College Football Playoff National Championship Game



FINANCIAL OVERVIEW

Sources – The following chart lists AZSTA revenue receipts for the month of October 2015; which represents transaction activity primarily from August 2015.

AZSTA Revenue Sources - September 2015 (\$M)



REVENUE The Authority's total revenues for the month are less than the budget forecast by a total of **(\$ 186,465) / (6.82%) vs. budget forecast for the month.**

NOTE: This negative variance vs. budget for the month is driven by both the FRCA components of total revenues, when looking at the individual revenue receipts vs. the budget for the month:

Tourism Revenues (TRCA) for the month, exceeded the budget forecast by \$ 21,644 = 1.38%. However, the Car Rental Surcharge Tax component was less than the budget projection for the month.

Facilities Revenues (FRCA) for the month, were less than the budget forecast by (\$ 208,110) / (17.84%) for the month. The individual FRCA revenue line item that drove this negative variance was Event Sales Tax Rebate/

Recapture (STR).

The individual revenue components and their performance vs. budget forecast for the month are as follows:

The Tourism Revenues (TRCA) (hotel bed tax and car rental surcharge) posted **\$ 1,587,710** in total; which is **\$ 21,644 / 1.38% better than the budget forecast for the month.**

Hotel Bed Tax reported **\$ 758,923** for the month; which is \$ 335,958 / 79.43% better than the FY2016 budget forecast for the month.

Car Rental Surcharge Tax posted revenue receipts of **\$ 828,787** for the month; which is (\$ 314,313) / (27.50%) less than the FY2016 budget forecast for the month. better than the FY2016 budget forecast for the month.

The Facilities Revenues (FRCA) includes:

The **NFL income tax**. This monthly revenue is determined by the Arizona Department of Revenue prior to the start of each fiscal year. This monthly receipt was on budget @ **\$590,077** per month for FY2016. It is anticipated that each month in FY2016 will be @ budget.

AZ Cardinals Rent is pre-determined via the agreement with the Authority. This monthly receipt was on budget @ **\$24,898** for the month. It is anticipated that each month in FY2016 will be @ budget.

The **Facility Use Fees (FUF)** receipts for the month were **\$ 0**; which is (\$ 9,537) less than the FY2016 budget for the month. This revenue component typically has a timing issue vs. the forecast budget: i.e. relating to when the FUF revenues are collected, the accounts get settled with the event promoter, and the FUF gets reported and paid-out to the Authority via SPECTRA / Global Spectrum's financial package review for a given month.

Sales Tax Recapture (STR) revenues receipts for the month were **\$ 302,481** = (\$ 200,775) less than the FY2016 budget forecast for the month. This revenue source is also subject to timing issues related to when the Authority actually receives STR receipts from either the City of Glendale and/or from the State of Arizona - Department of Revenue. These timing delays are driven by the date of the event, when vendors file their tax returns and remit their applicable sales taxes to these two taxing authorities; and then when these taxing authorities are able to process the tax returns and revenue receipts, and, finally, when these two taxing authorities then remit the Sales Tax Rebate/ Recapture to AZSTA.

The **Food & Beverage Commissions (F&B)** receipts for the month were **\$ 0** = (\$ 5,661) less than the budget for the month. This FRCA revenue source has a similar timing issue related to when the F&B commission revenues are collected, calculated, and reported on the month-end commission workbook by ROJO Hospitality. Then, the F&B commission check has to be generated and released to the Authority.

The **Fiesta Bowl Facilities Use Fee (FUF) / Ticket Use Fee (TUF)** receipts for the month were **\$ 0** = \$ @ budget forecast for the month. Note: the Fiesta Bowl FUF & TUF revenue sources have a timing that hits near the date of the game = Jan timeframe of each given fiscal year.

The **Telecom License Fees** revenues represent a license fee paid by a carrier for their use of a telecommunications tower located on the stadium property. The receipts for the month = **\$ 1,984** vs. the monthly budget forecast @ \$1,800 = \$ 184 / 10.21% better than budget forecast for the month.

Year-to-Date Tourism Revenues (TRCA) are **\$ 7,033,404** = \$ 834,980 / 13.47% better than budget forecast YTD for FY2016. It is expected that the Authority will surpass the TRCA total revenue \$ budget forecast for the fiscal year.

Year-to-Date Facility Revenues (FRCA) are **\$ 7,492,993** = \$ 1,574,743 / 26.61% better than budget forecast for FY2016 YTD. Again, this delta vs. YTD budget is timing driven. However, it is expected that the Authority will surpass the FRCA total revenue \$ budget forecast for the fiscal year.

Authorized by:



Tom Sadler
Arizona Sports and Tourism Authority

Note: This monthly report is required by Arizona Revised Statutes Section 5-814. A. which states that.... "Within three weeks after the end of each calendar month the authority shall prepare a report signed by the executive director of the authority and transmit the report to the governor, the legislature, as provided by section 41-1178, and the joint legislative budget committee. The report