

Arizona Sports & Tourism Authority

**Minutes of a Meeting of the Arizona Sports & Tourism Authority
Finance, Budget and Committee
October 4, 2004, 1:30 p.m.
Arizona Sports & Tourism Authority Boardroom
14500 N. Northsight Boulevard, Suite 312
Scottsdale, Arizona 85260**

Attendance

Members

Roc Arnett, Chairman
Rod Williams

Staff

Charles Foley, Chief Financial Officer & Treasurer
Ted Ferris, President/CEO
Kim Monroe, Executive Assistant

1. Call to Order. A public meeting of the of the Arizona Sports & Tourism Authority (the "Authority") Finance, Budget and Audit Committee (the "Committee") was held in the Boardroom at the offices of the Authority, 14500 N. Northsight Boulevard, Suite 312, Scottsdale, Arizona 85260, on Monday, October 4, 2004, at 1:30 p.m. A quorum being present, and the meeting having been duly noticed and called, Mr. Arnett, the Chairman, called the meeting to order. The Chairman asked that consideration of the Memorandum of Agreement with the City of Glendale be move up to accommodate schedules.

2. Consideration of Memorandum of Agreement By and Among the City of Glendale and the Arizona Sports and Tourism Authority (the "MOA"). The Chairman asked Mr. Ferris, the Authority's President/CEO to review the MOA site infrastructure financing plan with the committee. Mr. Ferris presented a PowerPoint presentation to review the plan in greater detail to the members (Exhibit A). Mr. Ferris then asked Ms. Sarah Strunk the Authority's legal council to review the analysis of the MOA detailing the changes made from the original CFD

financing plan (Exhibit B). During this discussion Mr. Ferris explained to the members that Exhibit B to the MOA would have a few minor changes and be redistributed prior to the full Board of Directors meeting scheduled for October 7, 2004. Mr. Kurt Freund and Mr. John Snider, the Authority's Financial Advisors reviewed the details of the bond sale with the members. Mr. Ferris stated to the members that it was the goal of the Authority to complete the bond sale by the end of November 2004. Both Mr. Freund and Mr. Snider agreed with that statement and reiterated the need to sell bonds sooner than later due to the potential of rising interest rates. Chairman Arnett asked for a motion to forward the MOA to the full Board of Directors for their consideration at the next Board meeting scheduled on October 7, 2004. Upon motion duly made by Mr. Williams, seconded by Chairman Arnett, and unanimously carried, the motion was approved.

3. Consideration of Resolution No. 2004-56 for Authorization of Senior Revenue Bonds for the MPF Project. Mr. Snider and Mr. Ferris reviewed the resolution and bond sale details with the Members (Exhibit C). Chairman Arnett asked for a motion to forward the resolution for their consideration at the next Board meeting scheduled on October 7, 2004. Upon motion duly made by Mr. Williams, seconded by Chairman Arnett, and unanimously carried, the motion was approved.

4. Consideration of Minutes from June 15, 2004. The Chairman asked for a motion to approve and ratify the minutes of a meeting of the Committee held June 15, 2004 (Exhibit D). Upon motion duly made by Mr. Williams and seconded by Chairman Arnett and unanimously carried, it was resolved that the minutes of the June 15, 2004 meeting be approved.

5. Discussion of Fiscal Year 2004 Financial Audit (the "Audit"). The Chairman asked Mr. Foley, the Authority's Chief Financial Officer and Treasurer to review the fiscal year

2004 Audit (Exhibit E) for the Committee. Mr. Foley explained to the members that Authority had contracted with a new auditing firm, Eide Bailey, LLP. Mr. Foley then reviewed the Audit in detail with the members. Mr. Foley stated that the cover letter from Eide Bailey was in the finishing stages and would be included in the final draft to the full Board of Directors. During the Audit discussions Chairman Arnett requested that the Audit pages be numbered. Mr. Williams also requested that Mr. Foley discuss the possibility of a note be added to the Audit detailing the amount owed to the Authority from the City of Tempe related to the first site selection process. Chairman Arnett requested that Mr. Foley forward the detail behind the legal expenses for FY2004 to the Committee members for their review. Upon conclusion of the Audit discussion, Chairman Arnett asked for a motion to forward the Audit with the requested changes to the full Board of Directors for their consideration at the next Board meeting scheduled on October 7, 2004. Upon motion duly made by Mr. Williams, seconded by Chairman Arnett, and unanimously carried, the motion was approved.

6. Adjournment. There being no further business to come before the Board, upon motion duly made by Mr. Williams, seconded by Chairman Arnett and unanimously carried, the meeting adjourned.

“Exhibit A”

PowerPoint Presentation – Memorandum of Agreement

“Exhibit B”

MOA Analysis

“Exhibit C”

Resolution No. 2004-56 providing for the authorization, issuance and Sale of up to \$45,000,000
in additional Senior Revenue Bonds for the Multipurpose Facility project

“Exhibit D”

Draft June 15, 2004 Committee Minutes

“Exhibit E”

Draft FY2004 Audit