

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, and through tourism promotion.

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AZSTA Grant Recipients and Updates

One Step Beyond

As an AZSTA Biennial Grant Recipient of 2008, One Step Beyond's Dance Studio and Program, located in Peoria, has already impacted the lives of young adults and children with disabilities.

Young adults with disabilities commonly have problems with obesity and fitness. Compounding the problem is the fact that individuals with disabilities usually do not have the access to community resources that promote healthy lifestyles.



Students are taught how to prepare healthy meals for themselves and their families in the kitchen that is also located at the Center.

At One Step Beyond, they provide programs for young adults with disabilities that are designed not only to teach independent living, but also to develop and support personalized programs for all their students that encourage healthy

diet, weight control, and physical fitness.

With the aide of the AZSTA grant, under the direction of trained staff, students participate in weekly dance classes and daily physical fitness activities, as well as personalized exercise regimens to encourage weight



management, physical fitness, and stamina. "The Dance program has been such an eye opener, Mimi Rogers, One Step Beyond CEO said. "When Madison [dance instructor] showed me the choreography she was planning, I was wondering if they

could learn the moves. This just shows what these young people are capable of achieving if given the opportunity. We truly appreciate the support of AZSTA for making our dance and exercise studio a dream come true."

AZSTA staff first reviewed and made recommendations for the 2008 Biennial Grants and the AZSTA Board approved them on October, 23 2007. "What we, the Authority staff, liked about this grant recipient was the simplicity of their request and the great return for a very, small investment," Chuck Foley, AZSTA CFO and Treasurer said. "We have previously provided funding for youth and amateur sports and physical recreation projects that benefited the disabled community and this project seemed to be yet another great



example of how the Authority could continue to help make a difference. Now, having visited One Step Beyond and having seen the completed project in use, it further verified that this was a great decision by the board of directors to include funding for this project during our last biennial grant cycle."

The Biennial Grant program runs on a two-year cycle and funds the development and improvement of youth and amateur sports facilities, recreational facilities and other community facilities.

Quotes from the students

"I like dance class and showing off my dance attitude." - Michelle Rinke

"It's great fun. I'm terrific. It's positive." - Marcel Richardson

"I like dance because I get to be with friends. It's full of fun memories." - Christine Riddle

"When we dance we get to express our feelings. I love it!" - Jennifer Kale

Paradise Valley Christian Preparatory

Also as an AZSTA Biennial Grant Recipient of 2008, the Paradise Valley Christian Preparatory (PVCP) was able to renovate their multi-use ball field and build permanent batting cages for more than 1,300 youth who utilize the fields year-round. Construction began in December 2007 for the fields and the project is near completion.

PVCP is a kindergarten through eighth-grade school. The field is utilized by many groups; more than 450 children who were enrolled this past year at the school, more than 500 who enroll in summer sports camps, sport-traveling teams and the school's baseball and softball teams.



More than 1,300 youth will utilize the field and the batting cage (show here) year-round.

PVCP stated the renovation of the ball field was necessary to fulfill two environmental concerns to the community at large; water conservation from the damaged soil and air pollution from blowing dust, which drives respiratory illnesses. PVCP states that after the renovation, the multi-use field now retains moisture longer due to the improved soil, which reduces the overall water usage and air pollution.

"We want to thank the Authority again for being so generous in supporting us with the field renovation and installation of a new batting cage," Susan Paetz, Development Support for PVCP said. "The students and parents are very excited about the improved field. We look forward to sharing it with many youth organizations in the coming years."

UNIVERSITY OF PHOENIX STADIUM EVENTS

Stadium Shootout: First Basketball Games to be held at Stadium

A press conference was held at the University of Phoenix Stadium on March 28th, where AZSTA and Global Spectrum in collaboration with Northwest Sports and Entertainment Inc., announced the first ever basketball games to be held at the University of Phoenix Stadium in December 2008.



The event will be a double-header and will feature four teams. The first match-up features the University of Louisville Cardinals facing the Golden Gophers from the University of Minnesota. Game two is the Brigham Young University Cougars against the Arizona State University Sun Devils.

AZSTA President and CEO Ted Ferris, along with John Hines, Director of Northwest Sports, introduced the event at the press conference. Arizona State Head Coach Herb Sendek and Brigham Young's Head Coach Dave Rose, along with representatives from each school's athletic departments were also on hand to discuss their participation.

The exact date for the games will be made official once the collegiate basketball schedules are released.



Ted Ferris, AZSTA President and CEO said he is very excited to host the tournament.

Radiant Church Easter Service held at Stadium

Recently named the 18th fastest growing church in the country, Radiant Church of Surprise, held their Easter Service at the University of Phoenix Stadium on Sunday, March 23rd. More than 6,000 attended the Easter Service that included worship through prayer and songs and additional entertainment.

Radiant received the Church of Health Award from Purpose Driven Ministries, and media outlets began to take notice. The New York Times Magazine put Radiant on the front cover one Easter Sunday, with a feature article on how mega-churches are changing the face of life in the exurbs.

Radiant Church will be back to the University of Phoenix Stadium next Easter for their Sunday service on April 2, 2009.



Guests of all ages joined in worship for Easter at the University of Phoenix Stadium.

International Sportsmen's Expo attracts more than 16,000

With 400 exhibiting companies, seminars, contests and hands-on features, the International Sportsmen's Exposition (ISE) was held at the University of Phoenix Stadium March 7-9.



More than 16,000 attended the three-day event that is known for being Arizona's largest, most diverse and exciting event all year for anyone interested in fishing, hunting, off-roading, boating, and related travel opportunities near or around the world.

Throughout the expo there were competitions including; Best of the West Distance Fly-Casting, Elk Calling and Splash Dogs Water-Jumping.



The Splash Dogs Water Jumping competition was held outside just south of the Stadium.

Featured throughout the expo was a youth outdoor sports fair. The fair featured hands-on activities, including a shooting range from the Bow-Hunters Association and a giant catch and release youth fishing pond.

The Arizona Department of Game and Fish showcased a pavilion of live animals where guests were able to speak to Arizona's outdoor experts and were also able to purchase their fishing and hunting licenses at the day of the event.



Guests were able to get a close look at the warm-water fishing demonstration tank with seminars by Arizona's top bass pros and angling experts.

Paintball Sports Promotions holds Open at Youth Sports Complex

With paintball being one of the fastest growing extreme sports in the world, the Paintball Sports Promotions (PSP) held their Phoenix Open at the University of Phoenix Stadium's Youth Sports Complex from March 13-16.

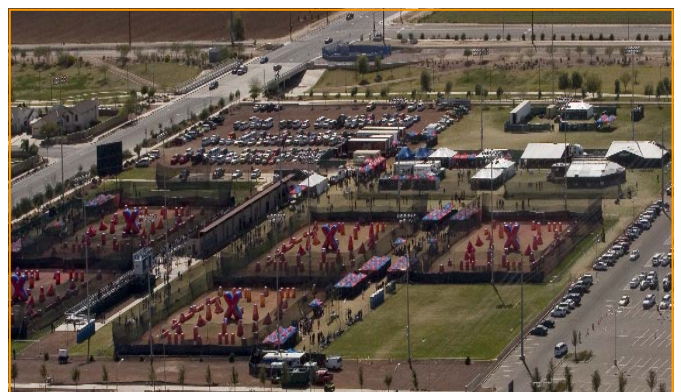
Over the four-day event, thousands gathered to watch the divisional competition that featured the best teams in the world who were competing for their share of over \$100,000 in cash. There were nearly 1,300 participants divided into 123 teams.

Fun for the entire family, guests were able to visit the trade show for everything paint-ball related and were also able to speak with the manufactures directly regarding their products. Paintball professionals were on-hand signing autograph's during the final events on the last day.



There were nearly 1,300 participants who competed for over \$100,000 in prize money.

The PSP is the premiere paintball league hosting five-events around the country each year. The tournament consists of two styles of play; the more traditional format, the five-man series and X-Ball, a format offered only by the PSP.



The University of Phoenix Stadium's Youth Sports Complex is located at the south-east corner of the stadium off of Bethany Home Road and 91st Ave.

Men’s Luxury Toy Expo held at Stadium

“From luxury to extreme and all the toys between”, The Men’s Luxury Toy Expo was held at the University of Phoenix Stadium on March 15-16. Nearly 6,000 attended the two-day event that featured car shows, and nearly 200 exhibitors, including luxury goods and services throughout the Southwest.

Highlights of the show included the car show that showcased 80 of the best vehicles in the valley throughout the two-day event. The public was able to judge, with a purchase of a \$1 ticket given to charity, that also put them in the drawing for the 50-50 split the pot raffle. Guests were also able to participate in a treasure hunt where hourly drawings were held for those who completed the hunt.



Visitors were able to judge for their favorite cars throughout the expo.

Founded in 2005, the Men’s Luxury Toy Expo has been honored to serve the needs of the country’s most renowned personalities, including a multitude of sports figures, nationally recognized car collectors, celebrities, and a wide-range of corporate leaders.

Since its inception, with the help of loyal clientele and the popularity of the event, the expo has grown to over two-thousand percent.

The next Men’s Luxury Toy Expo is back at the University of Phoenix Stadium on October 3-5, 2008.



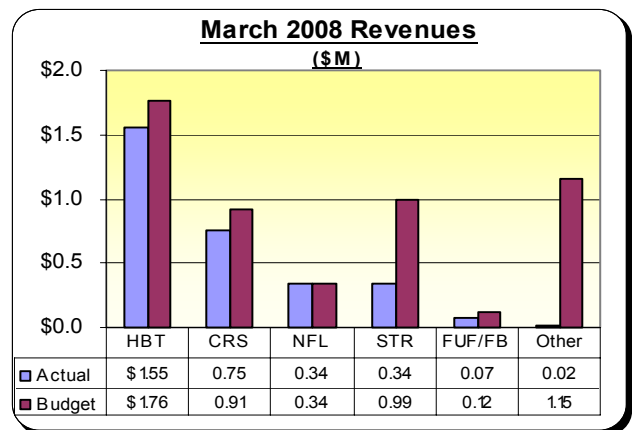
APRIL AND MAY EVENTS

Women’s Expo, University of Phoenix Stadium	4/19-20
Electric Flight Expo, University of Phoenix Stadium	4/25-27
University of Phoenix Graduation, University of Phoenix Stadium	5/3
Take Steps for Crohn’s & Colitis Walk, University of Phoenix Stadium	5/10
Jobing.com Career Expo, University of Phoenix Stadium	5/14
Arizona Skin Art Expo, University of Phoenix Stadium	5/16-18

Further information available at www.az-sta.com or www.universityofphoenixstadium.com

FINANCIAL OVERVIEW

Sources – The following chart provides our monthly revenue results for March 2008 which represents transaction activity from January 2008:



The Authority’s **total revenues** for the current month were significantly below our budget forecast by \$2.2M, 41.7%. The primary component of this negative result was due to several timing issues with the Sales Tax Recapture and Other revenue categories. There are several timing issues with the receipt of STR monies from both the State and Local sources related to the Super Bowl (non-admission transactions) and the Fiesta Bowl. We are scheduling meetings with both ADOR and the City of Glendale in order to ensure that the entities who should be reporting these amounts are doing so and that we are receiving the actual funds in a timely manner.



As to the Other category we did receive an earlier amount from the Fiesta Bowl in January 2008 totaling \$644k leaving an estimated balance yet-to-be received of \$485k.

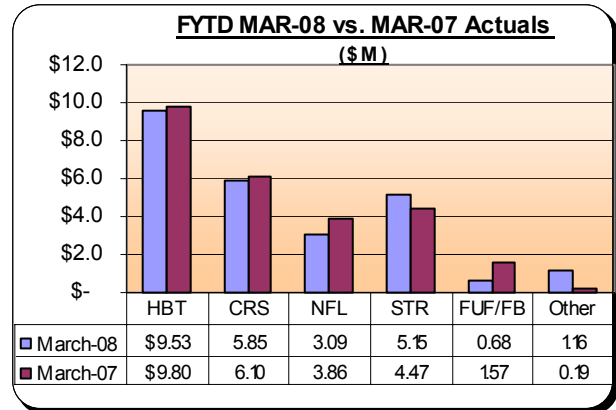
Unfortunately, our core tourism revenue-duo of the hotel bed tax and car rental surcharge continue to disappoint with a combined, under-budget performance of \$372k, 13.9% – one of our higher variances yet this fiscal year. A portion of this result may be our understanding that there was a significant drop-off in hotel occupancy the week preceding the Super Bowl which was unexpected by the lodging industry. The combined tourism revenues continue to lag our forecast through the first nine months of the fiscal year by a total of \$1.3M, 7.9% – this is a higher negative percentage than last month's results.

The Authority is **not** reporting the sales tax recapture from Super Bowl XLII game day admission tickets sales which were rebated to the NFL. The amount, \$2,394,920.11, was received, and per the Licensing Agreement between the Authority and the NFL, was immediately wire transferred to the NFL in advance of their March 31, 2008 deadline.

The individual revenue components and their performance are detailed as follows:

- The combined **tourism revenues** (hotel bed tax and car rental surcharge) posted \$2.3 million in revenues – \$371.6k, 13.9%, below forecast. The **hotel bed tax** reported \$1.55M in revenues, \$208.6k, 11.9%, below budget. The **car rental surcharge** posted a negative variance of \$162.9k, 17.9%, on \$748.4k in total revenues.
- The **NFL income tax** is determined by the Arizona Department of Revenue prior to the start of each fiscal year. This was on-budget at \$343k for the month. This is nearly \$86k less than for the prior fiscal year with the removal of the guaranteed minimum by the state legislature.
- **Sales tax recapture** revenues for the month were \$341.4k which was \$647.8k, 65.5%, below budget based on the timing of the receipt of revenues related to Super Bowl XLII and the Fiesta Bowl.
- The combined **facility use fees** and **concession revenues** continued to come in below our forecast. A total of \$71.3k was recorded which was \$52.9k, 42.6%, below budget. These sources are directly tied to the number and types of events held at the stadium as well as the actual attendance figures.
- **Other revenues** were comprised of the Arizona Cardinals' rent of \$21.3k. The Authority had received an amount related to the Fiesta Bowl game's non-STR revenues in January totaling \$644.4k leaving a balance of \$484.9k that is still being worked through at the present time.

Sources – Comparing Fiscal Years 2008 and 2007 – The next chart provides a fiscal year-to-date comparison between March 2008 and March 2007:



The current fiscal year's performance during the first nine months of the year have now gone below last year's same-period results by a total of \$541k, 2.1%. Total revenues for this year are \$25.5M vs. \$26.0M for the prior fiscal year. Unfortunately, the Authority's core revenue categories, the two tourism revenues, are materially lower than last year's same-period results. The combined tourism revenues continue to lag behind last year's results by \$519.5k, 3.3%, a percentage that continues to climb as the year progresses.

Senior Bond Debt Service – The Authority's estimated \$12.8 million in senior bond debt service is growing as a result of the sub-prime mortgage crisis and the credit issues facing bond insurers – in the Authority's case specifically Ambac. Ambac insured the Authority's 2005A Revenue Demand Bonds whose weekly interest rate has risen significantly as a direct result of Ambac's lowered credit rating by the credit rating agencies. The Authority is progressively moving closer to a refunding of these bonds in April 2008 which will be secured through a direct pay letter of credit and will allow the Authority's variable rate bonds to return to market rates. Approximately 60% of the total amount will be sourced from our tourism revenues.

Tourism – During fiscal year 2008 the Authority will provide \$5.4 million to the Arizona Office of Tourism in Prop 302 funds for use in the promotion and marketing of Maricopa County. This amount is increased by five percent annually.

Cactus League – The Cactus League will receive slightly greater than \$3.0 million in the current fiscal year. Of this amount \$2.55 million will be used for subordinate bond debt service payments and the balance is earmarked for spring training baseball renovation projects in the cities of Tempe and Scottsdale.

Youth and Amateur Sports -- \$1.6+ million will be distributed into this fund this fiscal year. This annual distribution grows by \$100,000 each year. The Authority will also fully fund the \$100k annual increment to the existing \$1.4 million youth and amateur sports reserve fund.

Authority Operations - The Authority's operating budget, which is a combination of its own operations plus those of its stadium management firm, is forecasted to be less than the prior fiscal year - the first year of stadium operations. The total approved operating budget is \$13.1 million which is comprised of the Authority's operations at \$1.4 million (including expenses related for Super Bowl XLII), and Global Spectrum's operations at \$11.7 million.



Approved by:

A handwritten signature in cursive script, appearing to read "Ted A. Ferris".

Ted A. Ferris
Executive Director/President/CEO

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 shall include a progress report of the activities of the authority during the previous month."

***All AZSTA monthly reports are available at www.az-sta.com