

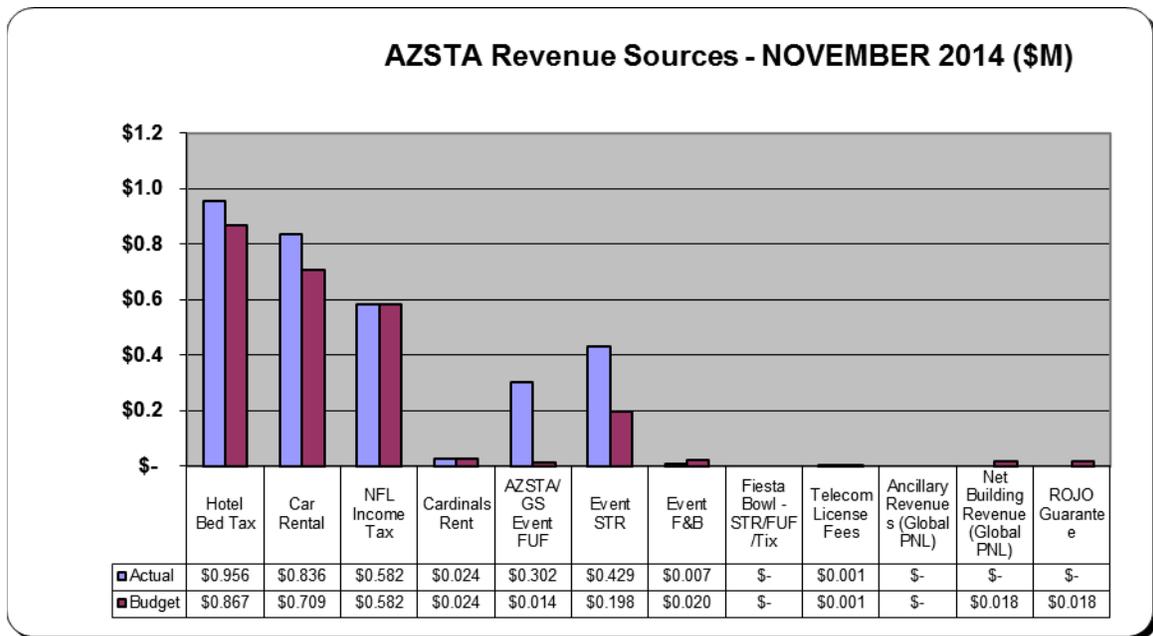
FINANCIAL OVERVIEW

Sources – The following chart provides AZSTA’s revenue receipts for the calendar month of November 2014. These revenues primarily represent actual transaction activities from the month of September 2014 timeframe. November 2014 is the 5th month of AZSTA’s fiscal year 2015 (July 1, 2014 – June 30, 2015):

The Authority’s **total revenues for the month were greater than the budget forecast for the month** by a total of **\$686,317 = 27.99% more than the budget forecast for the month**.

NOTE: This large ‘good news’ delta is driven by Tourism Revenues exceeding budget forecast by \$216,402 = 13.73% for the month and the Facility Revenues (FRCA) exceeding budget forecast by \$469,915 for the month .

NOTE: The FRCA variance can swing wildly over time; as the Authority has timing issues regarding the receipt of the Facility Revenues (FRCA) revenues for the events held in a given month.



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 **\$1,792,111** in total; which is **\$216,402 / 13.73% better than the budget forecast for the month**. **Hotel Bed Tax** reported \$956,041; which is \$88,989 better than the forecast = 10.26% better than budget for the month. **Car Rental Surcharge Tax** posted revenue receipts of \$836,069 in total; which is \$127,414 better than the budget forecast for the month = 17.98% better than the monthly budget.

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. The monthly receipt was at budget = \$582,332 each month in FY2015.

AZ Cardinals Rent is also determined prior to each fiscal year. This monthly receipt was at budget = \$24,410 each month in FY2015.

The **Facility Use Fees (FUF)** receipts for the month were \$302,099. This is \$288,363 more than the budget forecast for the month. This revenue component typically has a timing issue vs. budget: i.e. regarding when the FUF revenues are collected, the account gets settled with the event promoter, and the FUF gets reported to the Authority on Global Spectrum's financial package review for a given month.

Sales Tax Recapture (STR) revenues receipts for the month came in at **\$428,701** = \$230,684 better than forecast for the month. This is a timing issue related to when the Authority actually receives STR receipts from the City of Glendale and from the State of Arizona - Department of Revenue. These timing delays are driven by the timing of the event, when the tax returns are filed by the vendors with these two taxing authorities, when the taxing authorities are able to process their tax returns and revenue receipts, and then remit the STR dollars to the Authority.

The **Food & Beverage Commissions (F&B)** receipts for the month were \$7,238. This is (\$12,338 less than the forecast budget for the month. This too has a similar timing issue related to when the F&B commission revenues are collected, then calculated, and then reported on the month-end commission workbook by ROJO Hospitality.

The **Telecom License Fees** revenues represent a license fee paid by a carrier for their use of a telecommunications tower located on the stadium grounds. The receipts for the month = \$1,235 vs. a monthly budget forecast = \$1,100 = \$135 better than budget forecast for the month = 12.24%.

Year-to-Date Tourism Revenues (TRCA) are \$1,907,922 better than budget forecast for FY2015 = 25.03% better than budget, year-to-date. By fiscal year end, the Authority expects TRCA Revenues to be within 10% of the FY2015 budget forecast.

Year-to-Date Facility Revenues (FRCA) are \$2,844,555 better than budget forecast for FY2015 better than budget, year-to-date. By fiscal year end, the Authority expects FRCA Revenues to be within 5% of the FY2015 budget forecast.

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