



**MEETING MINUTES FOR 177<sup>th</sup> PUBLIC MEETING  
OF THE ARIZONA SPORTS AND TOURISM AUTHORITY'S  
BOARD OF DIRECTORS**

Friday, November 19, 2021 | 11:00 a.m.

[Zoom Video Conference](#) or Call In (646) 558-8656

Meeting ID 842 9911 9154 | Password 167236

1. **CALL TO ORDER**

Having been duly noticed, Chair Eynon called the 177th Arizona Sports and Tourism Authority Board of Directors meeting to order at 11:05 a.m.

2. **ROLL CALL**

Board Members Attending

Teddy Eynon – Chair  
Kim Sabow – Vice Chair  
Dr. Anikar Chhabra - Secretary  
Maria Baier  
David Eberhart  
Rusty Kennedy  
Jeff Overton  
Scarlett Spring

Board Members Not Attending

Debbie Johnson

AZSTA Staff Present

Tom Sadler – President & CEO  
BJ Morley – Chief Financial Officer  
Heather Rayfield – Executive Assistant/Grant Manager  
Sarah Strunk – Authority General Counsel

Guest Attending

*ASM Global*  
Regional Vice President Leonard Bonacci  
General Manager Andy Gorchov  
Asst. General Manager Melissa Wasson  
Director of Finance Nancy McKenna

*Eide Bailly*  
Andy Spillum

*Bagnato Pflipson*  
Andrew Bagnato  
Kristen Pflipsen

*Molera Alvarez*  
Jaime Molera

*Cactus League Association*  
Bridget Binsbacher

After roll call, Chair Eynon formally welcomed the Authority's newly appointed board member, Rusty Kennedy.

3. **ACTION ITEM** Consideration of Minutes from June 23, 2021 Board of Directors Meeting

Motion by Member Baier, seconded by Member Sabow, to approve the draft minutes of the June 23, 2021 Board of Directors meeting. The motion to approve passed unanimously.

4. **ACTION ITEM** Consideration and Approval for AZSTA/ASM Global Annual Financial Statements Audit

Eide Bailly representative, Andy Spillum, presented the annual financial statements audit for the Board. Mr. Spillum shared the required communication to the Board of Directors. Mr. Spillum highlighted key items in the financial statements and noted that the cash was down \$12 million due to the receivables being down as a result of timing. However, Mr. Spillum pointed out that this is the cleanest communication letter one can receive.

Motion by Member Overton, seconded by Member Baier, to approve the AZSTA/ASM Global Annual Financial Audits. The motion to approve passed unanimously.

5. **ACTION ITEM** Consideration and Approval for the AZSTA/ASM Global FY2022 Q1 Financials

CFO, BJ Morley, overviewed the tourism revenue receipts from FY2019 through the current fiscal year for the Board. Ms. Morley pointed out that revenues for FY2022 are trending even higher than FY2019 and that FY2022 has increased revenues by 126% over FY2021. Member Eberhart asked about the May spike in revenues. Ms. Morley stated that revenue receipts are two months behind, so events such as spring training are reported in the May revenues.

Ms. Morley continued the review with the Sources and Uses for the Board. Ms. Morley stated that Gold Cup's success positively impacted facility revenues. Total tourism revenues are 154% better than budget and the total sources are better than budget by 64%. Ms. Morley pointed out that the increase in waterfall distributions are a result of the increased revenues. Ms. Morley noted the timing differences in major cleaning projects for the stadium operating expenses, which will even out over the year. Ms. Morley reviewed the inflows and outflows of the operations cash.

ASM Global Assistant General Manager, Melissa Wasson, reviewed the stadium events for the Board. Out of the forty-three events, thirty were for the Cardinals training camp events. Ms. Wasson stated that the Gold Cup soccer game, held at the end of July, was budgeted for only 30,000 attendees; however, we hosted 60,000 attendees for the game. This event was the first that was not socially distanced since the COVID-19 pandemic started. Also, the Adjusted Gross Revenues are better than budget. Member Eberhart inquired about the Fiesta Bowl game day expenses. Ms. Wasson explained the expenses for the Board. Member Overton asked about current staffing. Ms. Wasson stated that staffing is challenging and management is currently hiring in all service areas. Ms. Wasson added that the new employee and guests experience manager has honed in on the employee experience, focusing on valuing current employees in order to retain staff. Ms. Wasson explained ASM's new employee incentive programs and they are participating with Cardinals in the Top Flight recognition program.

President & CEO, Tom Sadler, introduced the capital projects update for the Board. The first quarter expenses were generated from the Team and were required to be completed in order for them to be agreeable to management contract extension. Mr. Sadler added that the capital projects costs can be absorbed into the financials without having a significant impact. Member Overton congratulated staff on a job well done.

Motion by Member Sabow, seconded by Member Spring, to approve the AZSTA/ASM Global FY2022 Q1 Financials. The motion to approve passed unanimously.

6. **ACTION ITEM YAS Committee Recommendation for Approval of the FY2022 Biennial Grants**

Grant Manager, Heather Rayfield, reviewed the FY2022 biennial grant cycle and the process in which recipients were selected by the Youth and Amateur Sports (YAS) Committee. The YAS Committee conducted two meetings to review recommended projects for the Board. The second meeting was to consider an application revision by Legacy Cares, LLC. There are sixteen organizations, totaling \$2.5 million in grant funds, being submitted for approval to include:

Anthem Preparatory Academy  
Archway Classical Academy – Roosevelt  
Arizona Autism Charter Schools, Inc.  
City of Avondale  
City of Buckeye  
Civitan Foundation, Inc.  
Desert Youth Hockey Association  
Dignity Health Foundation – East Valley  
GiGi’s Playhouse Phoenix, LLC  
ICAN: Positive Programs for Youth  
Legacy Cares, LLC  
Phoenix Children’s Hospital Foundation  
Phoenix Jewish Community Campus  
Scottsdale Preparatory Academy  
Tempe Union High School District #213  
Valley of the Sun Jewish Community Center

Motion by Member Spring, seconded by Member Overton, to approve the recommended FY2022 Biennial Grants. The motion to approve passed; Member Baier abstaining.

7. **INFORMATION ITEM Legislative Update from Molera Alvarez**

Jaime Molera reviewed the biggest issues currently facing the state legislature for the Board. He stated that revenues are very robust and the state has received federal dollars relating to the pandemic. Molera Alvarez anticipates a fast session due to the upcoming 2022 elections and noted the high legislative turnover.

8. **INFORMATION ITEM Cactus League Association Update from Bridget Binsbacher**

Cactus League Association (CLA) Executive Director, Bridget Binsbacher, reviewed the financials for the Board. The CLA expects to achieve or be very close to the 2022 goals. Ms. Binsbacher mentioned the MLB collective bargaining agreement and stated that they are waiting to hear from MLB about what is next. Spring training is scheduled to begin February 26, 2022, but it is currently a challenge on how best to market for the spring training season due to the agreement discussions. The CLA will be prepared to move when it's necessary. Member Eberhart asked if any other teams may relocate from Florida. Ms. Binsbacher stated that the CLA is not involved in that process. Member Overton stated no contracts are up in Florida, so nothing is being discussed.

9. **ACTION ITEM Consideration for the ASM Global (dba SMG) Contract Agreement**

General Counsel, Sarah Strunk, reviewed the renewal terms of the contract extension for the Board. Ms. Strunk stated that ASM Global has agreed to contribute \$1 million toward capital projects and reviewed the maximum performance fee and compensation. Ms. Strunk noted that compensation is performance based and explained the details for the Board.

Motion by Member Eberhart, seconded by Member Sabow, to approve the management services contract agreement extension. The motion to approve passed unanimously.

10. **INFORMATION ITEM Bond Refinance Briefing**

Ms. Morley updated the Board on the bond refinance and reviewed the swap agreement with RBC. Ms. Morley stated they are on track.

11. **INFORMATION ITEM Announcement of future meeting dates and events**

Ms. Rayfield reviewed the upcoming events and future Board of Directors meetings.

12. **ADJOURNMENT**

There being no further business, Chairman Eynon requested a motion to adjourn.

Motion by Member Johnson, seconded by Member Baier, to adjourn the public meeting. The motion passed unanimously.

The meeting was adjourned at 12:27 p.m.