



**AGENDA FOR PUBLIC MEETING
OF THE ARIZONA SPORTS AND TOURISM AUTHORITY'S
FINANCE COMMITTEE MEETING**

Wednesday, May 8, 2019 | 10:30 a.m.
Arizona Sports & Tourism Authority | 1 Cardinals Drive | Glendale, AZ 85305

Committee Members Attending in Person

Jeff Overton – Chair
Jeff Meyer

Committee Members Attending by Phone

Jody Harwood

Other Board Members Attending

Maria Baier
Dave Eberhart (by phone)

Staff Present

Tom Sadler, President & CEO
Kevin Daniels, CFO
Heather Harris, Manager Administration & Grants
Sarah Strunk, Authority General Counsel

Guests Attending

Melissa Wasson, SMG
Andy Gorchov, SMG
BJ Morley, SMG
Chris Calcaterra, Cactus League Assoc.
Bridgett Binsbacher, Cactus League Assoc.

1. **CALL TO ORDER**

Chair Jeff Overton called the meeting to order at 10:34 a.m.

2. **ACTION ITEM** Consideration of Minutes from February 5, 2019 Committee Meeting:

Motion by Member Meyer and seconded by Member Harwood to APPROVE the draft minutes of the Finance Committee meeting held on February 5, 2019.

3. **ACTION ITEM** Review and Approval of AZSTA/SMG FY 2019 Q3 Financials:

Mr. Daniels reviewed the Q3 budget for the committee and explained that information regarding the car rental surcharge is pending. Ms. Strunk followed up by stating she has had discussion with MCSD and will discuss further at the board meeting. Mr. Daniels indicated that the budget to date has exceeded last year's receipts. Also, working through a process regarding sales tax recapture.

Mr. Daniels reviewed the Fiesta Bowl ticket sales, which were lower than anticipated. Forecasts for sales are determined by reviewing previous year. Also, Mr. Daniels reviewed the waterfall distributions for December through February. AZSTA bank and trust spending is higher due to an employee departure, marketing and promotions as well as some unplanned, but needed expenditures.

SMG reviewed their current budget status with the committee. Ms. Wasson stated that Q3 was a busy quarter with a lot of events. Garth Brooks produced very well, but revenues will not hit AZSTA until April. Year-over-year is better than budget and SMG anticipates the same by close of year. Rolling

Stones projections have been taken out and Meacum Auto Auction will be added in Q4. Benchmarks are being met for FY2019 without adjustments such as minimum wage laws going into effect.

SMG also has two unplanned capital items that are being requested for this fiscal year. Mr. Sadler provided a brief overview for the committee. Mr. Gorchov stated that a consulting firm is needed to forecast for capital projects for 10 years out. Also, a replacement for a broken cable is needed. Chair Overton stated a vote is needed to recommend for board approval.

Motion by Member Meyer and a second by Member Harwood to recommend use of contingency funds for the consulting firm and broken cable to the Board of Directors.

Additionally, SMG is requesting approval for a façade restoration capital project prior to the full heat of summer to bring the stadium exterior back to new condition. Test spots have been performed and the results were very positive. Member Overton inquired if the project would also provide protection. Mr. Gorchov stated the stadium will need the restoration every 10-12 years.

Motion by Member Meyer and seconded by Member Harwood to APPROVE the Q3 Financials and recommend exterior façade restoration to the Board of Directors.

4. **INFORMATION ITEM** Update on Cactus League Association Request:

Mr. Sadler introduced the Cactus League Association (CLA) budget assistance request to the committee. Member Meyer thanked Mr. Calcaterra and Ms. Binsbacher for their hard work. Member Eberhart asked if there was anyone in mind for the position to head the CLA? Member Meyer stated that the Board will discuss further and not so much about the position, but about having the funds to accomplish the goals of the CLA. Mr. Sadler added that safeguards will be added to make sure the Board is comfortable and not taking any unnecessary risks. Ms. Strunk stated that funds will be distributed overtime and there will be provisions that will allow pull back.

5. **ADJOURNMENT**

There being no further business to discuss, Chair Overton adjourned the meeting at 11:21 a.m.