

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

100 CONGRESS AVENUE, SUITE 1300
AUSTIN, TEXAS 78701-2744

July 3, 2013

Via First Class Mail

Office of the Comptroller
Attn: Philip Ashley, Fiscal Management
P. O. Box 13528, Capitol Station
Austin, Texas 78711-3528

Via Hand Delivery

Texas Comptroller of Public Accounts
Attn: Philip Ashley, Fiscal Management
Lyndon B. Johnson State Office Bldg.
111 East 17th Street
Austin, Texas 78711-3528

RE: Request for Reimbursement from the Event Trust Fund Established for V8 Supercars Championship (Texas 400)

Dear Madams/Sirs:

This letter and enclosures are delivered to you by Circuit Events Local Organizing Committee, a Texas non-profit corporation (“**CELOC**”) pursuant to the Events Trust Fund program under Tex. Rev. Civ. Stat. Art. 5190.14, Sec. 5C (the “**Act**”) and 34 Texas Administrative Code Rule 2.2000 *et seq.*, (collectively, the “**Rules**”), in furtherance of the purposes of and to request reimbursements of qualifying costs and expenses from the Events Trust Fund account (the “**Fund**”) established under the Act in support of the V8 Supercars Race (the “**Event**”), by letter dated February 15, 2013 from Mr. Martin A. Hubert, Deputy Comptroller, to Mr. Marc Ott, City Manager for the City of Austin, Texas, which Event was held on May 17 - 19, 2013, in Austin, Texas.

CELOC, in its capacity as the “local organizing committee” under the Act, as designated agent of the City of Austin for purposes of the Event and administration of the Fund (under that certain Agreement between CELOC and the City of Austin, dated January 11, 2013, as authorized by the Board of Directors of CELOC at its meeting of December 10, 2012, respectfully submits this request for reimbursement of qualified costs and expenses for the 2013 Event from the Fund established under the Act in support of the V8 Supercars Event held on May 17 - 19, 2013, in Austin, Texas.

In support of this reimbursement request, CELOC includes the following attachments:

1. An invoice dated June 21, 2013, to CELOC from Circuit of the Americas (“**COTA**”) in the amount of \$1,944,042.12 submitted in accordance with the Event Support and Reimbursement Agreement, dated January 16, 2013;
2. A spreadsheet specifying the qualifying costs and expenses submitted to CELOC by COTA, following the format required by your office, which is (a) organized by type(s) of expenditure, with references to the Event Support Contract provision and Act provision (b) listing whether the obligation is evidenced by invoice, contract or receipt number, (c)

listing the invoice, contract of receipt date(s), (d) listing the vender(s), (e) providing expense descriptions and (f) listing the disbursement amount(s);

3. Documentation for each line item cost or expense obligation on the spreadsheet is evidenced by the particular invoice, contract provision or receipt for that particular line item, while not included in this package, will be made available for inspection upon request; and,

4. Evidence of the payment of each line item cost or expense obligation on the spreadsheet, while not included in this package the particular check or wire transfer receipt for that particular line item is available for inspection upon request.

5. Required Certificate of Trust Disbursement Request from the City of Austin as required under 34 TAC Sec. 2.204(i), signed by Mr. Marc Ott, City Manager; Required Affidavit from CEOC as to internal cash controls; and Application for Texas Identification Number from CELOC.

While the included listed and substantiated qualifying costs and expenses submitted with this request total \$1,944,042.12, we understand that the requested reimbursements out of the Fund are (i) subject to review and approval by the comptroller's office and (ii) are further limited to the actual funds in the Fund account, which we understand will be \$824,348.00 per Mr. Martin A. Hubert's February 15, 2013 letter establishing the Fund. And, although we are confident that the amounts included in the enclosed spreadsheet will be approved as qualifying reimbursable amounts by the Comptroller's office, in the event that an aggregate amount of costs or expenses are not so approved, resulting in approved expenses less than the anticipated \$824,348.00 Fund account balance, then CELOC anticipates submitting additional and supplemental qualified costs and expenses in amounts to utilized the full Fund account balance.

Also, as required by the rules under 34 TAC Section 2.204 (the "**Reimbursement Rules**"), CELOC submits and certifies as follows:

1. The costs and expenses submitted herein have been used to finance the costs of the Event related to (i) applying or bidding for selection as the site of the Event, (ii) making preparations necessary and desirable for the conduct of the Event, and (iii) conducting the Event. (34 TAC Section 2.204(a))

2. Any reimbursement received by CELOC from the Fund will not be used to make payments that are not directly attributable to allowable costs described in the Reimbursement Rules and CELOC understand that such payments are subject to verification requests by the Comptroller. (34 TAC Section 2.204(b))

3. CELOC has previously (prior to the Event) submitted a copy of the Event Support Contract (as described in 34 TAC Section 2.100(4)) between CELOC and V8 Supercars Australia Pty Ltd. for the Event to the Comptroller. (34 TAC Section 2.204(c))

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4. CELOC, as designated agent for and on behalf of the City of Austin, has wired the Local Increment amount of \$113,704.00 to the Comptroller to be deposited into the Fund account and matched by the Comptroller, at a multiplier of 6.25, with state funds. Thus, the City of Austin, as the endorsing municipality will not be subject to withholding of local tax funds under a withholding plan. (34 TAC Section 2.204(c) and (d))

5. The City of Austin, as the only endorsing municipality for the Event, will not be receiving reimbursements out of the Fund directly from the Comptroller, therefor neither the Texas Taxpayer Identification Number nor the Comptroller Form AP-152 are necessary. (34 TAC Section 2.204(e)(1))

6. The amount requested to be reimbursed is \$824,348.00, the full balance anticipated to be in the Fund, provided that as noted above, CELOC has submitted total qualifying expenses of \$1,944,042.12, understanding that the submitted qualifying expenses to be reimbursed is limited to the Fund balance. (34 TAC Section 2.204(e)(2))

7. The costs and expenses submitted herein have been used to finance the costs of the Event related to (i) applying or bidding for selection as the site of the Event, (ii) making preparations necessary and desirable for the conduct of the Event, and (iii) conducting the Event and include costs and expenses for traffic and safety planning, temporary facilities to accommodate the large crowds anticipated, traffic engineering services to create a traffic plan to accommodate the large number of vehicles anticipated for the Event and the sanction fee to secure and hold the event payable to V8 Supercars Australia Pty Ltd (34 TAC Section 2.204(e)(3))

8. The costs and expenses listed in this reimbursement request do not include expenses to solicit the relocation of a professional sports franchise located in this state and, to the undersigned's knowledge, no expenses have been utilized and no monies from the Fund will be utilized to solicit the relocation of a professional sports franchise located in this state (34 TAC Section 2.204(e)(4))

9. CELOC requests that all approved reimbursements of the qualifying costs and expenses submitted with this request be made by direct deposit into the depository account of CELOC at PlainsCapital bank in Austin, Texas. Wiring instruction for that account will be provided upon request. (34 TAC Section 2.204(e)(5))

10. A detailed list of expenditures for reimbursement is included on the enclosed spreadsheet, together with copies of the invoices for such expenditures and supporting documentation showing payment of such invoices. (34 TAC Section 2.204(e)(6) – (8))

11. The costs and expenses listed in this reimbursement request do not include payroll expenditures of CELOC or, to the knowledge of the undersigned, Circuit of the Americas, LLC, there for the requirement of 34 TAC Section 2.204(e)(9) is not applicable.

12. No costs sought for reimbursement from the trust fund are being reimbursed by any other entity.

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13. None of the items sought for reimbursement from the trust fund are disallowed or prohibited costs as described in TAC Section 2.205(b).

If you have any questions or comments or require additional information regarding this request or the enclosed material, please do not hesitate to call me.

Sincerely,

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

By:


Wayne S. Hollingsworth, Authorized Director

Enclosures

cc: Martin A. Hubert, Deputy Comptroller (w/ Enclosures)
Robert Wood, Comptroller's Office, Director of Economic Development (w/ Enclosures)
Sam Bryant, CELOC Director (w/ Enclosures)
Ford Smith, CELOC Director (w/ Enclosures)
Rodney Gonzales, CELOC Director (w/ Enclosures)
Steve Sexton, President, Circuit of the Americas

WSH:dp



Invoice

301 Congress Avenue
 Suite 220
 Austin, TX 78701

Date	Invoice #
6/21/2013	M-100

Bill to
CELOC Attn: Wayne Hollingsworth 100 Congress Ave., Suite 1300 Austin TX 78701-2744

P.O. No.	Terms	Project
		2013 MotoGP

Quantity	Description	U/M	Rate	Amount
1	Sanction Fee		1,125,000.00	1,125,000.00
1	Race Requirement		199,700.62	199,700.62
1	Traffic and Safety Plan		323,044.66	323,044.66
1	Event Staffing		230,116.86	230,116.86
1	Temporary Facilities		230,365.05	230,365.05
			Total	\$ 2,108,227.19
All Applicable Sales Tax Included in Total				



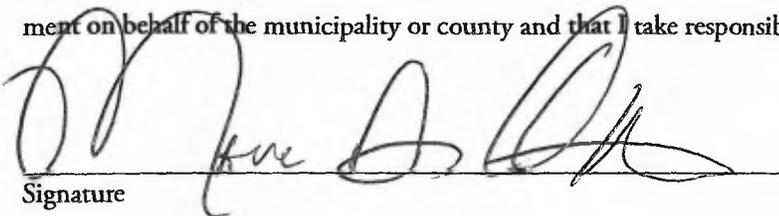
Required Certification of Trust Fund Disbursement Request

34 Tex. Admin. Code Section 2.204(i) effective February 26, 2013

Section 2.204(i) says that each disbursement request must be accompanied by a certification completed by the endorsing municipality or endorsing county as expressed below. The certification must be signed by an official of the endorsing municipality or endorsing county who is authorized to bind the municipality or county. An endorsing municipality or endorsing county may not delegate to another person or entity its obligation to approve a disbursement request or sign the certification required by this subsection.

Regarding the Events trust fund disbursement request in the amount of \$1,975,811, for the MotoGP Race Event

I, Marc Ott, approve of each cost submitted for disbursement from the trust fund. I certify that each cost is necessary to fulfill obligations under the event support contract. I certify that the funds will not be used for the purpose of soliciting the relocation of a professional sports franchise located in this state; and that no costs sought for disbursement from the trust fund are also being reimbursed by another entity. I also certify that I have the authority to make this certification statement on behalf of the municipality or county and that I take responsibility for the disbursement being requested.


Signature

City Manager, City of Austin
Title

2/14/13
Date



Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]

I, Wayne S. Hollingsworth, an authorized representative of: Circuit Events Local Organizing Committee, a [local organizing committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund ("the Act"), hereby swear and affirm that, to the best of my knowledge, the Requestor has designed and implemented internal controls, processes and procedures to help the Requestor ensure that the Requestor and its use of these funds complies with all applicable laws, rules, and written guidance from the Texas Comptroller's office. I further swear and affirm that I, or my duly authorized employee, representative, or agent, have reviewed the information, and that all of the statements made and information provided therein, including statements made and information provided in any attachments are true, complete, and correct to the best of my knowledge. All other information submitted as part of this request for participation is being represented by me as true and correct, and I am unaware of any information contained therein that is false, misleading, or fraudulent. Information provided includes but is not limited to:

- (1) a letter from the municipality or county requesting participation in the trust fund program and signed by a person authorized to bind the municipality or county;
- (2) a letter from the site selection organization on organization letterhead selecting the site in Texas;
- (3) an economic impact study or other data sufficient for the Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: MotoGP Race Event
on these dates: April 19 - 21, 2013

I understand that non-compliance with reporting requirements could be treated as a violation of the statute and/or program rules resulting in the possible withholding of disbursement funding.

I understand that it is a felony offense under Section 37.10, Texas Penal Code, to knowingly make a false entry in, or false alteration of, a governmental record, or to make, present, or use a governmental record with knowledge of its falsity, when the actor has the intent to harm or defraud another.

I understand that the offense of perjury, under Section 37.02, Texas Penal Code, is committed when a person, with intent to deceive and with knowledge of the statement's meaning, makes a false statement under oath or swears to the truth of a false statement previously made and the statement is required or authorized by law to be made under oath.

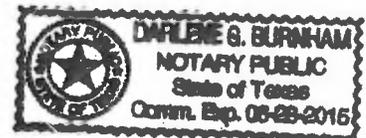
I understand my obligation to provide information about event expectations, performance, and expenses that are true and accurate to the best of my knowledge and ability. I also understand my obligation to immediately report any known or suspected waste, fraud, and abuse of funds received under the Act to the Texas State Auditor's Office at 1-800-892-8348. I hereby swear and affirm that I have read the entire affidavit, and I understand its contents.

Wayne S. Hollingsworth
Affiant Signature
Secretary, Circuit Events Local
Title and Name of Organization Organizing Committee

Wayne S. Hollingsworth
Printed Name
June 28, 2013
Date

Sworn and subscribed before me by the said

Wayne S. Hollingsworth
(Printed Name of Recipient's Authorized Representative)
this 28th day of June, 2013.



Notary Public, State of Texas

Notary's printed name: Darlene Burnham My commission expires: 8/28/15 (Seal)

Event Name: 2013 V8 Invoices Subject to METF Reimbursement

Order Invoice, Contract or Receipt Number ¹	Invoice, Contract or Receipt Date ²	Vendor	Expense Description (Specifically describe what was purchased)	Disbursement Amount Requested	CEILOC Event Support
1 2nd fee	10/19/12	Avesco Trust	sanction fee	531,250.00	Sanction Fee
2 201304-01	4/19/13	TS Sports	rental video boards- part 1	531,250.00	Subtotal- Sanction Fee
3 201305-2	5/20/13	TS Sports	rental video boards- part 2	70,720.81	Race Requirements
4 896dep	5/1/13	Gibson Freight	airfreight for V8 cars transport	50,514.86	Race Requirements
				1,055,000.00	Race Requirements
				1,176,235.67	Subtotal- Race Requirements
6 13-53042	05/19/13	Austin- Travis County EMS	EMS crews on standby	14,140.00	Traffic and Safety Plan
7 13-53041	05/18/13	Austin- Travis County EMS	EMS crews on standby	14,140.00	Traffic and Safety Plan
8 13-53038	05/17/13	Austin- Travis County EMS	EMS crews on standby	14,140.00	Traffic and Safety Plan
5 052313	5/23/13	Vasta & Associates, Inc	traffic control planning and staffing	41,383.00	Traffic and Safety Plan
				83,803.00	Subtotal- Traffic and Safety Plan
9 V8051713	5/20/13	Innovative Staffing	event staff and guest services	52,647.79	Event Staffing
10 V8051714	5/20/13	Innovative Staffing	security staff	48,543.16	Event Staffing
11 2013 V8-1	5/2/13	Ecology Solutions	V8 event cleaning services	28,750.00	Event Staffing
12 2013 V8-2	5/14/13	Ecology Solutions	V8 event cleaning services	22,812.50	Event Staffing
				152,753.45	Subtotal- Event Staffing
				1,944,042.12	Total - V8

¹Each listed invoice represents a qualified reimbursement cost or expense described under 34 TAC Rule §2.204(a)(1), (2) or (3) and required to be paid by CEILOC under Sections 2.(a), (b) or (c) of each of the Event Support Contract, and the Event Support and Reimbursement Agreement for the Event.

²Note that all listed costs and expenses were incurred prior to or during the Event even though Invoice or Receipt Dates may be dated after the Events.