

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

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

November 7, 2014

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 the 2014 Summer X Games

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 2.200 *et seq.* (the “**Rules**”), in furtherance of the purposes of and to request reimbursements of qualifying costs and expenses from the Event Trust Fund account (the “**Fund**”) established under the Act in support of the 2014 Summer X Games (the “**Event**”), by letter dated March 4, 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 June 5 - 8, 2014, 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 February 3, 2014, as authorized by the Board of Directors of CELOC at its meeting of September 24, 2013, respectfully submits this request for reimbursement of qualified costs and expenses for the 2014 Event from the Fund established under the Act in support of the 2014 Summer X Games Event held on June 5 - 8, 2014, in Austin, Texas.

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

1. An invoice dated August 28, 2014, to CELOC from Circuit of the Americas (“**COTA**”) in the amount of \$1,768,074.93 submitted in accordance with the Event Support and Reimbursement Agreement dated June 5, 2014;
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 or receipt date(s), (d) listing the vender(s), (e) providing expense descriptions and (f) listing the disbursement amount(s);

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

Page 2

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 Affidavits from CELOC and City of Austin 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 \$1,768,074.93, 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 \$1,278,547.00 per Mr. Martin A. Hubert's March 4, 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 1,278,547.00 Fund account balance, then CELOC anticipates submitting additional and supplemental qualified costs and expenses in amounts to utilize 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 understands 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 ESPN Productions, Inc. for the Event to the Comptroller. (34 TAC Section 2.204(c))

4. CELOC, as designated agent for and on behalf of the City of Austin, has wired the Local Increment amount of \$176,352.00 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))

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

Page 3

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, therefore 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 \$1,278,547.00, the full balance anticipated to be in the Fund, provided that as noted above, CELOC has submitted total qualifying expenses of \$1,768,074.93, 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 ESPN Productions, Inc. (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 instructions 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.

13. CELOC's Texas taxpayer number is 32044369695.

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

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

Page 4

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: Robert Wood, Comptroller's Office, Director of Economic Development (w/ Enclosures)
Jason Dial, President of Circuit of the Americas (w/o Enclosures)
Anna Panossian, Corporate Comptroller of the Americas (w/Enclosures)

WSH:mj



9201 Circuit of The Americas Blvd.
Del Valle, TX 78617

Invoice

Date	Invoice #
11/4/2014	XGAMES-2014

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

P.O. No.	Terms	Project
n/a	Due on receipt	xgames

Quantity	Description	U/M	Rate	Amount
1	Sanction Fee		n/a	-
1	Event Expenses & Staffing		n/a	1,310,788.36
1	Traffic and Safety Plan - Transportation		n/a	457,286.57
<p><i>Please wire funds to the account below:</i></p> <p>Bank Name: JPMorgan Chase Bank, N.A. ABA/Routing Number: 021000021 Swift Code: CHASUS33 Location: New York, NY Credit to the Account of: Circuit of the Americas, LLC Account Number: 428342989</p>				
			Total	\$ 1,768,074.93



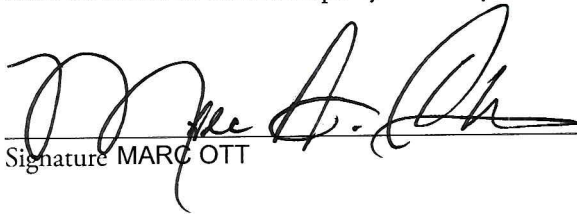
Required Certification of Trust Fund Disbursement Request

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 \$ 1,278,547, for the 2014 Summer X Games {name of event}

I, MARC OTT {name of authorized official}, 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 MARC OTT

CITY MANAGER, CITY OF AUSTIN
Title

11.6.14
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, Director, 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: **to the best of my knowledge**

- (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: 2014 Summer X Games Event
on these dates: June 5 - 8, 2014

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.


Affiant Signature
Director, Circuit Events Local Organizing Committee
Title and Name of Organization

Wayne S. Hollingsworth, Director
Printed Name
October 3, 2014
Date

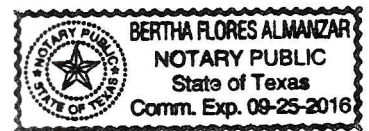
Sworn and subscribed before me by the said

Wayne S. Hollingsworth
(Printed Name of Recipient's Authorized Representative)

this 3rd day of October, 20 14

Notary Public, State of Texas

Notary's printed name: Bertha Flores Almanzar My commission expires: _____ (Seal)







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, Marc Ott, an authorized representative of: City of Austin, 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:

to the best of my knowledge,

- (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: 2014 Summer X Games Event
on these dates: June 5 - 8, 2014.

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.

[Signature]
Affiant Signature
City Manager, City of Austin
Title and Name of Organization

Marc Ott
Printed Name
11/6, 2014
Date

Sworn and subscribed before me by the said

Marc Ott
(Printed Name of Recipient's Authorized Representative)
this 16th day of November, 2014.



Notary Public, State of Texas
Notary's printed name: Jessica Coronado My commission expires: 1/22/17 (Seal)