

**City of San Antonio
City Manager's Office
Interdepartmental Correspondence**

To: Mayor and City Council

From: Roland A. Lozano, Assistant to the City Manager

Copies: Terry M. Brechtel, City Manager; Andrew Martin, City Attorney; Milo Nitschke, Director of Finance; File

Subject: State Reimbursement for NCAA Final Four Expenditures

Date: August 19, 2004

SUMMARY AND RECOMMENDATION

An ordinance authorizing the remittance of \$800,000 to the Texas Comptroller of Public Accounts, in accordance with the Other Events Trust Fund established by state law, and directing staff to seek reimbursement from the Texas Comptroller of Public Accounts from the Other Events Trust Fund for expenses incurred by the City of San Antonio in staging the 2004 Men's NCAA Final Four Basketball Championship Games; and authorizing the deposit of the funds into the Community and Visitors Facilities Fund.

Staff recommends approval of this ordinance.

BACKGROUND

During the last Legislative Session, the San Antonio Sports Foundation, working with City staff and our State government relation's representatives, was able to gain approval of a bill that would allow the City to recoup a portion of the expenses incurred in hosting the NCAA Final Four Basketball Championship Games held at the Alamodome in April 2004.

The San Antonio Local Organizing Committee (SALOC) is comprised of the City of San Antonio, the University of Texas at San Antonio and the San Antonio Sports Foundation. The City of San Antonio's Alamodome and other departments were responsible for the actual staging of the event. The University of Texas at San Antonio is the NCAA Host Institution for the event and serves as the Tournament Manager. The San Antonio Sports Foundation serves as a liaison with the NCAA, and provides volunteer support and planning and execution of ancillary events.

In order to meet the requirements of the legislation to account for the expenses incurred in the conduct of the event, staff acquired the services of Robert Williams, CPA, to assist the three entities in gathering, reviewing and preparing the required documentation. Mr. Williams and staff subsequently met with

representatives from the Comptroller's Office to provide them with the documentation, and to answer any questions that arose from the assessment conducted by the Comptroller's Office.

Under State law, the City is required to remit \$800,000 to the State representing the City's mandatory contribution to the Other Events Trust Fund established by the State Statute. The Statute requires the City to make a deposit into the Other Events Trust Fund as a prerequisite to receiving any disbursements from the Fund. Once the City's contribution is made, the State will deposit 6.25 times the City's contribution into the Fund. The City may then request disbursements from the Fund as reimbursements for allowable NCAA Final Four expenses.

Based upon the results of the Comptroller's Office review of the expenses and discussions with the Comptroller's Office representatives, it is anticipated that the City could be reimbursed approximately \$4.2 million.

POLICY ANALYSIS

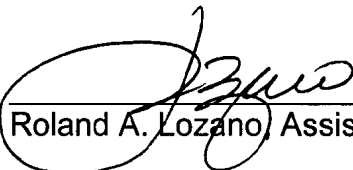
This ordinance provides the City with the ability to fund capital improvements at the Alamodome. These funds will provide for reimbursement to the City for funds used to provide a building facelift prior to the Final Four, replacement of the turf system, and replacement of the facility's video system and outdoor marquee.

FISCAL IMPACT

This ordinance will have no impact on the General Fund. It will provide for reimbursement of funds used to provide for payment for the above-mentioned items. The \$800,000 that will be remitted to the State for the Other Events Trust Fund will be provided from the Community and Visitor Facilities Fund. These funds will be returned to fund when reimbursement is made by the State.

COORDINATION

This item has been coordinated with the City Attorney's Office, Finance Department, the Alamodome Department and the External Relations Department.



Roland A. Lozano, Assistant to the City Manager

Approved:



Terry M. Brechtel, City Manager