



Padgett Stratemann & Co. LLP
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

Mr. Rodney Gonzales, Acting Director
City of Austin
Economic Growth and Redevelopment Services Office
301 West 2nd Street
Austin, Texas 78701

We have performed the procedures enumerated below, which were agreed to by the City of Austin ("City") solely to assist the specified user in evaluating the City's assertion that NBC Universal, Inc. ("NBC"), acting on behalf of itself and its subsidiary, Northern Entertainment Inc. ("FNL" or "Friday Night Lights") has complied with certain provisions, as described below, of the Chapter 380 Economic Development Agreement ("Agreement"), approved by the City Council on March 22, 2007. On October 15, 2009 the City Council approved a motion for the City Manager to negotiate and execute an amendment to the Agreement adding a Force Majeure provision and reducing the required number of episodes per season. The City is the specified user of this report. The City's management is responsible for the determination of compliance by FNL with the Agreement. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified user of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- 1) With reference to Section 3 of the Agreement concerning Employees, we obtained from the City pages 1 through 6 of a report entitled StaffCrew Summary Report, Revised April 2009; the Crew, Extras and Players List - updated addresses; and the StaffCrew Summary Report, Revised November 2009. We inspected pages 1 through 6 of the StaffCrew Summary Report, Revised April 2009, the Crew, Extras and Players List - updated addresses, and the StaffCrew Summary Report, Revised November 2009 and found that StaffCrew Summary Report, Revised November 2009 incorporates information from the StaffCrew Summary Report, Revised April 2009 and the Crew, Extras and Players List - updated addresses. We inspected the Staff Crew Summary Report, Revised November 2009 and noted that it shows 564 of the 770 staff and crew members as residents of the Austin Metropolitan Statistical Area ("AMSA"). No exceptions were found as a result of the foregoing procedures.

- 2) With reference to Section 3 of the Agreement concerning Employees, we obtained from the City the reports entitled Crew, Extras and Players List - updated addresses and the Summary of Extras and Players Lists, Revised November 2009. We inspected the two reports and noted that the Summary of Extras and Players Lists, Revised November 2009 incorporates information from page two of the Crew, Extras and Players List - updated addresses. We inspected the Summary of Extras and Players Lists, Revised November 2009 report provided to by City of Austin by FNL and found that it shows 3,910 of 4,703 extras and football players as AMSA residents. No exceptions were found as a result of the foregoing procedures.
- 3) We verified the mathematical accuracy of the City's calculations as follows and found that $203 + 564 + 3,910 = 4,677$; $333 + 770 + 4,703 = 5,806$; and 4,677 is 80.6% of 5,806. No exceptions were found as a result of the foregoing procedures.
- 4) With reference to Section 3 of the Agreement concerning Employees, we obtained from the City the report entitled Additional StaffCrew with Local Addresses, November 2009, and the support documents printed from www.addresses.com, www.mapquest.com, and Travis Central Appraisal District ("TCAD"). We inspected and compared such documents and found that the 51 printed documents indicate that the addresses provided for those individuals are within the AMSA. No exceptions were found as a result of the foregoing procedures.
- 5) With reference to Section 3 of the Agreement concerning Employees, we obtained from the City the report entitled Additional Extras with Local Addresses, November 2009, and the support documents printed from www.addresses.com, www.mapquest.com, and TCAD. We inspected and compared such documents and found that the 26 printed documents indicate that the addresses provided for those individuals are within the AMSA. No exceptions were found as a result of the foregoing procedures.
- 6) With reference to Section 2 of the Agreement and Section 2 of the Amendment to the Economic Development Agreement By and Between the City of Austin and NBC Universal, Inc. Regarding "Friday Night Lights", we inspected the Friday Night Lights The Second Season DVD collection and found that Season 2 consists of 15 episodes. No exceptions were found as a result of the foregoing procedures.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the City and is not intended to be and should not be used by anyone other than this specified party.

Padgett, Stratemann & Co., LLP

December 17, 2009
Austin, Texas