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COMPTON CITY COUNCIL

AGENDA

11/16/2021

5:30 PM

HEARINGS

5:35 P.M. - PUBLIC HEARING - AN ACCESSORY DWELLING UNIT ORDINANCE ZONING TEXT AMENDMENT CASE NO. 2021-007

5:45 P.M. - PUBLIC HEARING - A CAR WASH, PERSONAL STORAGE FACILITY AND EMERGENCY SHELTER ORDINANCE; ZONING TEXT AMENDMENT CASE NO. 2021-001

OPENING

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

ROLL CALL

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. COMMENDATORY PRESENTATION - TO CITY OFFICIALS (Community Friends of Compton)

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

CONSENT AGENDA

Consent items are routine and expected to be non-controversial. They will be acted upon by the Council at one time without discussion unless a Council Member requests an item be removed or discussed.

APPROVAL OF MINUTES

2. OCTOBER 19, 2021

REGULAR AGENDA

CITY MANAGER'S REPORT

3. HOUSING SUCCESSOR AGENCY PROPERTY UPDATE
4. STREET PROJECT CIP #18-01, PHASE 2A UPDATE
5. A REQUEST TO SCHEDULE A PUBLIC HEARING FOR: 1435 S. SANTA FE AVENUE STREET VACATION CASE NO. 22-001 (**December 7, 2021 at 5:35 p.m.**)

NEW BUSINESS

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2020-2021 AND 2021-2022 FISCAL YEAR BUDGETS TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANAGER TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH EADIE AND PAYNE, LLP TO EXPAND THE SCOPE OF PROFESSIONAL INDEPENDENT AUDITING SERVICES (\$605,950.00)

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: 11/23/2021 @ 5:30 PM

Visit our website at <http://www.comptoncity.org>

OCTOBER 19, 2021

The Compton City Council meeting was called to order at 5:30 p.m. by Mayor Emma Sharif in the Council Chambers of City Hall. The Moment of Silence and the Pledge of Allegiance was led by Mayor Emma Sharif.

ROLL CALL

Council Members Present – J. Bowers, L. Darden, Mayor E. Sharif

Council Members Absent – M. Chambers I. Galvan (*Entered the meeting at 5:36 p.m.*)

Other Officials Present: A. Godwin, B. Mims, R. Simpson

INTRODUCTION OF SPECIAL GUESTS

1. Celestine Bishop - One Section At A Time, Woodlawn Cemetery

Ms. Celestine Bishop, One Section at a Time, reported to the City Council and community that she, along with family members and a host of wonderful volunteers, cleaned up and restored the Compton Woodlawn Memorial Park after it had fallen into extreme disrepair after being abandoned by its owners. Ms. Bishop expressed that the site had become a public nuisance and many residents of the community were not allowed to visit and care for the grave sites of their loved ones. Ms. Bishop indicated that she and the community provided cemetery management services and eliminated the inflated property tax bill, with the assistance of several local groups. Assembly Bill 651 was the spark that lit the fire to overhaul cemetery businesses and addresses endowments, however, Woodlawn will never benefit from this Bill.

Ms. Bishop went on to explain that she was informed that Woodlawn is not classified as a cemetery and the City cannot legally assume management of the site. Ms. Bishop indicated that she has paid the outstanding property taxes of Woodlawn and as the future owner, requested that the City assist her and One Section at a Time in eliminating the high-water bills and develop a long-term strategy to provide for the upkeep, maintenance and the complete restoration of Woodlawn to its full honor and glory.

Councilmember Bowers thanked Ms. Bishop and One Section at a Time, along with the many community members who assisted her, and indicated that the City must support the organization in some form or fashion.

Mayor Sharif commended and thanked Ms. Bishop and the community for performing an amazing job at Woodlawn and indicated that she had discussed the high-water bills with the City Manager regarding assistance for Woodlawn.

COMMENDATORY RESOLUTIONS/PRESENTATIONS

2. PROCLAMATION - LATINO HERITAGE MONTH (Councilman Galvan)

Councilman Galvan requested that the item be held over until the next City Council meeting.

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Robert Ray spoke in favor of the City Council appointing Eric Perrodin as the new City Attorney, adding that he is highly qualified with his 20 years of experience as a prosecutor and may provide assistance from the District Attorney's Office in permanently closing the marijuana dispensaries. Mr. Ray raised concerns as to whether the City is prepared to respond to a major disaster and noted that the City must have an Emergency Operations Manager. He concluded by urging the residents to prepare their homes and families for any man made or natural disaster.

Benjamin Holifield, President of the Compton Business Chamber of Commerce, expressed the appreciation of the businesses along the area of West Compton Boulevard for painting the curbs red by the City. Mr. Holifield urged the Council to place 'Welcome to Compton' signage at the major arteries entering the City and further requested that the City Council work together with the community to make Compton clean, safe and friendly.

Kim Saunders thanked Mayor Sharif for responding to the concerns of the citizens who reside on Santa Fe Avenue who have requested assistance in battling the illegal street racing and other illegal activity in the area. Ms. Saunders added that the area near Myrrh and Palmer have 4 schools in the vicinity and it has become increasingly dangerous with the high number of cars speeding through and suggested that the speed limit be changed from 45 mph to 25 mph as this is a school zone. Ms. Saunders requested that the City erect speed humps and decrease speed limits for safer streets.

Gilda Blueford, 3rd District resident, commented that while she may not have campaigned or voted for some of the Councilmembers, she vowed to support and respect the members who sit in the seat. However, under no circumstances does that mean that she will sit idly by while the challenges of the previous administration affect the current Body. Ms. Blueford went on to state that the aggressiveness, anger, hostility, biases, obstruction, and disrespect shown towards each other on the Dias must cease. She went on to state that the squabbles distract from the business at hand and asserted that Compton is in a uniquely delicate position by not having a City Manager or City Attorney. Ms. Blueford further encouraged the City Council to lead in a respectful manner and fill the positions of City Manager and City Attorney, so that reconciliation can begin. Ms. Blueford concluded by stating that the Councilmembers are policy makers and must provide a safe and financially sound City for the residents.

Richard Earl, President of the Concerned Citizens of Compton, commented that it is good to be back in the Council Chambers and indicated that the community is very concerned that the City is not prepared for pandemics nor emergency situations or disasters. Mr. Earl further commented that the City was in an uproar as a result of the coronavirus pandemic, and it is important that the City Council develop a plan of action and inform the community of this emergency plan to alleviate any unnecessary hardship or death as a result of being unprepared. Mr. Earl urged the City Council to keep the residents informed of what is taking place in the City of Compton.

Floyd Smith addressed the City Council regarding issues with errors on the parcel maps and land lots in Council District 2. He further detailed a list of parcels and property addresses on Kay Street and further highlighted the Smith Family easement for utilities as provided in the property deeds of his home. Mr. Smith also informed the City Council that several parcels and lot numbers for several address in the City contain errors in their zip codes.

Sidney Smith, resident of City Council District 2 and 4, raised questions regarding the Meal Act of 1941 in the County of Los Angeles.

David Irons stated that he was homeless and reported that he has a motor home parked in Compton which was illegally impounded and asserted that he can legally park 72 hours in one spot and then move to another spot. Mr. Irons indicated that he paid \$500 to get his motor home returned because the paperwork was incorrect.

Jackie Venters raised concerns regarding the funding for nonprofits in the City and alleged a misuse of funds by the Compton Chamber of Commerce. Ms. Venters further stated that there is no accountability for the citizens and further noted that the residents never get answers to their issues or complaints. Ms. Venters encouraged the City Council to do what is right in the eyes of God and move the City forward.

Lynn Boone thanked the residents who exercised their right and voted in the recent election and further noted that there was not enough information disseminated relative to the election. Ms. Boone spoke regarding agenda item Number 5 (Appointment of City Attorney) and indicated that the City Council must provide a fair process and allow others to be considered for the position. Ms. Boone then noted that according to the City Charter, the appointment of a City Attorney will be effective until the next General Election which will take place in 2023.

Muhamad D., business owner of the AM/PM, indicated that prior to the pandemic and closure of Artesia Boulevard, he sold approximately 500,000 gallons of gas per month which was one of the highest grossing stores in the area, and provided for a significant amount of tax revenue for the City of Compton. Mr. Muhammad further indicated that because of the closure of Artesia Boulevard and homeless individuals loitering and starting fires in the area, his sales are down 40%, therefore, the City is also losing critical revenue. Mr. Muhamad concluded by seeking assistance from the City Council.

Joyce Kelly made references to the importance of the Voting Rights Act and further noted that justice is served at the ballot box. Ms. Kelly raised concerns regarding the high-water bills in the City and further added that the residents must be presented with an explanation of these exorbitant costs. Ms. Kelly further stated that the citizens must be properly informed of what is taking place in the City and urged the Council to provide for an emergency disaster plan for the residents of the community. Ms. Kelly further raised concerns regarding the covid relief funds.

CONSENT AGENDA

APPROVAL OF MINUTES

3. SEPTEMBER 21, 2021

On motion by Galvan, seconded by Darden, the consent agenda was approved by the following vote on roll call:

AYES: Council Members – Galvan, Bowers, Darden, Sharif
NOES: Council Members – None
ABSENT: Council Members – Chambers

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES AND CITY COUNCIL

4. APPOINTMENT(S) OF OFFICERS, COUNCIL MEMBERS, BOARDS/COMMISSIONS AND COMMITTEES

Stephanie Smith, Audit Committee (Councilman Bowers)

It was moved by Galvan, seconded by Darden, that the appointment be approved.

City Controller Sharon Rahban recommended that the City allow for an application and interview process prior to making any appointment. Galvan and Darden withdrew their motion and second, respectively.

NEW BUSINESS

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON MAKING AN APPOINTMENT TO THE POSITION OF CITY ATTORNEY (*Item removed from the agenda*)

COUNCIL COMMENTS

Councilmember Galvan offered the following communications/announcements:

- Thanked everyone for attending the meeting and voicing their concerns and also thanked everyone for attending the birthday celebration and wishing his son a Happy 5th Birthday.
- Invited everyone to attend his annual Senior Halloween Costume party at the Dollarhide Senior Community Center.

Councilmember Bowers offered the following communications/announcements:

- Thanked everyone involved with his 3rd District Town Hall meeting and further commented that he is looking forward to many more community forums for transparency and to also keep the community informed.
- Commented that his office will put together a disaster preparedness plan for the residents.
- Reported that Assemblyman Mike Gipson is working to have the City of Carson and the surrounding areas declared to be in a state of emergency as a result of the foul odors emitting from the Dominguez Channel and urged residents to call: 800 288-7664 to receive compensation.

Councilmember Darden offered the following communications/announcements:

- Thanked Public Works and Code Enforcement for their efforts in improving the City.
- Announced that Daylight Savings Time ends on Saturday, November 7, 2021, and encouraged the City and residents to adjust their lighting schedule to accommodate for the early sunset.
- Invited the residents to attend the Trunk or Treat event at Dollarhide Community Center.
- Invited the community members to contact her office at 310-605-5691 to report any issues or concerns.

Mayor Sharif offered the following communications/announcements:

- **Mayor Sharif** indicated that there will be 5 phases of street repair and further highlighted the 21 street repair projects that will begin in November.
- **Mayor Sharif** announced that she will be partnering with Charles Drew Medical Center, Walmart and Street Medicine to present a Wellness Day on October 23, 2021, from 12 noon to 4:00 p.m. at the Compton Walmart on Long Beach Boulevard. There will be free covid-19 testing and vaccinations along with blood pressure screenings and other essential services.
- **Mayor Sharif** invited the community to attend the *Trunk or Treat* event at the Dollarhide Community Center on October 30, 2021, for a safe and fun treat for the children of Compton.

ADJOURNMENT

On motion by Galvan, seconded by Bowers, the meeting was adjourned in memory of the first American Secretary of State, **General Collin Powell** at 6:51 p.m. by the following vote on roll call:

AYES: Council Members – Galvan, Bowers, Darden, Sharif
NOES: Council Members – None
ABSENT: Council Members – Chambers

CITY CLERK OF THE CITY OF COMPTON

MAYOR OF THE CITY OF COMPTON

November 16, 2021

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

**SUBJECT: A REQUEST TO SCHEDULE A PUBLIC HEARING FOR: 1435 S SANTA FE AVENUE
STREET VACATION CASE NO. 22-001**

The applicant, MW Fingerhut LLC, is proposing to vacate an easement reservation on 1435 S Santa Fe Ave. The vacation process is a two-step vacation process consisting of an “Intent to Vacate” public hearing followed by an “Order to Vacate” public hearing. This request for public hearing to initiate the process with an “Intent to Vacate” public hearing.

The Planning Commission conducted a public hearing on September 8, 2021 and found that the proposed vacation is consistent with the General Plan.

Staff recommends that Council schedule a public hearing on this matter for **Tuesday, December 7, 2021 at 5:35 p.m.**

**ROBERT DELGADILLO,
SENIOR PLANNER
COMMUNITY DEVELOPMENT DEPARTMENT**

APPROVED FOR FORWARDING:

**RONERICK SIMPSON
CITY MANAGER**

November 16, 2021

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY CONTROLLER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2020-2021 AND 2021-2022 FISCAL YEAR BUDGETS TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANAGER TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH EADIE AND PAYNE, LLP TO EXPAND THE SCOPE OF PROFESSIONAL INDEPENDENT AUDITING SERVICES (605,950.00)

SUMMARY

Adoption of this resolution will authorize amending the 2020-2021 Fiscal Year City Controller's Office budget and authorize the City Manager to amend the existing professional services agreement between the City of Compton and Eadie and Payne, LLP (Certified Public Accountants) to expand the scope of professional independent auditing services in an amount not to exceed Six Hundred Five Thousand Nine Hundred Fifty Dollars (\$605,950.00).

BACKGROUND

Section 1419 of the City Charter of the City of Compton provides for the employment of, "a qualified accountant who, at such time or times as may be specified by the City Council, shall examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees and departments as the City Council may direct."

On January 9, 2018, the Council approved Resolution No. 24,724, which authorized the City Manager to enter into a professional service agreement with Eadie and Payne, LLP for professional independent auditing services. This agreement included audit of financial records for Fiscal Years 2014-2015, 2015-2016, 2016-2017 and single audits for fiscal years 2013-2014, 2014-2015, 2015-2016, and 2016-2017. However, there were not enough City resources to analyze and correct the financial records for Fiscal Years 2014 through 2017. Eadie and Payne assisted the City in communicating this with the State and Federal agencies, specifically State Controller's Office and US Department of Housing and Urban Development (HUD). City resources were then focused on meeting grant requirements with the Single Audit Reports for Fiscal Years 2014 through 2018 and the closing of Fiscal Year 2018. With this, a full audit for Fiscal Year 2019 was done, as well as the Single Audit. On February 5, 2018, the City received a copy of the draft report of the State Controller's Office review of the City of Compton's

**Staff Report – Resolution Amend FY 2020-2021 Budget
Amend Professional Services Agreement with Eadie & Payne, LLP
Expand Scope of Services/Independent Auditing Services
November 16, 2021, page 2 of 5**

administrative and internal accounting control system. On March 9, 2018, the City received a copy of the State Controller's Office draft report from their audit of the City of Compton's Special Gas Tax Street Improvement Fund for the period of July 1, 2007 through June 30, 2016. These reports revealed that the State Controller's Office found that many of the City's internal control components were inadequate.

As a result of these reports, and other audit reports, more than 220 audit findings were discovered and presented and needed to be quantified in an annual Corrective Action Plan ("CAP") that had to be submitted to the State. On June 5, 2019, the Council approved Resolution No. 25,034, which amended the professional service agreement with Eadie & Payne to include assistance with CAP for each of those fiscal years and implementation of GASB 68. In addition, the agreement included auditing services for Fiscal Years 2017-2018, 2018-2019, and 2019-2020, as well as the single audits (audit for federal grants) performed for Fiscal Years 2017-2018, 2018-2019, and 2019-2020.

Significant progress has been made in the City Controller's Office which will improve the responsiveness and facilitation of the audits and services still to be performed. The City is also required to have financial records audited for Fiscal Years 2019-2020, 2020-2021, as well as the Single Audits (audit of federal grants) performed for Fiscal Years 2019-2020, 2020-2021. The additional factors triggered by the State Controller's report significantly increased the scope of work performed by the independent auditors, Eadie and Payne, LLP. This is where the internal control findings and compliance findings were documented and reported. Timely audits are crucial in establishing good financial standing with the State Controller and will give the City the ability to have financial reports immediately available to apply for additional funding and grants and secure credit ratings and bonds if necessary.

STATEMENT OF THE ISSUE

Eadie and Payne, LLP has significant experience with performing technically challenging audits as it relates to experience of their senior auditor and manager of the audit team. They were able to meet the required deadlines for the City of Compton and are completing financial statements and single audits within the agreed time table. They are quickly responsive to the City's requirements, they are very familiar with the City's current internal control structure and financial situation and have played a significant role in building the relationship with the State Controller's Office. Eadie and Payne, LLP has applied an invaluable investment of time in investigating and understanding Compton's internal control weaknesses, they have developed a very detailed action plan and their participation in monitoring the progress is also invaluable. Of equal significance, since the

**Staff Report – Resolution Amend FY 2020-2021 Budget
Amend Professional Services Agreement with Eadie & Payne, LLP
Expand Scope of Services/Independent Auditing Services
November 16, 2021, page 3 of 5**

positions of City Controller and Deputy Controller were permanently filled last year, this has allowed for leadership and continuity within Controller Department operations. While concurrently, City staff is also making great strides in correcting material weaknesses and deficiencies in internal controls.

It is of importance to note that timely prepared audited financial statements are required by:

- Various grant agreements and Uniform Guidance 2 CFR 200.501– most significantly, HUD that funds Section 8 housing program (\$10.3Mil in 2019 expenditures).
- By not having timely issued audited financials and a Single Audit Report, the City is in fact noncompliant and is at risk of potentially losing grant funding. Timely issued financials for any fiscal year are deemed as such if they are issued by the end of December after year end and March 31st for Single Audit Reports.
- Bond agreements and covenants - By not having timely issued financial statements the City is noncompliant with its covenants and continuing disclosure requirements. The City is at risk of the bonds being called or being imposed with other sanctions that the bondholders are legally entitled to.
- Compton City Charter section 1419 also requires an independent audit for each fiscal year.
- State Auditor standards – Compton is identified as the #1 highest risk in the following categories: General Fund Reserves, Revenue Trends, Pension Funding, and Pension Costs. This, and the untimely filing of financial statements triggered a notice for investigation by the State Auditor.

To issue a Request for Proposals (“RFP”) for audit services for Fiscal Year 2020-21 during this critical phase of the City’s financial recovery would cause delays in the implementation of the CAP already initiated and would create a greater cost for a new audit firm to step in and review and understand all progress that has already been made. Staff is therefore requesting to add an additional year before preparing an RFP to allow the City and Eadie and Payne, LLP to meet the goals already established in the CAP. It is key to prevent the loss of critical historical information about the City’s finances. Any loss of such transfer of information and

succession planning would be detrimental to the City’s ability to successfully and efficiently implement and finalize the CAP. Additional delays would more certainly lead to future audit findings if such loss of information transfer occurs. Delaying

**Staff Report – Resolution Amend FY 2020-2021 Budget
Amend Professional Services Agreement with Eadie & Payne, LLP
Expand Scope of Services/Independent Auditing Services
November 16, 2021, page 4 of 5**

this amendment could also lead to regression in the progress made by Eadie and Payne, LLP and City staff.

The amended scope of works and fees are as follows:

	FYE June 30, 2020	FYE June 30, 2021
Assistance with CAP for fiscal year ending June 30, 2021 (285 hrs. estimated).		\$50,000
GASB 68 and 75 implementation fiscal years ending June 30, 2020 and 2021 (60 hrs. estimated).	\$5,000	\$5,000
Agreed-upon procedures in relation to HUD requirements for fiscal year ending June 30, 2020 and 2021; bond reporting; other reporting as needed (225 hrs. estimated).	\$20,000	\$20,000
Audits (Financial Statement & Single Audit) for fiscal year ending June 30, 2020 (1450 hrs. estimated)	\$250,000	
Audits (Financial Statement & Single Audit) for fiscal year ending June 30, 2021 (1150 hrs. estimated).		\$200,000
Total	\$275,000	\$275,000

These fees are inclusive of out-of-pocket expenses such as travel, hotel, and meals. The City has also required that all proposed fees are reflective of not-to-exceed cap.

In addition to the amendment for Fiscal Year 2020-21, Eadie and Payne, LLP extended their services to meet other requirements, such as the submission of financial statements to HUD's Real Estate Assessment Center (REAC) Financial Assessment Subsystem (FASS) for City of Compton's Housing Authority and the National Transit Database (NTD) report for Public Works, which caused those extended services to be paid out of the appropriated funds for Fiscal Year 2019-2020 audit leaving a balance due of \$55,950.00 to be paid upon approval of this request.

FINANCIAL IMPACT

The total cost for the amended professional services agreement is \$605,950. To cover cost, the City Controller's Office 2020-2021 Fiscal Year budget must be amended to transfer funds between accounts as follows:

**Staff Report – Resolution Amend FY 2020-2021 Budget
Amend Professional Services Agreement with Eadie & Payne, LLP
Expand Scope of Services/Independent Auditing Services
November 16, 2021, page 5 of 5**

<u>From</u>	<u>To</u>	<u>Object Code</u>	<u>Amount</u>
1001-650-000-4294	1001-650-000-4266	Contract Services	\$175,000
1001-510-000-4266	1001-650-000-4266	Contract Services	\$100,000
1001-680-000-4271	1001-650-000-4266	Contract Services	\$44,872

Additionally, The City Controller's Office 2021-2022 Fiscal Year budget must also be amended to transfer funds between accounts as follows:

<u>From</u>	<u>To</u>	<u>Object Code</u>	<u>Amount</u>
1001-650-000-4294	1001-650-000-4266	Contract Services	\$114,600

Funds for this expenditure will be appropriated in the Fiscal Years 2020-2021 and 2021-2022 in Controller's Office budget in Account No. 1001-650-000-4266 (Contract Services).

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution.

**SHARON RAHBAN, CITY CONTROLLER
CITY CONTROLLER'S OFFICE**

APPROVED FOR FORWARDING:

**RONERICK SIMPSON
CITY MANAGER**

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AMENDING THE 2020-2021 AND 2021-2022 FISCAL YEAR BUDGETS TO
TRANSFER FUNDS AND AUTHORIZING THE CITY MANAGER TO AMEND
THE PROFESSIONAL SERVICES AGREEMENT WITH EADIE AND PAYNE,
LLP TO EXPAND THE SCOPE OF PROFESSIONAL INDEPENDENT
AUDITING SERVICES (605,950.00)**

WHEREAS, Section 1419 of the City Charter of the City of Compton provides for the employment of, “a qualified accountant who, at such time or times as may be specified by the City Council, shall examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees and departments as the City Council may direct;” and

WHEREAS, an annual audit is also required to satisfy Federal legislation, state regulations, grants requirements, bonds covenants and other applicable regulations; and

WHEREAS, on January 9, 2018, the Council adopted Resolution No. 24,724, which authorized the City Manager to enter into a professional service agreement with Eadie and Payne, LLP for professional independent auditing services. This agreement included audit of financial records for Fiscal Years 2014-2015, 2015-2016, 2016-2017 and single audits for Fiscal Years 2013-2014, 2014-2015, 2015-2016, and 2016-2017. However, there were not enough City resources to analyze and correct the financial records for Fiscal Years 2014 through 2017. Eadie and Payne assisted the City in communicating this with the State and Federal agencies, specifically State Controller’s Office and US Department of Housing and Urban Development (HUD). City resources were then focused on meeting grant requirements with the Single Audit Reports for Fiscal Years 2014 through 2018 and the closing of Fiscal Year 2018; and

WHEREAS, on February 5, 2018, the City received a copy of the draft report of the State Controller’s Office review of the City of Compton’s administrative and internal accounting control system. On March 9, 2018, the City received a copy of the State Controller’s Office draft report from their audit of the City of Compton’s Special Gas Tax Street Improvement Fund for the period of July 1, 2007 through June 30, 2016. These reports revealed that the State Controller’s Office found that many of the City’s internal control components were inadequate; and

WHEREAS, as a result of these reports, and other audit reports, more than 220 audit findings were discovered and presented and needed to be quantified in an annual Corrective Action Plan (“CAP”) that had to be submitted to the State; and

WHEREAS, on June 5, 2019, the Council adopted Resolution No. 25,034, which authorized an amendment to the professional services agreement with Eadie and Payne, LLP to include assistance with the CAP for each of those fiscal years and implementation of GASB 68. In addition, included auditing services for Fiscal Years 2017-2018, 2018-2019, and 2019-2020, as well as the single audits (audit for federal grants) performed for Fiscal Years 2017-2018, 2018-2019, and 2019-2020; and

WHEREAS, the City is also required to have financial records audited for Fiscal Years 2019-2020, 2020-2021, as well as the Single Audits (audit of federal grants) performed for Fiscal Years 2019-2020, 2020-2021. The additional factors triggered by the State Controller’s report significantly increased the scope of work performed by the independent auditors, Eadie and Payne, LLP. This is where the internal control findings and compliance findings were documented and reported. Timely audits are crucial in establishing good financial standing with the State Controller and will give the City the ability to have financial reports immediately available to apply for additional funding and grants and secure credit ratings and bonds if necessary; and

WHEREAS, Eadie and Payne, LLP has significant experience with performing technically challenging audits as it relates to experience of their senior auditor and manager of the audit team. They were able to meet the required deadlines for the City of Compton and are completing financial statements and single audits within the agreed time table. They are quickly responsive to the City's requirements, they are very familiar with the City's current internal control structure and financial situation and have played a significant role in building the relationship with the State Controller's Office; and

WHEREAS, to issue a Request for Proposals for additional audit services for Fiscal Year 2020-2021 during this critical phase of the City's financial recovery would cause delays in the implementation of the corrective action plan already initiated but also would create a greater cost for a new audit firm to step in and review and understand all progress that has already been made; and

WHEREAS, Staff is recommending and requesting to amend the current professional services agreement with Eadie and Payne, LLP to expand the scope of professional independent auditing services and provide additional compensation for such further services in the amount of \$550,000.00; and

WHEREAS, in addition to the amendment, for Fiscal Year 2020-21, Eadie and Payne, LLP extended their services to meet other requirements which caused those extended services to be paid out of the appropriated funds for Fiscal Year 2019-20 audit, leaving an outstanding balance due of \$55,950.00 to be paid upon approval of this request; and

WHEREAS, to pay for this expenditure the Department's 2020-2021 Fiscal Year and 2021-2022 Fiscal Year budgets must be amended to transfer funds between accounts.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Controller's Office 2020-2021 Fiscal Year budget is hereby authorized to be amended to transfer funds between accounts as follows:

<u>From</u>	<u>To</u>	<u>Object Code</u>	<u>Amount</u>
1001-650-000-4294	1001-650-000-4266	Contract Services	\$175,000
1001-510-000-4266	1001-650-000-4266	Contract Services	\$100,000
1001-680-000-4271	1001-650-000-4266	Contract Services	\$44,872

Section 2. The City Controller's Office 2021-2022 Fiscal Year budget is hereby authorized to be amended to transfer funds between accounts as follows:

<u>From</u>	<u>To</u>	<u>Object Code</u>	<u>Amount</u>
1001-650-000-4294	1001-650-000-4266	Contract Services	\$114,600

Section 3. That the City Manager, on the advice and approval of the City Attorney is hereby authorized to enter into a second (2nd) amendment to the professional services agreement between the City of Compton and Eadie and Payne, LLP (Certified Public Accountants) for an amount not to exceed Six Hundred Five Thousand Nine Hundred Fifty Dollars (\$605,950.00) to expand the scope of professional independent auditing services and pay outstanding invoices.

Section 4. That the expanded scope of services and additional compensation are as follows:

	FYE June 30, 2020	FYE June 30, 2021
Assistance with CAP for fiscal year ending June 30, 2021 (285 hrs. estimated).		\$50,000
GASB 68 and 75 implementation fiscal years ending June 30, 2020 and 2021 (60 hrs. estimated).	\$5,000	\$5,000
Agreed-upon procedures in relation to HUD requirements for fiscal year ending June 30, 2020 and 2021; bond reporting; other reporting as needed (225 hrs. estimated).	\$20,000	\$20,000
Audits (Financial Statement & Single Audit) for fiscal year ending June 30, 2020 (1450 hrs. estimated)	\$250,000	
Audits (Financial Statement & Single Audit) for fiscal year ending June 30, 2021 (1150 hrs. estimated).		\$200,000
Total	\$275,000	\$275,000

Section 5. That funds in the amount of \$330,950.00 are available in the 2020-2021 Fiscal Year budget of the City Controller's Office (after budget is amended) in Account No. 1001-650-000-4266.

Section 6. That funds in the amount of \$275,000.00 are available in the 2021-2022 Fiscal Year Budget of the City Controller's Office (after budget is amended) in Account No. 1001-650-000-4266.

Section 7. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Attorney, City Manager, and City Controller.

Section 8. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2021.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF COMPTON)

RESOLUTION NO. _____
Page 4

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this _____ day of _____, 2021.

That said Resolution was adopted by the following vote, to wit:

AYES:	COUNCILMEMBERS-
NOES:	COUNCILMEMBERS-
ABSTAIN:	COUNCILMEMBERS-
ABSENT:	COUNCILMEMBERS-

CITY CLERK OF THE CITY OF COMPTON

March 18, 2021

Honorable Members of the City Council
City of Compton
205 S. Willowbrook Avenue
Compton, CA 90220

Re: Amendment of Professional Services Agreement dated January 9, 2018.

Eadie and Payne LLP ("E+P", "we" or "us") is pleased to provide the services described below (the "Services"). The Services are subject to the terms and conditions of this engagement letter and the Terms & Conditions for Professional Services located in the attached Terms and Conditions Addendum (together, this "Agreement").

SERVICES

Due to significant turnover in the City's Controller's department we were requested by management to reassess the services required to be performed by the fiscal year ending June 30, 2022 to assist in the budgeting process.

We are aware of the fact that significant progress has been made in the Controller's office which will improve the responsiveness and facilitation of the audits and services still to be performed. We will not be charging further out of scope fees of \$100,000 as referenced in our March 2020 letter and have adjusted our estimated fees and hours required for the outstanding services.

We determined that the following audit and special procedures will assist the City of Compton ("City") in meeting reporting compliance requirements. Specifically, we will:

- Audit the City's established or planned implementation of internal controls including obtaining an understanding of the corrective action plan (CAP), assisting with status updates to the State Controller's Office (SCO) and U.S. Department of Housing and Urban Development (HUD) in response to findings reported for fiscal years ending June 30, 2014, 2015, 2016, 2017, 2018, 2019, and 2020.
- GASB 68 & 75 implementation for fiscal years ending June 30, 2020 and 2021: Test GASB 68 & 75 census data for City's pension plans; Evaluate GASB 68 & 75 valuation reports and propose a journal entry for City's review; Update required disclosure for financial statements.



EADIE + PAYNE

*Celebrating a Century
of Quality Service*

Eadie + Payne, LLP

3880 Lemon St., Ste. 300
Riverside, CA 92501

P.O. Box 1529
Riverside, CA 92502-1529

Office: 951-241-7800

www.eadiepaynellp.com

- Provide assistance in preparing special auditor/accountant's reports as requested by the City that were not included in our original scope of work per the agreement dated 1/9/2018. These reports might include reports to third parties such as the State Controller's Office, bond agencies, and other federal or state agencies. Reports might also include reports for internal City use only.
- We will also provide general auditing services, assistance with preparing the financial statements and related notes, and assistance with the Federal Clearing House Data Collection Form for fiscal years ending June 30, 2020 and 2021. Please see separate engagement letters attached for further detail.

DELIVERABLES

E+P will produce the following deliverables:

- Assessment of the City's corrective action plan, inclusive of the verification of completion in addressing findings that were reported to date for fiscal year ending June 30, 2021.
- GASB 68 & 75 journal entry and required disclosures for fiscal years ending June 30, 2020 and 2021.
- Special reports as requested.
- Assistance with the preparation of the financial statements and related notes for fiscal years ending June 30, 2020 and 2021.
- Independent Auditor's Reports on basic financial statements for fiscal years ending June 2020 and 2021.
- Single audit reports on Schedule of Expenditures of Federal Awards; internal control over financial reporting and compliance with provisions of laws, regulations, contracts and award agreements; internal control over compliance related to major programs and compliance with federal statutes, regulations, and the terms and conditions of federal awards for fiscal years ending June 30, 2020 and 2021.
- Files and information required for the Federal Clearing House Data Collection Form for fiscal years ending June 30, 2020 and 2021.

YOUR RESPONSIBILITIES

We understand that you will provide us with (1) access to all information that is relevant to our services, (2) additional information that we may request to complete our services, (3) unrestricted access to identified persons within the City organization from whom we determine it necessary to obtain evidence and (4) appropriate guidance and oversight as questions arise.

Please see attachments for additional audit responsibilities.

ENGAGEMENT ADMINISTRATION: FEES

Donald N. Ecker and Hong N. Nguyen will be the engagement partners and are responsible for supervising the engagement. The engagement partners will assign work on the engagement to others at our firm.

The fees for the scope of services outlined above are as follows:

	FYE June 30, 2020	FYE June 30, 2021
Assistance with CAP for fiscal year ending June 30, 2021 (285 hrs estimated).		\$ 50,000
GASB 68 and 75 implementation fiscal years ending June 30, 2020 and 2021(60 hrs estimated).	\$ 5,000	\$ 5,000
Agreed-upon procedures in relation to HUD requirements for fiscal year ending June 30, 2020 and 2021; bond reporting; other reporting as needed (225 hrs estimated).	\$ 20,000	\$ 20,000
Audits (Financial Statement & Single Audit) for fiscal year ending June 30, 2020 (1450 hrs estimated).	\$ 250,000	
Audits (Financial Statement & Single Audit) for fiscal year ending June 30, 2021 (1150 hrs estimated).		\$ 200,000
Total	\$ 275,000	\$ 275,000

These fees are inclusive of out-of-pocket type expenses such as travel, hotel, and meals.

We appreciate the opportunity to be of service to you and look forward to continue assisting you in your journey of fiscal turnaround and transformation.

EADIE + PAYNE, LLP



Donald N. Ecker
Eadie and Payne, LLP



Hong M. Nguyen, CPA
Eadie and Payne, LLP

April 17, 2019

Honorable Members of the City Council
City of Compton
205 S. Willowbrook Avenue
Compton, CA 90220

Re: Amendment of Professional Services Agreement dated January 9, 2018.

Eadie and Payne LLP ("E+P", "we" or "us") is pleased to provide the services described below (the "Services"). The Services are subject to the terms and conditions of this engagement letter and the Terms & Conditions for Professional Services located in the attached Terms and Conditions Addendum (together, this "Agreement").

SERVICES

We will provide the following audit and special procedures to assist the City of Compton ("City"). Specifically, we will:

- Obtain an understanding of the City's established or planned implementation of internal controls including assistance with the corrective action plans (CAP) and status updates with the State Controller's Office (SCO) and U.S. Department of Housing and Urban Development (HUD) in response to findings for fiscal years ending June 30, 2014, 2015, 2016, 2017, 2018, 2019, and 2020.
- GASB 68 implementation fiscal years ending June 30, 2015, 2016, 2017, 2018, 2019, and 2020: Test GASB 68 census data for City's pension plans; Evaluate GASB 68 valuation reports and propose a journal entry for City's review; Update required disclosure for financial statements.
- GASB 75 implementation fiscal years ending June 30, 2018, 2019 and 2020: Evaluate GASB 75 valuation reports and propose a journal entry for City's review; Update required disclosure for financial statements.
- Provide assistance in preparing special auditor/accountant's reports as requested by the City that were not included in our original scope of work per the agreement dated 1/9/2018. These reports might include reports to third parties such as the State Controller's Office, bond agencies, and other federal or state agencies. Reports might also include reports for internal City use only.
- We will also provide auditing services, assistance with preparing the financial statements and related notes, and assistance with the Federal Clearing House Data Collection Form for fiscal years ending June 30, 2018, 2019 and 2020. Please see separate engagement letters attached for further detail.



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Office: 951-241-7800

www.eadielapaynellp.com

DELIVERABLES

E+P will produce the following deliverables:

- Assessment of the City's corrective action plan, inclusive of the estimated completion date to address findings for fiscal years ending June 30, 2014, 2015, 2016, 2017, 2018, 2019 and 2020.
- GASB 68 journal entry and required disclosures for fiscal years ending June 30, 2015, 2016, 2017, 2018, 2019, and 2020.
- GASB 75 journal entry and required disclosures for fiscal years ending June 30, 2018, 2019, and 2020.
- Special reports as requested.
- Financial statements and related notes for fiscal years ending June 30, 2018, 2019, and 2020.
- Reports on basic financial statements for fiscal years ending June 30, 2018, 2019, and 2020.
- Single audit reports on Schedule of Expenditures of Federal Awards; internal control over financial reporting and compliance with provisions of laws, regulations, contracts and award agreements; internal control over compliance related to major programs and compliance with federal statutes, regulations, and the terms and conditions of federal awards for fiscal years ending June 30, 2018, 2019 and 2020.
- Files and information required for the Federal Clearing House Data Collection Form for fiscal years ending June 30, 2018, 2019 and 2020.

YOUR RESPONSIBILITIES

We understand that you will provide us with (1) access to all information that is relevant to our services, (2) additional information that we may request to complete our services, (3) unrestricted access to identified persons within the City organization from whom we determine it necessary to obtain evidence and (4) appropriate guidance and oversight as questions arise.

Please see attachments for additional audit responsibilities.

ENGAGEMENT ADMINISTRATION: FEES

Donald N. Ecker and Hong N. Nguyen will be the engagement partners and are responsible for supervising the engagement. The engagement partners will assign work on the engagement to others at our firm.

The fees for the scope of services outlined above are as follows:

- \$ 225,000 - Assistance with CAP for fiscal years ending June 30, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 (1,125 hrs estimated).
- \$ 30,000 GASB 68 implementation fiscal years ending June 30, 2015, 2016, 2017, 2018, 2019, and 2020 (170 hrs estimated).
- \$ 22,500 - GASB 75 implementation June 30, 2018, 2019 and 2020 (125 hrs estimated).
- \$ 40,000 - Special auditor/accountant's reports for the duration of the contract (200 hrs estimated).
- \$ 250,000 - Audits for fiscal year ending June 30, 2018 (1450 hrs estimated).
- \$ 250,000 - Audits for fiscal year ending June 30, 2019 (1450 hrs estimated).
- \$ 250,000 - Audits for fiscal year ending June 30, 2020 (1450 hrs estimated).

These fees are inclusive of out-of-pocket type expenses such as travel, hotel, and meals.

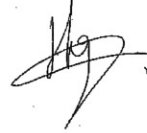
We appreciate the opportunity to be of service to you and believe this Agreement accurately summarizes the terms applicable to the Services. If you have any questions, please let us know. If you agree with the terms of this Agreement, please sign the enclosed copy and return it to us.

Very truly yours,

EADIE AND PAYNE, LLP



Donald N. Ecker
Chairman, Eadie and Payne, LLP

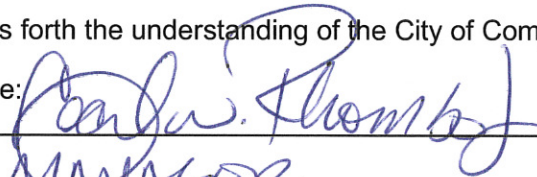


Hong N. Nguyen, CPA
Vice Chair, Eadie and Payne, LLP

RESPONSE:

This letter correctly sets forth the understanding of the City of Compton.

Management signature:



Title:

CITY MANAGER

Date:

6/24/19

Governance signature:

Title:

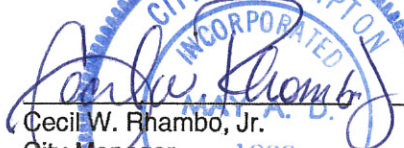
Date:

Attachments:

Terms and Conditions Addendum
Engagement letter June 30, 2018 audit
Engagement letter June 30, 2019 audit
Engagement letter June 30, 2020 audit

IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

CITY OF COMPTON


Cecil W. Rhambo, Jr.
City Manager 1888
Date 6/24/19

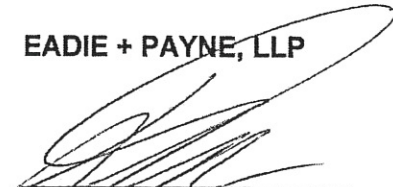
APPROVED AS TO FORM


Craig J. Cornwell
City Attorney
Date 6/30/2019

ATTEST


Alita Godwin, CMC
City Clerk
Date 6/24/19

EADIE + PAYNE, LLP


Donald N. Ecker
Chairman, Eadie and Payne, LLP
Date 6/19/19


Hong N. Nguyen, CPA
Co-Client Services Executive
Date 6/19/19

Eadie and Payne, LLP's Terms and Conditions Addendum

Overview

This addendum to the engagement letter describes our standard terms and conditions ("Terms and Conditions") related to our provision of services to you. This addendum and the accompanying engagement letter comprise your agreement with us ("Agreement"). If there is any inconsistency between the engagement letter and this *Terms and Conditions Addendum*, the engagement letter will prevail to the extent of the inconsistency.

For the purposes of this *Terms and Conditions Addendum*, any reference to "we," "us," or "our" is a reference to Eadie and Payne, LLP, and any reference to "you," or "your" is a reference to the party or parties that have engaged us to provide services. References to "Agreement" mean the engagement letter or other written document describing the scope of services, any other attachments incorporated therein, and this *Terms and Conditions Addendum*.

Billing and Payment Terms

We will bill you for our professional fees and out-of-pocket costs monthly as work progresses. Payment is due upon receipt. If payment is not received within 30 days, you will be assessed interest charges of 1% per month on the unpaid balance.

We reserve the right to suspend or terminate our work for non-payment of fees. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet governmental and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any other damages (including but not limited to consequential, indirect, lost profits, or punitive damages) incurred as a result of the suspension or termination of our services.

Electronic Data Communication and Storage

In the interest of facilitating our services to you, we may send data over the Internet, or store electronic data via computer software applications hosted remotely on the Internet or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. We may use third party service providers to store or transmit this data, such as providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards. We require our third party vendors to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us or our third party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third party service providers during this engagement.

Client Portals

To enhance our services to you, we will utilize a client portal, a collaborative, virtual workspace in a protected, online environment. The client portal permits real-time collaboration across geographic boundaries and time zones and allows Eadie and Payne, LLP and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use the client portal, you will be required to execute a client portal agreement and agree to be bound by the terms, conditions and limitations of such agreement.

You agree that Eadie and Payne, LLP has no responsibility for the activities of the client portal and agree to indemnify and hold Eadie and Payne, LLP harmless with respect to any and all claims arising from or related to the operation of the client portal. While the client portal backs up your files to a third party server, we recommend that you also maintain your own backup files.

Items placed on the client portal will be deleted periodically according to firm policy.

Newsletters and Similar Communications

We may send newsletters, emails, explanations of technical developments or similar communications to you. These communications are of a general nature and should not be construed as professional advice. We may not send all such communications to you. These communications do not continue a client relationship with you, nor do they constitute advice or an undertaking on our part to monitor issues for you.

Records Management

Record Retention and Ownership

We will return all of your original records and documents provided to us at the conclusion of the engagement. Your records are the primary records for your operations and comprise the backup and support for your work product. Our copies of your records and documents are not a substitute for your own records and do not mitigate your record retention obligations under any applicable laws or regulations.

Workpapers and other documents created by us are our property and will remain in our control. Copies are not to be distributed without your written request and our prior written consent. Our workpapers will be maintained by us in accordance with our firm's record retention policy and any applicable legal and regulatory requirements.

Our firm destroys workpaper files after a period of 7 years. Catastrophic events or physical deterioration may result in damage to or destruction of our firm's records, causing the records to be unavailable before the expiration of the retention period as stated in our record retention policy.

Working Paper Access Requests by Regulators and Others

State, federal and foreign regulators may request access to or copies of certain workpapers pursuant to applicable legal or regulatory requirements. Requests also may arise with respect to peer review, an ethics investigation, or the sale of our accounting practice. If requested, access to such workpapers will be provided under the supervision of firm personnel. Regulators may request copies of selected workpapers to distribute the copies or information contained therein to others, including other governmental agencies.

If we receive a request for copies of selected workpapers, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such request as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit the disclosure of information. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests. This paragraph will survive termination of this Agreement.

Summons or Subpoenas

All information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis.

If we receive a summons or subpoena which our legal counsel determines requires us to produce documents from this engagement or testify about this engagement, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such summons or subpoena as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit discovery. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests. This paragraph will survive termination of this Agreement.

Disclaimer of Legal and Investment Advice

Our services under this Agreement do not constitute legal or investment advice unless specifically agreed to in the *Engagement Objective and Scope* section of this Agreement. We recommend that you retain legal counsel and investment advisors to provide such advice.

Brokerage or Investment Advisory Statements

If you provide our firm with copies of brokerage (or investment advisory) statements and/or read-only access to your accounts, we will use the information solely for the purpose described in the *Engagement Objective and Scope* section of the engagement letter. We will rely on the accuracy of the information provided in the statements and will not undertake any action to verify this information. We will not monitor transactions, investment activity, provide investment advice, or supervise the actions of the entity or individuals entering into transactions or investment activities on your behalf. We recommend you receive and carefully review all statements upon receipt, and direct any questions regarding account activity to your banker, broker or investment advisor.

Other Income, Losses and Expenses

If you realized income, loss or expense from a business or supplemental income or loss, the reporting requirements of federal and state income tax authorities apply to such income, loss or expense. You are responsible for complying with all applicable laws and regulations pertaining to such operations, including the classification of workers as employees or independent contractors and related payroll tax and withholding requirements.

Limitations on Oral and Email Communications

We may discuss with you our views regarding the treatment of certain items or decisions you may face. We may also provide you with information in an email. Any advice or information delivered orally or in an email (rather than through a memorandum delivered as an email attachment) will be based upon limited research and a limited discussion and analysis of the underlying facts. Additional research or a more complete review of the facts may affect our analysis and conclusions.

Due to these limitations and the related risks, it may or may not be appropriate to proceed with any decision solely on the basis of any oral or email communication. You accept all responsibility, except to the extent caused by the gross negligence or willful misconduct of Eadie and Payne, LLP, for any loss, cost or expense resulting from your decision (i) not to have us perform the research and analysis necessary to reach a more definitive conclusion and (ii) to instead rely on an oral or email communication. The limitation in this paragraph will not apply to an item of written advice that is a deliverable of a separate engagement. If you wish to engage us to provide formal advice on a matter on which we have communicated orally or by email, we will confirm this in a separate engagement letter.

Management Responsibilities

While Eadie and Payne, LLP can provide assistance and recommendations, you are responsible for management decisions and functions, and for designating an individual with suitable skill, knowledge or experience to oversee any services that Eadie and Payne, LLP provides. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. You are ultimately responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Conflicts of Interest

If we, in our sole discretion, believe a conflict has arisen affecting our ability to deliver services to you in accordance with either the ethical standards of our firm or the ethical standards of our profession, we may be required to suspend or terminate our services without issuing our work product.

Alternative Dispute Resolution

If a dispute arises out of or relates to the Agreement including the scope of services contained herein, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under the *AAA Professional Accounting and Related Services Dispute Resolution Rules* before resorting to arbitration, litigation, or some other dispute resolution procedure. The mediator will be selected by agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the AAA. Any mediator so designated must be acceptable to all parties. The mediation will be conducted in California.

The mediation will be treated as a settlement discussion and, therefore, will be confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. The costs of any mediation proceedings shall be shared equally by all parties. Any costs for legal representation shall be borne by the hiring party.

Proprietary Information

You acknowledge that proprietary information, documents, materials, management techniques and other intellectual property we use are a material source of the services we perform and were developed prior to our association with you. Any new forms, software, documents or intellectual property we develop during this engagement for your use shall belong to us, and you shall have the limited right to use them solely within your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, agreements and other documents which we make available to you are confidential and proprietary to us. Neither you, nor any of your agents, will copy, electronically store, reproduce or make available to anyone other than your personnel, any such documents. This provision will apply to all materials whether in digital, "hard copy" format or other medium.

Statute of Limitations

You agree that any claim arising out of this Agreement shall be commenced within one (1) year of the delivery of the work product to you, regardless of any longer period of time for commencing such claim as may be set by law. A claim is understood to be a demand for money or services, the service of a suit, or the institution of arbitration proceedings against Eadie and Payne, LLP.

Termination and Withdrawal

We reserve the right to withdraw from the engagement without completing services for any reason, including, but not limited to, your failure to comply with the terms of this Agreement or as we determine professional standards require.

Assignment

All parties acknowledge and agree that the terms and conditions of this Agreement shall be binding upon and inure to the parties' successors and assigns, subject to applicable laws and regulations.

Severability

If any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Agreement.

Entire Agreement

The engagement letter, including this *Terms and Conditions Addendum* and any other attachments, encompasses the entire agreement of the parties and supersedes all previous understandings and agreements between the parties, whether oral or written. Any modification to the terms of this Agreement must be made in writing and signed by both parties.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AMENDING THE 2018-2019 FISCAL YEAR BUDGET TO TRANSFER
FUNDS AND AUTHORIZING THE CITY MANGER TO AMEND THE
EXISTING PROFESSIONAL SERVICES AGREEMENT BETWEEN THE
CITY OF COMPTON AND EADIE & PAYNE, LLP FOR PROFESSIONAL
INDEPENDENT AUDITING SERVICES (\$1,067,500)**

WHEREAS, Section 1419 of the City Charter of the City of Compton provides for the employment of a qualified accountant at the beginning of each fiscal year, who at such time or times as may be specified by the City Council shall examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees and departments as the City Council may direct; and

WHEREAS, an annual audit is also required to satisfy Federal legislation, state regulations, grants requirements, bonds covenants and other applicable regulations; and

WHEREAS, on January 9, 2018, the Council approved Resolution No. 24,724, which authorized the City Manager to enter into a professional service agreement with Eadie & Payne, LLP for professional independent auditing services. This agreement included audit of financial records for fiscal years 2014-2015, 2015-2016, 2016-2017 and single audits for fiscal years 2013-2014, 2014-2015, 2015-2016, and 2016-2017; and

WHEREAS, On February 5, 2018, the City received a copy of the draft report of the State Controller's Office review of the City of Compton's administrative and internal accounting controls system. On March 9, 2018, the City received a copy of the State Controller's Office draft report from their audit of the City of Compton's Special Gas Tax Street Improvement Fund for the period of July 1, 2007 through June 30, 2016. These reports revealed the State Controller's Office found that 90% of the City's internal control components were inadequate; and

WHEREAS, As a result of these reports, and other audit reports, more than 220 audit findings were discovered and presented and needed to be quantified in an annual Corrective Action Plan that had to be submitted to the State. The presentation of this report also triggered other funding agencies to conduct their own audits of their specific resources. The addition of these factors severely increased the scope of work performed by the independent auditors, Eadie & Payne, LLP; and

WHEREAS, The City's initial agreement did not include assistance with Corrective Action Plan (CAP) for each of those fiscal years nor the implementation of GASB 68, or the multiple other reports requested by our bond holders. As such the firm needs to be compensated for the additional Out of Scope work that had to be completed. The City also needs to have the financial records audited for fiscal years 2017-2018, 2018-2019, and 2019-2020, as well as the single audits (audit of federal grants) performed for fiscal years 2017-2018, 2018-2019, and 2019-2020. These audits are crucial in establishing good financial standing with the State Controller's Office, the bond holders and will give the City the ability to have financial reports immediately available to apply for additional funding, grants and secure bonds if necessary; and

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3 **WHEREAS**, Eadie & Payne, LLP was founded in 1919 and they take pride in their
4 firm's rich history, while keeping an eye for the future, providing knowledgeable,
5 trustworthy accounting services. Their firm is dedicated to personal service so that all
6 clients regardless of size or earnings, experience one-on-one interaction from their
7 accountants. They are members of the American Institute of Certified Public Accountants
8 Governmental Audit Quality Center, are committed to staying on top of government audit
9 regulations, and providing the highest quality audit services; and

10 **WHEREAS**, Eadie & Payne, LLP has significant experience with performing
11 technically challenging audits as it relates to experience of their senior auditor and
12 manager of the audit team. They were able to meet the required deadlines for the City of
13 Compton and are completing financial statements and single audits within the agreed
14 time table. They are responsive to the City's requirements, they are very familiar with the
15 City's current financial situation, and have played a significant role in building the
16 relationship with the State Controller's Office. The City would like to amend the current
17 contract and retain Eadie & Payne, LLP to complete the audits for fiscal years 2017-
18 2018, 2018-2019, and 2019-2020, as well as the continued assistance with the
19 Corrective Action Plan, the implementation of GASB 68 and 75 and any additional special
20 reports require; and

21 **WHEREAS**, requesting proposals from other certified public accountants' firms will
22 require too many resources and time that the City currently does not have. Eadie &
23 Payne, LLP are committed in assisting the City in becoming current on the audited
24 financial statements. Delaying this amendment can lead to regression in the progress
25 made by Eadie & Payne, LLP and City staff as well as loss of economies of scale; and

26 **WHEREAS**, the amended scope of works and fees are as follows:

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100
- o \$225,000 – Assistance with CAP for fiscal years ending June 30, 2014, 2015, 2016, 2017, 2018, 2019, and 2020 (1,125 hours estimated)
 - o \$30,000 – GASB 68 implementation fiscal years ending June 30, 2015, 2016, 2017, 2018, 2019, and 2020 (170 hours estimated)
 - o \$22,500 – GASB 75 implementation fiscal years ending June 30, 2018, 2019, and 2020 (125 hours estimated)
 - o \$40,000 – Special auditor / accountant's reports for the duration of the contract (200 hours estimated)
 - o \$250,000 – Audits for fiscal year ending June 30, 2018 (1,450 hours estimated)
 - o \$250,000 – Audits for fiscal year ending June 30, 2019 (1,450 hours estimated)
 - o \$250,000 – Audits for fiscal year ending June 30, 2020 (1,450 hours estimated)

101 **WHEREAS**, these fees are inclusive of out-of-pocket expenses such as travel,
102 hotel, and meals. The City has also required that all proposed fees are reflective of not-
103 to-exceed cap; and

104 **WHEREAS**, to pay for this expenditure the Department's 2018-2019 Fiscal Year
105 budget must be amended to transfer funds between accounts.

106 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES
107 HEREBY RESOLVE AS FOLLOWS:**

108 **Section 1.** The City Controller's Department 2018-2019 Fiscal Year budget is
109 hereby amended to transfer funds between accounts as follows:

<u>From</u>	<u>To</u>	<u>Object Code</u>	<u>Amount</u>
1001-650-000-4222	1001-650-000-4266	Contract Services	\$53,000.00
1001-650-000-4294	1001-650-000-4266	Contract Services	\$75,000.00

Section 2. That the City Manager, on the advice and approval of the City Attorney, is hereby authorizing City Manager to amend the existing professional services agreement between the City of Compton and Eadie & Payne, LLP (Certified Public Accountants) for professional independent auditing services.

Section 3. That funds in the amount of \$496,072.00 are available in the 2018-2019 Fiscal Year budget of the City Controller Department (after budget is amended) in Account No. 1001-650-000-4266.

Section 4. That a purchase order in the amount of \$496,072.00 is authorized to be issued for Eadie & Payne, LLP.

Section 5. That funds in the amount of \$414,286.00 and \$157,142 shall be funded in the 2019-2020 and 2020-2021, respectively, Fiscal Year budget of the City Controller Office in Account No. 1001-650-000-4266.

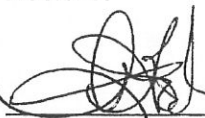
Section 6. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Attorney, City Manager, and City Controller.

Section 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this 5th day of June, 2019.


MAYOR OF THE CITY OF COMPTON

ATTEST:


CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON



I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this 5th day of June, 2019.

That said Resolution was adopted by the following vote, to wit:

AYES: COUNCILMEMBERS- Galvan, McCoy, Sharif, Brown
NOES: COUNCILMEMBERS- None
ABSTAIN: COUNCILMEMBERS- None
ABSENT: COUNCILMEMBERS- Zurita


CITY CLERK OF THE CITY OF COMPTON



THIS CERTIFICATE IS NON TRANSFERABLE
POST IN A CONSPICUOUS PLACE

CITY OF COMPTON BUSINESS LICENSE CERTIFICATE

BUSINESS LICENSE DIVISION ~ 205 N. WILLOWBROOK AVE, COMPTON, CA 90220 ~ (310) 605-5508

The below named license holder has paid a business license fee to engage in, carry on or conduct a business trade, calling, profession, exhibition or occupation coded below until this certificate expires. Granting of this license does not entitle the license holder to operate or maintain a business license in violation of any other law or ordinance. In addition this license is not transferable to any other party, and no refunds will be issued for the license once a certificate has been issued.

LICENSE NO:	BL19-000882	EXPIRATION DATE:	06/19/2020
BUSINESS:	Eadie and Payne, LLP	ISSUE DATE:	06/19/2019
LOCATION:	3880 Lemon St	OWNERSHIP TYPE:	Partnership / LLP
OWNER NAME:	Eadie and Payne, LLP Frank Zabaleta	CLASSIFICATION:	5412
MAILING ADDRESS:	3880 Lemon Street Suite 300 Riverside, CA 92501	DESCRIPTION:	Accounting/Attest/Consulting/Tax
RESTRICTIONS:			

Eadie and Payne, LLP
3880 Lemon Street Suite 300
Riverside, CA 92501



EADIPAY-01

EBETTS

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/18/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0757776 Riverside, CA - HUB International Insurance Services Inc. PO Box 5345 Riverside, CA 92517		CONTACT NAME: Irene McCleary PHONE (A/C, No, Ext): (951) 779-8532 FAX (A/C, No): E-MAIL ADDRESS: irene.mccleary@hubinternational.com		
INSURED Eadie and Payne, LLP PO Box 1529 Riverside, CA 92502-1529		INSURER(S) AFFORDING COVERAGE		NAIC #
		INSURER A : Sentinel Insurance Company, Ltd.		11000
		INSURER B : Hartford Accident and Indemnity Company		22357
		INSURER C : Preferred Employers Insurance Company		10900
		INSURER D :		
INSURER E :				
INSURER F :				

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY	☒	☒	72SBAIB6333	10/1/2018	10/1/2019	EACH OCCURRENCE \$ 2,000,000
	☐ CLAIMS-MADE ☒ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
							MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 4,000,000
	☒ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG \$ 4,000,000
	OTHER:						\$
B	AUTOMOBILE LIABILITY			72UECPT1395	10/1/2018	10/1/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	☒ ANY AUTO OWNED AUTOS ONLY	☐ SCHEDULED AUTOS	BODILY INJURY (Per person) \$				
	☐ HIRED AUTOS ONLY	☐ NON-OWNED AUTOS ONLY	BODILY INJURY (Per accident) \$				
			PROPERTY DAMAGE (Per accident) \$				
A	☒ UMBRELLA LIAB	☒ OCCUR		72SBAIB6333	10/1/2018	10/1/2019	EACH OCCURRENCE \$ 4,000,000
	☐ EXCESS LIAB	☐ CLAIMS-MADE	AGGREGATE \$ 4,000,000				
	DED ☒	RETENTION \$ 10,000	\$				
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	☐ Y/N	N/A	AAN100994-21	7/1/2019	7/1/2020	☒ PER STATUTE ☐ OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	☒ N					E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers are additional insureds with regard to General Liability when required by written contract per the attached endorsement SS0008 04/05, primary and non-contributory and Waiver of Subrogation coverage are included.

CERTIFICATE HOLDER

CANCELLATION

City of Compton
205 South Willowbrook Avenue
Compton, CA 90220

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

BUSINESS LIABILITY COVERAGE FORM

- b. Coverage under this provision does not apply to:

- (1) "Bodily injury" or "property damage" that occurred; or
- (2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs a. through f. below are additional insureds when you have agreed, in a written

BUSINESS LIABILITY COVERAGE FORM

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section F. – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or
- (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

- (1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

BUSINESS LIABILITY COVERAGE FORM

- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

- (1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or
 - (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

- (1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In connection with your premises; or
 - (b) In the performance of your ongoing operations performed by you or on your behalf.
- (2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

 - (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

- (1) Any other person or organization who is not an insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In the performance of your ongoing operations;
 - (b) In connection with your premises owned by or rented to you; or
 - (c) In connection with "your work" and included within the "products-completed operations hazard", but only if
 - (i) The written contract or written agreement requires you to provide such coverage to such additional insured; and
 - (ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

BUSINESS LIABILITY COVERAGE FORM

- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

- a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.
- b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to 2.a. or 2.b. above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to 2.b. above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage To Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

- a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3. above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

**E. LIABILITY AND MEDICAL EXPENSES
GENERAL CONDITIONS**

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or an additional insured is a partnership;
- (3) Any manager, if you or an additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;
- (5) Any trustee, if you or an additional insured is a trust; or
- (6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

BUSINESS LIABILITY COVERAGE FORM

This Paragraph f. applies separately to you and any additional insured.

3. Financial Responsibility Laws

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom a claim is made or "suit" is brought.

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and

- (3) We have issued this policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

7. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section A. – Coverages.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion k. of Section A. – Coverages.

BUSINESS LIABILITY COVERAGE FORM

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

BUSINESS LIABILITY COVERAGE FORM

F. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply, Paragraph 6. (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section C., Who Is An Insured, does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy, except as provided below:

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations; or
- b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization; but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise, but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Lessor of Leased Equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

- b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" that takes place after you cease to lease that land; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision - Permits

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

BUSINESS LIABILITY COVERAGE FORM

Insured – State Or Political Subdivision - Permits, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included in the "product-completed operations" hazard.

7. Additional Insured – Vendors

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- b. The insurance afforded to the vendor is subject to the following additional exclusions:

- (1) This insurance does not apply to:
 - (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - (b) Any express warranty unauthorized by you;
 - (c) Any physical or chemical change in the product made intentionally by the vendor;
 - (d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or

- (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of:

- a. Their financial control of you; or
- b. Premises they own, maintain or control while you lease or occupy these premises.

BUSINESS LIABILITY COVERAGE FORM

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations for the additional insured(s); or

(2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or

b. An interactive conversation between or among persons through a computer network.

2. "Advertising idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

BUSINESS LIABILITY COVERAGE FORM

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above;
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication
- provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.
- 7. "Electronic data" means information, facts or programs:
 - a. Stored as or on;
 - b. Created or used on; or
 - c. Transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
 - 8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 - 9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
 - 10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
 - 11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section D. - Liability and Medical Expenses Limits of Insurance.
- b. A sidetrack agreement;
- c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement; or
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph f. does not include that part of any contract or agreement:

BUSINESS LIABILITY COVERAGE FORM

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.
13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
14. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, on which are permanently mounted:
- (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo.
- However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
- (1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;

BUSINESS LIABILITY COVERAGE FORM

- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral, written or electronic publication of material that violates a person's right of privacy;
 - f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement";
 - g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement"; or
 - h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.
18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
19. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.
- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
20. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.
- As used in this definition, "electronic data" is not tangible property.
21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
23. "Volunteer worker" means a person who:
- a. Is not your "employee";

BUSINESS LIABILITY COVERAGE FORM

- b. Donates his or her work;
- c. Acts at the direction of and within the scope of duties determined by you; and
- d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

- (2) The providing of or failure to provide warnings or instructions.

- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

25. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.



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Mayor Aja Brown
Councilwoman Emma Sharif,
Craig Cornwell
City of Compton (Hand delivered)
205 S Willowbrook Avenue
Compton, CA 90220

March 2, 2020

RE: Causes for an Amendment of Professional Services Agreement
dated January 9, 2018

Audits of June 30, 2018

Our initial risk assessment identified the following areas of **HIGH RISK**:

- Proven embezzlement in the Treasurer's Office.
- Turnover in positions and departments within the City that oversee fiscal management such as the City Manager, the Controller, and accounting positions in the Controller's Office.
- Lack of financial reporting for the years 2015, 2016, 2017, and 2018 resulting in non-compliance with federal awards.
- Increasing deficits in the General Fund.
- Noncompliance with continuing bond disclosure requirements.
- Failure to meet 71 out of 79 internal control checks by the State Controller's Office.

The audit report of the statements of net position and balance sheets as of June 30, 2018 was issued on December 19, 2019, 17 months after the close of the fiscal year, with a qualified opinion. Our report identified the following items as the basis for the qualified opinion:

- The City has been unable to properly reconcile the pooled cash account. As part of the June 30, 2018 bank reconciliation an unsubstantiated adjustment debiting fund balance and crediting cash in the amount of approximately \$6.9 million was recorded.
- The allocation of cash to the various funds has not been properly reconciled. We were unable to obtain sufficient appropriate audit evidence about the allocation of cash between funds. We were unable to determine whether any adjustments to these amounts were necessary.
- The City has not maintained capital asset records or recorded capital asset activity. Recorded capital assets as of June 30, 2018 amounted to approximately \$125 million, however, we are unable to quantify the potential misstatement.

- The City has recorded land held for resale of approximately \$16.1 million in the governmental activities and approximately \$17.6 million in the Successor Agency Private-Purpose Trust Fund. The City was not able to provide a listing of land held for resale or any documentation to support the carrying value.
- The City has not determined whether amounts recorded as deferred grant revenues of approximately \$4 million have been earned or if the City has received any other grant proceeds that should have been recorded as deferred revenue as of June 30, 2018.

We also highlighted significant deficits and financial instability in an “other matter” paragraph.

In the Single Audit report we identified:

- 104 material weaknesses;
- 72 significant deficiencies;
- 26 instances of noncompliance;
- 15 recommendations for best practices;
- **217** - Total findings as of 6/30/2018

We were required to extend our audit procedures in the amount of \$70,000 due to these factors that caused a **HIGH RISK** audit assessment.

Audits of June 30, 2019 as of 3/2/2020

We are aware of the following issues that continue to cause the audit to be **HIGH RISK**. Multiple material weaknesses and significant deficiencies in internal control over financial reporting and compliance continue to exist and very few Corrective Action Plan items have been addressed. A few examples are:

- 1) Bank reconciliations have not been reconciled on a monthly basis.
- 2) Monthly reconciliations of Balance Sheet accounts such as accounts receivable, notes receivable, prepaid expenses, and accounts payable are not being performed.
- 3) Inter-fund balances lack a current Council approved payment plan and requires an extensive note disclosure.
- 4) A list of Capital Assets has not been maintained and therefore cannot be audited. Capital Assets is a significant account balance on the City’s statement of net position and therefore needs to be audited on an annual basis.
- 5) Deferred revenues have not been analyzed since 2014 due to a lack of support to adequately audit the account.

Due to the above mentioned risks, we will need to further extend our procedures to include tests of documentary evidence supporting the transactions recorded in **all accounts with material balances**. That means we must further extend our audit procedures in order to form an audit opinion.

In order to conclude on an audit opinion on the June 30, 2019 statements, Eadie and Payne still needs to:

- 1) Obtain bank reconciliations for each month in fiscal year 2019. Supporting documentation for reconciling items will need to be examined.
- 2) Expand our scope to test more cash receipts and cash disbursements. Supporting documentation will need to be examined to ensure that the transaction was properly recorded in the general ledger.
- 3) Obtain direct confirmation of receivables, certain other assets, and liabilities.
- 4) Examine supporting documentation for journal entries to ensure that they were properly approved, properly posted to the correct general ledger accounts, and have the proper documentation attached and filed.
- 5) Determine whether your accounting records captured all reportable transactions. To perform this requirement procedures will include: reviewing expenses posted in the following audit period to assure that liabilities are properly posted to the correct fiscal year; examining agreements that were approved at year end and in the new fiscal year to see if they affect the fiscal year under audit; and perform procedures to verify that revenue was recognized in the proper fiscal year.
- 6) Assist the City to continue to follow-up with various granting and oversight agencies regarding prior audit reports issued. Management needs to collaborate with us on ongoing discussions with oversight agencies on a timely basis.

Audits of June 30, 2020

If no further progress is made during fiscal year ending June 30, 2020 we anticipate the same challenges to occur during our audits.

Out of Scope Services

Fiscal year ended June 30, 2018
Fiscal year ended June 30, 2019
Fiscal year ended June 30, 2020

Fee Estimate

\$ 70,000
\$100,000
\$100,000

EADIE AND PAYNE, LLP



Donald N. Ecker
Chairman, Eadie and Payne, LLP



Hong N. Nguyen, CPA
Partner in Charge of Municipal Services
Eadie and Payne, LLP

CITY OF COMPTON
COMPTON, CALIFORNIA 90220
REMITTANCE ADVICE

THIS CHECK IS TENDERED IN FULL
PAYMENT OF ITEMS LISTED BELOW

10007481

EADIE AND PAYNE LLP

255443

DETACH BEFORE DEPOSITING

P.O. NUMBER	REFERENCE NO.	REFERENCE DATE	DISCOUNT AMOUNT	NET AMOUNT	PAGE
20FY0563	136999B	01/09/20	0.00	63,000.00	
20FY0563	137465B	07/01/20	0.00	21,150.00	
21FY0067	137669B	07/01/20	0.00	20,700.00	
21FY0067	137936	07/01/20	0.00	13,950.00	
21FY0067	138082B	07/01/20	0.00	6,300.00	
21FY0067	138312B	07/29/20	0.00	4,500.00	

TOTAL 129,600.00



CITY OF COMPTON
COMPTON, CALIFORNIA 90220

Check No. 255443

904284
1222

DOUGLAS SANDERS
CITY TREASURER

GENERAL WARRANT

CHECK NO.
255443

DATE
08/13/20

AMOUNT
**129,600.00

PAY ONE Hundred TWENTY NINE Thousand SIX Hundred Dollars and
ZERO Cents

TO EADIE AND PAYNE LLP
THE 3880 LEMON STREET SUITE 300
ORDER OF RIVERSIDE, CA 92501

CITY CONTROLLER

CITY TREASURER

COPY NON-NEGOTIABLE

I HEREBY CERTIFY THAT I HAVE EXAMINED THE ABOVE TRANSACTIONS & DOCUMENTS ATTACHED HERETO AND APPROVE THE CLAIM.

APPROVED CITY MANAGER

I HAVE EXAMINED THE ABOVE CLAIMS & ASSUMING THE FACTS THEREIN
STATED TO BE TRUE FIND THEM A PROPER CLAIM AGAINST THE CITY.

CITY CONTROLLER

APPROVED CITY COUNCIL



City of Compton
205 S Willowbrook Avenue
Compton, CA 90220

Client No. 89433.000
Date 01/09/2020 Invoice 136999b

Paid By	✓
V#	1007481
PO #	20F10503
A/C #	1001-65-000-4266
A/C #	

Assistance with cash reconciliation and Successor Agency cash rollforward. 114 hrs \$ 35,000.00

Additional audit procedures were performed to review the \$7.5 million in net adjustments to cash.

Preparation for financial meetings and updates. 76 hrs 25,000.00

Meetings and phone conversations with City Council Members to discuss concerns, auditor findings, and management and governance responsibilities from June 10, 2019 until October 26, 2019. Attended Council Meeting on July 16, 2019. Attended meetings with the Controller and City Manager per the request of the Mayor and Council woman Sharif to discuss the progress of the audits. Meeting with newly installed Council woman Chambers August 29, 2019. Preparation for October 21, 2019 Finance Committee meeting (cancelled).

City Manager discussions. 36 hrs 10,000.00

Various calls and meetings with the prior and current City Manager in regards to the transition in June 2019. Meetings to discuss the City Manager's responsibilities in regards to the audit and the corrective action plan relating to the auditor findings issued for the Single Audits for fiscal years ended June 30, 2014 through 2017.

Total \$ 70,000.00

Discount 10% (\$7,000.00)

Invoice Amount Due \$ 63,000.00

20F10503

1001 650 000 4266

ok for pay
[Signature]

A LATE PAYMENT FEE OF 1.0% PER MONTH WILL BE CHARGED ON BALANCES OUTSTANDING MORE THAN 30 DAYS

PAID

CK. NO. 255443
DATE 8/13/20

136999b
line 1

CATEGORY	SERVICE DESC	LAST NAME MEMO	DATE	HOURS	FEES
AUDIT	Cash/Equivalents	Will	3/11/2019	5.5	\$1,485.00
AUDIT	Cash/Equivalents	Will	3/12/2019	0.75	\$202.50
AUDIT	Cash/Equivalents	Maxion	3/25/2019	0.75	\$131.25
AUDIT	Cash/Equivalents	Will	3/26/2019	1.75	\$472.50
AUDIT	Cash/Equivalents	Maxion	4/18/2019	0.5	\$112.50
AUDIT	Cash/Equivalents	Maxion	4/25/2019	0.25	\$56.25
AUDIT	Cash/Equivalents	Maxion	4/26/2019	0.25	\$56.25
AUDIT	Cash/Equivalents	Maxion	5/1/2019	0.5	\$112.50
AUDIT	Cash/Equivalents	Maxion	5/2/2019	2	\$450.00
AUDIT	Cash/Equivalents	Will	5/8/2019	0.5	\$135.00
AUDIT	Cash/Equivalents	Maxion	5/10/2019	1	\$225.00
AUDIT	Cash/Equivalents	Will	5/14/2019	1	\$270.00
AUDIT	Cash/Equivalents	Maxion	5/15/2019	0.25	\$56.25
AUDIT	Cash/Equivalents	Will	5/20/2019	3	\$810.00
AUDIT	Cash/Equivalents	Nguyen	3/11/2019	2	\$640.00
AUDIT	Cash/Equivalents	Nguyen	5/21/2019	1	\$320.00
AUDIT	Cash/Equivalents	Will	5/21/2019	3	\$810.00
AUDIT	Cash/Equivalents	Will	5/22/2019	1	\$270.00
AUDIT	Cash/Equivalents	Maxion	5/23/2019	1	\$225.00
AUDIT	Cash/Equivalents	Will	5/23/2019	1.5	\$405.00
AUDIT	Cash/Equivalents	Maxion	5/24/2019	1	\$225.00
AUDIT	Cash/Equivalents	Crowley	9/6/2019	1.4	\$490.00
AUDIT	Cash/Equivalents	Nguyen	9/19/2019	1	\$320.00
AUDIT	Cash/Equivalents	Nguyen	9/20/2019	0.5	\$160.00
AUDIT	Cash/Equivalents	Crowley	9/26/2019	2	\$700.00
AUDIT	Cash/Equivalents	Nguyen	9/26/2019	1.5	\$480.00
AUDIT	Cash/Equivalents	Nguyen	10/2/2019	4	\$1,280.00
AUDIT	Cash/Equivalents	Nguyen	10/3/2019	6	\$1,920.00
AUDIT	Cash/Equivalents	Crowley	10/4/2019	0.1	\$35.00
AUDIT	Cash/Equivalents	Maxion	10/4/2019	0.5	\$112.50
AUDIT	Cash/Equivalents	Nguyen	10/4/2019	1	\$320.00
AUDIT	Cash/Equivalents	Nguyen	10/7/2019	3.5	\$1,120.00
AUDIT	Cash/Equivalents	Nguyen	10/8/2019	5	\$1,600.00
AUDIT	Cash/Equivalents	Nguyen	10/10/2019	4	\$1,280.00
AUDIT	Cash/Equivalents	Nguyen	10/10/2019	4	\$1,280.00
AUDIT	Cash/Equivalents	Nguyen	10/15/2019	4	\$1,280.00
AUDIT	Cash/Equivalents	Nguyen	10/16/2019	3.5	\$1,120.00
AUDIT	Cash/Equivalents	Nguyen	10/17/2019	3.5	\$1,120.00
AUDIT	Cash/Equivalents	Nguyen	10/22/2019	2	\$640.00
AUDIT	Cash/Equivalents	Nguyen	10/23/2019	6	\$1,920.00
AUDIT	Cash/Equivalents	Nguyen	10/24/2019	3	\$960.00
AUDIT	Cash/Equivalents	Nguyen	10/25/2019	4	\$1,280.00
AUDIT	Cash/Equivalents	Nguyen	10/28/2019	6.5	\$2,080.00
AUDIT	Cash/Equivalents	Nguyen	10/28/2019	1	\$320.00
AUDIT	Cash/Equivalents	Nguyen	10/29/2019	2	\$640.00
AUDIT	Cash/Equivalents	Nguyen	10/30/2019	2	\$640.00
AUDIT	Cash/Equivalents	Nguyen	10/31/2019	6	\$1,920.00
AUDIT	Cash/Equivalents	Nguyen	12/2/2019	1.5	\$480.00
AUDIT	Cash/Equivalents	Nguyen	12/10/2019	3	\$960.00
AUDIT	Cash/Equivalents	Nguyen	12/17/2019	2.5	\$800.00
AUDIT	Cash/Equivalents	Nguyen	12/19/2019	1	\$320.00
				114.5	\$35,047.50

PAID

CK. NO. 255443

DATE 8/13/20

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Internal SGT

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CATEGORY	SC DETAIL	SUB CAT	SERVICE DE LAST NAME	MENO	DATE	HOURS	EXPENSES	FEES	Row Labels	Sum of HOURS	Sum of FEES
AUDIT	4600	REVIE	Supervision & Ecker	calls Mayor, Emma (3) calls	6/10/2019	1	\$0.00	\$400.00			
AUDIT	4600	REVIE	Supervision & Ecker	misquote response to text Rafaela & Mayor	6/13/2019	0.5	\$0.00	\$200.00			
AUDIT	4600	REVIE	Supervision & Ecker	request attendance at Mayor transition meeting including meetings with Emma & Rafaela	6/13/2019	3	\$0.00	\$1,200.00		9.3	3,255.00
AUDIT	4600	REVIE	Supervision & Ecker	email to Mayor Craig, call Emma	6/14/2019	0.5	\$0.00	\$200.00	Crowley		
				Numerous text/calls Mayor							
				Numerous calls longhly City Atty							
				Numerous calls Emma per Mayor request							
AUDIT	4600	REVIE	Supervision & Ecker	Legal tip letter status Atty	6/28/2019	3	\$0.00	\$1,200.00	Dauser	0.45	60.75
AUDIT	4500	PLAN	Planning Meo Maxton	"Internal" ra DNE conversation in Mayor, Craig, & Emma during weekend	7/1/2019	0.5	\$0.00	\$112.50	Ecker	44.25	17,700.00
OAS	1841	OTHER		Internal team status update, on-going calls to Emma, Craig & discussion being available for							
AUDIT	4600	REVIE	Supervision & Ecker	closed session Tuesday	7/1/2019	1	\$0.00	\$400.00	Maggard	5.08	528.32
AUDIT	4605	MTG	Client Meeting Maxton	closed session Tuesday	7/2/2019	1.5	\$0.00	\$600.00	Maxton	2.25	506.25
AUDIT	4605	MTG	Client Meeting Maxton	"Internal" prepare slides for council meeting; agenda for meeting w Craig	7/16/2019	0.5	\$0.00	\$112.50	Nguyen	13.25	4,240.00
AUDIT	4605	MTG	Client Meeting Nguyen	"Internal" prop	7/16/2019	4	\$0.00	\$1,280.00	Pangan	1.6	224.00
AUDIT	4605	MTG	Client Meeting Nguyen	"Internal" prop	7/16/2019	2	\$0.00	\$640.00	(blank)		
AUDIT	4510	PLAN	Planning Meo Maxton	Transillion - Council Meeting - listening to the city council meeting 7/9/19	7/16/2019	1.6	\$0.00	\$224.00	Grand Total	76.18	26,514.32
AUDIT	4600	REVIE	Supervision & Ecker	prepare requested slides to Council	7/16/2019	0.5	\$0.00	\$200.00			(1,514.32) Discount
AUDIT	4600	REVIE	Supervision & Ecker	attend council meeting as requested	7/16/2019	5	\$0.00	\$2,000.00			25,000.00 Billed
AUDIT	4610	Trvl	Travel to Clio Nguyen		7/16/2019	1.5	\$0.00	\$480.00			
AUDIT	4500	PLAN	Planning Meo Maxton	"Internal" transition: ra agenda for 7/30 meeting w ES, CC, RK	7/29/2019	1.25	\$0.00	\$281.25			
AUDIT	4605	MTG	Client Meeting Crowley	meet with Craig, Rafaela, Emma, DNE & HNN	7/30/2019	3	\$0.00	\$1,050.00			
AUDIT	4605	MTG	Client Meeting Crowley	prep for meeting	7/30/2019	0.3	\$0.00	\$105.00			
AUDIT	4605	MTG	Client Meeting Nguyen		7/30/2019	0.5	\$0.00	\$160.00			
AUDIT	4600	REVIE	Supervision & Ecker	Finish preparing for meeting, actual meeting, debrief with CC & RK post, call from	7/30/2019	5.5	\$0.00	\$2,200.00			
AUDIT	4600	REVIE	Supervision & Ecker	Councilperson Emma during dinner.	8/8/2019	1.5	\$0.00	\$600.00			
AUDIT	4600	REVIE	Supervision & Ecker	including council member	8/22/2019	0.5	\$0.00	\$200.00			
AUDIT	4600	REVIE	Supervision & Ecker	with CC overall status	8/22/2019	0.5	\$0.00	\$200.00			
AUDIT	4600	REVIE	Supervision & Ecker	councilperson Michello	8/22/2019	0.5	\$0.00	\$200.00			
AUDIT	4600	REVIE	Supervision & Ecker	meeting with Councilperson Michello	8/22/2019	2	\$0.00	\$800.00			
AUDIT	4600	REVIE	Supervision & Ecker	calls Craig status & call from Emma	8/22/2019	0.5	\$0.00	\$200.00			
AUDIT	4600	REVIE	Supervision & Ecker	Equity schedules for Finance committee meeting	8/22/2019	0.5	\$0.00	\$200.00			
AUDIT	4605	MTG	Client Meeting Crowley	"Internal" finance committee prep, CC call, migs sched	9/3/2019	1.5	\$0.00	\$525.00			
AUDIT	4605	MTG	Client Meeting Nguyen	calls from Mayor re: status & closed sessions, call Michael re: same re: pay issue, status	9/3/2019	2	\$0.00	\$640.00			
AUDIT	4600	REVIE	Supervision & Ecker	on 16	10/4/2019	1.5	\$0.00	\$600.00			
AUDIT	4600	REVIE	Supervision & Ecker	Mayor Brown, ACM Mike, sewer bond issues DLC & HNN, Grants CAP revised	10/9/2019	1.5	\$0.00	\$600.00			
AUDIT	4600	REVIE	Supervision & Ecker	October/November calendar	10/14/2019	0.25	\$0.00	\$100.00			
AUDIT	4605	MTG	Client Meeting Crowley	call from Council person	10/15/2019	2	\$0.00	\$700.00			
AUDIT	4605	MTG	Client Meeting Nguyen	Prepare Information for Finance Committee meeting.	10/15/2019	1.5	\$0.00	\$480.00			
AUDIT	4600	REVIE	Supervision & Ecker	"Internal" call with em, finance committee prep	10/15/2019	2.5	\$0.00	\$1,000.00			
AUDIT	4600	REVIE	Supervision & Ecker	closed session calls re: closed session, then calls from CM & Councilperson Emma, (Emma	10/15/2019	1.5	\$0.00	\$600.00			
AUDIT	4600	REVIE	Supervision & Ecker	re: same	10/15/2019	0.25	\$0.00	\$33.75			
AUDIT	4580	REPOR	Typing - Proo Dauser	preparation for 1st Finance Committee meeting calls/emails	10/16/2019	3	\$0.00	\$1,200.00			
AUDIT	4600	REVIE	Supervision & Ecker	"Internal" Typing conversation between DNE and CC	10/16/2019	1.25	\$0.00	\$500.00			
AUDIT	4600	REVIE	Supervision & Ecker	Mayor meeting with DF as requested as well as CM team	10/16/2019	0.25	\$0.00	\$100.00			
AUDIT	4600	REVIE	Supervision & Ecker	Mayor meeting with CM team re: 1st Finance Committee meeting	10/16/2019	1	\$0.00	\$400.00			
AUDIT	4600	REVIE	Supervision & Ecker	Comfort Bond letter follow-up	10/16/2019	0.75	\$0.00	\$240.00			
AUDIT	4610	Trvl	Travel to Clio Nguyen	CM & ACM pre-meeting before Mayor	10/16/2019	0.2	\$0.00	\$27.00			
AUDIT	4580	REPOR	Typing - Proo Dauser	"Internal" Texting MA and CC for meetings wDNE arranging transportation to Compton for	10/17/2019	1.5	\$0.00	\$600.00			
AUDIT	4600	REVIE	Supervision & Ecker	DNE	10/18/2019	0.5	\$0.00	\$175.00			
AUDIT	4605	MTG	Client Meeting Crowley	continua work on 1st Finance Committee slides with Dobi/Courtney/calls	10/18/2019	1	\$0.00	\$370.00			
AUDIT	4605	MTG	Client Meeting Nguyen	Prepare for Finance Committee meeting	10/18/2019	0.33	\$0.00	\$34.32			
AUDIT	4510	PLAN	Planning Meo Maxton	"Internal" finance comm	10/21/2019	1	\$0.00	\$400.00			
AUDIT	4600	REVIE	Supervision & Ecker	Discuss w/ DLC slide questions and organization. Received further information	10/22/2019	1	\$0.00	\$350.00			
AUDIT	4605	MTG	Client Meeting Crowley	Finance Committee cancellation email/calls RK, CC, MA, ES bring HRN up to speed rel. last	10/22/2019	1	\$0.00	\$350.00			
AUDIT	4605	MTG	Client Meeting Crowley	Wednesday meeting	10/22/2019	1	\$0.00	\$350.00			
AUDIT	4605	MTG	Client Meeting Crowley	review draft slides for finance committee meeting							
AUDIT	4605	MTG	Client Meeting Crowley	Prep for Finance - fund balance							

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CK NO. 255443
DATE 8/13/20

Continued prepping slides per DLC comments. Had to make multiple changes due to change in presentation information. Summarized all A/E per debit, credit, and then combined them. Added new information to slides. Sent email to DLC re missing information, per her suggestion, sort out working copy. 1. Emailed to HNN and DLC. Made corrections to summary A/E worksheet from DLC comments.

10/22/2019 4.75 \$0.00 \$494.00
 10/22/2019 0.5 \$0.00 \$200.00
 10/23/2019 0.5 \$0.00 \$200.00
 10/24/2019 1 \$0.00 \$100.00
 10/26/2019 0.5 \$0.00 \$200.00

AUDIT 4510 PLAN Planting Doe Maggard
 AUDIT 4600 REVIE Supervision & Ecker
 AUDIT 4600 REVIE Supervision & Ecker
 AUDIT 4600 REVIE Supervision & Ecker
 AUDIT 4600 REVIE Supervision & Ecker

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CK. NO. 255443

DATE 8/13/20

1309996
page 3

CATEGORY	SC DETAIL	SUB CAT	SERVICE DESC	LAST NAME	MEMO	DATE	HOURS	EXPENSES	FEES	Row Labels	Sum of HOURS	Sum of FEES
AUDIT	4600	REVIEW	Supervision & Review	Ecker	Mid-night last exchange from Cecil	6/4/2019	0.5	\$0.00	\$200.00	Crowley	2.2	770.00
AUDIT	4605	MTG	Client Meetings	Nguyen	*Internal* phone call with AB & ES	6/10/2019	1.5	\$0.00	\$480.00	Ecker	19	7,600.00
AUDIT	4500	PLAN	Planning Meetings	Crowley	Update meeting - Cecil resignation	6/10/2019	0.3	\$0.00	\$105.00	Maxton	5.75	1,293.75
AUDIT	4600	REVIEW	Supervision & Review	Ecker	call Rafaela re: issues	6/10/2019	0.5	\$0.00	\$200.00	Nguyen	6.5	2,080.00
AUDIT	4600	REVIEW	Supervision & Review	Ecker	transition of CM	6/11/2019	0.5	\$0.00	\$200.00	Pangan	0.7	98.00
AUDIT	4600	REVIEW	Supervision & Review	Will	discussion re current events	6/11/2019	0.75	\$0.00	\$202.50	Shankel	1.15	161.00
AUDIT	4605	MTG	Client Meetings	Nguyen	call/text from Cecil re: transition status w/EP team	6/13/2019	2.5	\$0.00	\$800.00	Will	0.75	202.50
AUDIT	4600	REVIEW	Supervision & Review	Ecker	call/text from Cecil re: transition status w/EP team	6/13/2019	1	\$0.00	\$400.00	(blank)		
AUDIT	4600	REVIEW	Supervision & Review	Ecker	Grant chart review, call from Craig C re: adjust/confirm/clarify license w/BJ	6/10/2019	1.5	\$0.00	\$600.00	Grand Total	36.05	12,205.25
AUDIT	4600	REVIEW	Supervision & Review	Ecker	fol/poy City license	6/19/2019	2	\$0.00	\$800.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	*Internal* CM resignation letter	6/21/2019	0.5	\$0.00	\$112.50			
AUDIT	4510	PLAN	Planning Documents	Maxton	*Internal* w/ DNE, DLC, HNN re CM's resignation letter	6/21/2019	0.5	\$0.00	\$112.50			
AUDIT	4500	PLAN	Planning Meetings	Maxton	*Internal* follow up call w/ DNE re CM's resignation letter	6/21/2019	0.25	\$0.00	\$56.25			
AUDIT	4500	PLAN	Planning Meetings	Maxton	*Internal* follow up call w/ DNE re CM's resignation letter	6/21/2019	0.25	\$0.00	\$56.25			
AUDIT	4500	PLAN	Planning Meetings	Crowley	Phone call with DNE & review of email from DNE	6/21/2019	1.3	\$0.00	\$455.00			
AUDIT	4500	PLAN	Planning Meetings	Crowley	CM resigns issues w/ly letter of accusations. Internal team meeting, plan							
AUDIT	4500	PLAN	Planning Meetings	Crowley	calls to RK, DNE to call CC & then CC returns call late n day-discuss email							
AUDIT	4500	PLAN	Planning Meetings	Crowley	chain from Cecil personal Phone							
AUDIT	4600	REVIEW	Supervision & Review	Ecker	summary memo of call from Craig	6/21/2019	2	\$0.00	\$800.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	*Internal* cm	6/22/2019	0.5	\$0.00	\$200.00			
AUDIT	4500	PLAN	Planning Meetings	Nguyen	requested debrief with CM & calls CC	6/24/2019	0.25	\$0.00	\$60.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	*Internal* meeting w/ DNE, DLC, HNN re CM transition	6/25/2019	0.5	\$0.00	\$200.00			
AUDIT	4500	PLAN	Planning Meetings	Maxton	*Internal* CM transition & environmental scanning	7/1/2019	0.25	\$0.00	\$56.25			
AUDIT	4510	PLAN	Planning Documents	Maxton	*Internal* CM transition & environmental scanning	7/2/2019	0.25	\$0.00	\$56.25			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	Council, new CM, share CR text with CC	7/2/2019	1.5	\$0.00	\$600.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	last/emails CC	7/2/2019	0.5	\$0.00	\$200.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	CC & city comparison	7/9/2019	0.5	\$0.00	\$200.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	*Internal* cm mtg	7/10/2019	0.5	\$0.00	\$200.00			
AUDIT	4605	MTG	Client Meetings	Nguyen	*Internal* transition: w/ DNE & HNN	7/15/2019	1.5	\$0.00	\$480.00			
AUDIT	4500	PLAN	Planning Meetings	Maxton	*Internal* transition: w/ DNE & HNN over phone re meeting w/ Craig	7/15/2019	0.25	\$0.00	\$56.25			
AUDIT	4600	REVIEW	Supervision & Review	Maxton	*Internal* transition: cap w sp	7/15/2019	1	\$0.00	\$225.00			
AUDIT	4600	REVIEW	Supervision & Review	Maxton	*Internal* transition: cap w sp	7/15/2019	0.25	\$0.00	\$56.25			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	one on one meeting requested by new CM	7/15/2019	4	\$0.00	\$1,600.00			
AUDIT	4605	MTG	Client Meetings	Pangan	City manager transition CAP note	7/16/2019	0.7	\$0.00	\$98.00			
AUDIT	4605	MTG	Client Meetings	Shankel	Transition city manager research	7/16/2019	1.15	\$0.00	\$161.00			
AUDIT	4510	PLAN	Planning Documents	Maxton	*Internal* transition: type up memo for DNE for Craig/DNE meeting	7/16/2019	0.25	\$0.00	\$56.25			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	call from CC re: prior day meeting with RK	7/17/2019	0.5	\$0.00	\$200.00			
AUDIT	4500	PLAN	Planning Meetings	Maxton	*Internal* transition	7/22/2019	0.75	\$0.00	\$168.75			
AUDIT	4500	PLAN	Planning Meetings	Maxton	*Internal* transition: phone call w/ DNE, DLC, HNN re phone call w/							
AUDIT	4500	PLAN	Planning Meetings	Maxton	Craig							
AUDIT	4500	PLAN	Planning Meetings	Crowley	Phone conference with DNE, MM, & DD; DNE's w/ HNN after	7/24/2019	0.8	\$0.00	\$210.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	transition w/ Craig & EP team memo with DD	7/24/2019	1.5	\$0.00	\$600.00			
AUDIT	4600	REVIEW	Supervision & Review	Nguyen	call w/ cc	7/24/2019	0.5	\$0.00	\$160.00			
AUDIT	4505	MTG	Client Meetings	Nguyen	*Internal* memo cc	7/26/2019	0.25	\$0.00	\$80.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	agenda begin	7/26/2019	0.25	\$0.00	\$100.00			
AUDIT	4510	PLAN	Planning Documents	Maxton	*Internal* transition: type up agenda & report	7/26/2019	0.5	\$0.00	\$112.50			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	calls CC	7/31/2019	0.25	\$0.00	\$100.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	memo for file re: Tuesday meeting	7/31/2019	0.5	\$0.00	\$200.00			
AUDIT	4600	REVIEW	Supervision & Review	Ecker	status memo re: audits 18, 19 to CC, HNN	8/22/2019	0.5	\$0.00	\$200.00			
AUDIT	4500	PLAN	Planning Meetings	Maxton	*Internal* transition: w/ DNE, DLC, HNN	8/22/2019	0.5	\$0.00	\$112.50			

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255443
8/13/20



EADIE + PAYNE
Celebrating a Century
of Quality Service

City of Compton
205 S Willowbrook Avenue
Compton, CA 90220

Client No. 89433.000
Date 4/8/2020 Invoice 137465b

7/1/20

PAID

CK. NO. 255443

DATE 8/13/20

Time related to specific meetings and communication with management, council finance committee, city attorney, and closed session re: personnel matters 29 hrs

\$ 12,000.00

Time related to June 30, 2019 as described in March 2, letter hand delivered 39 hrs

11,500.00

Invoice Amount Due

\$ 23,500.00

Discount 10%

(\$2,350.00)

Invoice Amount Due

\$ 21,150.00

OK to pay
AK

20FY0563 1001650 000 4266 1336.00 FF

21FY0067 1001650 000 4266 19814.00

Paid By	AK
V#	10007481
P#	0563 (1336.00)
A/C #	1001.65.0000.4266
A/C #	

20FY 0563 (1336.00) + 21FY0067 (19,814.00)

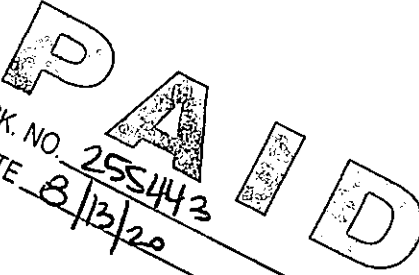
A LATE PAYMENT FEE OF 1.0% PER MONTH WILL BE CHARGED ON BALANCES OUTSTANDING MORE THAN 30 DAYS

1374656

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES	MEMO
AUDIT	REVIEW	Supervision & Review	Don	Ecker	2/29/2020	1.50	\$0.00	\$630.00	calls Craig & work on agenda/letter
AUDIT	PLAN	Planning Documents	Mary	Maxion	3/2/2020	0.25	\$0.00	\$58.75	*Internal* read ad hoc audit committee staff report
AUDIT	MTG	Client Meetings	Mary	Maxion	3/2/2020	2.00	\$0.00	\$470.00	*Internal* contract amendment; agenda
AUDIT	PLAN	Planning Meetings	Deborah	Crowley	3/2/2020	2.00	\$0.00	\$720.00	Out of Scope/ Extended Procedures
AUDIT	REVIEW	Supervision & Review	Deborah	Crowley	3/2/2020	0.20	\$0.00	\$72.00	
AUDIT	PLAN	Planning Documents	Mary	Maxion	3/2/2020	0.25	\$0.00	\$58.75	*Internal* out of scope letter
AUDIT	PLAN	Planning Documents	Samantha	Pangan	3/2/2020	0.40	\$0.00	\$66.00	Compton timeline input per HNN
AUDIT	REPORT	Typing - Processing	Elaine	Avery	3/2/2020	1.50	\$0.00	\$150.00	Timeline
AUDIT	REPORT	Typing - Processing	Dana	Dauser	3/2/2020	0.10	\$0.00	\$14.00	*Internal* Left 3 messages for Robert (Craig's assistant) to schedule a meeting w/DNE
AUDIT	REVIEW	Supervision & Review	Don	Ecker	3/2/2020	2.50	\$0.00	\$1,050.00	work on timeline & out of scope letter with team agenda
AUDIT	REVIEW	Supervision & Review	Brandon	Ferrell	3/2/2020	0.30	\$0.00	\$90.00	
AUDIT	REVIEW	Supervision & Review	Hong	Nguyen	3/2/2020	0.25	\$0.00	\$75.00	*Internal* sco call
AUDIT	REVIEW	Supervision & Review	Hong	Nguyen	3/2/2020	2.50	\$0.00	\$750.00	*Internal* contract, timeline for meeting
AUDIT	REVIEW	Supervision & Review	Deborah	Crowley	3/3/2020	0.40	\$0.00	\$144.00	plan for meeting with client - Out of Scope
AUDIT	MTG	Client Meetings	Elaine	Avery	3/3/2020	1.00	\$0.00	\$100.00	timeline agenda and letter
AUDIT	REPORT	Typing - Processing	Don	Ecker	3/3/2020	2.00	\$0.00	\$840.00	final revision package confirm time with Craig
AUDIT	REVIEW	Supervision & Review	Hong	Nguyen	3/3/2020	1.50	\$0.00	\$450.00	
AUDIT	MTG	Client Meetings	Deborah	Crowley	3/4/2020	4.00	\$0.00	\$1,440.00	Incl travel to
AUDIT	MTG	Client Meetings	Mary	Maxion	3/4/2020	0.50	\$0.00	\$117.50	*Internal* update Gantt chart; review meeting package; update w HNN;
AUDIT	MTG	Client Meetings	Hong	Nguyen	3/4/2020	0.50	\$0.00	\$117.50	*Internal* meeting debrief
AUDIT	MTG	Client Meetings	Samantha	Pangan	3/4/2020	2.00	\$0.00	\$600.00	
AUDIT	PLAN	Planning Meetings	Hong	Nguyen	3/4/2020	0.40	\$0.00	\$66.00	Briefing from City council and mayoral meeting
AUDIT	Travel	Travel to Clients	Don	Ecker	3/4/2020	1.00	\$0.00	\$300.00	
AUDIT	REVIEW	Supervision & Review	Don	Ecker	3/4/2020	5.00	\$0.00	\$2,100.00	requested meeting with Mayor, Councilmember Emma, Damon, Triphenia with HNN-DLC & lion
AUDIT	REVIEW	Supervision & Review	Don	Ecker	3/5/2020	0.50	\$0.00	\$210.00	debrief with team
AUDIT	PLAN	Planning Meetings	Mary	Maxion	3/6/2020	1.25	\$0.00	\$293.75	Damon/Hong team re: email
AUDIT	MTG	Client Meetings	Hong	Nguyen	3/9/2020	1.00	\$0.00	\$300.00	*Internal* RA w HNN; revise APs
AUDIT	PLAN	Planning Documents	Mary	Maxion	3/9/2020	2.50	\$0.00	\$587.50	*Internal* call
AUDIT	PLAN	Planning Documents	Samantha	Pangan	3/9/2020	0.40	\$0.00	\$66.00	*Internal* revise planning docs due to addt specific risks identified
AUDIT	REVIEW	Supervision & Review	Deborah	Crowley	3/4/2020	0.40	\$0.00	\$144.00	Discuss game plan for Compton timeline Dec 2020 target date w MM; discuss SA w Debbie
AUDIT	PLAN	Planning Meetings	Deborah	Crowley	3/9/2020	0.50	\$0.00	\$180.00	
AUDIT	REVIEW	Supervision & Review	Don	Ecker	3/13/2020	0.50	\$0.00	\$210.00	call Damon & coordinate re: Closed Session on Tuesday
AUDIT	REVIEW	Supervision & Review	Don	Ecker	3/15/2020	1.50	\$0.00	\$630.00	Prepare for Compton closed session
AUDIT	MTG	Client Meetings	Mary	Maxion	3/16/2020	0.75	\$0.00	\$176.25	*Internal* DNE, DLC, HNN - re closed session meeting request
AUDIT	MTG	Client Meetings	Hong	Nguyen	3/16/2020	0.50	\$0.00	\$150.00	
AUDIT	PLAN	Planning Meetings	Deborah	Crowley	3/16/2020	0.60	\$0.00	\$216.00	Plan for closed session meeting
AUDIT	REVIEW	Supervision & Review	Don	Ecker	3/16/2020	1.00	\$0.00	\$420.00	calls Damon as well as team discussion
AUDIT	MTG	Client Meetings	Deborah	Crowley	3/17/2020	2.50	\$0.00	\$900.00	phone conference - City Council closed session
AUDIT	MTG	Client Meetings	Mary	Maxion	3/17/2020	2.75	\$0.00	\$646.25	*Internal* prepare & call in closed session
AUDIT	MTG	Client Meetings	Hong	Nguyen	3/17/2020	2.00	\$0.00	\$600.00	
AUDIT	REVIEW	Supervision & Review	Don	Ecker	3/17/2020	2.50	\$0.00	\$1,050.00	requested telephonic attendance of closed session finance evaluation
AUDIT	MTG	Client Meetings	Mary	Maxion	3/18/2020	0.50	\$0.00	\$117.50	*Internal* memo on closed session

PAID
CK. NO. 255443
DATE 8/13/20

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES	MEMO
AUDIT	MTG	Client Meetings	Mary	Maxion	3/18/2020	0.50	\$0.00	\$117.50	*Internal* debrief w DNE, HNN, KR, SP re call w CM and CA; RK's suspension
AUDIT	PLAN	Planning Documents	Mary	Maxion	3/18/2020	1.00	\$0.00	\$235.00	*Internal* review items uploaded on portal
AUDIT	PLAN	Planning Meetings	Samantha	Pangan	3/18/2020	0.40	\$0.00	\$66.00	3pm call in meeting on Compton RIK situation
AUDIT	MTG	Client Meetings	Hong	Nguyen	3/18/2020	1.50	\$0.00	\$450.00	
AUDIT	REVIE	Supervision & Review	Don	Ecker	3/18/2020	0.50	\$0.00	\$210.00	call CC & TS re: Damon matter
AUDIT	REVIE	Supervision & Review	Don	Ecker	3/18/2020	2.00	\$0.00	\$840.00	call Damon re: information request as well as accumulate information
AUDIT	REVIE	Supervision & Review	Don	Ecker	3/19/2020	2.00	\$0.00	\$840.00	Finish information request for Damon w/HNN
OAS	OTHER	Data Gather/Analysis/Research	Hong	Nguyen	3/19/2020	1.00	\$0.00	\$300.00	*Internal* to db
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	3/19/2020	0.50	\$0.00	\$150.00	
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	3/20/2020	0.50	\$0.00	\$150.00	
AUDIT	REVIE	Supervision & Review	Don	Ecker	3/20/2020	1.00	\$0.00	\$420.00	organize information sent to damon
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/20/2020	0.25	\$0.00	\$58.75	*Internal* overall status update
AUDIT	REVIE	Supervision & Review	Don	Ecker	3/21/2020	0.50	\$0.00	\$210.00	information to CM
AUDIT	REVIE	Supervision & Review	Don	Ecker	3/22/2020	0.50	\$0.00	\$210.00	information final to CM after HNN sign-off
AUDIT	PLAN	Planning Documents	Christopher	Corado	3/23/2020	1.40	\$0.00	\$210.00	TB Import
AUDIT	PLAN	Planning Documents	Christopher	Corado	3/23/2020	0.10	\$0.00	\$15.00	TB Import
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/23/2020	0.25	\$0.00	\$58.75	*Internal* TB
AUDIT	Comp	Compliance Testing	Samantha	Pangan	3/23/2020	3.20	\$0.00	\$528.00	Documentation of findings from testing performed on KBA AUD programs
AUDIT	PLAN	Planning Documents	Mary	Maxion	3/25/2020	0.25	\$0.00	\$58.75	*Internal* articles
AUDIT	REVIE	Supervision & Review	Don	Ecker	3/28/2020	1.00	\$0.00	\$420.00	billing review revise consistent w/March 2 letter & meetings
AUDIT	PLAN	Planning Documents	Mary	Maxion	3/31/2020	1.50	\$0.00	\$352.50	*Internal* budget & risk wheel
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/31/2020	0.75	\$0.00	\$176.25	*Internal* start going through binder and review WPs and compile open items



 CK. NO. 255443

 DATE 8/13/20



City of Compton
205 S Willowbrook Avenue
Compton, CA 90220

Invoice No. 138312b
Date 07/29/2020
Client No. 89433

Paid By	✓
V#	10007481
PO #	21FY0067
A/C #	LISTED
A/C #	

Extended procedures - Time related to June 30, 2019 as described in March 2, 2020 letter,
hand delivered. 28hrs.

\$ 5,000.00

Invoice Amount Due \$ 5,000.00

Discount 10% (\$500.00)

Invoice Amount Due \$ 4,500.00

21FY0067 1001 650 000 4226

ok 7 pay
A

In the current COVID-19 environment, we appreciate receiving our invoice payments electronically. Eadie & Payne has added another online payment method to assist everyone in eCheck payments. It is CPACHarge and is now installed on our website at www.eadiepaynellp.com. Click on the "Pay My Bill" tab in the upper right hand corner of our home page.

Thank you for using our new method of payment processing.

Be safe and well

Eadie and Payne, LLP

Eadie and Payne, LLP
P O Box 1529 Riverside Ca 92502-1529
951.241.7800

PAID

CK. NO. 255443

DATE 8/13/20

A LATE PAYMENT FEE OF 1.0% PER MONTH WILL BE CHARGED ON BALANCES OUTSTANDING MORE THAN 30 DAYS

138312

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	PLAN	Planning Meetings	Christopher	Corado	6/26/2020	0.15	\$0.00	\$22.50
AUDIT	MTG	Client Meetings	Mary	Maxion	6/30/2020	1	\$0.00	\$235.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/30/2020	0.5	\$0.00	\$117.50
EXP	CEXP	Technology Charge	B J	Osborne	6/30/2020	0	\$289.72	\$0.00
AUDIT	PLAN	Planning Documents	Samantha	Pangan	6/30/2020	0.1	\$0.00	\$16.50
AUDIT	REPOR	Report Preparations	Samantha	Pangan	6/30/2020	0.4	\$0.00	\$66.00
AUDIT	MTG	Client Meetings	Mary	Maxion	7/1/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	7/1/2020	0.5	\$0.00	\$150.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/1/2020	0.6	\$0.00	\$99.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/1/2020	0.5	\$0.00	\$82.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/3/2020	0.1	\$0.00	\$15.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/3/2020	0.25	\$0.00	\$58.75
AUDIT	MTG	Client Meetings	Mary	Maxion	7/6/2020	0.5	\$0.00	\$117.50
AUDIT	MTG	Client Meetings	Mary	Maxion	7/7/2020	0.25	\$0.00	\$58.75
AUDIT	IC/FR	Internal Control	Christopher	Corado	7/8/2020	1.8	\$0.00	\$270.00
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/8/2020	0.25	\$0.00	\$37.50
AUDIT	MTG	Client Meetings	Mary	Maxion	7/9/2020	0.5	\$0.00	\$117.50
AUDIT	PLAN	Planning Meetings	Mary	Maxion	7/9/2020	0.25	\$0.00	\$58.75
AUDIT	REPOR	Report Preparations	Samantha	Pangan	7/9/2020	0.5	\$0.00	\$82.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	7/9/2020	0.3	\$0.00	\$49.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	7/10/2020	0.5	\$0.00	\$150.00
AUDIT	MTG	Client Meetings	Mary	Maxion	7/13/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/13/2020	1.67	\$0.00	\$250.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/13/2020	1.08	\$0.00	\$162.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/13/2020	0.5	\$0.00	\$117.50
AUDIT	MTG	Client Meetings	Mary	Maxion	7/14/2020	0.25	\$0.00	\$58.75
AUDIT	MTG	Client Meetings	Mary	Maxion	7/14/2020	1.25	\$0.00	\$293.75
AUDIT	MTG	Client Meetings	Hong	Nguyen	7/14/2020	1.5	\$0.00	\$450.00
AUDIT	PLAN	Planning Meetings	Mary	Maxion	7/14/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/14/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/14/2020	0.5	\$0.00	\$117.50
AUDIT	REPOR	Report Preparations	Mary	Maxion	7/15/2020	1	\$0.00	\$235.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	7/20/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	7/20/2020	0.25	\$0.00	\$37.50
AUDIT	MTG	Client Meetings	Mary	Maxion	7/20/2020	0.5	\$0.00	\$117.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/20/2020	0.1	\$0.00	\$15.00
AUDIT	REPOR	Report Preparations	Mary	Maxion	7/20/2020	0.75	\$0.00	\$176.25
AUDIT	REVIE	Supervision & Review	Don	Ecker	7/20/2020	0.5	\$0.00	\$210.00
AUDIT	IC/FR	T of T	Christopher	Corado	7/21/2020	0.5	\$0.00	\$75.00
AUDIT	MTG	Client Meetings	Mary	Maxion	7/21/2020	0.75	\$0.00	\$176.25
AUDIT	MTG	Client Meetings	Hong	Nguyen	7/21/2020	0.5	\$0.00	\$150.00
AUDIT	REPOR	Report Preparations	Christopher	Corado	7/21/2020	0.25	\$0.00	\$37.50
AUDIT	REPOR	Report Preparations	Christopher	Corado	7/21/2020	0.5	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	7/21/2020	0.25	\$0.00	\$105.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/21/2020	0.25	\$0.00	\$58.75
AUDIT	Comp	Compliance Testing	Samantha	Pangan	7/21/2020	0.5	\$0.00	\$82.50
AUDIT	REPOR	Report Preparations	Samantha	Pangan	7/21/2020	0.5	\$0.00	\$82.50
AUDIT	REPOR	Report Preparations	Samantha	Pangan	7/21/2020	1	\$0.00	\$165.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	7/22/2020	0.5	\$0.00	\$82.50

PAID
 CK NO 255443
 DATE 8/13/20

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	7/23/2020	0.5	\$0.00	\$75.00
AUDIT	MTG	Client Meetings	Mary	Maxion	7/23/2020	0.5	\$0.00	\$117.50
AUDIT	IC/FR	Internal Control	Irma	Morales	7/24/2020	0.65	\$0.00	\$81.25
AUDIT	REVIE	Supervision & Review	Don	Ecker	7/24/2020	0.25	\$0.00	\$105.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	7/25/2020	0.5	\$0.00	\$210.00 Extended procedures
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/24/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/26/2020	0.5	\$0.00	\$210.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	6/29/2020	0.08	\$0.00	\$12.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/29/2020	0.25	\$0.00	\$105.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/29/2020	1.75	\$0.00	\$411.25
AUDIT	IC/FR	Internal Control	Samantha	Pangan	6/30/2020	0.8	\$0.00	\$132.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/30/2020	1	\$0.00	\$420.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	6/30/2020	0.5	\$0.00	\$150.00
AUDIT	IC/FR	T of T	Christopher	Corado	7/1/2020	1.67	\$0.00	\$250.50
AUDIT	IC/FR	T of T	Samantha	Pangan	7/1/2020	0.2	\$0.00	\$33.00
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/1/2020	0.1	\$0.00	\$16.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/1/2020	0.1	\$0.00	\$15.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/1/2020	1	\$0.00	\$235.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/3/2020	0.15	\$0.00	\$22.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	7/6/2020	0.5	\$0.00	\$150.00
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/7/2020	0.2	\$0.00	\$33.00
AUDIT	PLAN	Planning Documents	Samantha	Pangan	7/7/2020	0.3	\$0.00	\$49.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/7/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/8/2020	0.5	\$0.00	\$75.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/8/2020	0.25	\$0.00	\$37.50
AUDIT	PLAN	Planning Meetings	Samantha	Pangan	7/8/2020	0.4	\$0.00	\$66.00
AUDIT	PLAN	Planning Documents	Samantha	Pangan	7/8/2020	0.5	\$0.00	\$82.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/8/2020	1.5	\$0.00	\$352.50
AUDIT	IC/FR	Internal Control	Christopher	Corado	7/9/2020	1.75	\$0.00	\$262.50
AUDIT	IC/FR	Internal Control	Christopher	Corado	7/9/2020	1.5	\$0.00	\$225.00
AUDIT	IC/FR	Internal Control	Christopher	Corado	7/9/2020	1	\$0.00	\$150.00
AUDIT	IC/FR	Internal Control	Christopher	Corado	7/9/2020	1.25	\$0.00	\$187.50
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/9/2020	6.5	\$0.00	\$1,072.50
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/9/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/9/2020	2	\$0.00	\$470.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	7/9/2020	0.75	\$0.00	\$225.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/9/2020	0.5	\$0.00	\$82.50
AUDIT	Trvl	Travel to Clients	Christopher	Corado	7/9/2020	1.5	\$0.00	\$225.00
AUDIT	Trvl	Travel to Clients	Samantha	Pangan	7/9/2020	1	\$0.00	\$165.00
EXP	CEXP	Mileage - enter miles	Christopher	Corado	7/9/2020	0	\$64.38	\$0.00
EXP	CEXP	Mileage - enter miles	Samantha	Pangan	7/9/2020	0	\$58.00	\$0.00
AUDIT	IC/FR	Internal Control	Christopher	Corado	7/10/2020	7.45	\$0.00	\$1,117.50
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/10/2020	1	\$0.00	\$165.00
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/10/2020	1	\$0.00	\$165.00
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/10/2020	3	\$0.00	\$495.00
AUDIT	MTG	Client Meetings	Mary	Maxion	7/10/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/10/2020	0.2	\$0.00	\$30.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	7/10/2020	1	\$0.00	\$420.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/10/2020	0.5	\$0.00	\$117.50

PAID
255443
DATE 8/13/20

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/10/2020	0.3	\$0.00	\$49.50
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/10/2020	0.8	\$0.00	\$132.00
AUDIT	MTG	Client Meetings	Hong	Nguyen	7/13/2020	1.5	\$0.00	\$450.00
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/13/2020	1.5	\$0.00	\$225.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	7/13/2020	1	\$0.00	\$420.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	7/13/2020	1.5	\$0.00	\$630.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/13/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	7/13/2020	0.5	\$0.00	\$150.00
AUDIT	IC/FR	Internal Control	Mary	Maxion	7/13/2020	0.5	\$0.00	\$117.50
AUDIT	BS/PL	Cash/Equivalents	Hong	Nguyen	7/14/2020	0.5	\$0.00	\$150.00
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/14/2020	1.25	\$0.00	\$187.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/14/2020	0.75	\$0.00	\$112.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/14/2020	0.75	\$0.00	\$112.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/14/2020	0.65	\$0.00	\$97.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/14/2020	1	\$0.00	\$150.00
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/14/2020	1	\$0.00	\$150.00
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/14/2020	0.5	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/14/2020	0.25	\$0.00	\$58.75
AUDIT	IC/FR	Internal Control	Mary	Maxion	7/14/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	7/14/2020	0.5	\$0.00	\$150.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	7/15/2020	0.5	\$0.00	\$75.00
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/15/2020	0.15	\$0.00	\$22.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/15/2020	0.5	\$0.00	\$117.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/20/2020	0.15	\$0.00	\$22.50
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/20/2020	0.3	\$0.00	\$49.50
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/20/2020	0.2	\$0.00	\$33.00
AUDIT	PLAN	Planning Documents	Samantha	Pangan	7/20/2020	0.4	\$0.00	\$66.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/20/2020	0.5	\$0.00	\$117.50
AUDIT	IC/FR	T of T	Christopher	Corado	7/21/2020	0.85	\$0.00	\$127.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/21/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	7/21/2020	0.25	\$0.00	\$75.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/21/2020	0.1	\$0.00	\$15.00
AUDIT	PLAN	Planning Documents	Samantha	Pangan	7/21/2020	0.5	\$0.00	\$82.50
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/22/2020	0.3	\$0.00	\$49.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	7/22/2020	0.5	\$0.00	\$82.50
AUDIT	MTG	Client Meetings	Mary	Maxion	7/22/2020	0.25	\$0.00	\$58.75
AUDIT	MTG	Client Meetings	Samantha	Pangan	7/22/2020	0.5	\$0.00	\$82.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/22/2020	0.25	\$0.00	\$37.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	7/22/2020	2.25	\$0.00	\$337.50
AUDIT	PLAN	Planning Meetings	Samantha	Pangan	7/22/2020	0.3	\$0.00	\$49.50
AUDIT	PLAN	Planning Documents	Samantha	Pangan	7/22/2020	1	\$0.00	\$165.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	7/22/2020	1	\$0.00	\$165.00
AUDIT	REVIE	Supervision & Review	Christopher	Corado	7/22/2020	0.75	\$0.00	\$112.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/22/2020	1	\$0.00	\$235.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	7/22/2020	1	\$0.00	\$235.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/22/2020	0.5	\$0.00	\$82.50
AUDIT	IC/FR	Internal Control	Samantha	Pangan	7/23/2020	0.1	\$0.00	\$16.50
AUDIT	REVIE	Supervision & Review	Don	Ecker	7/23/2020	0.5	\$0.00	\$210.00
AUDIT	Comp	Compliance Testing	Samantha	Pangan	7/23/2020	1.5	\$0.00	\$247.50

PAID
 CK NO 255443
 DATE 3/13/20

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	IC/FR	Internal Control	Christopher	Corado	7/23/2020	0.5	\$0.00	\$75.00
AUDIT	IC/FR	Internal Control	Christopher	Corado	7/23/2020	0.5	\$0.00	\$75.00
AUDIT	PLAN	Planning Meetings	Samantha	Pangan	7/23/2020	0.5	\$0.00	\$82.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	7/24/2020	0.15	\$0.00	\$22.50
AUDIT	REVIE	Supervision & Review	Christopher	Corado	7/24/2020	0.5	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	7/24/2020	1	\$0.00	\$165.00 2020 Audit

PAID

CK. NO. 255443

DATE 8/13/20



City of Compton
205 S Willowbrook Avenue
Compton, CA 90220

Invoice No. 138082b
Date 06/29/2020
Client No. 89433

Paid By	OK
V #	10007481
PO #	21FY00067
A.C #	LISTED
A.C #	

Extended procedures - Time related to June 30, 2019 as described in March 2, 2020 letter,
hand delivered. 26hrs

\$ 7,000.00

Invoice Amount Due \$ 7,000.00

Discount 10% (\$700.00)

Invoice Amount Due \$ 6,300.00

21FY00067 1001 650 000 4266

ok to pay
Ar

In the current COVID-19 environment, we appreciate receiving our invoice payments electronically. Eadie & Payne has added another online payment method to assist everyone in eCheck payments. It is CPACharge and is now installed on our website at www.eadiepaynellp.com. Click on the "Pay My Bill" tab in the upper right hand corner of our home page.

Thank you for using our new method of payment processing.

Be safe and well

Eadie and Payne, LLP

Eadie and Payne, LLP
P O Box 1529 Riverside Ca 92502-1529
951.241.7800

PAID
CK. NO. 255443
DATE 8/13/20

A LATE PAYMENT FEE OF 1.0% PER MONTH WILL BE CHARGED ON BALANCES OUTSTANDING MORE THAN 30 DAYS

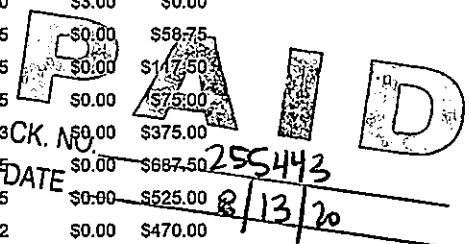
CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	REVIE	Supervision & Review	Christopher	Corado	6/1/2020	0.2	\$0.00	\$30.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/2/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	6/2/2020	0.5	\$0.00	\$150.00
AUDIT	MTG	Client Meetings	Mary	Maxion	6/3/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/3/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	6/3/2020	1	\$0.00	\$300.00
AUDIT	MTG	Client Meetings	Hong	Nguyen	6/4/2020	0.75	\$0.00	\$225.00
AUDIT	REVIE	Supervision & Review	Christopher	Corado	6/4/2020	0.15	\$0.00	\$22.50
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	6/4/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/4/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/5/2020	0.25	\$0.00	\$58.75
AUDIT	MTG	Client Meetings	Hong	Nguyen	6/5/2020	0.5	\$0.00	\$150.00
AUDIT	REPOR	Typing - Processing	Elaine	Avery	6/5/2020	0.5	\$0.00	\$50.00
AUDIT	REPOR	Typing - Processing	Dana	Dauser	6/5/2020	0.1	\$0.00	\$14.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/5/2020	1.5	\$0.00	\$630.00
AUDIT	MTG	Client Meetings	Mary	Maxion	6/11/2020	0.5	\$0.00	\$117.50
AUDIT	MTG	Client Meetings	Mary	Maxion	6/11/2020	0.75	\$0.00	\$178.25
AUDIT	MTG	Client Meetings	Hong	Nguyen	6/11/2020	3	\$0.00	\$900.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/11/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/11/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/11/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/11/2020	1	\$0.00	\$420.00
AUDIT	MTG	Client Meetings	Mary	Maxion	6/12/2020	0.75	\$0.00	\$178.25
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/12/2020	2	\$0.00	\$840.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/12/2020	1	\$0.00	\$420.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/16/2020	1	\$0.00	\$420.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/18/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/19/2020	0.25	\$0.00	\$105.00
AUDIT	BS/PL	Cash/Equivalents	Hong	Nguyen	6/23/2020	0.25	\$0.00	\$75.00
AUDIT	MTG	Client Meetings	Mary	Maxion	6/23/2020	1.5	\$0.00	\$352.50
AUDIT	BS/PL	Cash/Equivalents	Mary	Maxion	6/24/2020	2.25	\$0.00	\$528.75
AUDIT	BS/PL	Cash/Equivalents	Hong	Nguyen	6/24/2020	0.75	\$0.00	\$225.00
AUDIT	BS/PL	Cash/Equivalents	Mary	Maxion	6/25/2020	0.5	\$0.00	\$117.50
AUDIT	BS/PL	Cash/Equivalents	Hong	Nguyen	6/25/2020	0.25	\$0.00	\$75.00
AUDIT	PLAN	Planning Documents	Christopher	Corado	6/25/2020	0.5	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/25/2020	0.25	\$0.00	\$58.75 Extended procedures
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/28/2020	0.25	\$0.00	\$75.00
BS	CA	Research	Samantha	Pangan	5/28/2020	0.5	\$0.00	\$82.50
AUDIT	PLAN	Planning Meetings	Mary	Maxion	5/29/2020	0.75	\$0.00	\$176.25
AUDIT	PLAN	Planning Meetings	Hong	Nguyen	5/29/2020	1	\$0.00	\$300.00
AUDIT	PLAN	Planning Documents	Mary	Maxion	6/1/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/1/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/8/2020	1	\$0.00	\$420.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/8/2020	0.5	\$0.00	\$210.00
AUDIT	MTG	Client Meetings	Hong	Nguyen	6/9/2020	2	\$0.00	\$600.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/9/2020	2.5	\$0.00	\$1,050.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/10/2020	1.5	\$0.00	\$630.00
AUDIT	REPOR	Typing - Processing	Elaine	Avery	6/11/2020	0.5	\$0.00	\$50.00
AUDIT	MTG	Client Meetings	Hong	Nguyen	6/12/2020	1	\$0.00	\$300.00
AUDIT	MTG	Client Meetings	Hong	Nguyen	6/12/2020	0.75	\$0.00	\$225.00
AUDIT	PLAN	Planning Documents	Mary	Maxion	6/12/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/13/2020	0.25	\$0.00	\$105.00
AUDIT	IC/FR	T of T	Christopher	Corado	6/15/2020	0.75	\$0.00	\$112.50

PAID
 CK. NO. 255443
 DATE 8/13/20

138082

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	MTG	Client Meetings	Mary	Maxion	6/15/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Meetings	Mary	Maxion	6/15/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/15/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	6/15/2020	0.25	\$0.00	\$75.00
AUDIT	MTG	Client Meetings	Hong	Nguyen	6/16/2020	0.5	\$0.00	\$150.00
AUDIT	PLAN	Planning Meetings	Mary	Maxion	6/16/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Don	Ecker	6/16/2020	0.5	\$0.00	\$210.00
AUDIT	IC/FR	T of T	Mary	Maxion	6/17/2020	0.25	\$0.00	\$58.75
AUDIT	MTG	Client Meetings	Mary	Maxion	6/17/2020	0.5	\$0.00	\$117.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	6/17/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Meetings	Mary	Maxion	6/17/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Documents	Mary	Maxion	6/17/2020	2.75	\$0.00	\$646.25
AUDIT	PLAN	Planning Meetings	Mary	Maxion	6/17/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/17/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	6/17/2020	0.5	\$0.00	\$150.00
AUDIT	PLAN	Planning Documents	Mary	Maxion	6/18/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Documents	Mary	Maxion	6/19/2020	0.25	\$0.00	\$58.75
AM	AMCS	Wireless Access Device (NR)	B J	Osborne	6/22/2020	0	\$3.00	\$0.00
AUDIT	MTG	Client Meetings	Mary	Maxion	6/22/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/22/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	6/22/2020	0.25	\$0.00	\$75.00
OAS	OTHER	Data Gather/Analysis/Research	Irma	Morales	6/22/2020	3	\$0.00	\$375.00
AUDIT	IC/FR	Internal Control	Irma	Morales	6/23/2020	5.5	\$0.00	\$687.50
AUDIT	MTG	Client Meetings	Hong	Nguyen	6/23/2020	1.75	\$0.00	\$525.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/23/2020	2	\$0.00	\$470.00
AUDIT	Trvl	Travel to Clients	Mary	Maxion	6/23/2020	0.75	\$0.00	\$176.25
AUDIT	Trvl	Travel to Clients	Irma	Morales	6/23/2020	2	\$0.00	\$250.00
AUDIT	Trvl	Travel to Clients	Hong	Nguyen	6/23/2020	0.5	\$0.00	\$150.00
EXP	CEXP	Mileage - enter miles	Mary	Maxion	6/23/2020	0	\$13.92	\$0.00
EXP	CEXP	Mileage - enter miles	Irma	Morales	6/23/2020	0	\$25.52	\$0.00
EXP	CEXP	Mileage - enter miles	Irma	Morales	6/23/2020	0	\$25.52	\$0.00
AUDIT	MTG	Client Meetings	Mary	Maxion	6/24/2020	0.5	\$0.00	\$117.50
AUDIT	MTG	Client Meetings	Mary	Maxion	6/24/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Documents	Mary	Maxion	6/24/2020	0.5	\$0.00	\$117.50
AUDIT	MTG	Client Meetings	Mary	Maxion	6/25/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	6/25/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	6/25/2020	0.25	\$0.00	\$75.00
EXP	CEXP	Other Expense (4260) NR	B J	Osborne	6/25/2020	0	\$8.99	\$0.00

2020 Audit





City of Compton
205 S Willowbrook Avenue
Compton, CA 90220

Client No. 89433.000
Date 04/30/2020 Invoice 137669b

7/1/20

PAID

CK. NO. 255443

DATE 8/13/20

Extended procedures - Time related to June 30, 2019 work as described in March 2, 2020 letter,
hand delivered. 145hrs

\$ 23,000.00

Invoice Amount Due

\$ 23,000.00

Discount 10%

(\$2,300.00)

Invoice Amount Due

\$ 20,700.00

ok to pay
AS

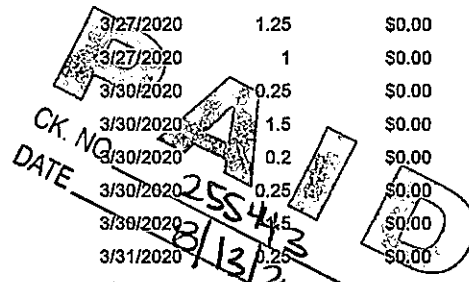
21FY0067 1001 650 000 4766

Paid By	OK
V#	10007481
PO #	21FY0067
AC #	LISTED
AC #	

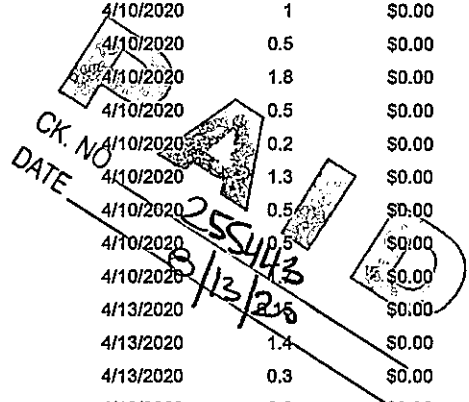
A LATE PAYMENT FEE OF 1.0% PER MONTH WILL BE CHARGED ON BALANCES OUTSTANDING MORE THAN 30 DAYS

1376696

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	3/26/2020	1	\$0.00	\$150.00
AUDIT	IC/FR	Internal Control	Christopher	Corado	3/26/2020	2.5	\$0.00	\$375.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	3/26/2020	0.25	\$0.00	\$105.00
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	3/27/2020	4.25	\$0.00	\$637.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	3/27/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Christopher	Corado	3/27/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Christopher	Corado	3/27/2020	1	\$0.00	\$150.00
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Christopher	Corado	3/27/2020	0.25	\$0.00	\$37.50
AUDIT	IC/FR	Internal Control	Christopher	Corado	3/27/2020	0.25	\$0.00	\$37.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	3/27/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Christopher	Corado	3/27/2020	0.15	\$0.00	\$22.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/27/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Other Liabilities	Mary	Maxion	3/27/2020	1.25	\$0.00	\$293.75
AUDIT	BS/PL	Other Liabilities	Mary	Maxion	3/27/2020	1	\$0.00	\$235.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/30/2020	0.25	\$0.00	\$58.75
AUDIT	Comp	Compliance Testing	Samantha	Pangan	3/30/2020	1.5	\$0.00	\$247.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	3/30/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/30/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Other Liabilities	Mary	Maxion	3/30/2020	4.5	\$0.00	\$352.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	3/31/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	3/31/2020	1.25	\$0.00	\$262.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/31/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/31/2020	1	\$0.00	\$235.00
AUDIT	REVIE	Supervision & Review	Deborah	Crowley	3/31/2020	0.4	\$0.00	\$144.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	3/31/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	4/2/2020	0.5	\$0.00	\$75.00
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/2/2020	0.1	\$0.00	\$16.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	4/2/2020	1.5	\$0.00	\$352.50
AUDIT	REVIE	Supervision & Review	Christopher	Corado	4/2/2020	0.25	\$0.00	\$37.50
AUDIT	REPOR	Report Preparations	Samantha	Pangan	4/2/2020	0.5	\$0.00	\$82.50
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	4/3/2020	1.5	\$0.00	\$225.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	4/3/2020	0.25	\$0.00	\$37.50
AUDIT	REVIE	Supervision & Review	Christopher	Corado	4/3/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Other Liabilities	Mary	Maxion	4/3/2020	1.75	\$0.00	\$411.25
AUDIT	BS/PL	Other Liabilities	Mary	Maxion	4/3/2020	0.75	\$0.00	\$176.25
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Christopher	Corado	4/6/2020	1	\$0.00	\$150.00
AUDIT	BS/PL	Cash/Equivalents	Christopher	Corado	4/6/2020	3	\$0.00	\$450.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/6/2020	2.5	\$0.00	\$375.00
AUDIT	BS/PL	Other Assets	Christopher	Corado	4/6/2020	1.5	\$0.00	\$225.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/6/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Christopher	Corado	4/7/2020	1.25	\$0.00	\$187.50
AUDIT	REVIE	Supervision & Review	Christopher	Corado	4/7/2020	0.8	\$0.00	\$120.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	4/7/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/7/2020	0.75	\$0.00	\$176.25
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/7/2020	0.25	\$0.00	\$58.75
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/7/2020	0.1	\$0.00	\$16.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/7/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/7/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Deborah	Crowley	4/8/2020	3	\$0.00	\$1,080.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	4/8/2020	1	\$0.00	\$420.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	4/8/2020	0.25	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/8/2020	0.4	\$0.00	\$66.00



CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/8/2020	0.3	\$0.00	\$49.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/8/2020	0.8	\$0.00	\$132.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	4/8/2020	0.1	\$0.00	\$16.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/9/2020	0.3	\$0.00	\$49.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/9/2020	1	\$0.00	\$165.00
AUDIT	IC/FR	Internal Control	Christopher	Corado	4/9/2020	1	\$0.00	\$150.00
AUDIT	REVIE	Supervision & Review	Deborah	Crowley	4/9/2020	2.6	\$0.00	\$936.00
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Christopher	Corado	4/10/2020	1	\$0.00	\$150.00
AUDIT	BS/PL	Other Liabilities	Samantha	Pangan	4/10/2020	0.2	\$0.00	\$33.00
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/10/2020	0.5	\$0.00	\$82.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/10/2020	0.5	\$0.00	\$82.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/10/2020	0.3	\$0.00	\$49.50
AUDIT	BS/PL	Other Liabilities	Samantha	Pangan	4/10/2020	0.2	\$0.00	\$33.00
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/10/2020	0.3	\$0.00	\$49.50
AUDIT	IC/FR	Internal Control	Christopher	Corado	4/10/2020	0.5	\$0.00	\$75.00
AUDIT	PLAN	Planning Documents	Mary	Maxion	4/10/2020	0.5	\$0.00	\$117.50
AUDIT	PLAN	Planning Documents	Samantha	Pangan	4/10/2020	1	\$0.00	\$165.00
AUDIT	REPOR	Report Preparations	Mary	Maxion	4/10/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Christopher	Corado	4/10/2020	1.8	\$0.00	\$270.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/10/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/10/2020	0.2	\$0.00	\$33.00
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/10/2020	1.3	\$0.00	\$214.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/10/2020	0.5	\$0.00	\$82.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/10/2020	0.5	\$0.00	\$82.50
AUDIT	REVIE	Supervision & Review	Deborah	Crowley	4/10/2020	0.5	\$0.00	\$612.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/13/2020	0.5	\$0.00	\$922.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/13/2020	1.4	\$0.00	\$231.00
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/13/2020	0.3	\$0.00	\$49.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/13/2020	2.6	\$0.00	\$429.00
AUDIT	REVIE	Supervision & Review	Christopher	Corado	4/13/2020	0.35	\$0.00	\$52.50
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/13/2020	1.2	\$0.00	\$198.00
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/13/2020	0.6	\$0.00	\$99.00
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/14/2020	0.5	\$0.00	\$75.00
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/14/2020	0.5	\$0.00	\$75.00
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/14/2020	2.5	\$0.00	\$375.00
AUDIT	BS/PL	Cash/Equivalents	Christopher	Corado	4/14/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/14/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/14/2020	0.5	\$0.00	\$75.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/14/2020	0.5	\$0.00	\$75.00
AUDIT	BS/PL	Revenue & Receivable	Samantha	Pangan	4/14/2020	0.5	\$0.00	\$82.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/14/2020	1	\$0.00	\$165.00
AUDIT	REPOR	Report Preparations	Christopher	Corado	4/14/2020	2.25	\$0.00	\$337.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	4/14/2020	0.5	\$0.00	\$150.00
AUDIT	Comp	Compliance Testing	Samantha	Pangan	4/14/2020	0.5	\$0.00	\$82.50
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	4/15/2020	1	\$0.00	\$150.00
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	4/15/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/15/2020	2	\$0.00	\$330.00
AUDIT	BS/PL	Revenue & Receivable	Samantha	Pangan	4/15/2020	0.6	\$0.00	\$99.00
AUDIT	BS/PL	Revenue & Receivable	Samantha	Pangan	4/15/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Christopher	Corado	4/15/2020	0.5	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/15/2020	0.25	\$0.00	\$68.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/15/2020	0.25	\$0.00	\$68.75



CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/15/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/15/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	4/15/2020	0.5	\$0.00	\$150.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/15/2020	0.3	\$0.00	\$49.50
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	4/16/2020	1.5	\$0.00	\$225.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/16/2020	1.25	\$0.00	\$187.50
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/16/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Revenue & Receivable	Samantha	Pangan	4/16/2020	0.3	\$0.00	\$49.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	4/16/2020	0.5	\$0.00	\$82.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	4/16/2020	0.25	\$0.00	\$37.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	4/16/2020	0.75	\$0.00	\$176.25
AUDIT	PLAN	Planning Meetings	Mary	Maxion	4/16/2020	0.5	\$0.00	\$117.50
AUDIT	PLAN	Planning Meetings	Hong	Nguyen	4/16/2020	1.5	\$0.00	\$450.00
AUDIT	PLAN	Planning Meetings	Samantha	Pangan	4/16/2020	0.2	\$0.00	\$33.00
AUDIT	REPOR	Report Preparations	Christopher	Corado	4/16/2020	4	\$0.00	\$600.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/16/2020	1.25	\$0.00	\$293.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/16/2020	1.5	\$0.00	\$352.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	4/17/2020	0.25	\$0.00	\$58.75
AUDIT	REPOR	Report Preparations	Christopher	Corado	4/17/2020	5.25	\$0.00	\$787.50
AUDIT	REPOR	Report Preparations	Samantha	Pangan	4/17/2020	0.5	\$0.00	\$82.50
AUDIT	IC/FR	Internal Control	Samantha	Pangan	4/20/2020	3	\$0.00	\$495.00
AUDIT	IC/FR	Internal Control	Samantha	Pangan	4/20/2020	0.5	\$0.00	\$82.50
AUDIT	IC/FR	Internal Control	Samantha	Pangan	4/20/2020	1.7	\$0.00	\$280.50
AUDIT	REPOR	Report Preparations	Samantha	Pangan	4/20/2020	1.3	\$0.00	\$214.50
AUDIT	IC/FR	Internal Control	Samantha	Pangan	4/21/2020	0.6	\$0.00	\$99.00
AUDIT	MTG	Client Meetings	Mary	Maxion	4/21/2020	0.5	\$0.00	\$117.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	4/21/2020	0.25	\$0.00	\$187.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	4/21/2020	0.5	\$0.00	\$150.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/21/2020	0.2	\$0.00	\$33.00
AUDIT	IC/FR	Internal Control	Christopher	Corado	4/22/2020	4.5	\$0.00	\$675.00
AUDIT	MTG	Client Meetings	Mary	Maxion	4/22/2020	0.5	\$0.00	\$117.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/23/2020	1.25	\$0.00	\$187.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Christopher	Corado	4/23/2020	2.5	\$0.00	\$375.00
AUDIT	BS/PL	Long Term Debt	Christopher	Corado	4/23/2020	1.5	\$0.00	\$225.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/23/2020	0.5	\$0.00	\$75.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/23/2020	0.75	\$0.00	\$112.50
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/23/2020	0.25	\$0.00	\$37.50
AUDIT	IC/FR	Internal Control	Christopher	Corado	4/23/2020	0.25	\$0.00	\$37.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	4/23/2020	0.25	\$0.00	\$37.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/23/2020	1	\$0.00	\$235.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/23/2020	0.3	\$0.00	\$49.50
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/23/2020	0.2	\$0.00	\$33.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/24/2020	0.75	\$0.00	\$112.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	4/24/2020	0.15	\$0.00	\$22.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	4/24/2020	3.25	\$0.00	\$763.75
AUDIT	PLAN	Planning Documents	Mary	Maxion	4/24/2020	0.75	\$0.00	\$176.25
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/24/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/24/2020	0.5	\$0.00	\$117.50



City of Compton
205 S Willowbrook Avenue
Compton, CA 90220

Invoice No. 137936 7/1/20
Date 06/09/2020
Client No. 89433

Paid By	ON
V#	10007481
PO #	21FY00167
A/C #	LISTED
A/C #	

Extended procedures - Time related to June 30, 2019 as described in March 2, 2020 letter,
hand delivered. 78 hrs

\$ 15,500.00

Invoice Amount Due \$ 15,500.00

Discount 10% (\$1,550.00)

Invoice Amount Due \$ 13,950.00

21FY00167 1001 650 000 4/21/20

ok to pay
for

In the current COVID-19 environment, we appreciate receiving our invoice payments electronically. Eadie & Payne has added another online payment method to assist everyone in eCheck payments. It is CPACHarge and is now installed on our website at www.eadiepaynellp.com. Click on the "Pay My Bill" tab in the upper right hand corner of our home page.

Thank you for using our new method of payment processing.

Be safe and well

Eadie and Payne, LLP

Eadie and Payne, LLP
P O Box 1529 Riverside Ca 92502-1529
951.241.7800

PAID
CK. NO. 255443
DATE 8/13/20

A LATE PAYMENT FEE OF 1.0% PER MONTH WILL BE CHARGED ON BALANCES OUTSTANDING MORE THAN 30 DAYS

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	PLAN	Planning Meetings	Christopher	Corado	5/7/2020	0.5	\$0.00	\$75.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	5/7/2020	0.15	\$0.00	\$22.50
AUDIT	BS/PL	Revenue & Receivable	Samantha	Pangan	5/8/2020	0.2	\$0.00	\$33.00
AUDIT	PLAN	Planning Meetings	Mary	Maxion	5/8/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Documents	Samantha	Pangan	5/8/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/8/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/8/2020	0.5	\$0.00	\$150.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/8/2020	0.5	\$0.00	\$82.50
AUDIT	Comp	Compliance Testing	Samantha	Pangan	5/8/2020	0.1	\$0.00	\$16.50
AUDIT	BS/PL	Other Liabilities	Mary	Maxion	5/9/2020	1	\$0.00	\$235.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/9/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/9/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Mary	Maxion	5/11/2020	1	\$0.00	\$235.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	5/11/2020	0.2	\$0.00	\$30.00
AUDIT	REPOR	Report Preparations	Christopher	Corado	5/11/2020	1.5	\$0.00	\$225.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/11/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/11/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Mary	Maxion	5/12/2020	0.5	\$0.00	\$117.50
AUDIT	MTG	Client Meetings	Mary	Maxion	5/12/2020	3.25	\$0.00	\$763.75
AUDIT	PLAN	Planning Meetings	Mary	Maxion	5/12/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/12/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/12/2020	0.5	\$0.00	\$150.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/12/2020	2.2	\$0.00	\$363.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/12/2020	0.4	\$0.00	\$66.00
AUDIT	MTG	Client Meetings	Mary	Maxion	5/13/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Other Liabilities	Samantha	Pangan	5/14/2020	0.3	\$0.00	\$49.50
AUDIT	MTG	Client Meetings	Mary	Maxion	5/14/2020	0.25	\$0.00	\$58.75
AUDIT	MTG	Client Meetings	Mary	Maxion	5/14/2020	1	\$0.00	\$235.00
AUDIT	MTG	Client Meetings	Hong	Nguyen	5/14/2020	0.75	\$0.00	\$225.00
AUDIT	PLAN	Planning Meetings	Mary	Maxion	5/14/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/14/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/14/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/14/2020	0.5	\$0.00	\$150.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/14/2020	0.5	\$0.00	\$82.50
AUDIT	BS/PL	Other Liabilities	Samantha	Pangan	5/15/2020	0.2	\$0.00	\$33.00
AUDIT	BS/PL	Revenue & Receivable	Samantha	Pangan	5/15/2020	0.3	\$0.00	\$49.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Samantha	Pangan	5/15/2020	0.4	\$0.00	\$66.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	5/15/2020	0.5	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/15/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/15/2020	0.25	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/15/2020	0.1	\$0.00	\$16.50
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/16/2020	1	\$0.00	\$420.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/16/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/17/2020	0.25	\$0.00	\$105.00
AUDIT	BS/PL	Other Liabilities	Samantha	Pangan	5/19/2020	0.7	\$0.00	\$115.50
AUDIT	BS/PL	Other Liabilities	Samantha	Pangan	5/19/2020	0.5	\$0.00	\$82.50

137936

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
EXP	CEXP	Other Expense (4260) NR	B J	Osborne	4/24/2020	0	\$3.00	\$0.00
AUDIT	BS/PL	Cash/Equivalents	Christopher	Corado	4/27/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/27/2020	0.5	\$0.00	\$75.00
AUDIT	PLAN	Planning Documents	Christopher	Corado	4/27/2020	1.25	\$0.00	\$187.50
AUDIT	REPOR	Report Preparations	Christopher	Corado	4/27/2020	3.08	\$0.00	\$462.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/27/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/28/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Other Assets	Christopher	Corado	4/28/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Expenses, A/P, Other Liabil	Christopher	Corado	4/28/2020	0.25	\$0.00	\$37.50
AUDIT	IC/FR	Internal Control	Mary	Maxion	4/28/2020	0.5	\$0.00	\$117.50
AUDIT	REPOR	Report Preparations	Christopher	Corado	4/28/2020	0.5	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Christopher	Corado	4/28/2020	0.25	\$0.00	\$37.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/28/2020	0.25	\$0.00	\$58.75
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/29/2020	0.4	\$0.00	\$60.00
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/29/2020	0.5	\$0.00	\$75.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	4/29/2020	0.5	\$0.00	\$75.00
AUDIT	IC/FR	Internal Control	Christopher	Corado	4/29/2020	0.85	\$0.00	\$127.50
AUDIT	IC/FR	T of T	Samantha	Pangan	4/29/2020	1.3	\$0.00	\$214.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	4/29/2020	1.5	\$0.00	\$352.50
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	4/30/2020	0.5	\$0.00	\$75.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	4/30/2020	0.25	\$0.00	\$37.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	4/30/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Don	Ecker	4/30/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	4/30/2020	0.25	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	4/30/2020	0.2	\$0.00	\$33.00
EXP	CEXP	Technology Charge	B J	Osborne	4/30/2020	0	\$375.95	\$0.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	5/1/2020	0.25	\$0.00	\$37.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	5/1/2020	0.5	\$0.00	\$75.00
AUDIT	BS/PL	Other Assets	Christopher	Corado	5/1/2020	1.25	\$0.00	\$187.50
AUDIT	PLAN	Planning Meetings	Christopher	Corado	5/1/2020	0.25	\$0.00	\$37.50
AUDIT	REPOR	Report Preparations	Christopher	Corado	5/1/2020	1.5	\$0.00	\$225.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/1/2020	0.2	\$0.00	\$33.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/1/2020	1	\$0.00	\$165.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/1/2020	2	\$0.00	\$330.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/1/2020	0.4	\$0.00	\$66.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	5/1/2020	1.5	\$0.00	\$225.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	5/1/2020	0.25	\$0.00	\$37.50
AUDIT	PLAN	Planning Documents	Christopher	Corado	5/1/2020	1	\$0.00	\$150.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	5/4/2020	0.5	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/4/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/4/2020	0.4	\$0.00	\$66.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	5/5/2020	0.25	\$0.00	\$37.50
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/5/2020	0.3	\$0.00	\$49.50
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/5/2020	1	\$0.00	\$165.00
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	5/7/2020	1	\$0.00	\$150.00
AUDIT	BS/PL	Other Liabilities	Christopher	Corado	5/7/2020	0.25	\$0.00	\$37.50

PAID
CR. NO. 253443
DATE 8/13/20

CATEGORY	SUB CAT	SERVICE DESC	FIRST NAME	LAST NAME	DATE	HOURS	EXPENSES	FEES
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/19/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/19/2020	0.25	\$0.00	\$75.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/19/2020	0.3	\$0.00	\$49.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	5/20/2020	0.35	\$0.00	\$52.50
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/20/2020	0.8	\$0.00	\$132.00
AUDIT	BS/PL	Other Liabilities	Mary	Maxion	5/21/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/21/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/21/2020	0.5	\$0.00	\$150.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/21/2020	0.8	\$0.00	\$132.00
AUDIT	REVIE	Supervision & Review	Kathy	Rosenfeld	5/21/2020	6	\$0.00	\$1,800.00
AUDIT	PLAN	Planning Meetings	Christopher	Corado	5/22/2020	0.25	\$0.00	\$37.50
AUDIT	PLAN	Planning Meetings	Samantha	Pangan	5/22/2020	0.2	\$0.00	\$33.00
AUDIT	REPOR	Report Preparations	Christopher	Corado	5/22/2020	1.75	\$0.00	\$262.50
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/22/2020	0.25	\$0.00	\$58.75
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/22/2020	0.5	\$0.00	\$117.50
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/22/2020	0.5	\$0.00	\$150.00
AUDIT	REVIE	Supervision & Review	Hong	Nguyen	5/22/2020	0.5	\$0.00	\$150.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/22/2020	1	\$0.00	\$165.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/22/2020	0.3	\$0.00	\$49.50
AUDIT	BS/PL	Revenue & Receivable	Christopher	Corado	5/26/2020	0.5	\$0.00	\$75.00
AUDIT	BS/PL	Revenue & Receivable	Samantha	Pangan	5/26/2020	0.7	\$0.00	\$115.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	5/26/2020	0.5	\$0.00	\$117.50
AUDIT	PLAN	Planning Documents	Mary	Maxion	5/26/2020	0.25	\$0.00	\$58.75
AUDIT	PLAN	Planning Documents	Samantha	Pangan	5/26/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/26/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Mary	Maxion	5/26/2020	0.75	\$0.00	\$176.25
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/26/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Samantha	Pangan	5/26/2020	0.2	\$0.00	\$33.00
AUDIT	REVIE	Supervision & Review	Kathy	Rosenfeld	5/26/2020	0.5	\$0.00	\$150.00
AUDIT	REVIE	Supervision & Review	Christopher	Corado	5/28/2020	0.15	\$0.00	\$22.50
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/28/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/29/2020	0.5	\$0.00	\$210.00
AUDIT	REPOR	Report Preparations	Samantha	Pangan	5/29/2020	0.8	\$0.00	\$132.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/30/2020	0.5	\$0.00	\$210.00
AUDIT	REVIE	Supervision & Review	Don	Ecker	5/31/2020	0.5	\$0.00	\$210.00
EXP	CEXP	Technology Charge	B J	Osborne	5/31/2020	0	\$164.25	\$0.00

ID
 NO. 255443
 DATE 8/13/20

8/14/20-21 PO's.
Don't make copies.



City of Compton

PARTIAL PAYMENT FORM

DEPARTMENT Controller's Department P.O. # 20FY0563/21FY0067
VENDOR Eadie and Payne LLP
VENDOR # 10007481 DATE 8/13/2020

QTY.	INVOICE #/DESCRIPTION	AMOUNT
	Invoice 136999b: Various auditing functions (PO 20FY0563)	\$ 63,000.00
	Invoice 137465b: Various auditing functions (PO 20FY0563 \$1,336.00) FF Various auditing functions (PO 21FY0067 \$19,814.00)	\$ 21,150.00
	Invoice 137689b: Various auditing functions (PO 21FY0067)	20,700.00
	Invoice 138082b: Various auditing functions (PO 21FY0067)	\$ 6,300.00
	Invoice 137936: Various auditing functions (PO 21FY0067)	\$ 13,950.00
	Invoice 138312b: Various auditing functions (PO 21FY0067)	\$ 4,500.00
	PAID CK. NO. <u>255443</u> DATE <u>8/13/20</u>	
	TOTAL	\$ 129,600.00

Account # 1001-650-000-4266

Goods Received By _____

Department Manager [Signature]

Approved For Payment [Signature]

Account Payable

Previous Balance _____
Deduct _____
New Balance \$ _____

City of Compton

CITY CONTROLLER
205 S. WILLOWBROOK-COMPTON, CA 90221
TELEPHONE: (310) 605-5576

PURCHASE ORDER NO.

20FY0563

TO RECEIVE PROPER PAYMENT THE ABOVE PO NUMBER MUST APPEAR ON ALL
INVOICES, BILLS OF LADING, PACKAGES, CORRESPONDENCE, ETC.

10/28/19

VENDOR:

EADIE AND PAYNE LLP
PO BOX 1529
RIVERSIDE, CA 92502-1529

DELIVER TO:

CITY OF COMPTON
205 S WILLOWBROOK
COMPTON, CA 90220

SEND INVOICE TO: Compton Controller
Compton, City Hall
205 S. Willowbrook
P.O. Box 5118
Compton, CA 90221

Req. # 65R02131	Vendor # 10007481	Ship Via	Department 65
Confirming ☐ yes ☐ no	Confirmed to	Terms	Date Required

QUANTITY	PART NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1		PAYMENT FOR PROFESSIONAL INDEPENDENT CITY WIDE AUDITING SERVICES FOR FY 2014-2020	414,286.00	414,286.00
<i>pd. 8/1</i> Bal: 64,336.00 #1369996 pd. 8/13/20 Bal: 1336.00 #1374655 pd. 8/13/20 Bal: 0 <i>pd. 10/5/19</i> Bal: 297,241.00 #136725 pd. 11/7/19 Bal: 47,700.00 #136746 pd. 12/9/19 Bal: 249,541.00 #136853 pd. 2/10/20 Bal: 184,561.00 #136977 pd. 3/17/20 Bal: 161,361.00 #137198 pd. 5/24/20 Bal: 85,336.00 #137319 pd. 5/24/20 Bal: 129,061.00 #137098 pd. 5/24/20 Bal: 111,261.00 #136999A pd. 5/24/20 Bal: 25,925.00 #137465A pd. 5/24/20 Bal: 85,336.00 #137669A CK. NO. 255443 DATE 8/13/20				
TOTAL			414,286.00	414,286.00

1001650000 4266

414,286.00

APPROVAL:

E. Sutton 10/29/19
City Controller

[Signature] 11/4/19
Department Head

DEPARTMENTAL PURCHASE REQUISITION

REQ. NO. 65R02131

VENDOR: EADIE AND PAYNE LLP

ADDRESS: 3880 LEMON STREET SUITE 300
RIVERSIDE, CA 92501

P.O. # 20FY0563

DATE 10/17/19

PHONE #:

DEL. ADDRESS: CITY OF COMPTON
205 S WILLOWBROOK
COMPTON, CA 90220

Department 65
Division
Project
Program
Requisitioner Oscar Ramos

Vendor No. 10007481

Terms

Confirming ☐ yes ☐ no

Confirmed To

Date Required

QUANTITY	PART NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1		PAYMENT FOR PROFESSIONAL INDEPENDENT CITY WIDE AUDITING SERVICES FOR FY 2014-2020	414,286.00	414,286.00
Controllor's Office 2019 OCT 21 PM 5:02 2019 OCT 24 PM 12:59 PAID CK. NO. 255443 DATE 8/13/20				
ITEM#	ACCOUNT#	AMOUNT	SUB-TOTAL	414,286.00
	1001650000 4266	414,286.00	TAX	0.00
			TOTAL	414,286.00

Dept. Manager

10/21/19 Date

Administrator

Date

City Manager

City Controller

10/22/19 Date

10/28/19 Date

April 17, 2019

Honorable Members of the City Council
City of Compton
205 S. Willowbrook Avenue
Compton, CA 90220

Re: Fiscal year ending June 30, 2020 audit

Eadie and Payne, LLP is pleased to provide City of Compton with the professional services described below. This letter, and the attached *Terms and Conditions Addendum* and any other attachments incorporated herein (collectively, "Agreement"), confirms our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide. The engagement between you and our firm will be governed by the terms of this Agreement.

Engagement Objective and Scope

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Compton as of June 30, 2020 (the financial statements). Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement City of Compton's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to City of Compton's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedules of changes in net pension liability and related ratios
- 3) Schedule of proportionate share of net pension liability and related ratios
- 4) Schedules of plan contributions
- 5) Schedule of Changes in Net OPEB Liability and Related Ratios
- 6) Schedule of Contributions - OPEB
- 7) Notes to Required Supplementary Information
- 8) Budgetary comparison - General Fund
- 9) Budgetary comparison - Major Special Revenue Funds



EADIE + PAYNE

*Celebrating a Century
of Quality Service*

Eadie + Payne, LLP

3880 Lemon St., Ste. 300
Riverside, CA 92501

P.O. Box 1529
Riverside, CA 92502-1529

Office: 951-241-7800

www.eadiepaynellp.com

**Certified Public Accountants
& Business Advisors**

We have also been engaged to report on supplementary information other than RSI that accompanies City of Compton's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements or in a report combined with our auditor's report on the financial statements.

- 1) Schedule of Expenditures of Federal Awards
- 2) Individual and combining fund financial statements

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to members of the City Council of the City of Compton. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Compton's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of City of Compton's major programs. The purpose of these procedures will be to express an opinion on City of Compton's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, required supplementary information, and related notes of City of Compton in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. Other nonaudit services we may provide include assisting the City with its Corrective Action Plan, accounting for GASB 68 and 75, and nonaudit special reports that would be covered in a separate engagement letter. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

The engagement team will be led by Hong N. Nguyen and Donald N. Ecker.

Our fees for the financial and single audit will be \$250,000 inclusive of expenses. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

By your signature below, you acknowledge and agree that upon the expiration of the seven-year period, Eadie and Payne, LLP shall be free to destroy our records related to this engagement.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign this letter and return it to us.

Very truly yours,

EADIE AND PAYNE, LLP



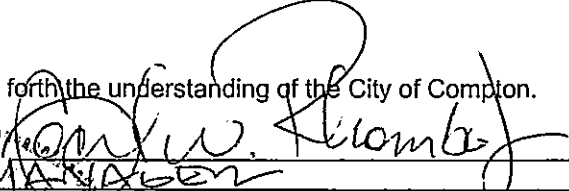
Donald N. Ecker
Co-Client Services Executive



Hong N. Nguyen
Co-Client Services Executive

RESPONSE:

This letter correctly sets forth the understanding of the City of Compton.

Management signature: 

Title: CITY MANAGER

Date: 6/24/2019

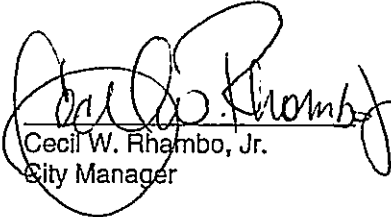
Governance signature: 

Title: CITY CONTROLLER

Date: 6/25/2019

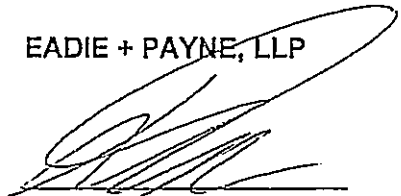
IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

CITY OF COMPTON


Cecil W. Rhambo, Jr.
City Manager

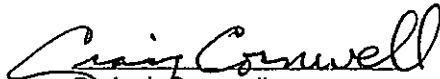
6/24/19
Date

EADIE + PAYNE, LLP

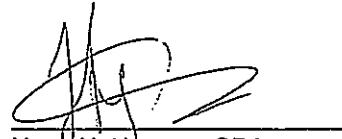

Donald N. Ecker
Chairman, Eadie and Payne, LLP

6/19/19
Date

APPROVED AS TO FORM

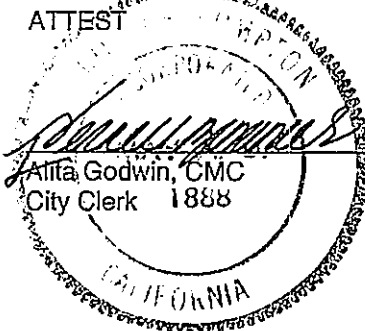

Craig J. Cornwell
City Attorney

6/20/2019
Date


Hong N. Nguyen, CPA
Co-Client Services Executive

6/19/19
Date

ATTEST



6/24/2019
Date

Eadie and Payne, LLP's Terms and Conditions Addendum

Overview

This addendum to the engagement letter describes our standard terms and conditions ("Terms and Conditions") related to our provision of services to you. This addendum and the accompanying engagement letter comprise your agreement with us ("Agreement"). If there is any inconsistency between the engagement letter and this *Terms and Conditions Addendum*, the engagement letter will prevail to the extent of the inconsistency.

For the purposes of this *Terms and Conditions Addendum*, any reference to "we," "us," or "our" is a reference to Eadie and Payne, LLP, and any reference to "you," or "your" is a reference to the party or parties that have engaged us to provide services. References to "Agreement" mean the engagement letter or other written document describing the scope of services, any other attachments incorporated therein, and this *Terms and Conditions Addendum*.

Billing and Payment Terms

We will bill you for our professional fees and out-of-pocket costs monthly as work progresses. Payment is due upon receipt. If payment is not received within 30 days, you will be assessed interest charges of 1% per month on the unpaid balance.

We reserve the right to suspend or terminate our work for non-payment of fees. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet governmental and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any other damages (including but not limited to consequential, indirect, lost profits, or punitive damages) incurred as a result of the suspension or termination of our services.

Electronic Data Communication and Storage

In the interest of facilitating our services to you, we may send data over the Internet, or store electronic data via computer software applications hosted remotely on the Internet or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. We may use third party service providers to store or transmit this data, such as providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards. We require our third party vendors to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us or our third party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third party service providers during this engagement.

Client Portals

To enhance our services to you, we will utilize a client portal, a collaborative, virtual workspace in a protected, online environment. The client portal permits real-time collaboration across geographic boundaries and time zones and allows Eadie and Payne, LLP and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use the client portal, you will be required to execute a client portal agreement and agree to be bound by the terms, conditions and limitations of such agreement.

You agree that Eadie and Payne, LLP has no responsibility for the activities of the client portal and agree to indemnify and hold Eadie and Payne, LLP harmless with respect to any and all claims arising from or related to the operation of the client portal. While the client portal backs up your files to a third party server, we recommend that you also maintain your own backup files.

Items placed on the client portal will be deleted periodically according to firm policy.

Newsletters and Similar Communications

We may send newsletters, emails, explanations of technical developments or similar communications to you. These communications are of a general nature and should not be construed as professional advice. We may not send all such communications to you. These communications do not continue a client relationship with you, nor do they constitute advice or an undertaking on our part to monitor issues for you.

Records Management

Record Retention and Ownership

We will return all of your original records and documents provided to us at the conclusion of the engagement. Your records are the primary records for your operations and comprise the backup and support for your work product. Our copies of your records and documents are not a substitute for your own records and do not mitigate your record retention obligations under any applicable laws or regulations.

Workpapers and other documents created by us are our property and will remain in our control. Copies are not to be distributed without your written request and our prior written consent. Our workpapers will be maintained by us in accordance with our firm's record retention policy and any applicable legal and regulatory requirements.

Our firm destroys workpaper files after a period of 7 years. Catastrophic events or physical deterioration may result in damage to or destruction of our firm's records, causing the records to be unavailable before the expiration of the retention period as stated in our record retention policy.

Working Paper Access Requests by Regulators and Others

State, federal and foreign regulators may request access to or copies of certain workpapers pursuant to applicable legal or regulatory requirements. Requests also may arise with respect to peer review, an ethics investigation, or the sale of our accounting practice. If requested, access to such workpapers will be provided under the supervision of firm personnel. Regulators may request copies of selected workpapers to distribute the copies or information contained therein to others, including other governmental agencies.

If we receive a request for copies of selected workpapers, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such request as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit the disclosure of information. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests. This paragraph will survive termination of this Agreement.

Summons or Subpoenas

All information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis.

If we receive a summons or subpoena which our legal counsel determines requires us to produce documents from this engagement or testify about this engagement, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such summons or subpoena as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit discovery. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests. This paragraph will survive termination of this Agreement.

Disclaimer of Legal and Investment Advice

Our services under this Agreement do not constitute legal or investment advice unless specifically agreed to in the *Engagement Objective and Scope* section of this Agreement. We recommend that you retain legal counsel and investment advisors to provide such advice.

Brokerage or Investment Advisory Statements

If you provide our firm with copies of brokerage (or investment advisory) statements and/or read-only access to your accounts, we will use the information solely for the purpose described in the *Engagement Objective and Scope* section of the engagement letter. We will rely on the accuracy of the information provided in the statements and will not undertake any action to verify this information. We will not monitor transactions, investment activity, provide investment advice, or supervise the actions of the entity or individuals entering into transactions or investment activities on your behalf. We recommend you receive and carefully review all statements upon receipt, and direct any questions regarding account activity to your banker, broker or investment advisor.

Other Income, Losses and Expenses

If you realized income, loss or expense from a business or supplemental income or loss, the reporting requirements of federal and state income tax authorities apply to such income, loss or expense. You are responsible for complying with all applicable laws and regulations pertaining to such operations, including the classification of workers as employees or independent contractors and related payroll tax and withholding requirements.

Limitations on Oral and Email Communications

We may discuss with you our views regarding the treatment of certain items or decisions you may face. We may also provide you with information in an email. Any advice or information delivered orally or in an email (rather than through a memorandum delivered as an email attachment) will be based upon limited research and a limited discussion and analysis of the underlying facts. Additional research or a more complete review of the facts may affect our analysis and conclusions.

Due to these limitations and the related risks, it may or may not be appropriate to proceed with any decision solely on the basis of any oral or email communication. You accept all responsibility, except to the extent caused by the gross negligence or willful misconduct of Eadie and Payne, LLP, for any loss, cost or expense resulting from your decision (i) not to have us perform the research and analysis necessary to reach a more definitive conclusion and (ii) to instead rely on an oral or email communication. The limitation in this paragraph will not apply to an item of written advice that is a deliverable of a separate engagement. If you wish to engage us to provide formal advice on a matter on which we have communicated orally or by email, we will confirm this in a separate engagement letter.

Management Responsibilities

While Eadie and Payne, LLP can provide assistance and recommendations, you are responsible for management decisions and functions, and for designating an individual with suitable skill, knowledge or experience to oversee any services that Eadie and Payne, LLP provides. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. You are ultimately responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Conflicts of Interest

If we, in our sole discretion, believe a conflict has arisen affecting our ability to deliver services to you in accordance with either the ethical standards of our firm or the ethical standards of our profession, we may be required to suspend or terminate our services without issuing our work product.

Alternative Dispute Resolution

If a dispute arises out of or relates to the Agreement including the scope of services contained herein, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under the *AAA Professional Accounting and Related Services Dispute Resolution Rules* before resorting to arbitration, litigation, or some other dispute resolution procedure. The mediator will be selected by agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the AAA. Any mediator so designated must be acceptable to all parties. The mediation will be conducted in California.

The mediation will be treated as a settlement discussion and, therefore, will be confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. The costs of any mediation proceedings shall be shared equally by all parties. Any costs for legal representation shall be borne by the hiring party.

Proprietary Information

You acknowledge that proprietary information, documents, materials, management techniques and other intellectual property we use are a material source of the services we perform and were developed prior to our association with you. Any new forms, software, documents or intellectual property we develop during this engagement for your use shall belong to us, and you shall have the limited right to use them solely within your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, agreements and other documents which we make available to you are confidential and proprietary to us. Neither you, nor any of your agents, will copy, electronically store, reproduce or make available to anyone other than your personnel, any such documents. This provision will apply to all materials whether in digital, "hard copy" format or other medium.

Statute of Limitations

You agree that any claim arising out of this Agreement shall be commenced within one (1) year of the delivery of the work product to you, regardless of any longer period of time for commencing such claim as may be set by law. A claim is understood to be a demand for money or services, the service of a suit, or the institution of arbitration proceedings against Eadie and Payne, LLP.

Termination and Withdrawal

We reserve the right to withdraw from the engagement without completing services for any reason, including, but not limited to, your failure to comply with the terms of this Agreement or as we determine professional standards require.

Assignment

All parties acknowledge and agree that the terms and conditions of this Agreement shall be binding upon and inure to the parties' successors and assigns, subject to applicable laws and regulations.

Severability

If any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Agreement.

Entire Agreement

The engagement letter, including this *Terms and Conditions Addendum* and any other attachments, encompasses the entire agreement of the parties and supersedes all previous understandings and agreements between the parties, whether oral or written. Any modification to the terms of this Agreement must be made in writing and signed by both parties.

RESOLUTION NO. 25,034

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2018-2019 FISCAL YEAR BUDGET TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANGER TO AMEND THE EXISTING PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF COMPTON AND EADIE & PAYNE, LLP FOR PROFESSIONAL INDEPENDENT AUDITING SERVICES (\$1,067,500)

WHEREAS, Section 1419 of the City Charter of the City of Compton provides for the employment of a qualified accountant at the beginning of each fiscal year, who at such time or times as may be specified by the City Council shall examine the books, records, inventories and reports of all officers and employees who receive, handle or disburse public funds and of such other officers, employees and departments as the City Council may direct; and

WHEREAS, an annual audit is also required to satisfy Federal legislation, state regulations, grants requirements, bonds covenants and other applicable regulations; and

WHEREAS, on January 9, 2018, the Council approved Resolution No. 24,724, which authorized the City Manager to enter into a professional service agreement with Eadie & Payne, LLP for professional independent auditing services. This agreement included audit of financial records for fiscal years 2014-2015, 2015-2016, 2016-2017 and single audits for fiscal years 2013-2014, 2014-2015, 2015-2016, and 2016-2017; and

WHEREAS, On February 5, 2018, the City received a copy of the draft report of the State Controller's Office review of the City of Compton's administrative and internal accounting controls system. On March 9, 2018, the City received a copy of the State Controller's Office draft report from their audit of the City of Compton's Special Gas Tax Street Improvement Fund for the period of July 1, 2007 through June 30, 2016. These reports revealed the State Controller's Office found that 90% of the City's internal control components were inadequate; and

WHEREAS, As a result of these reports, and other audit reports, more than 220 audit findings were discovered and presented and needed to be quantified in an annual Corrective Action Plan that had to be submitted to the State. The presentation of this report also triggered other funding agencies to conduct their own audits of their specific resources. The addition of these factors severely increased the scope of work performed by the independent auditors, Eadie & Payne, LLP; and

WHEREAS, The City's initial agreement did not include assistance with Corrective Action Plan (CAP) for each of those fiscal years nor the implementation of GASB 68, or the multiple other reports requested by our bond holders. As such the firm needs to be compensated for the additional Out of Scope work that had to be completed. The City also needs to have the financial records audited for fiscal years 2017-2018, 2018-2019, and 2019-2020, as well as the single audits (audit of federal grants) performed for fiscal years 2017-2018, 2018-2019, and 2019-2020. These audits are crucial in establishing good financial standing with the State Controller's Office, the bond holders and will give the City the ability to have financial reports immediately available to apply for additional funding, grants and secure bonds if necessary; and

WHEREAS, Eadie & Payne, LLP was founded in 1919 and they take pride in their firm's rich history, while keeping an eye for the future, providing knowledgeable, trustworthy accounting services. Their firm is dedicated to personal service so that all clients regardless of size or earnings, experience one-on-one interaction from their accountants. They are members of the American Institute of Certified Public Accountants Governmental Audit Quality Center, are committed to staying on top of government audit regulations, and providing the highest quality audit services; and

WHEREAS, Eadie & Payne, LLP has significant experience with performing technically challenging audits as it relates to experience of their senior auditor and manager of the audit team. They were able to meet the required deadlines for the City of Compton and are completing financial statements and single audits within the agreed time table. They are responsive to the City's requirements, they are very familiar with the City's current financial situation, and have played a significant role in building the relationship with the State Controller's Office. The City would like to amend the current contract and retain Eadie & Payne, LLP to complete the audits for fiscal years 2017-2018, 2018-2019, and 2019-2020, as well as the continued assistance with the Corrective Action Plan, the implementation of GASB 68 and 75 and any additional special reports require; and

WHEREAS, requesting proposals from other certified public accountants' firms will require too many resources and time that the City currently does not have. Eadie & Payne, LLP are committed in assisting the City in becoming current on the audited financial statements. Delaying this amendment can lead to regression in the progress made by Eadie & Payne, LLP and City staff as well as loss of economies of scale; and

WHEREAS, the amended scope of works and fees are as follows:

- o \$225,000 – Assistance with CAP for fiscal years ending June 30, 2014, 2015, 2016, 2017, 2018, 2019, and 2020 (1,125 hours estimated)
- o \$30,000 – GASB 68 implementation fiscal years ending June 30, 2015, 2016, 2017, 2018, 2019, and 2020 (170 hours estimated)
- o \$22,500 – GASB 75 implementation fiscal years ending June 30, 2018, 2019, and 2020 (125 hours estimated)
- o \$40,000 – Special auditor / accountant's reports for the duration of the contract (200 hours estimated)
- o \$250,000 – Audits for fiscal year ending June 30, 2018 (1,450 hours estimated)
- o \$250,000 – Audits for fiscal year ending June 30, 2019 (1,450 hours estimated)
- o \$250,000 – Audits for fiscal year ending June 30, 2020 (1,450 hours estimated)

WHEREAS, these fees are inclusive of out-of-pocket expenses such as travel, hotel, and meals. The City has also required that all proposed fees are reflective of not-to-exceed cap; and

WHEREAS, to pay for this expenditure the Department's 2018-2019 Fiscal Year budget must be amended to transfer funds between accounts.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Controller's Department 2018-2019 Fiscal Year budget is hereby amended to transfer funds between accounts as follows:

<u>From</u>	<u>To</u>	<u>Object Code</u>	<u>Amount</u>
1001-650-000-4222	1001-650-000-4266	Contract Services	\$53,000.00
1001-650-000-4294	1001-650-000-4266	Contract Services	\$75,000.00

Section 2. That the City Manager, on the advice and approval of the City Attorney, is hereby authorizing City Manager to amend the existing professional services agreement between the City of Compton and Eadie & Payne, LLP (Certified Public Accountants) for professional independent auditing services.

Section 3. That funds in the amount of \$496,072.00 are available in the 2018-2019 Fiscal Year budget of the City Controller Department (after budget is amended) in Account No. 1001-650-000-4266.

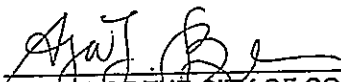
Section 4. That a purchase order in the amount of \$496,072.00 is authorized to be issued for Eadie & Payne, LLP.

Section 5. That funds in the amount of \$414,286.00 and \$157,142 shall be funded in the 2019-2020 and 2020-2021, respectively, Fiscal Year budget of the City Controller Office in Account No. 1001-650-000-4266.

Section 6. That a copy of this Resolution shall be filed in the offices of the City Clerk, City Attorney, City Manager, and City Controller.

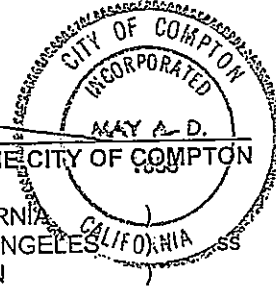
Section 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this 5th day of June, 2019.


MAYOR OF THE CITY OF COMPTON

ATTEST:

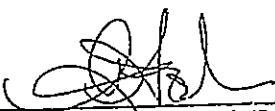
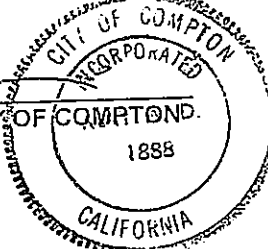

CITY CLERK OF THE CITY OF COMPTON
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON



I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this 5th day of June, 2019.

That said Resolution was adopted by the following vote, to wit:

AYES: COUNCILMEMBERS- Galvan, McCoy, Sharif, Brown
NOES: COUNCILMEMBERS- None
ABSTAIN: COUNCILMEMBERS- None
ABSENT: COUNCILMEMBERS- Zurita


CITY CLERK OF THE CITY OF COMPTON


CITY OF COMPTON BUSINESS LICENSE CERTIFICATE

BUSINESS LICENSE DIVISION ~ 205 N. WILLOWBROOK AVE, COMPTON, CA 90220 ~ (310) 605-5508

The below named license holder has paid a business license fee to engage in, carry on or conduct a business trade, calling, profession, exhibition or occupation coded below until this certificate expires. Granting of this license does not entitle the license holder to operate or maintain a business license in violation of any other law or ordinance. In addition this license is not transferable to any other party, and no refunds will be issued for the license once a certificate has been issued.

LICENSE NO:	BL19-000882	EXPIRATION DATE:	06/19/2020
BUSINESS:	Eadie and Payne, LLP	ISSUE DATE:	06/19/2019
LOCATION:	3880 Lemon St	OWNERSHIP TYPE:	Partnership / LLP
OWNER NAME:	Eadie and Payne, LLP Frank Zabaleta	CLASSIFICATION:	5412
MAILING ADDRESS:	3880 Lemon Street Suite 300 Riverside, CA 92501	DESCRIPTION:	Accounting/Attest/Consulting/Tax
RESTRICTIONS:			

Eadie and Payne, LLP
3880 Lemon Street Suite 300
Riverside, CA 92501



EADIPAY-01

EBETTS

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
9/30/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0757776 Riverside, CA - HUB International Insurance Services Inc. PO Box 5345 Riverside, CA 92517		CONTACT Irene McCleary NAME: Irene McCleary PHONE (A/C, No, Ext): (951) 779-8532 FAX (A/C, No): E-MAIL: irene.mccleary@hubinternational.com ADDRESS: irene.mccleary@hubinternational.com	
INSURED Eadie and Payne, LLP PO Box 1529 Riverside, CA 92502-1529		INSURER(S) AFFORDING COVERAGE INSURER A: Sentinel Insurance Company, Ltd. NAIC # 11000 INSURER B: Hartford Accident and Indemnity Company 22357 INSURER C: Preferred Employers Insurance Company 10900 INSURER D: INSURER E: INSURER F:	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER	☒ ☒	72SBAIB6333	10/1/2019	10/1/2020	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
B	AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☐ SCHEDULED AUTOS HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY		72UECPT1395	10/1/2019	10/1/2020	BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	☒ UMBRELLA LIAB ☒ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED ☒ RETENTIONS 10,000		72SBAIB6333	10/1/2019	10/1/2020	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NJ) If yes, describe under DESCRIPTION OF OPERATIONS below	☒ Y ☒ N N/A	AAN100994-21	7/1/2019	7/1/2020	☒ PER STATUTE ☐ OTHER E L EACH ACCIDENT \$ 1,000,000 E L DISEASE - EA EMPLOYEE \$ 1,000,000 E L DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers are additional insureds with regard to General Liability when required by written contract per the attached endorsement SS0008 04/05, primary and non-contributory and Waiver of Subrogation coverage are included.

CERTIFICATE HOLDER

CANCELLATION

City of Compton
205 South Willowbrook Avenue
Compton, CA 90220

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/23/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	Aon Affinity Insurance 1100 Virginia Drive, Suite 250 Fort Washington, PA 19034 Phone: 800-221-3023	CONTACT NAME: Shane Rudolf PHONE (A/C, No, Ext): 267-282-6293 FAX (A/C, No): 244-250-2057 E-MAIL ADDRESS: rudy.rudolf@aon.com
	INSURER(S) AFFORDING COVERAGE	
INSURED	Eadie + Payne LLP 3880 Lemon St. Ste. 300 Riverside, CA 92502	INSURER A: Continental Casualty
		INSURER B:
		INSURER C:
		INSURER D:
		INSURER E:
		INSURER F:

COVERAGES	CERTIFICATE NUMBER:	REVISION NUMBER:
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.		

INSR LTR	TYPE OF INSURANCE	ADOL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMPROP AGG \$ \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ HIRED AUTOS ☐ SCHEDULED AUTOS ☐ NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB EXCESS LIAB ☐ OCCUR ☐ CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability Insurance	N N	APL 625778880	01/01/2019	01/01/2020	\$3,000,000 per claim /\$6,000,000 aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Proof of Insurance Coverage

CERTIFICATE HOLDER	CANCELLATION
City of Compton 205 South Willowbrook Ave. Compton, CA 90220.	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE

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EADIPAY-01

EBETTS

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/18/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0757776 Riverside, CA - HUB International Insurance Services Inc. PO Box 5345 Riverside, CA 92517	CONTACT NAME: Irene McCleary PHONE (A/C, No, Ext): (951) 779-8532 FAX (A/C, No): E-MAIL ADDRESS: irene.mccleary@hubinternational.com
INSURED Eadie and Payne, LLP PO Box 1529 Riverside, CA 92502-1529	INSURER(S) AFFORDING COVERAGE INSURER A: Sentinel Insurance Company, Ltd. NAIC # 11000 INSURER B: Hartford Accident and Indemnity Company 22357 INSURER C: Preferred Employers Insurance Company 10900 INSURER D: INSURER E: INSURER F:

COVERAGES		CERTIFICATE NUMBER:		REVISION NUMBER:			
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PROJECT ☐ LOC OTHER:	X	X	72SBAIB6333	10/1/2018	10/1/2019	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COM/OP AGG \$ 4,000,000 \$
B	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY			72UECPT1395	10/1/2018	10/1/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED ☒ RETENTION \$ 10,000			72SBAIB6333	10/1/2018	10/1/2019	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	AAN100994-21	7/1/2019	7/1/2020	☒ PER STATUTE ☐ OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The City of Compton and its respective elected and appointed officers, officials, employees, agents and volunteers are additional insureds with regard to General Liability when required by written contract per the attached endorsement SS0008 04/05, primary and non-contributory and Waiver of Subrogation coverage are included.

CERTIFICATE HOLDER City of Compton 205 South Willowbrook Avenue Compton, CA 90220	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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BUSINESS LIABILITY COVERAGE FORM

- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

- b. Coverage under this provision does not apply to:

- (1) "Bodily injury" or "property damage" that occurred; or
- (2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs a. through f. below are additional insureds when you have agreed, in a written

BUSINESS LIABILITY COVERAGE FORM

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section F. – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or
- (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

- (1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

- (1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or
 - (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

- (1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf.
 - (a) In connection with your premises; or
 - (b) In the performance of your ongoing operations performed by you or on your behalf.
- (2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies.
This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:
 - (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

- (1) Any other person or organization who is not an insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In the performance of your ongoing operations;
 - (b) In connection with your premises owned by or rented to you; or
 - (c) In connection with "your work" and included within the "products-completed operations hazard", but only if
 - (I) The written contract or written agreement requires you to provide such coverage to such additional insured; and
 - (II) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

BUSINESS LIABILITY COVERAGE FORM

- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

- a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.
- b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to 2.a. or 2.b. above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to 2.b. above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

- a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

BUSINESS LIABILITY COVERAGE FORM

If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3. above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or an additional insured is a partnership;
- (3) Any manager, if you or an additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or an additional insured is a corporation;
- (5) Any trustee, if you or an additional insured is a trust; or
- (6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

BUSINESS LIABILITY COVERAGE FORM

This Paragraph f. applies separately to you and any additional insured.

3. Financial Responsibility Laws

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

4. Legal Action Against Us

No person or organization has a right under this Coverage Form:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom a claim is made or "suit" is brought.

6. Representations

a. When You Accept This Policy

By accepting this policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and

- (3) We have issued this policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

7. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section A. - Coverages.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion k. of Section A. - Coverages.

BUSINESS LIABILITY COVERAGE FORM

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in c. below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs (a) and (b) do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

8. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

BUSINESS LIABILITY COVERAGE FORM

F. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply, Paragraph 6. (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section C., Who Is An Insured, does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy, except as provided below:

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations; or
- b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization; but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise, but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Lessor Of Leased Equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

- b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" that takes place after you cease to lease that land; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision - Permits

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

BUSINESS LIABILITY COVERAGE FORM

Insured – State Or Political Subdivision - Permits, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included in the "product-completed operations" hazard.

7. Additional Insured – Vendors

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- b. The insurance afforded to the vendor is subject to the following additional exclusions:

- (1) This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (I) The exceptions contained in Subparagraphs (d) or (f); or

- (II) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of:

- a. Their financial control of you; or
- b. Premises they own, maintain or control while you lease or occupy these premises.

BUSINESS LIABILITY COVERAGE FORM

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section C, is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations for the additional insured(s); or

(2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

(1) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or

(2) Supervisory, inspection, architectural or engineering activities.

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section C, is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or

b. An interactive conversation between or among persons through a computer network.

2. "Advertising Idea" means any idea for an "advertisement".

3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

4. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily Injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

BUSINESS LIABILITY COVERAGE FORM

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above;
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication
- provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory, or in a settlement we agree to.
- 7. "Electronic data" means information, facts or programs:
 - a. Stored as or on;
 - b. Created or used on; or
 - c. Transmitted to or fromcomputer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
 - 8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 - 9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
 - 10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
 - 11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

- b. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

12. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage To Premises Rented To You limit described in Section D. - Liability and Medical Expenses Limits of Insurance.
- b. A sidetrack agreement;
- c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. Any obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement; or
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. Includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph f. does not include that part of any contract or agreement.

BUSINESS LIABILITY COVERAGE FORM

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (2) Under which the Insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.
13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
14. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, on which are permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

 - (1) Equipment, of at least 1,000 pounds gross vehicle weight, designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions
17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;

BUSINESS LIABILITY COVERAGE FORM

- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral, written or electronic publication of material that violates a person's right of privacy;
 - f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement";
 - g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement"; or
 - h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.
18. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
19. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed to be completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- The "bodily injury" or "property damage" must occur away from premises you own or rent, unless your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent.
- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
20. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of "occurrence" that caused it.
- As used in this definition, "electronic data" is not tangible property.
21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
23. "Volunteer worker" means a person who:
- a. Is not your "employee";

BUSINESS LIABILITY COVERAGE FORM

- b. Donates his or her work;
 - c. Acts at the direction of and within the scope of duties determined by you; and
 - d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
24. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
25. "Your work":
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.