

WILLIAM S. MORGAN, CPA

CURRICULUM VITAE

FEBRUARY 2012

Qualifications

Certified Public Accountant, California, 1970
Principal with White Nelson Diehl Evans LLP

Education

University of Southern California
Bachelor of Science in Accounting, 1968

Professional Organizations

American Institute of Certified Public Accountants (AICPA), Member

AICPA Forensic and Valuation Services (FVS) Section, Member

California Society of Certified Public Accountants (CSCPA), Member

CSCPA Committees:

Forensic Services Section - Fraud Investigations Subcommittee

Governmental Accounting and Auditing Committee,
Past Chairman, Orange County Chapter

California Society of Municipal Finance Officers (CSMFO), Associate Member

California Redevelopment Association (CRA), Associate Member

Association of Certified Fraud Examiners (ACFE), Associate Member

States of California and Nevada Chapter of the National Association of
Telecommunications Officers and Advisors (SCAN/NATOA), Associate Member

Professional Experience

Mr. Morgan was with the Los Angeles office of Arthur Young & Company (now Ernst & Young) from 1967 to 1972. He has been with White Nelson Diehl Evans LLP (formerly Diehl, Evans & Company, LLP) since 1972 specializing in accounting, auditing, consulting, financial reporting, tax consulting, litigation support, dispute resolution services, fraud investigations and expert witness services for California cities and other governmental agencies.

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EXAMPLES OF CONSULTING PROJECTS PERFORMED OR SUPERVISED

- Expert Witness and Litigation Support Services
Macpherson Oil v. City of Hermosa Beach
City of San Bernardino v. Charter Communications
Phillip S. Molina v. City of Oxnard
Totten and Brooks v. Ventura County
County of Santa Cruz v. Charter Communications
City of San Marcos v. County of San Diego
City of San Francisco v. Viacom Cable
City of Garden Grove v. Adult Bookstores
- Mediation of Lawsuit
Acted as “Mediator” in Lawsuit Between
City of Lake Forest and County of Orange
- Fraud Investigations
City of Burbank Police Department/
Los Angeles District Attorney’s Office
City of Phoenix, AZ Police Department
City of National City
City of Yorba Linda/Orange County District
Attorney’s Office
City of Santa Barbara/Santa Barbara County
District Attorney’s Office (in progress)
- Performance and Operational Studies
County of San Bernardino Cash Management System
City of Carson Housing Rehabilitation Program
Coachella Valley Association of Governments (CVAG)
Street Sweeping Operation
Burbank Redevelopment Agency
Monterey County Redevelopment Agency
Riverside County Economic Development Agency
- Reviews of Treasurer Operations
City of Huntington Beach
City of Mission Viejo
City of Palm Desert
Orange County Fire Authority
- Review of City’s Business License Operation
City of El Segundo
- Risk Assessment Studies
City of Thousand Oaks
City of Mission Viejo
- Reviews of Solid Waste Contractors/Assistance with Trash Rate Negotiations
City of Irvine (Waste Management and eight other commercial haulers)
City of Thousand Oaks (GI Industries and Newbury Disposal)
City of Garden Grove (Taormina Industries)
City of Signal Hill (EDCO Disposal)
City of Lakewood (B-Z Disposal Services)
Cities of Dana Point, San Juan Capistrano and San Clemente (Solag Disposal, now CR&R)
Regional Waste Management Authority,
Yuba City (Yuba-Sutter Disposal, Inc.)
- Cable Television and Broadband Consulting Services
Over 60 California Cities and Counties Under Contract Since 1991

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EXAMPLES OF EXPERT WITNESS AND OTHER FORENSIC SERVICES

<u>Year</u>	<u>Attorneys/Law Firms</u>	<u>Description of Services</u>
		<u>City of Santa Barbara v. Karen E. Flores</u>
		<u>Fraud Investigation and Expert Witness Services (Engagement In Progress)</u>
2011-2012	Mr. Stephen P. Wiley City Attorney Santa Barbara, CA (805) 564-5326 Mr. Brian J. Cota Senior Deputy District Attorney County of Santa Barbara (805) 568-2424	In August 2011, Ms. Karen E. Flores (Defendant), an employee of the City of Santa Barbara (City), was arrested for embezzling approximately \$700,000 in parking ticket revenues. In September 2011, Mr. Morgan was retained by the City to conduct a forensic investigation of the matter, and issue his report thereon. This engagement includes a concurrent civil fraud investigation for the City and criminal fraud investigation for the Santa Barbara District Attorney's Office. Mr. Morgan is expected to testify in this matter in mid 2012.
		<u>City of San Bernardino v. Charter Communications</u>
		<u>Expert Witness Services</u>
2008-2009	Mr. Richard D. Luezak Deputy City Attorney City of San Bernardino (909) 384-5355	Prior to 2008, Mr. Morgan performed a Utility Users Tax (UUT) compliance review of Charter Communications on behalf of the City of San Bernardino, to verify the propriety of UUT payments remitted from Charter to the City. Charter has contested the City's assessment of prior UUT. In June 2008, the City filed a complaint in San Bernardino Superior Court against Charter for collection of unpaid Utility User Taxes and other matters. Mr. Morgan was retained by the City to act as an expert witness in this case. Observation: In 2009, Charter filed for bankruptcy and a subsequent financial restructuring, despite creditor objections to the bankruptcy plan. The City then suspended action in this case pending resolution of the bankruptcy filing.

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EXAMPLES OF EXPERT WITNESS AND OTHER FORENSIC SERVICES (CONTINUED)

<u>Year</u>	<u>Attorneys/Law Firms</u>	<u>Description of Services</u>
2003- 2006	Mr. Edward O. Lear Attorney at Law Century Law Group Los Angeles, CA (310) 642-6900	<p style="text-align: center;"><u>Phillip S. Molina v. City of Oxnard</u></p> <p style="text-align: center;"><u>Deposition and Expert Witness Testimony</u></p> <p>Mr. Phillip S. Molina, CPA, (Plaintiff) filed a wrongful termination suit against his former employer, the City of Oxnard (Defendant) in United States District Court, Central District of California. Mr. Morgan was retained by the Plaintiff. Mr. Morgan provided a video-taped deposition in this matter in July 2003 and testified as an expert witness in Federal Court before a jury in November 2003. The case was appealed to the Ninth Circuit, which reversed and remanded the matter for retrial in District Court. In November 2006, Mr. Morgan testified again in the second jury trial. The case was settled by the parties before a jury verdict was rendered. The Plaintiff received a favorable settlement from the City.</p>
2003- 2005	Mr. William H. Hair Mr. Anthony H. Trembley Ms. Meghan B. Clark Attorneys at Law Nordman, Cormany, Hair & Compton Oxnard, CA (805) 485-1000 Mr. Gregory D. Totten District Attorney County of Ventura Ventura, CA (805) 654-2501 Mr. R. Thomas Harris Special Assistant District Attorney County of Ventura Ventura, CA (805) 654-3100	<p style="text-align: center;"><u>Totten and Brooks v. Ventura County</u></p> <p style="text-align: center;"><u>Expert Witness Services</u></p> <p>In November 1993, California voters passed Proposition 172, requiring that one-half percent of sales tax collections be dedicated exclusively for the payment of public safety costs. In May, 1995, the Board of Supervisors of Ventura County passed an Ordinance (the "1995 Ordinance") requiring that all Proposition 172 monies received by Ventura County be placed in a special trust fund, to be used exclusively for public safety. In July, 2003, Gregory D. Totten, Ventura County District Attorney, and Bob Brooks, Ventura County Sheriff (the Plaintiffs), filed a complaint against the Ventura County Board of Supervisors (the Defendants), alleging that the County diverted over \$50 million of Proposition 172 funds for uses not permitted under the 1995 Ordinance. The Defendants filed a cross-complaint and other legal motions. In September 2003, Mr. Morgan was retained by the Plaintiffs to provide expert witness testimony. Mr. Morgan provided a Declaration In Opposition to Summary Adjudication in January 2004. The case was ultimately decided in favor of the Defendants.</p>

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EXAMPLES OF EXPERT WITNESS AND OTHER FORENSIC SERVICES (CONTINUED)

<u>Year</u>	<u>Attorneys/Law Firms</u>	<u>Description of Services</u>
2000 - 2004	Mr. Robert S. Bower Mr. William Marticorena Mr. Jeffrey Melching Attorneys at Law Rutan & Tucker, LLP Costa Mesa, CA (714) 641-5100	<p style="text-align: center;"><u>County of Santa Cruz v. Charter Communications, Inc. and Mr. Paul Allen</u></p> <p style="text-align: center;"><u>Deposition and Expert Witness Testimony</u></p> <p>In December 1998, Mr. Paul Allen (co-founder of Microsoft Corporation) acquired Charter Communications, Inc., a St. Louis, MO-based cable television company. The County denied Charter's request for a change of control of the cable franchise. In April 1999 Charter and Mr. Allen filed a Complaint for Declaratory Relief in United States District Court, Northern District of California, seeking to overturn the County's actions. Mr. Morgan was retained by the County to prepare a Declaration In Support of Summary Judgment and other litigation support services. Mr. Morgan provided a deposition in this case in November 2000 and expert witness testimony in Federal Court in February 2001. In March 2001, the District Court rendered a decision in favor of Charter. In September 2002, the Ninth Circuit reversed the decision and ruled in favor of the County. During 2003 Charter filed a petition for a writ of certiorari with the U.S. Supreme Court. In January 2004, the U.S. Supreme Court denied certiorari. Accordingly, the County of Santa Cruz ultimately prevailed in this action.</p> <p style="text-align: center;"><u>City of San Marcos v. County of San Diego</u></p> <p style="text-align: center;"><u>Expert Witness Services</u></p>
2001	Mr. Kevin P. Sullivan Ms. Judith G. Hartwig Attorneys at Law Lounsbery Ferguson Altona & Peak, LLP Escondido, CA (760) 743-1226	<p>In 1995, the City of San Marcos, CA was granted a court order requiring that the County landfill be closed. In 1996, the County filed a Complaint against the City in San Diego Superior Court disputing certain actions by the City. Among other pleadings, the County sought the refund of a mitigation impact fee paid to the City. In May 2001, Mr. Morgan was retained by Lounsbery Ferguson Altona & Peak, LLP on behalf of the City, to prepare a financial analysis of the County's refund claim and provide expert witness testimony at trial. Mr. Morgan's deposition and testimony were scheduled for July 2001 when the case settled out of court.</p>

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EXAMPLES OF EXPERT WITNESS AND OTHER FORENSIC SERVICES (CONTINUED)

<u>Year</u>	<u>Attorneys/Law Firms</u>	<u>Description of Services</u>
1997- 2000		<u>City and County of San Francisco v. Viacom Cable</u>
		<u>Expert Witness Testimony</u>
	Mr. William M. Marticorena Attorney at Law Rutan & Tucker, LLP Costa Mesa, CA (714) 641-3416	In 1996, Viacom Cable sued the City and County of San Francisco (the City) for a refund of \$33 million in previously paid possessory interest taxes. In May 1997, Mr. Morgan was retained by the City to prepare a special report on certain financial aspects of the litigation and then testify as an expert witness before the Assessment Appeals Board. This assignment required over two years of advance research and hearing preparation. In May 2000, Mr. Morgan presented three days of expert witness testimony before the Assessment Appeals Board, and was then retained to represent the City in a mediation of this case. (See below.)
	Mr. Claude F. Kolm Deputy City Attorney City and County of San Francisco (415) 554-3820	
		<u>Mediation Services</u>
	Ms. Louise H. Rennee City Attorney City and County of San Francisco (415) 554-4748	In June 2000, the parties to this litigation agreed to suspend hearings before the Assessment Appeals Board and submit to nonbinding mediation through a retired judge employed by JAMS. Mr. Morgan was retained by the City to prepare mediation exhibits and assist the City in presenting its case before the Mediator. The mediation concluded in August 2000. In September 2000, the mediation settlement agreement was submitted to the Assessment Appeals Board for approval, resulting in a favorable settlement for the City.
	Ms. Julie K. Van Nostern Deputy City Attorney City and County of San Francisco (415) 554-4212	
	Mr. Stewart H. Forman Attorney at Law Freeland, Cooper, Le Hocky & Hamburg San Francisco, CA (415) 541-0200	
	Judge Daniel Weinstein (Retired) Mediator JAMS San Francisco Office (415) 982-5267	

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1999 - 2000	<p>Mr. Joseph W. Forbath Mr. John R. Shaw Attorneys at Law Woodruff, Spradlin & Smart Costa Mesa, CA (714) 415-1013</p> <p>Mr. Lawrence J. Kaplan Arbitrator Attorney at Law/CPA Solomon, Ward, Seidenwurm & Smith San Diego, CA (619) 238-4801</p>	<p style="text-align: center;"><u>City of Garden Grove v. Adult Bookstores</u></p> <p style="text-align: center;"><u>Expert Witness Testimony</u></p> <p>In early 1999, seven adult bookstores located within the City of Garden Grove, CA (the Plaintiffs) filed an action for injunctive relief in United States District Court, Central District of California, against the City. The Plaintiffs alleged violations of their civil rights resulting from enforcement of the City's adult use ordinances. In June 1999, the case was stayed pending resolution of certain financial-related issues before an Arbitrator with American Arbitration Association (AAA). In July 1999, Mr. Morgan was retained by the City to perform a special study on the financial consequences of relocating these adult bookstores to other geographical areas of the City. Mr. Morgan testified as an expert witness on behalf of the City at four AAA administrative hearings. The City received favorable rulings from all four hearings.</p>
1999 - 2000	<p>Mr. Henry R. Kraft Mr. Spencer Covert Attorneys at Law Parker & Covert Tustin, CA (714) 573-0900</p> <p>Mr. John M. Gullixson Attorney at Law Portola, CA (530) 832-0788</p> <p>Mr. Michael Lubinski Senior Deputy District Attorney Orange County District Attorney's Office (714) 834-3600</p>	<p style="text-align: center;"><u>City of Yorba Linda v. City Manager</u></p> <p style="text-align: center;"><u>Litigation Support Services</u></p> <p>In August 1999, the City of Yorba Linda, CA placed its City Manager on administrative leave for alleged financial improprieties. The law firm of Parker & Covert and Diehl, Evans & Company, LLP were retained by the City Council to perform a special investigation of the City Manager. The firm's report was presented to a closed session of City Council in September 1999. Also, the firm's report was forwarded to the Orange County District Attorney's Office. In October 1999, the City filed a civil complaint against the City Manager alleging fraud, breach of contract, gift of public funds and other causes of action. The City Manager then filed a counter suit. Mr. Morgan assisted the City in various phases of the civil litigation, including the calculation of damages. All civil lawsuits were settled in June 2000.</p>

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1998	Mr. Richard C. Cole, Jr. Attorney at Law Phoenix, AZ (602) 997-6191	<u>Phoenix, AZ Police Department</u> <u>Fraud Investigation</u> In 1998, a Diehl, Evans & Company private industry client with offices in California and Arizona experienced a management employee fraud at one of its Arizona facilities; Mr. Morgan was retained by the Company's attorney, Mr. Cole, to perform a criminal fraud investigation. Work was coordinated with, and submitted to, the Phoenix Police Department. The report to the Phoenix Police Department included a chronological narrative of the alleged crime, personal data about the suspect and victims, witness statements, financial spreadsheets of the alleged fraudulent transactions and original copies of documentary evidence supporting the findings.
1997 - 1998	Mr. Benjamin P. de Mayo Mr. Jim Persinger Deputy County Counsels County of Orange, CA (714) 834-6294 Mr. Thomas L. Altmayer Ms. Maj-Le R. Tate Attorneys at Law Burke, Williams & Sorensen Los Angeles, CA (213) 236-2815	<u>City of Lake Forest v. County of Orange</u> <u>Mediation</u> In October 1995, the City of Lake Forest filed a Complaint for Declaratory and Injunctive Relief against the County in Orange County Superior Court. The City's Complaint alleged that the County incorrectly calculated the City's base-year property tax values upon the City's incorporation, pursuant to California Government Code Section 56842. In 1997, the parties elected to submit the case to nonbinding mediation. Mr. Morgan acted as a Mediator in this litigation. Mr. Morgan conducted monthly mediation sessions with attorneys and finance officers from the City and County for nine months. The case settled in March 1998.

