



RSM US LLP

Independent Accountant's Report

Ms. Sylnovia Holt-Rabb, Director
City of Austin
Economic Development Department

We have performed the procedures enumerated in the attached Summary of Procedures and Results, related to Eye Productions Inc.'s (the Company) compliance with respect to certain provisions of the City of Austin's (the City), acting through the City's Economic Development Department (EDD), Chapter 380 Economic Development Agreement ("Chapter 380 Agreement"), approved by the City on December 18, 2020, for the production of 13 episodes of the Company's network television series entitled, "Walker, Season 1" (the "Project"), for which production began on October 27, 2020 and ended on June 19, 2021 (the specified requirements). The City's management is responsible for determination of compliance by the Company with the Agreement.

The City's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in determining whether the Company complied with the specified requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are enumerated in the attached Summary of Procedures and Results.

We were engaged by City's management to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and the Company and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our agreed-upon procedures engagement.

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

RSM US LLP

Austin, Texas
March 22, 2023

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City of Austin

Summary of Procedures and Results

We have performed the following procedures related to certain records and transactions specified by the City:

1. With reference to section 1.01 of the Agreement:
 - a. We inspected the Creative Content Incentive Program (CCIP) Final Report for Walker Season 1 and confirmed that according to the report:
 - i. Production started on October 27, 2020;
 - ii. Production wrapped on June 19, 2021;
 - iii. The Project's primary place of business is a Production Office located at 6301 East Highway 290 in Austin; and
 - iv. Stages are located at 1901 East 51st Street in Austin.
 - b. We inspected a report printed September 23, 2021 from <https://www.austintexas.gov/GIS/PropertyProfile/> and confirmed that 6301 E. Hwy 290 and 1901 East 51st Street are both located in the City's Desired Development Zone.

Findings and Observations: No exceptions were found as a result of applying these procedures.

2. With reference to section 1.02 of the Agreement, we inspected correspondence dated February 26, 2020, from Stephanie Whallon, Texas Film Commission Director, to Rebecca Brown of Eye Productions Inc. and confirmed that the letter conditionally awards a Texas Moving Image Industry Incentive Program grant to Eye Productions Inc.

Findings and Observations: No exceptions were found as a result of applying the procedure.

3. With reference to Section 1.03 of the Agreement:
 - a. We Inspected a report showing the names, addresses, total wages paid, and base pay rates of each of the Austin Area residents employed on the Project.
 - b. We used the report and/or other documentation to verify that the address of each employee is in the Austin Area and that each employee's base pay rate is at least \$15.00 per hour.
 - c. We verified that the report identifies 447 employees who reside in the Austin Area and were paid at least \$15 per hour for their work on Walker Season 1.
 - d. We verified that according to the report, the 447 employees residing in the Austin Area were paid an aggregate total of \$17,205,176.45 for their work on Walker Season 1.
 - e. Using the report, we selected a sample representing at least 10% of the 447 Walker Season 1 employees who reside in the Austin Area and were paid at least \$15 per hour.
 - f. For each of the 45 individuals in the sample, we inspected the worker's Declaration of Residency form and verified that the address on the form either matches the address in Eye Productions Inc.'s report, or if not, both addresses are in the Austin Area.

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- g. For 44 of the 45 individuals sampled, we inspected payroll records and verified that each employee's compensation rate was at least \$15 per hour.
- h. For the remaining individual sampled, we inspected support documentation provided by Eye Productions Inc. and confirmed that the compensation rate in the support documentation is at least the compensation rate reported by Eye Productions Inc.
- i. We inspected the acknowledgement received February 2, 2022 from Eye Productions Inc.'s Production Finance Director and confirm that she certified that during production of Walker Season 1, Eye Productions Inc.
 - i. paid no less than union wages to all workers, except extras, interns and production assistants;
 - ii. ensured that all workers, except extras, interns and production assistants, were provided benefits equivalent to the applicable union benefits, including worker's compensation; and
 - iii. ensured that applicable company benefits were extended to same-sex partners of workers other than extras, interns and production assistants.

Findings and Observations: No exceptions were found as a result of applying the procedures.

- 4. With reference to section 1.04 of the Agreement, we inspected the end credits for episodes 2, 4, 7, 10 and 12 and confirmed that each includes the Austin Film Commission's "Made in Austin" logo and "Thank you to the City of Austin Economic Development Department for its financial support of this production. Filmed on location in Austin, Texas, U.S.A."

Findings and Observations: No exceptions were found as a result of applying the procedure.

- 5. With reference to Section 1.05 of the Agreement, we inspected the report entitled SMBR Compliance Determination, Eye Productions Inc. Contract Agreement, Walker Season 1 and confirm that according to the report SMBR has determined that Eye Productions met the requirements in section 1.05(a) through (b) of the Agreement.

Findings and Observations: No exceptions were found as a result of applying the procedure.

- 6. With reference to section 1.07 of the Agreement, we inspected the acknowledgement received February 2, 2022 from Eye Productions Inc.'s Director and confirm that she certified that during production of Walker Season 1, Eye Productions Inc. has obtained, or required to be obtained, at its sole cost, all permits and licenses, including any permits required by the City's Special Events Ordinance and co- sponsorship agreements with the City necessary to produce the project.

Findings and Observations: No exceptions were found as a result of applying the procedure.

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7. With reference to Section 1.08 of the Agreement, we inspected the acknowledgement received February 2, 2022 from Eye Productions Inc.'s Director and confirmed that she certified that during production of Walker Season 1 Eye Productions Inc. (1) has not knowingly hired any undocumented workers; (2) will, during the term of the Agreement, notify the City of any complaint brought against Eye Productions Inc. alleging that Eye Productions Inc. has employed Undocumented Workers; and (3) will repay the City the amount of any economic development grant it has received, with interest at the rate of 5% from the date of the payment, if Eye Productions Inc. is convicted of a violation under 8 U.S.C. Section 1324a(f).

Findings and Observations: No exceptions were found as a result of applying the procedure.

8. With reference to Section 1.08 of the Agreement:
 - a. For 44 of the 45 employees included in the sample set selected in Procedure 3e, we inspected the employee's form I-9 and verified that:
 - i. The employee has attested that s/he is either:
 1. A citizen of the U.S. or
 2. a non-citizen national of the U.S. or
 3. a lawful permanent resident of the U.S. or
 4. an alien authorized to work in the U.S.; and
 - ii. Eye Productions Inc. has completed Section 2 of the form, including the certification.
 - iii. If a final E-verify report is available, the E-Verify case result is "employment authorized".

Findings and Observations: No exceptions were found as a result of applying the procedure.

- b. For the one remaining employee sampled, we inspected the loan-out form executed between Eye Productions Inc. and the cast member, as well as the Form W-9 completed by the cast member.

Findings and Observations: No exceptions were found as a result of applying the procedure.

9. With reference to section 1.09 of the Agreement, we inspected the acknowledgement received February 2, 2020, from Eye Productions Inc.'s Production Finance Director and confirmed that she certified that during production of Walker Season 1, Eye Productions Inc. complied with all provisions of AUSTIN TEX., CODE Title 5. (Civil Rights), as amended, recodified or reenacted from time to time, relating to equal opportunity in employment and business practices.

Findings and Observations: No exceptions were found as a result of applying the procedure.

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10. Confirm that 0.750% of \$17,205,176.45 is \$129,038.82.

Findings and Observations: No exceptions were found as a result of applying the procedure.

11. With reference to Section 2.01 of the Agreement, we inspected the CCIP Final Report for Walker Season 1 and confirmed that Eye Productions Inc. provided the report to the City on September 15, 2021.

Findings and Observations: No exceptions were found as a result of applying the procedure.