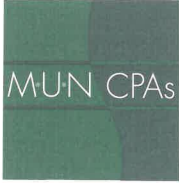

TAHOE CITY PUBLIC UTILITIES DISTRICT
Tahoe City, California

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES
TO APPROPRIATIONS LIMIT CALCULATION**

AS OF DECEMBER 31, 2018

MANN, URRUTIA, NELSON, CPAS & ASSOCIATES, LLP
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To The Board of Directors
Tahoe City Public Utilities District
Tahoe City, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Calculation of the Tahoe City Public Utilities District, CA, (the District) for the year ending December 31, 2018. These procedures, which were agreed to by the District and the League of California Cities (as presented in the publication entitled Agreed-upon Procedures Applied to Appropriations Limitation Prescribed by Article XIII-B of the California Constitution), were performed solely to assist the District in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. Tahoe City Public Utilities District's management is responsible for the Appropriations Limit Calculation.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We obtained the completed worksheets used by the District to calculate its appropriations limit for the fiscal year ending December 31, 2018, and determined that the limit and annual calculation factors were adopted by resolution of District Board. We also determined that the population and inflation options were selected by a recorded vote of the District Board.

Finding: No exceptions were noted as a result of our procedures.

2. For the Appropriations Limit Calculation, we added the appropriations limit at December 31, 2017 to the annual permitted adjustments and agreed the resulting amount to the December 31, 2018 appropriations limit.

Finding: No exceptions were noted as a result of our procedures.

3. We compared current year information presented in the appropriations limit calculation to supporting worksheets.

Finding: No exceptions were noted as a result of our procedures.

4. We compared the December 31, 2018 appropriations limit presented in the appropriations limit calculation to the prior year appropriations limit adopted by the Board of Directors during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriations limit for the base year, as defined by Article XIII B of the California Constitution.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

Man Unt. Nel CPAs

Sacramento, California
January 12, 2018

**TAHOE CITY PUBLIC UTILITIES DISTRICT
 APPROPRIATIONS LIMIT CALCULATION
 DECEMBER 31, 2018**

	Amount	Source
A. Prior year's appropriations limit (at December 31, 2017)	\$ <u>18,067,232</u>	
B. Adjustment factors for the current fiscal year:		
1. Population change	1.0057	* State Finance
2. Inflation (per capita personal income change)	<u>1.0369</u>	* State Finance
Total adjustment	<u>1.0428</u>	* (B1 x B2)
C. Annual adjustment	773,123	A x (B - 1)
D. Other Adjustments		
Lost responsibility (-)	-	
Transfer to fees (-)	-	
Assumed responsibility (+)	<u>-</u>	
	<u>-</u>	
E. Total adjustments	<u>773,123</u>	C+D
F. Current year's appropriations limit (at December 31, 2018)	\$ <u><u>18,840,355</u></u>	A+E

* Rounded to the nearest ten thousandth