



REPORT OF INDEPENDENT ACCOUNTANTS ON APPLYING AGREED-UPON
PROCEDURES

To the Honorable Mayor and City Council
City of Cupertino, California
10300 Torre Avenue
Cupertino, California 95014-3202

Ladies and Gentlemen:

We have performed the procedures enumerated below, which were agreed to by the Honorable Mayor and City Council of the City of Cupertino, California (the "City") on the Appropriations Limit Worksheet (Worksheet), related to the City's compliance with Section 1.5 of Article XIII B of the California Constitution during the period ending June 30, 2018. Management is responsible for compliance with Section 1.5 of Article XIII B of the California Constitution. The sufficiency of these procedures is solely the responsibility of the City. 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.

Refer to Appendix A.

This agreed-upon procedures engagement was conducted 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, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with Section 1.5 of Article XIII B of the California Constitution. 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.

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

A handwritten signature in black ink that reads "Crowe LLP".

Crowe LLP

Costa Mesa, California
June 21, 2019

APPENDIX A – SCHEDULE OF PROCEDURES AND FINDINGS

The procedures to be performed were as follows:

1. **Procedure:** We obtained the Worksheet provided by the City and determined that the 2017-2018 Limit amounting to \$96,028,489 and annual adjustment factors were adopted by Resolution 2017-055 of the Honorable Mayor and City Council. We also determined that the population and inflation factors were selected by a recorded vote of the Honorable Mayor and City Council.

Result: The procedures were performed without exception.

2. **Procedure:** We recomputed the 2017-2018 Appropriations Limit by multiplying the 2016-2017 Appropriations Limit by the adjustment factors.

Result: The procedures were performed without exception.

3. **Procedure:** For the Worksheet, we agreed the Per Capita Income, County and City Population Factors to California State Department of Finance Worksheets.

Result: The procedures were performed without exception.