

McCLINTOCK ACCOUNTANCY CORPORATION

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December 7, 2016

North Lake Tahoe Marketing Cooperative
P.O. Box 1757
Tahoe City, CA 96145

Dear Board of Directors:

We are pleased to confirm our understanding of the services we are to provide for the year ended June 30, 2017.

We will prepare the financial statements of North Lake Tahoe Marketing Cooperative, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and perform a review engagement with respect to those financial statements.

Our Responsibilities

The objective of our engagement is to-

- Prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you, and
- Obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA and comply with applicable professional standards, including the AICPA's *Code of Professional Conduct*, and its ethical principles of integrity, objectivity, professional competence, and due care, when preparing the financial statements and performing the review engagement.

A review engagement includes primarily applying analytical procedures to the Cooperative's financial data and making inquiries of Cooperative management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. A review does not contemplate obtaining an understanding of the Cooperative's internal control; assessing fraud risk; testing of accounting records by obtaining sufficient appropriate audit evidence through inspection, observation,

confirmation, or other examination of source documents; or other procedures ordinarily performed in an audit engagement. Accordingly, we will not express an opinion regarding the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the Cooperative or noncompliance with laws and regulations. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our review procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our review procedures regarding any wrongdoing within the Cooperative or noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

Other Services

We will assist in preparing the financial statements of the Cooperative in accordance with U.S. generally accepted accounting principles based on the information provided by you. Other services may include updating the property and equipment ledger, if applicable, and updating other account reconciliations, but otherwise are limited to the financial statement and tax services previously defined. 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.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America and to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements in order for the statements to be in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.
2. The preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America.
3. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements.

4. The prevention and detection of fraud.
5. To ensure that the Cooperative complies with the laws and regulations applicable to its activities.
6. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
7. To provide us with-
 - access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - additional information that we may request from you for the purpose of the review engagement.
 - unrestricted access to persons within the Cooperative of whom we determine it necessary to make inquiries.
8. To provide us, at the conclusion of the engagement, with a letter that confirms certain representations made during the review.
9. Including our review report in any document containing financial statements that indicates that we have performed a review engagement on such financial statements and, prior to inclusion of the report, to ask our permission to do so.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our preparation of your financial statements and other non-attest services. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Our Report

We will issue a written report upon completion of our review of the Cooperative's financial statements. Our report will be addressed to the board of directors of the Cooperative. We cannot provide assurance that an unmodified accountant's review report will be issued. Circumstances may arise in which it is necessary for us to report known departures from accounting principles generally accepted in the United States of America, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. If, for any reason, we are unable to complete the review of your financial statements, we will not issue a report on such statements as a result of this engagement.

Administration

Robert McClintock is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for the work described above is part of the audit fee for the North Lake Tahoe Resort Association.

Other work not identified above, such as special audit projects, will be billed at our normal hourly rates or in accordance with agreed-upon terms prior to the commencement of the work.

If the foregoing is in accordance with your understanding, please sign the enclosed copy of this letter and return it to us. We appreciate the opportunity to be of service to the Cooperative.

Sincerely,

McClintock Accountancy Corporation

McCLINTOCK ACCOUNTANCY CORPORATION

You are hereby authorized to proceed with the services outlined above.

NORTH LAKE TAHOE MARKETING COOPERATIVE

Janeen H. Hall

Signature

CEO

Title

6-2-17

Date

[Signature]

Signature

President CAO

Title

6-2-17

Date