

April 30, 2019

Dear Member:

Please find the 2018 Audit Report summary for GRCLT Condominium Association, Inc. This report is being provided to you as outlined in the Association Declaration of Covenants, Conditions and Restrictions (CC&R's), Article VI. Management 6.2 and Exhibit D, Management Agreement, Article III, Services of Managing Agent, 3.6 Financial Services, (f) Financial Statements. **The complete Annual Report is available at the business office of the Association and copies will be provided upon an Owner's request at the expense of the Association.**

For questions or to obtain a complete copy of the Audit, please contact Alberto Valdez, Director of Finance, by phone at 530-542-6701 or by email at alberto.valdez@vacationclub.com.

For any additional questions, please contact me by phone at 530-542-8401 or by email at greg.campbell@vacationclub.com.

Sincerely,

Greg Campbell
General Manager
Marriott Grand Residence Club

GRCLT Condominium, Inc.

Summary Report on Audit of Financial Statements

For the Year Ended December 31, 2018 and Fiscal Year Ended December 31, 2017

Balance Sheet

	<u>Operating</u>	<u>Reserves</u>	<u>2018 Total</u>	<u>2017 Total</u>
Assets:				
Cash and Investments	\$ 1,164,380	\$ 14,353,980	\$ 15,518,360	\$ 13,543,882
Other Assets	(487,073)	1,038,639	551,566	1,829,736
Total Assets	<u>\$ 677,307</u>	<u>\$ 15,392,619</u>	<u>\$ 16,069,926</u>	<u>\$ 15,373,618</u>
Liabilities and Fund Balances:				
Accrued Expenses	\$ 188,953	\$ 50,561	\$ 239,514	\$ 230,890
Other Liabilities	327,299	163,094	\$ 490,393	2,197,368
Fund Balances	161,055	15,178,964	15,340,019	12,945,360
Total Liabilities and Fund Balances	<u>\$ 677,307</u>	<u>\$ 15,392,619</u>	<u>\$ 16,069,926</u>	<u>\$ 15,373,618</u>

Operating Fund - Income Statement

	<u>2018 Total</u>	<u>2017 Total</u>
Total Revenues	\$ 5,591,455	\$ 5,272,956
Total Expenses	(5,708,139)	(4,651,191)
(Deficit) Excess of Revenues over Expenses	(116,684)	621,765
Fund Balance - Beginning of Year	<u>757,739</u>	<u>135,974</u>
Board approved transfer of cash between funds	(480,000)	-
Fund Balance - End of Year	<u>\$ 161,055</u>	<u>\$ 757,739</u>

Reserve Fund - Income Statement

	<u>2018 Total</u>	<u>2017 Total</u>
Total Revenues	\$ 3,577,160	\$ 3,787,088
Total Expenses	(1,065,817)	(531,881)
Excess of Revenues over Expenses	2,511,343	3,255,207
Fund Balance - Beginning of Year	<u>12,187,621</u>	<u>8,932,414</u>
Board approved transfer of cash between funds	480,000	-
Fund Balance - End of Year	<u>\$ 15,178,964</u>	<u>\$ 12,187,621</u>