

April 30, 2019

Dear Owner:

Please find the 2018 Audit Report summaries for Summit Watch Condominium Owners Association, Inc., and Summit Watch Resort Owners Association, Inc. The reports are being distributed to Owners as outlined in Summit Watch Condominium Owners Association, Inc., Bylaws, Article 8. Accounting, 8.5; and Summit Watch Resort Owners Association Inc., Bylaws, Article 8. Accounting, 8.4.1.

For questions or to obtain a complete copy of the Audits, please contact Brandon Weilenmann, Director of Finance, by email at Brandon.Weilenmann@vacationclub.com or by phone at 435-647-4155.

Please also consider opting-in to receive mailings required by the Association's governing documents or applicable law via electronic transmission through an email address. Examples of required mailings may include: notices of meetings, financial statements, budgets and amendments to the governing documents.

In order to receive these items by electronic transmission, Owners must first explicitly provide consent (or "opt-in"). Consent to receive required mailings by electronic transmission is effective unless it is revoked at a later time.

To opt-in, log into your Owner account on MarriottVacationClub.com. Click on "Account", click on "Profile", click on "Register for Online Document Notification". Edit Settings.

For questions, please contact me by phone at 435-647-4019 or by email at Wendy.Carney@vacationclub.com.

Sincerely,

Wendy Carney
General Manager
Marriott's Summit Watch

Summit Watch Condominium Association, Inc.
Summary Report on Audit of Financial Statements
Years Ended December 31, 2018 and 2017

Balance Sheet

	<u>Operating</u>	<u>Reserves</u>	<u>2018 Total</u>	<u>2017 Total</u>
Assets:				
Cash and cash equivalents	\$ 153,150	\$ 502,565	\$ 655,715	\$ 76,961
Other Assets	154,998	320,038	475,036	474,163
Total Assets	<u>\$ 308,148</u>	<u>\$ 822,603</u>	<u>\$ 1,130,751</u>	<u>\$ 551,124</u>
Liabilities and Fund Balances:				
Accrued Expenses	\$ 37,064	\$ -	\$ 37,064	\$ 189,264
Other Liabilities	93,237	358	93,595	189,095
Fund Balances	177,847	822,245	1,000,092	172,765
Total Liabilities and Fund Balances	<u>\$ 308,148</u>	<u>\$ 822,603</u>	<u>\$ 1,130,751</u>	<u>\$ 551,124</u>

Operating Fund - Income Statement

	<u>2018 Total</u>	<u>2017 Total</u>
Total Revenues	\$ 1,133,782	\$ 1,086,491
Total Expenses	(1,103,533)	(1,049,183)
Excess of Revenues over Expenses	30,249	37,308
Fund Balance - Beginning of Year	147,598	110,290
Fund Balance - End of Year	<u>\$ 177,847</u>	<u>\$ 147,598</u>

Reserve Fund - Income Statement

	<u>2018 Total</u>	<u>2017 Total</u>
Total Revenues	\$ 939,905	\$ 886,517
Total Expenses	(142,827)	(2,364,184)
Excess (Deficit) of Revenues over Expenses	797,078	(1,477,667)
Fund Balance - Beginning of Year	25,167	1,502,834
Fund Balance - End of Year	<u>\$ 822,245</u>	<u>\$ 25,167</u>

For a complete copy of the audited financial statements, please contact the Director of Finance, Brandon Weilenmann, at Brandon.Weilenmann@vacationclub.com.
Summit Watch Condominium Association financial statements were audited by RSM US, LLP.

Summit Watch Resort Owners Association, Inc.
Summary Report on Audit of Financial Statements
Years Ended December 31, 2018 and 2017

Balance Sheet

	<u>Operating</u>	<u>Reserves</u>	<u>2018 Total</u>	<u>2017 Total</u>
Assets:				
Cash and cash equivalents	\$ 1,359,030	\$ 651,068	\$ 2,010,098	\$ 3,082,349
Other Assets	1,379,122	5,734,593	7,113,715	5,732,676
Total Assets	<u>\$ 2,738,152</u>	<u>\$ 6,385,661</u>	<u>\$ 9,123,813</u>	<u>\$ 8,815,025</u>
Liabilities and Fund Balances:				
Accrued Expenses	\$ 245,406	\$ 61,695	\$ 307,101	\$ 204,480
Other Liabilities	2,063,881	674,458	2,738,339	4,510,118
Fund Balances	428,865	5,649,508	6,078,373	4,100,427
Total Liabilities and Fund Balances	<u>\$ 2,738,152</u>	<u>\$ 6,385,661</u>	<u>\$ 9,123,813</u>	<u>\$ 8,815,025</u>

Operating Fund - Income Statement

	<u>2018 Total</u>	<u>2017 Total</u>
Total Revenues	\$ 8,431,680	\$ 8,074,294
Total Expenses	(8,465,045)	(7,933,087)
(Deficit) Excess of Revenues over Expenses	(33,365)	141,207
Fund Balance - Beginning of Year	784,230	643,023
Board approved transfer to the Reserve for Replacement Fund	(322,000)	-
Fund Balance - End of Year	<u>\$ 428,865</u>	<u>\$ 784,230</u>

Reserve Fund - Income Statement

	<u>2018 Total</u>	<u>2017 Total</u>
Total Revenues	\$ 2,725,096	\$ 2,686,073
Total Expenses	(713,785)	(1,072,999)
Excess of Revenues over Expenses	2,011,311	1,613,074
Fund Balance - Beginning of Year	3,316,197	1,703,123
Board approved transfer from the Operating Fund	322,000	-
Fund Balance - End of Year	<u>\$ 5,649,508</u>	<u>\$ 3,316,197</u>

Summit Watch Resort Owners Association, Inc.
Board of Directors

Name	Office Held	Term
Ann Hurbanis	President	2018-2020
Lynn Gilbert	Vice President	2018-2020
Robert Heagy	Secretary	2017-2019
Charles Compton	Treasurer	2018-2020
Robert Crawford	Director	2017-2019