

January 4, 2019

Dear Owner:

Attached, please find the minutes from Summit Watch Resort Owners Association, Inc., and Summit Watch Condominium Owners Association, Inc., Management Committee Meetings. The minutes are being distributed to Owners as outlined in Summit Watch Resort Owners Association, Inc., By-Laws, Article 3. Meetings of the Resort Association, 3.7; and Summit Watch Condominium Owners Association, Inc., By-Laws, Article 3. Meetings of the Condominium Association, 3.7.

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](http://MarriottVacationClub.com). Click on "Account", click on "Profile", click on "Register for Online Document Notification". Edit Settings.

For questions, please contact me by telephone at 435-647-4019 or by email at [Wendy.Carney@vacationclub.com](mailto:Wendy.Carney@vacationclub.com).

Sincerely,

*Wendy Carney*  
General Manager  
Marriott's Summit Watch

**Summit Watch Condominium Owners Association, Inc.**

**Board of Directors Meeting**

**November 5, 2018**

A regular meeting of Summit Watch Condominium Owners Association Inc., Board of Directors was held on November 5, 2018, at Park City Marriott, 1895 Sidewinder Drive, Park City, Utah 84060.

**Present from the Board of Directors were:** David Fjeldsted, President; Valiena Allison, Vice President; Robert Turner, Treasurer; William Sheeran, Secretary and Michael Jang, Director

**Present from Marriott Vacation Club® International, representing the Management Company, were:** Jane Berg, Regional Vice President of Customer Experience-West; Wendy Carney, General Manager; Scott Wilkerson, Area Director of Finance-West Operations; Brandon Weilenmann, Director of Finance; Freddy Arellano-Burga, Assistant Controller; Chelsey Anderson, Director of Rooms; Kenny Richardson, Director of Engineering and Whitney Kane, Executive Assistant

**Guests present were:** Chris Van Ruiten, Comerica Securities, Inc., and Peter Harrison, Miller Harrison LLC

**CALL TO ORDER**

David Fjeldsted, President, called the meeting to order at 9:00 a.m., Mountain time.

Approval to run meetings concurrently

**A motion was made by Valiena A. Allison to run Summit Watch Condominium Owners Association, Inc., Board of Directors Meeting concurrently with Summit Watch Resort Owners Association, Inc., Board of Directors Meeting. The motion was seconded by William Sheeran and unanimously carried.**

**ESTABLISHMENT OF QUORUM**

Mr. Fjeldsted announced with all Board Members present, quorum was met.

**APPOINTMENT OF RECORDING SECRETARY**

Mr. Fjeldsted appointed Whitney Kane to serve as Recording Secretary.

**PROOF OF NOTICE OF BOARD OF DIRECTORS MEETING**

Notice of Board Meeting was mailed to all Board Members on August 20, 2018, as required by the Association Bylaws.

**APPROVAL OF AGENDA**

**A motion was made by Valiena A. Allison to approve the Agenda as presented. The motion was seconded by William Sheeran and unanimously carried.**

**APPROVAL OF BOARD OF DIRECTORS MEETING MINUTES**

**A motion was made by Valiena A. Allison to waive the reading of the April 19, 2018 Board Meeting Minutes and approve as presented. The motion was seconded by Robert Turner and unanimously carried.**

**A motion was made by Valiena A. Allison to waive the reading of the July 18, 2018 Nominating Committee Meeting Minutes and approve as presented. The motion was seconded by Robert Turner and unanimously carried.**

**A motion was made by Valiena A. Allison to waive the reading of the September 20, 2018 Board Meeting Minutes and approve as presented. The motion was seconded by Robert Turner and unanimously carried.**

**ACCEPTANCE OF COMMITTEE MEETING MINUTES**

**A motion was made by Valiena A. Allison to accept the October 8, 2018 Reserve Committee Meeting Minutes as presented. The motion was seconded by William Sheeran and unanimously carried.**

## INVESTMENTS

### Comerica Securities, Inc.

Chris Van Ruiten presented an investment update.

**A motion was made by Valiena A. Allison to continue the current Investment Policy with Comerica Securities Inc., during 2019. The motion was seconded by Robert Turner and unanimously carried.**

## OLD BUSINESS

### Recent changes to Utah Condominium Ownership Act and Community Association Act - UT H 454

Peter Harrison discussed recent changes to Utah Condominium Ownership Act and Community Association Act – UT H 454.

**A motion was made by David Fjeldsted to form a Committee comprised of a Marriott representative, a Summit Watch Resort Owners Association Inc., Owner and a Summit Watch Condominium Owners Association, Inc., Owner to review and address the deficiencies of UT H 454 and present recommendations to the Board. The motion was seconded by Valiena A. Allison and unanimously carried.**

The committee will consist of David Fjeldsted, Lynn Gilbert, Brandon Weilenmann, and Wendy Carney.

### Old Town Cellars Agreement

Michael Jang presented an update on the Old Town Cellars Agreement.

**A motion was made by Valiena A. Allison to approve Association counsel send the Commercial Owner a cease and desist letter, who will transmit to Old Town Cellars, stating the forklift is not allowed on the plaza and must be removed from the property within 14 business days as vehicles are not permitted on the plaza. A copy of the letter is to be sent to the Commercial Owner's attorney. The motion was seconded by Robert Turner and unanimously carried.**

## FINANCIAL REPORT

### Current Financials.

Brandon Weilenmann presented current financials. Highlights included:

- The current forecasted Operating surplus is \$11,973.
- Major variances include:
  - Overage in refuse collection in the amount of \$5,888, due to increased tonnage and the need for an additional pick-up during the summer
  - Savings in electricity in the amount of \$8,263, due to lower usage stemming from lower snow fall impacting the roof snow tape
  - Savings in insurance in the amount of \$18,261, due to a decrease in the five-year rolling average of accidents
  - Overage in gas in the amount of \$10,810, due to increased snow melt capacity on the plaza deck
- The automated parking system is forecasted to end the year with a profit of \$160,349, which is \$24,804 over 2017. The variance is due to higher revenue during Sundance Film Festival and summer special events.

**A motion was made by Robert Turner to engage Cherry Bekaert as the 2018 Audit firm for Summit Watch Condominium Owners Association, Inc. The motion was seconded by Valiena A. Allison and unanimously carried.**

### 2018 Reserves

Wendy Carney presented the 2018 Reserves. Highlights included:

- Snow melt system boiler
- Plaza deck maintenance regarding sealant
- Plaza deck renovation
- 2018 Reserves variances included:

- Repaired concrete expansion joints in the amount of \$1,882
- Purchased additional generator lighting in the amount of \$645
- Emergency repair of plaza deck leak in the amount of \$5,194
- Emergency repair of plumbing in Building 1- parking garage in the amount of \$2,666
- Emergency repair of plumbing in Building 2 - boiler room in the amount of \$2,480
- Emergency repair of post tension in the amount of \$8,822
- Emergency repair of ramps and railings for Buildings 5 and 6 in the amount of \$4,250
- Emergency repair of roof for Building 2 in the amount of \$13,103
- Emergency repair of fire system in the amount of \$16,922
- Emergency replacement of fire dry system compressor in the amount of \$7,132

**A motion was made by Valiena A. Allison to approve 2018 Reserve variances of \$63,096 to include repair of concrete expansion joints in the amount of \$1,882, emergency generator lighting in the amount of \$645, emergency plaza deck leak repair in the amount of \$5,194, emergency plumbing repair in Building 1 parking garage in the amount of \$2,666, emergency plumbing in Building 2 boiler room in the amount of \$2,480, emergency repair of post tension in the amount of \$8,822, emergency repairs on ramps and railings Buildings 5 and 6 in the amount of \$4,250, emergency repairs to roof in Building 2 in the amount of \$13,103, emergency repairs on fire system in the amount of \$16,922 and emergency replacement of the fire dry system compressor in the amount of \$7,132. The motion was seconded by Robert Turner and unanimously carried.**

#### 2019 Reserves

Mr. Weilenmann presented an update to the 2019 Reserve Study. Highlights included:

- Added installation of fire system wiring to 2026
- Delayed purchase of garage floor sweeper to 2020
- Delayed installation of plaza stair lighting to 2027, due to recent replacement
- Added replacement of electrical distribution panel replacements from 2025 to 2028
- Delayed elevator modernization from 2020 to 2022

Kenny Richardson presented the proposed 2019 Reserve Projects and costs of projects. Highlights included:

- Replace ATV 4-wheeler
- Add various concrete projects
  - Repair Main Street concrete - \$135,450
  - Repair Building 1 planter box concrete - \$85,050
  - Repair store front concrete - \$69,846
  - Replace and repair various common area plumbing elements

Mr. Weilenmann presented the projected Reserve cash flow including a 5% Reserve contribution increase in 2019.

**A motion was made by William Sheeran to approve the 2019 Reserve Expenditure Projects in the amount of \$731,311, including each project and item thereof, as presented and attached to the minutes of record. The motion was seconded by Michael Jang and unanimously carried.**

#### **PROPOSED 2019 BUDGET AND MAINTENANCE FEE**

Mr. Weilenmann presented the proposed 2019 Budget and Maintenance Fee. The proposed budget includes an increase of 3.7%. The detailed budget was previously discussed during the September 20, 2018 Board Meeting.

**A motion was made by William Sheeran to approve the 2019 Annual Maintenance Fee budget for Summit Watch Condominium Owners Association, Inc., as presented by Brandon Weilenmann in the total amount of \$2,119,938, including each line item of such budget, and move to direct the Secretary of the Association to include such budget in the records of the Association as Exhibit A and attached to the minutes, which budget includes a total Operating Fee of \$1,146,333 and a Reserve Fee of \$973,605. The motion was seconded by Robert Turner and unanimously carried.**

**NEW BUSINESS**

**Tenant Sandwich Board Sign Approval**

Ms. Carney discussed signs approved for the following tenants:

- The Paint Mixer
- Engel & Volkers
- Vinto
- Marriott Vacation Club Sales
- Pepper Palace

**Special Event Parking - Tenants**

Ms. Carney led a discussion on special event parking for tenants. Tenants with paid parking passes are not permitted to park in the garage during special events. Daily parking rates are established for approved events.

**A motion was made by William Sheeran to approve 2019 parking for special events including Sundance Film Festival, Fourth of July, Arts Festival, Tour de Utah, Park Silly Sundays, Labor Day Weekend, Food and Wine Tour and Park City Magazine’s Plaza Event. The motion was seconded by Valiena A. Allison and unanimously carried.**

**Announcement of Next Meeting Dates**

- Board Meeting - May 2, 2019
- Board Meeting - to be determined
- Board and Annual Meetings - October 11, 2019

**ADJOURNMENT**

**There being no further business to come before the Board, a motion was made by Robert Turner to adjourn the meeting at 2:26 p.m. The motion was seconded by Valiena A. Allison and unanimously carried.**

Submitted by:

Approved by:

\_\_\_\_\_  
 Whitney Kane Date  
 Recording Secretary

\_\_\_\_\_  
 David Fjeldsted Date  
 President

**These minutes are subject to approval at the next Board of Directors Meeting**

Exhibit A

**SUMMIT WATCH CONDOMINIUM ASSOCIATION, INC.**

2019 Estimated Operating Budget

For The Period Beginning January 1, 2019 And Ending December 31, 2019

	2018 BUDGET TOTAL	2019 APPROVED BUDGET TOTAL	2018 BUDGET VS 2019 BUDGET INCREASE/(DECREASE)		Time Share <sup>2</sup>	Commercial <sup>2</sup>
			\$	%		
<b>Revenue</b>						
Maintenance Fee	2,043,774	2,119,938	76,164	3.7%	1,585,015	534,923
Bank/Investment Interest	87	1,575	1,488	1710.3%	1,178	397
Miscellaneous Income	14,228	15,453	1,225	8.6%	11,554	3,899
<b>Total Maintenance Fee Revenue</b>	<b>2,058,089</b>	<b>2,136,966</b>	<b>78,877</b>	<b>3.8%</b>	<b>1,597,746</b>	<b>539,220</b>
<b>Expenses</b>						
Accounting	42,433	43,932	1,499	3.5%	32,847	11,085
Administration	106,792	110,480	3,688	3.5%	82,603	27,877
Audit Fee	7,350	7,530	180	2.5%	5,630	1,900
Board of Directors	7,857	8,151	294	3.7%	6,094	2,057
Contingency	-	-	-	0.0%	-	-
Electricity	72,783	65,220	(7,563)	(10.4%)	48,763	16,457
Gas	18,841	29,870	11,029	58.5%	22,333	7,537
Human Resources	5,350	5,498	148	2.8%	4,111	1,387
Income Tax	5,297	6,301	1,004	19.0%	4,711	1,590
Insurance	200,260	195,015	(5,245)	(2.6%)	145,807	49,208
Landscape / Grounds	85,324	87,843	2,519	3.0%	65,678	22,165
Legal	5,000	5,000	-	0.0%	3,738	1,262
Loss Prevention / Security	178,239	186,224	7,985	4.5%	139,234	46,990
Maintenance	170,657	174,457	3,800	2.2%	130,436	44,021
Management Fee	185,798	192,722	6,924	3.7%	144,093	48,629
Refuse Collection	35,085	41,274	6,189	17.6%	30,859	10,415
Water and Sewer	3,780	3,844	64	1.7%	2,874	970
<b>Operating Fee</b>	<b>1,130,846</b>	<b>1,163,361</b>	<b>32,515</b>	<b>2.9%</b>	<b>869,811</b>	<b>293,550</b>
Reserve Fee <sup>1</sup>	927,243	973,605	46,362	5.0%	727,936	245,669
<b>Operating and Reserve Fee</b>	<b>2,058,089</b>	<b>2,136,966</b>	<b>78,877</b>	<b>3.8%</b>	<b>1,597,746</b>	<b>539,220</b>
<b>Total Maintenance Fee</b>	<b>2,043,774</b>	<b>2,119,938</b>	<b>76,164</b>	<b>3.7%</b>	<b>1,585,015</b>	<b>534,923</b>

## 2019 COA APPROVED RESERVES

<b>Project #</b>	<b>Approved Expenses</b>	<b><u>Proposed</u> Amount</b>	<b><u>Amount</u> Determinate</b>
1	ATV 4-Wheeler-Honda	7,108	Bid
2	Concrete Repair - Main Street - Image Eyes	135,450	Estimate
3	Concrete Repair – Bldg. 1 Planter Box	85,050	Estimate
4	Concrete Repair - Store Front	69,846	Bid
5	Electrical Distribution Switch	122,055	Estimate
6	Paint-Exterior-Bldg. 4	81,600	Bid
7	Paint-Exterior-Bldg. 5	67,680	Bid
8	Parking Garage Repairs	61,800	Estimate
9	Plumbing Replacement - Garage	65,650	Bid
10	Roof-Snow Melt System-Repairs	6,978	Historical
11	Paint Fencing/Railing-Plaza Area	28,094	Bid

**Total Expenses**

**731,311**

**Summit Watch Condominium Owners Association, Inc.**

**Organizational Meeting**

**November 5, 2018**

An Organizational Meeting of Summit Watch Condominium Owners Association, Inc., (COA) was held on November 5, 2018, at Park City Marriott, 1895 Sidewinder, Park City, Utah 84060.

**Present from the Board of Directors were:** Valiena A. Allison, David Fjeldsted, William Sheeran and Robert Turner

**Absent from the Board of Directors was:** Mike Jang

**Present from Marriott Vacation Club® International, representing the Management Company, was:** Whitney Kane, Executive Assistant

**CALL TO ORDER**

David Fjeldsted called the meeting to order at 4:50 p.m., Mountain time.

**ESTABLISHMENT OF QUORUM**

With the majority of Board Members present, quorum was established.

**APPOINTMENT OF RECORDING SECRETARY**

David Fjeldsted appointed Whitney Kane to serve as Recording Secretary.

**APPROVAL OF AGENDA**

**A motion was made by Robert Turner to approve the Agenda as presented. The motion was seconded by Robert Turner and unanimously carried.**

**APPOINTMENT OF OFFICERS**

After a group discussion, the Board recommended the following individuals for the officer positions: David Fjeldsted, President; Valiena A. Allison, Vice President; William Sheeran, Secretary and Robert Turner, Treasurer.

**A motion was made by William Sheeran to appoint David Fjeldsted as President, Valiena A. Alison as Vice President, William Sheeran as Secretary and Robert Turner as Treasurer. The motion was seconded by Valiena Allison and unanimously carried.**

**ADJOURNMENT**

**A motion was made by William Sheeran to adjourn the meeting at 5:02 p.m. The motion was seconded by Robert Turner and unanimously carried.**

Submitted by:

Approved by:

\_\_\_\_\_  
Whitney Kane  
Recording Secretary

Date

\_\_\_\_\_  
David Fjeldsted  
President

Date

**These minutes are subject to approval at the next Board of Directors Meeting**



**Summit Watch Resort Owners Association, Inc.**

**Board of Directors Meeting**

**November 5, 2018**

A regular meeting of Summit Watch Resort Owners Association, Inc., Board of Directors was held on November 5, 2018, at Park City Marriott, 1895 Sidewinder Drive, Park City, Utah 84060.

**Present from the Board of Directors were:** Robert Crawford, President; Ann Hurbanis, Vice President; Charles Compton, Treasurer; Lynn Gilbert, Secretary and Robert Heagy, Director

**Present from Marriott Vacation Club® International, representing the Management Company, were:** Jane Berg, Regional Vice President of Customer Experience-West; Wendy Carney, General Manager; Scott Wilkerson, Area Director of Finance-West Operations; Brandon Weilenmann, Director of Finance; Freddy Arellano-Burga, Assistant Controller; Chelsey Anderson, Director of Rooms; Kenny Richardson, Director of Engineering and Whitney Kane, Executive Assistant

**Guests present were:** Chris Van Ruiten, Comerica Securities, Inc., and Peter Harrison, Miller Harrison LLC

**CALL TO ORDER**

Ann Hurbanis, Vice President, called the meeting to order at 9:00 a.m., Mountain time.

**Approval to run meetings concurrently**

Ms. Hurbanis announced the Board opted to not seek counsel regarding holding Summit Watch Resort Owners Association, Inc., meetings concurrently with Summit Watch Condominium Owners Association, Inc., meetings and will hold a concurrent Board Meeting with Summit Watch Condominium Owners Association, Inc.

**A motion was made by Lynn Gilbert to run Summit Watch Resort Owners Association, Inc., Board of Directors Meeting concurrently with Summit Watch Condominium Owners Association, Inc., Board of Directors Meeting. The motion was seconded by Robert Heagy and unanimously carried.**

**ESTABLISHMENT OF QUORUM**

Ms. Hurbanis announced with all Board Members present, quorum was met.

**APPOINTMENT OF RECORDING SECRETARY**

Ms. Hurbanis appointed Whitney Kane to serve as Recording Secretary.

**PROOF OF NOTICE OF BOARD OF DIRECTORS MEETING**

Notice of Board Meeting was mailed to all Board Members on August 20, 2018, as required by the Association Bylaws.

**APPROVAL OF AGENDA**

**A motion was made by Lynn Gilbert to approve the Agenda as presented. The motion was seconded by Charles Compton and unanimously carried.**

**APPROVAL OF BOARD OF DIRECTORS MEETING MINUTES**

**A motion was made by Lynn Gilbert to waive the reading of the April 19, 2018 Board Meeting Minutes and approve as presented. The motion was seconded by Charles Compton and unanimously carried.**

**A motion was made by Robert Heagy to waive the reading of the July 12, 2018 Nominating Committee Meeting Minutes and approve as presented. The motion was seconded by Charles Compton and unanimously carried.**

**A motion was made by Charles Compton to waive the reading of the September 20, 2018 Board Meeting Minutes and approve as presented. The motion was seconded by Lynn Gilbert and unanimously carried.**

## ACCEPTANCE OF COMMITTEE MEETING MINUTES

**A motion was made by Robert Heagy to accept the October 8, 2018 Reserve Committee Meeting Minutes as presented. The motion was seconded by Lynn Gilbert and unanimously carried.**

## INVESTMENTS

Comerica Securities, Inc.

Chris Van Ruiten presented an investment update.

**A motion was made by Charles Compton to continue the current Investment Policy with Comerica Securities, Inc., during 2019. The motion was seconded by Robert Heagy and unanimously carried.**

## OLD BUSINESS

Recent changes to Utah Condominium Ownership Act and Community Association Act - UT H 454

Peter Harrison discussed recent changes to Utah Condominium Ownership Act and Community Association Act – UT H 454.

**A motion was made by Charles Compton to form a Committee comprised of a Marriott representative, a Summit Watch Resort Owners Association Inc., Owner and a Summit Watch Condominium Owners Association, Inc., Owner to review and address the deficiencies of UT H 454 and present recommendations to the Board. The motion was seconded by Lynn Gilbert and unanimously carried.**

The committee will consist of David Fjeldsted, Lynn Gilbert, Brandon Weilenmann and Wendy Carney.

## Bronze Weeks

Ms. Hurbanis presented an update on Association owned Bronze weeks. Highlights included:

- Marriott Ownership Resorts Inc., reviewed the Association counsel opinion letter and requested Association counsel omit one paragraph that is not believed to be relevant. The Board is awaiting a response from Association counsel.
- The Board asked counsel if it was recommended the Quit Claim Deed be signed and requested information on implications on unsold maintenance fees. Once the Board has this information, the Board may proceed with registering Bronze weeks at a total cost estimated between \$10,000 to \$18,000.

## FINANCIAL REPORT

### Current Financials

Brandon Weilenmann presented current financials. Highlights included:

- The current forecasted Operating surplus is \$48,523. Major variances include:
  - Savings in Operating investment income in the amount of \$52,931, due to higher investment yields
  - Increased Bronze week income in the amount of \$68,562, due to a combination of higher occupancy and average rental rate
  - Savings in water and sewer in the amount of \$24,586, due to water leak repairs below the plaza deck and pool deck
  - Overage in housekeeping in the amount of \$89,171, due to higher wages and salaries driven by employee turnover and training, along with higher benefit costs from increased healthcare usage

**A motion was made by Robert Heagy to engage Cherry Bekaert as the 2018 Audit firm for Summit Watch Resort Owners Association, Inc. The motion was seconded by Charles Compton and unanimously carried.**

## Accounts Receivable

Mr. Weilenmann presented Accounts Receivable. Highlights included:

- 2018 Maintenance Fees are 2% uncollected, compared to 2.3% in 2017
- Due to foreclosures, owned Bronze weeks decreased

## 2018 Reserves

Wendy Carney reviewed 2018 Reserves. Highlights included:

- Replaced gas heater for Spa A
- Replaced hot water storage tanks for Buildings 5 and 6
- Replaced luggage carts
- Replaced pool and spa pump
- 2018 Reserve variances included:
  - Emergency replacement of air conditioners in the amount of \$24,069
  - Replaced water softener system in Building 5 in the amount of \$1,489
  - Replaced televisions in the amount of \$38,418
  - Installed World Cinema system in the amount of \$24,295
  - Installed villa grab bars in the amount of \$24,745
  - 2020/2021 refurbishment design in the amount of \$71,490

**A motion was made by Lynn Gilbert to approve 2018 Reserve expenditures variances of \$184,506 to include emergency replacement of air conditioners in the amount of \$24,069, replacement of water softener system in Building 5 in the amount of \$1,489, replacement of televisions in the amount of \$38,418, installment of World Cinema system in the amount of \$24,295, installment of villa grab bars in the amount of \$24,745, and 2020/2021 refurbishment design in the amount of \$71,490. The motion was seconded by Robert Heagy and unanimously carried.**

Robert Turner reviewed the October 8, 2018 Reserve Committee Meeting. The Committee discussed major assumptions impacting the Reserve Fund, various funding scenarios, and Reserve Study planned refurbishment assets for 2020 and 2021. The Committee requested the Management Company present the budget with a 2.7% Reserve contribution increase for Summit Watch Resort Owners Association, Inc.

#### 2019 Reserves

Mr. Weilenmann presented an update to the 2019 Reserve Study. Highlights included:

- Due to an extended life expectancy, replacement of Front Desk and Administrative Office carpet was moved from 2019 to 2026.
- Due to condition, replacement of heat exchanger holding tanks for Buildings 1 and 2 was moved from 2019 to 2022.
- Installation of boiler temperature water monitoring system was added as an asset to 2019.

Kenny Richardson presented proposed 2019 Reserve Projects and costs of projects. Highlights included:

- Install boiler temperature water monitoring system - \$14,846
- Replace heat exchanger holding tanks for Buildings 1 and 2 - \$102,614
- Assessment of hallway make up air units - \$23,500

Mr. Weilenmann reviewed projected Reserve cash flow scenarios at 2.7% and 3%. The Management Company proposed an increase of 3%; the Board opted to proceed with an increase of 2.7%.

**A motion was made by Robert Heagy to approve 2019 Reserve Expenditure Projects in the amount of \$455,794, including each project and item thereof, as presented and attached to the minutes of record. The motion was seconded Charles Compton and unanimously carried.**

#### **PROPOSED 2019 BUDGET AND MAINTENANCE FEE**

Mr. Weilenmann presented the proposed 2019 Budget and Maintenance Fee which includes a total increase of 3.5% or \$57.07. Key drivers to the maintenance fee include:

- Increase in Engineering, due to the addition of an Engineering painter position
- Increase in Housekeeping, due to the upgrade of the Director of Rooms position and higher labor costs
- Increase in Lease Income, due to higher bronze week income
- Increase in Reserves, due to a 2.7% increase in Reserves contributions

**A motion was made by Robert Heagy to approve the 2019 Annual Maintenance Fee budget for Summit Watch Resort Owners Association Inc., as presented by Brandon Weilenmann in the total amount of**

**\$10,950,645, including each line item of such budget, and move to direct the Secretary of the Association to include such budget in the records of the Association as Exhibit A to the minutes of record for this meeting, which budget includes a total Operating Fee of \$ \$8,284,089 and a Reserve Fee of \$2,666,556. It was further moved to approve the billing by Summit Watch Resort Owners Association Inc., of each unit week for the following amount owed to Summit Watch Resort Owners Association Inc.: \$1,667.01 for each 2-Bedroom unit week. The motion was seconded by Charles Compton and unanimously carried.**

**RESORT OPERATIONS REPORT**

Ms. Carney stated Overall Guest Satisfaction Score is 91.8%.

**NEW BUSINESS**

Announcement of Next Meeting Dates

- Board Meeting - May 2, 2019
- Board Meeting - to be determined
- Board and Annual Meetings - October 11, 2019

**ADJOURNMENT**

**There being no further business to come before the Board, a motion was made by Robert Heagy to adjourn the meeting at 2:27 p.m. The motion was seconded by Charles Compton and unanimously carried.**

Submitted by:

Approved by:

\_\_\_\_\_  
Whitney Kane                                  Date  
Recording Secretary

\_\_\_\_\_  
Robert Crawford                                  Date  
President

**These minutes are subject to approval at the next Board of Directors Meeting**

Exhibit A

**SUMMIT WATCH RESORT OWNERS ASSOCIATION, INC.**

2019 Estimated Operating Budget

For The Period Beginning January 1, 2019 And Ending December 31, 2019

	2018 BUDGETED EXPENSES 6,572 UNIT WEEKS (PER UNIT WEEK)	2019 APPROVED BUDGET 6,569 UNIT WEEKS (PER UNIT WEEK)	2018 BUDGET VS 2019 BUDGET INCREASE/(DECREASE)		2019 APPROVED BUDGET TOTAL \$
			\$	%	
<b>Revenue</b>					
Maintenance Fee	1,609.94	1,667.01	57.07	3.5%	10,950,645
Bank/Investment Interest	2.65	11.40	8.75	330.2%	74,903
Late Fees	3.84	3.82	(0.02)	(0.5%)	25,078
Lease Income	18.18	29.05	10.87	59.8%	190,810
Maintenance Fee Interest Income	9.22	9.25	0.03	0.3%	60,792
Marketplace - Convenience Store	3.34	2.58	(0.76)	(22.8%)	16,938
Miscellaneous Income	6.91	5.42	(1.49)	(21.6%)	35,600
Transportation / Garage / Parking	0.00	3.58	3.58	100.0%	23,517
<b>Total Maintenance Fee Revenue</b>	<b>1,654.08</b>	<b>1,732.11</b>	<b>78.03</b>	<b>4.7%</b>	<b>11,378,283</b>
<b>Expenses</b>					
Accounting	19.40	20.09	0.69	3.6%	131,966
Activities	44.56	47.77	3.21	7.2%	313,819
Administration	48.71	50.39	1.68	3.5%	331,011
Audit Fee	1.15	1.15	0.00	0.0%	7,530
Bad Debt Expense	20.64	22.32	1.68	8.1%	146,612
Billing and Collections	9.89	10.33	0.44	4.5%	67,886
Board of Directors	1.69	1.75	0.06	3.6%	11,513
Cable Television	5.63	6.50	0.87	15.5%	42,696
Contingency	0.00	0.00	0.00	0.0%	0
Credit Card Fee	25.71	24.07	(1.64)	(6.4%)	158,106
Electricity	28.31	29.63	1.32	4.7%	194,620
Front Desk	125.40	127.45	2.05	1.6%	837,188
Gas	16.60	17.01	0.41	2.5%	111,739
High Speed Internet	5.99	6.16	0.17	2.8%	40,472
Housekeeping <sup>3</sup>	209.13	234.01	24.88	11.9%	1,537,227
Human Resources	15.43	15.90	0.47	3.1%	104,461
Income Tax	3.54	6.22	2.68	75.7%	40,886
Insurance	8.86	7.11	(1.75)	(19.8%)	46,705
Legal	0.76	0.76	0.00	0.0%	5,000
Maintenance	132.69	143.12	10.43	7.9%	940,174
Management Fee	125.22	129.61	4.39	3.5%	851,421
Owner Services <sup>2</sup>	43.73	47.05	3.32	7.6%	309,068
Pool Maintenance <sup>4</sup>	13.99	14.35	0.36	2.6%	94,265
Postage and Printing	7.29	6.54	(0.75)	(10.3%)	42,962
Property Taxes	60.48	63.97	3.49	5.8%	420,196
Summit Watch Condominium Owners Association, Inc.	232.51	241.29	8.78	3.8%	1,585,015
Telephone	4.75	4.75	0.00	0.0%	31,234
Water and Sewer	46.94	46.88	(0.06)	(0.1%)	307,955
<b>Operating Fee</b>	<b>1,259.00</b>	<b>1,326.18</b>	<b>67.18</b>	<b>5.3%</b>	<b>8,711,727</b>
Reserve Fee <sup>1</sup>	395.08	405.93	10.85	2.8%	2,666,556
<b>Operating and Reserve Fee</b>	<b>1,654.08</b>	<b>1,732.11</b>	<b>78.03</b>	<b>4.7%</b>	<b>11,378,283</b>
<b>Total Maintenance Fee</b>	<b>1,609.94</b>	<b>1,667.01</b>	<b>57.07</b>	<b>3.5%</b>	<b>10,950,645</b>

Summit Watch Resort Owners Association, Inc.

Reserves

2019 Approved Expenses

<u>Project #</u>	<u>Proposed Expenses</u>	<u>Proposed Amount</u>
1	Attic Stock-Villa Interior	25,352
2	Barbecue Grill-Portable	8,036
3	Barbecue Grills-Inserts-Aquacade	6,928
4	Boiler Temperature Water Monitoring System	14,846
5	Carpet-Aquacade	7,823
6	Furniture/Equipment-Aquacade	7,862
7	Heat Exchanger Holding Tank-Bldg. 1	51,307
8	Heat Exchanger Holding Tank-Bldg. 2	51,307
9	Marketplace Refrigerator	3,610
10	Paint Interior-Fitness Center	5,150
11	Paint Interior-HK/Linen-Bldg. 1/5	6,312
12	Pump-Hot Water Circ.-Bldg. 2	9,023
13	Sports Court Equipment	3,816
14	Stain Interior-Aquacade Indoor Pool Area	11,640
15	Villa Wifi Infastructure	177,748
16	Lighted Exit Signs-Ph 1 & 2	41,534
17	Heater Halls - Engineering Work	23,500

**Total Expenses**

**455,794**

**Summit Watch Resort Owners Association, Inc.**

**Organizational Meeting**

**November 5, 2018**

An Organizational Meeting of Summit Watch Resort Owners Association, Inc., was held on November 5, 2018, at Glitretind Restaurant, 7700 Stein Way, Park City, Utah 84060.

**Present from the Board of Directors were:** Charles Compton, Lynn Gilbert, Robert Heagy and Ann Hurbanis

**Absent from the Board of Directors was:** Robert Crawford

**Present from Marriott Vacation Club® International, representing the Management Company, was:** Whitney Kane, Executive Assistant

**CALL TO ORDER**

Ann Hurbanis called the meeting to order at 5:31 p.m., Mountain time.

**ESTABLISHMENT OF QUOOURM**

With the majority of Board Members present, quorum was established.

**APPOINTMENT OF RECORDING SECRETARY**

Ms. Hurbanis appointed Whitney Kane to serve as Recording Secretary.

**APPROVAL OF AGENDA**

**A motion was made by Lynn Gilbert to approve the Agenda as presented. The motion was seconded by Robert Heagy and unanimously carried.**

**APPOINTMENT OF OFFICERS**

Ms. Hurbanis recommended the following individuals be appointed to the following officer positions: Ann Hurbanis, President; Lynn Gilbert, Vice President; Robert Heagy, Secretary and Charles Compton, Treasurer.

**A motion was made by Robert Heagy to appoint Ann Hurbanis as President, Lynn Gilbert as Vice President, Robert Heagy as Secretary and Charles Compton as Treasurer. The motion was seconded by Lynn Gilbert and unanimously carried.**

**ADJOURNMENT**

**A motion was made by Ann Hurbanis to adjourn the meeting at 5:45 p.m. The motion was seconded by Charles Compton and unanimously carried.**

Submitted by:

Approved by:

\_\_\_\_\_  
Whitney Kane  
Recording Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ann Hurbanis  
President

\_\_\_\_\_  
Date

**These minutes are subject to approval at the next Board of Directors Meeting**

**Summit Watch Condominium Owners Association, Inc.**

**Board of Directors Meeting**

**November 28, 2018**

A special meeting of Summit Watch Condominium Owners Association Inc., Board of Directors was held on November 28, 2018, at Marriott's Summit Watch, 780 Main Street, Park City, Utah 84060.

**Present from the Board of Directors were:** David Fjeldsted, President; Valiena Allison, Vice President; Robert Turner, Treasurer; William Sheeran, Secretary and Michael Jang, Director

**Present from Marriott Vacation Club® International, representing the Management Company, were:** Wendy Carney, General Manager; Scott Wilkerson, Area Director of Finance-West Operations; Brandon Weilenmann, Director of Finance; Kenny Richardson, Director of Engineering and Whitney Kane, Executive Assistant

**CALL TO ORDER**

David Fjeldsted called the meeting to order at 2:02 p.m., Mountain time.

**ESTABLISHMENT OF QUORUM**

Mr. Fjeldsted announced with all Board Members present, quorum was met.

**APPOINTMENT OF RECORDING SECRETARY**

David Fjeldsted appointed Whitney Kane to serve as Recording Secretary.

**APPROVAL OF AGENDA**

**A motion was made by Valiena A. Allison to approve the Agenda as presented. The motion was seconded by Robert Turner and unanimously carried.**

**OLD BUSINESS**

**Old Town Cellars Agreement**

- Wendy Carney presented an update on the surveillance footage capturing Old Town Cellars forklift on the plaza deck.
- The Board directed the Management Company to deny any requests from Old Town Cellars to use their forklift on the plaza deck.
- The Board discussed multiple ideas to find a solution for Old Town Cellars shipments to be received without harming the plaza deck.

**NEW BUSINESS**

**Plaza Deck Vehicles**

- Brandon Weilenmann reviewed the Association's Rules and Regulations applicable to vehicles on the plaza, which included Article 2.1, Definitions and Article 3.13, Rules and Regulations
- The Board discussed amending and restating the Rules and Regulations to enhance details and include violation penalties.
- The Board discussed options for tenants to access and maintain required business operational items, such as large deliveries and chimney access.

**ACTION ITEMS**

- Management Company to engage an Engineer to conduct an analysis on the weight capability of the plaza deck, to include specifics such as maximum number of pounds per square inch.
- Management Company to research the possibility of using weight distribution options, such as steel plates.
- Mike Jang to determine if Old Town Cellars can receive smaller shipments therefore a forklift wouldn't be needed.

**ADJOURNMENT**

**A motion was made by Valiena A. Allison to adjourn the meeting at 3:15 p.m. The motion was seconded by Robert Turner and unanimously carried.**



Submitted by:

Approved by:

\_\_\_\_\_  
Whitney Kane                      Date  
Recording Secretary

\_\_\_\_\_  
David Fjeldsted                      Date  
President

**These minutes are subject to approval at the next Board of Directors Meeting**