



# MCMAHAN AND ASSOCIATES, L.L.C.

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**To the Board of Directors  
Park Plaza Condominium Association  
Beaver Creek, Colorado**

We have audited the financial statements of Park Plaza Condominium Association (the "Association") as of and for the year ended November 30, 2018. Professional standards require that we provide you with the following information related to our audit.

*Qualitative Aspects of Accounting Policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Association are described in note 2 to the audited 2018 financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Association during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Estimating allowance for doubtful accounts (an allowance of \$- has been established at November 30, 2018), based on management's experience with owners and guests, together with actual collections history since year-end.

We evaluated the key factors and assumptions used to develop this estimate and found them reasonable in relation to the financial statements taken as a whole.

*Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements prior to reporting the Association's year-end financial report. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

*Member: American Institute of Certified Public Accountants*

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*Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

As is required in all audit engagements, we have requested certain representations from management that are included in the management representation letter.

This report is intended solely for the information and use of the Association's Board of Directors, management, and others within the organization and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

*McMahan and Associates, L.L.C.*

**McMahan and Associates, L.L.C.**  
**January 8, 2019**