



GRAND RESIDENCES  
BY ROYAL RESORTS®

ADVISORY COUNCIL MEETING  
OCTOBER 24, 2024



# GRAND RESIDENCES

## ADVISORY COUNCIL ANNUAL MEETING REPORT 2024

*Grand Residences Advisory Council: Steven Richard Bayerlein, Jeff Johnson, William Scott, Brian Shecterle, Judson C. Wyatt*

The Grand Residences Advisory Council annual meeting took place on October 24 at the resort. All Advisory Council members were present.

The session began with a resort tour with Resident Manager Armando Millet and VP of Hospitality Javier Vales. Advisory Council members saw the El Faro pergola shades and columns that were damaged in the fall storms that affected the area and will have to be replaced. The terrace floor and staircases will be changed for pebble flooring to reduce the risk of falls. Armando Millet explained that they are replacing lounge chair slings and painting in the pool deck area. They are also reupholstering villa terrace furniture that is showing wear and tear. During the tour, Advisory Council members pointed out a number of maintenance issues on the pool deck and in the villas.

Armando Millet explained that they are repainting in various areas. He noted that they are requesting new beach chairs for 2025. The Advisory Council asked about the possibility of adding more beach palapas and Armando Millet agreed to study the possibility of adding a few smaller ones at the sides of the resort. He also commented that they are pushing for improvements at Heaven Beach Bar and studying roofing, screens and wall cover options.

Armando Millet commented that appliances replaced in the villas are still high-end models, including Sub Zero fridges. Javier Vales commented that as the resort is over 10 years old, a villa refurbishment project is now needed – replacing mats, reupholstering sofas and chairs, new cushions and curtains–, and that they will work on a proposal. All proposals must be submitted to Holiday Inn Club Vacations for approval.

In response to a question from Jeff Johnson about owners being given priority at check in to be able to enter their unit even though it hasn't been cleaned yet. Armando Millet said that Housekeeping has been instructed to let owners and guests into the rooms and that he will reinforce this policy with staff.

Armando Millet mentioned that the Maintenance department ideally should have 41 team members and that there are currently 32; the goal is to fill vacancies for room maintenance, stonemasons and a painter. Brian Shecterle said that more staff are needed to work on maintenance projects in the public areas. He commented on the disparity in the color of the columns in walkways. However, these are made of a special concrete mix material and should not be painted.

The tennis courts are being waterproofed and resurfaced and the windproof screens replaced. Two of the courts will be available for pickleball games.

In the machine house, a pump had to be replaced in the reverse osmosis plant this year. There will be another plant for phase 3 and 4 of the resort. As part of the project, the entire basement area will also be reconfigured.

At the meeting, the President of HICV Mexico and Royal Resorts Fernando López welcomed the Advisory Council and began by introducing the Royal Resorts team: VP of Hospitality Javier Vales, Resident Manager at Grand Residences Armando Millet, and Luis Sierra, Director of Finance Mexico. Diego González, Legal Vice President Mexico also attended.

Representing Holiday Inn Club Vacations were Carlos Ramos Sr. Finance Director for Mexico and Michelle Cypher Sr. Director – HOA Accounting Services.

An online meeting with members of the Royal Resorts and Holiday Inn Club Vacations management team in August was attended by two of the Advisory Council members. They were given a mid-term update on the final figures for 2023, the economic headwinds and their impact on resort finances in the first half of 2024.

The October meeting began with a presentation on the economic outlook in which Fernando López and Luis Sierra explained the factors that continue to impact resort operating budgets. Although there is cautious optimism that the impacts of several years of high inflation are behind us, we still face challenges such as payroll and staffing pressures.

The first six months of 2024 were very difficult due to the continued strength of the peso. Fernando López explained that the negative exchange rate effect was 5.07 percent, in terms of the resort operating budgets, one peso less than forecast. However, after the Mexican presidential elections in June, there was a significant, ongoing devaluation of the peso. This means that the panorama for resort finances in the second half of the year has been slightly better.

Political uncertainty will remain high as Mexico continues with constitutional reforms, increased social service and infrastructure spending; while also dealing with a ratings downgrade due to larger fiscal deficits, the stance of the incoming U.S. administration and trade concerns. Mexico is the USA's largest trade partner and "nearshoring" partner which should keep the peso in the 19.50 – 20.50 range.

He also touched upon the dynamic growth of Cancun, Playa Mujeres and the Riviera Maya, five percent a year. There are 200,000 hotel rooms and 10,000 rooms are being added each year. In 2025, several major hotel chains are planning to open new properties in the area, especially in the luxury segment. The opening of huge resorts with thousands of rooms creates an insatiable demand for labor, especially in the housekeeping, maintenance and food and beverage sectors and for supervisor level employees. This makes it difficult to hire or retain staff, and as a result, the salaries for some staffing positions have had to be adjusted to keep them competitive with the market.

The minimum wage in Mexico has more than doubled in the last five years. Although few Grand Residences team members earn the minimum wage, increases do affect salaries and benefits for unionized staff, which are negotiated on an annual basis.

Luis Sierra noted that inflation is decreasing somewhat; the Citibanamex survey of more than 20 banks operating in Mexico gives an estimated inflation rate of 4.40 percent at the end of 2024. The projection for 2025 is 3.85 percent.

Fernando López briefed the Advisory Council on the status of the Phase 3 & 4 construction project at Grand Residences. He reiterated that Holiday Inn Club Vacations is committed to completing the resort and explained that the legal team is in the process of obtaining all the permits required to begin building.

The Mexican Environmental Agency (SEMARNAT) finally approved the environmental permit extension in the fall after a considerable delay due to the Mexican elections. With this permit the legal team filed for a new construction license and land use permit in November. As soon as the aforementioned license is expedited by the Puerto Morelos Municipal government – it is expected to take around three months –, we will be ready to begin construction. Additional information will be shared with owners and members when we have a start date.

The Phase 3 and 4 construction project includes the buildings with reconfigured units II, III, IV to VI, a larger full-service spa with a wet area featuring a steam room, sauna, plunge pools and hot tubs and nine treatment and massage rooms, a two-level gym and bigger resort store. There will be a pool snack bar and an area with BBQ grills for owners to use. Other services include event rooms, a larger resort laundry, underground parking, and a



wider access path to the beach for tractors and emergency vehicles such as ambulances.

The project also includes two additional specialty restaurants, a bar and an Owners' lounge which will be added on the second floor of the lobby building, occupying the area of the sales room and original resort store.

Fernando López answered Brian Shecterle's question about the 2016 configuration proposal for Phases 3 and 4 and the unit sizes. The ground floor of the new resort buildings will comprise two-bedroom units with plunge pools and the original floor plan. The units on the middle floors will be reconfigured as Jr. Suites and will have spa bathrooms but no jacuzzi on the terrace. The top floors will be a mix of Jr. Suites and original design units. He added that an external company will be hired soon and will provide the interior design. The Management team and Holiday Inn Club Vacations team will be overseeing the work.

Those units with the original design concept will continue to be sold as fractions, and Points memberships. The Jr. Suite units will be sold with Points memberships only.

Brian Shecterle pointed out that there are maintenance issues at the resort that need to be addressed and that he believes an additional cash injection will be necessary.

Uncollectible Accounts were also discussed during the session. Fernando López said that they do monitor them, and the collection department applies more pressure with emails and phone calls as time goes by. Management has not implemented the Voluntary Turnover Program at Grand Residences yet, but it may do so in the future if delinquency grows. As of September 2024, all collections are handled by a specialist team in the Holiday Inn Club Vacations corporate office.

Previously an account was designated delinquent after two years but now it is one year. Fernando López said that they will see improvements in this line item in the future.

Carlos Ramos briefed the Advisory Council on the changes in the way the financials are presented based on US GAAP (Generally Accepted Accounting Principles). In Mexico, by law, companies must adhere to the NIF (Normas de Información Financiera). The accrual method of fund accounting is used.

The terminology used in the P&L statements has changed in some cases and some Resort Operations expenditures have been reassigned to different P&L line items according to Holiday Inn Club Vacations usage.

He said that the goal is to start building a reserve to take care of projects in the future.

He also commented on Uncollectible Accounts and said that there has been a spike but that he expects it to return to the lower historical level in the future. Owners and Members in arrears are charged a late fee per month overdue.

Fernando López and Luis Sierra then briefed the Advisory Council on the 2024 Financial Statement. The income Statement Comparison shows budgeted and actual (forecast) income and expenses as of August 31, 2024, with estimates until the end of the year. The 2025 budget is also shown as are Resort and Villa Improvements executed in 2024 and those planned for 2025.

Club Service Fees are paid in U.S. dollars, whereas most expenditures (such as utilities, supplies and team member salaries) are paid in Mexican pesos. As the peso strengthens, the collected Club Service Fees pay for less expenses than budgeted for. The peso has weakened since July, and the exchange rate forecast for 2024 is now 17.99 pesos per US\$1, which is 1.18 percent below the exchange rate of \$18.20 that was used for the 2024 budget. Luis Sierra explained that any negative variation in the expenses paid in pesos for different line items that is in the range of 1.18 percent can be attributed to the exchange rate effect.

Transient Revenue is income that the resort receives when units in the Forced Resale program are rented.

Luis Sierra commented that close to US\$600,000 was distributed to Grand Residences owners through The Rental Program in September.

Total Operating Expenses for 2024 are US\$12,191,663, 7.5 percent over the budget forecast for the year. Luis Sierra explained the variations for a number of line items.

Front Desk Operations shows a 5 percent increase and is due to lower staff rotation; based on the labor market conditions, the assumption in the budget was that we were not going to be able to retain staff. It also includes the replacement of a golf cart.

Security Services is 17.8 percent over budget. This variation is due to lower staff rotation; based on the labor market conditions, the assumption in the budget was that we were not going to be able to retain staff. It also includes overtime, transportation, meals, the longevity bonus for staff with 10, 20 or 30 years in the company and compensation payments for US\$45,000.

The Transportation line item is 138.7 percent over budget and is due to higher owner and member arrivals (a 55 percent increase) and use of owner transportation, rising vehicle leasing costs, two new vehicles and the cost of leasing additional vans to cover the demand.

The 6.4 percent increase in Repairs and Maintenance is due to a price increase for equipment, essential elevator maintenance and an adjustment in the rates for team member transportation.

Resort Activities is 25.1 percent over budget due to the hiring of an additional Kids Club team member and an increase in expenses related to activity amenities and equipment replacement.

Unit Cleaning Services (Housekeeping services) is 17.9 percent over budget due to minor replacements and maintenance, a one-time compensation for unionized staff, a negotiated profit-sharing agreement due to changes in the law, food and transportation costs. Armando Millet explained that based on the results of a feasibility study, a new team member bus route was added to the village of Popol Nah in Yucatan and has enabled Management to fill some vacancies. Management is also considering adding a second route to Playa del Carmen.

Laundry Operations is 8.9 percent and Utilities and Services 4.2 percent over budget, they were both impacted by the cost of higher water consumption from the city mains during 2024 because of damage to the reverse osmosis system. In the case of the Laundry, rising fuel and oil expenses and staff transportation also contributed to the variation.

Insurance is 26.1 percent under budget; the property insurance policy was successfully renewed at a lower rate than expected due to a positive claims experience and the calming of the property insurance market.

Owner Services Fees is 35.9 percent under budget due to organizational changes including the transfer of most membership services to Mexico, which generated some savings in this category.

#### **Fixed Assets and Major Repairs as of August + Forecast Sept. – Dec 2024**

- Pool umbrellas and sheets
- Painting building facades
- Replacement of the tennis court grass
- Lounge chair slings
- Replacing the floors bordering villa pools
- Spare parts for the reverse osmosis plant
- Repairs to the sump in the wastewater treatment plant
- New pebble flooring for the four pool deck stairs
- Motor lobby ramp painting
- Roof waterproofing for the emergency power plant
- Staircase to the laundry gas tanks

- Raised metal walkway on the roof, gas tank area
- Repairs to jacuzzis in penthouse villas

**Fixed Assets and Major Repairs Approved in the 2023 Budget and Additional Items Authorized in 2024**

- Repairs to the reverse osmosis plant

Luis Sierra explained that the budget is prepared in August, hence the forecast for some Fixed Assets and Major Repairs. Furthermore, two storms during this period caused delays in executing projects.

On the topic of Club Service Fee collection, 87 percent of 2024 Club Service Fees had been collected already and only 1.8 percent of the total billing is considered Uncollectible, the lowest of the four resorts.

Fernando López then turned to the 2025 budget. The projected average exchange rate used for the 2025 budget is \$19.57 pesos per US\$1, 8.81 percent higher than the average exchange rate for 2024, and it may give us a favorable exchange rate effect in 2025.

Factors such as staffing and wage pressures continue to be a challenge. A cost of living increase of 5 percent is considered in the 2025 budget for staff salaries. Additionally, the minimum wage has more than doubled in Mexico in the last five years and a 15 percent increase is expected for 2025.

An 11 percent rise in electricity rates is also included in the budget for all the resorts and is due to an increase in the rates per kilowatt charged by the Federal Electricity Commission (CFE). The long-term contract with INFRA continues to provide clean energy at all the resorts.

Given the impact of economic headwinds on the finances of Grand Residences by Royal Resorts® over the last two years, it is important to start building a reserve for the resort. Management proposed a 7.3 percent increase in the Club Service Fee for 2025 to begin creating a reserve, in order to have funds for equipment replacement and improvement projects, and for contingencies.

In the 2025 budget, Resort Revenue is split into two components: Annual Assessment to cover Operating Expenses and Annual Assessments - Reserves in order to have funds for equipment and fixed assets replacements, and for larger improvement projects. US\$508,480 will be earmarked for the Reserve.

The Provision for Uncollectible Accounts is based on the percentage of current year assessments that are considered to be uncollectible.

Total Operating Expenses for 2025 are budgeted at US\$12,244,628 and most line items are less than 2024. Exceptions are Resort Administration

which is 10.2 percent more than 2024. Security Services is 22 percent higher due to the hiring of two additional lifeguards to comply with new Civil Protection Agency requirements, two extra security guards and salary increases.

In the case of Resort Activities, the 9.4 percent increase is due to the purchase of towels, salary increases and a staff vacancy for several months in 2024 which has now been filled.

Management Fees show a 38.9 percent increase. Fernando López explained that in reality it is a 10 percent formula.

Taxes and Licenses shows a 10 percent increase. Taxes are primarily driven by Member Assessments (Club Service Fees), therefore as Member Assessments increase, taxes will also increase.

**Capital Expenditures Budget 2025**

- Equipment Replacement Housekeeping
- Equipment Replacement – Human Resources
- Equipment Replacement – Internal Laundry
- Equipment Replacement – Security
- Equipment Replacement – Social Activities
- Equipment Replacement – Sports Services
- Equipment Replacement – Warehouse
- Replacement of the sign on the main entrance arch
- Replacement of the green shade netting around the tennis courts
- Replacement of 30 building duct doors
- Set of new traction cables for elevators no. 2 and 19
- Set of new traction cables for elevators no. 11
- Set of privacy readers for 14 elevators
- Construction of a Pool Concierge area
- Repairs to the pool in villa 529
- Replacement of windows at the Sports Services desk
- Replacement of front door locks
- Reserve
- Hurricane screens

The Grand Residences Advisory Council did not endorse the 7.3 percent increase. Management values the Council’s input and understands its concerns, however, it considers that the increase is necessary to maintain and improve services and create a reserve.

**THE BREAKDOWN OF THE 2025 CLUB SERVICE FEE IS AS FOLLOWS**

**GRAND RESIDENCES CLUB SERVICE FEE 2025 FOR FRACTIONAL OWNERSHIPS**

Villa			W/Roof Garden	W/Roof Garden	W/Roof Garden	W/Pool	W/Pool
	2 Bedroom	3 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	2 Bedroom	3 Bedroom
<b>CSF</b>	2,652.07	3,095.04	2,828.93	3,271.90	3,712.40	2,741.32	3,183.47
<b>VAT 16%</b>	424.33	495.21	452.63	523.50	593.98	438.61	509.36
<b>Lodging Tax 5%</b>	132.60	154.75	141.45	163.60	185.62	137.07	159.17
<b>Total</b>	<b>3,209.00</b>	<b>3,745.00</b>	<b>3,423.00</b>	<b>3,959.00</b>	<b>4,492.00</b>	<b>3,317.00</b>	<b>3,852.00</b>

AMOUNTS IN DOLLARS

### 2025 CLUB SERVICE FEE FOR POINTS MEMBERSHIPS

Grand Residences CSF 2025			CSF	VAT 16%	Lodging Tax 5%	Total	CSF Per Point	
Points	Base	Variable						
1,200	1,599	\$274.67	\$0.2136	\$438.84	70.21	21.94	<b>\$531.00</b>	0.4425
1,600	1,999	\$274.67	\$0.2136	\$509.09	81.45	25.45	<b>\$616.00</b>	0.3850
2,000	2,399	\$274.67	\$0.2136	\$580.17	92.83	29.01	<b>\$702.00</b>	0.3510
2,400	2,739	\$274.67	\$0.2136	\$650.41	104.07	32.52	<b>\$787.00</b>	0.3279
2,740	3,300	\$274.67	\$0.2136	\$710.74	113.72	35.54	<b>\$860.00</b>	0.3139
3,301	4,000	\$328.08	\$0.2136	\$853.72	136.60	42.69	<b>\$1,033.00</b>	0.3129
4,001	4,800	\$421.17	\$0.1983	\$1,004.13	160.66	50.21	<b>\$1,215.00</b>	0.3037
4,801	5,700	\$503.57	\$0.1983	\$1,203.31	192.53	60.17	<b>\$1,456.00</b>	0.3033
5,701	6,600	\$579.87	\$0.1983	\$1,413.22	226.12	70.66	<b>\$1,710.00</b>	0.2999
6,601	7,500	\$671.43	\$0.1983	\$1,636.36	261.82	81.82	<b>\$1,980.00</b>	0.3000
7,501	8,600	\$762.99	\$0.1831	\$1,765.29	282.45	88.26	<b>\$2,136.00</b>	0.2848
8,601	9,800	\$762.99	\$0.1831	\$1,932.23	309.16	96.61	<b>\$2,338.00</b>	0.2718
9,801	10,900	\$793.51	\$0.1831	\$2,138.84	342.21	106.94	<b>\$2,588.00</b>	0.2641
10,901	12,100	\$808.77	\$0.1831	\$2,318.18	370.91	115.91	<b>\$2,805.00</b>	0.2573
12,101	13,500	\$862.18	\$0.1831	\$2,543.80	407.01	127.19	<b>\$3,078.00</b>	0.2544
13,501	15,800	\$892.70	\$0.1831	\$2,780.99	444.96	139.05	<b>\$3,365.00</b>	0.2492
15,801		\$923.22	\$0.1831	\$3,153.72	504.60	157.69	<b>\$3,816.00</b>	0.2415

Brian Shecterle, Jeff Johnson and Steven Bayerlein voiced their concerns about the annual Club Service Fee increases and ongoing maintenance issues. The Advisory Council requested more information and a budget review. They would also like to see concrete measures on resort maintenance. Steven Bayerlein added that he also believes a cash injection is required to address all outstanding maintenance issues such as painting and retiling. Fernando López said that all their comments are duly noted. He added that they are

close to starting construction on the remaining phases of the resort and the commitment is to get it done. He undertook to convey their comments to Holiday Inn Club Vacations. He also said that there are currently limited economies of scale but there will be more when phases 3 and 4 are built.

In a private session the Advisory Council chose Willard Ulaszek as the new member to replace retiring member Judson Wyatt.

#### Budget Assumptions

An average exchange rate of \$18.20/US\$1 was considered for the preparation of the 2024 budget; however, it is expected to end the year at \$17.99/US\$1. This represents a negative variation of 1.18 percent.

Based on the projections of leading Mexican financial institutions, an average exchange rate of \$19.57 pesos to US\$1 was used for the 2025 budget. This represents an 8.81 percent depreciation of the peso against the dollar when compared to the exchange rate forecast for 2024.

#### FX Collars

FX collars were used in 2024 to mitigate the volatility of the peso. The use of collars limits downside risk while allowing Royal Resorts to benefit from a depreciating peso. In times of extreme volatility, collars are a good option.

#### Inflation and salaries

For budgeting purposes, an inflation rate of five percent has been considered for 2025. Inflation has a cumulative effect on payroll expenses and the 2025 budget includes a cost-of-living salary adjustment of 5 percent for team members. A possible minimum wage increase of 15 percent is also considered.

#### Water and Sewage

Budgets for 2025 are based on anticipated metered water and sewage charges. The cost of water is offset by the efficiency of the reverse osmosis plants that produce 80 percent of the water used by the resorts.

#### Electricity

Electricity accounts for a significant portion of the resort's expenses. We are forecasting an increase of 11 percent in the rate per KWh for 2025 charged by the Federal Electricity Commission (CFE).

The power purchase agreement with Infra, a green energy broker, is still in effect and it is now providing more than the 80 percent it is required to supply by contract. It brings savings of around 25 percent in electricity costs when compared with what we would have paid if we obtained all our electricity from the CFE.

GRAND RESIDENCES Comparison Budget 2025 vs Forecast 2024							
Intervals	3,100	3,100	Var	%	Increase		
Exchange Rate	\$19.57	\$17.99	\$1.59	8.81%	7.3%		
	2025 Total Budget	2024 Total Forecast	2024 Forecast Over/(Under) 2025 Budget	%	2025 Budget Per Unit/Wk	2024 Forecast Per Unit/Wk	2025 Budget Over/(Under) 2024 Forecast
<b>REVENUES</b>							
Annual Assessments - Operating	\$9,739,301	\$8,769,702	\$969,599	11.1%	\$3,141.71	\$2,828.94	\$312.77
Annual Assessments - Reserves	508,480	-	508,480	100.0%	164.03	-	164.03
<b>SUBTOTAL ASSESSMENTS</b>	<b>10,247,781</b>	<b>8,769,702</b>	<b>1,478,079</b>	<b>16.9%</b>	<b>3,306</b>	<b>2,829</b>	<b>476.80</b>
Provision for Uncollectible Assessments	(204,598)	(244,452)	39,854	16.3%	(66.00)	(78.86)	12.86
Other Income	36,120	34,957	1,163	3.3%	11.65	11.28	0.37
Transient Revenue	16,354	14,559	1,796	12.3%	5.28	4.70	0.58
<b>TOTAL REVENUES</b>	<b>10,095,658</b>	<b>8,574,766</b>	<b>1,520,892</b>	<b>17.7%</b>	<b>3,256.66</b>	<b>2,766.05</b>	<b>490.61</b>
<b>OPERATING EXPENSES</b>							
Resort Administration	895,412	812,510	82,902	10.2%	288.84	262.10	26.74
Front Desk Operations	335,732	357,353	(21,621)	(6.1%)	108.30	115.28	(6.98)
Security Services	739,199	606,080	133,119	22.0%	238.45	195.51	42.94
Transportation	248,361	256,796	(8,435)	(3.3%)	80.12	82.84	(2.72)
Repairs and Maintenance	2,244,734	2,645,018	(400,284)	(15.1%)	724.11	853.23	(129.12)
Resort Activities	503,250	459,866	43,384	9.4%	162.34	148.34	14.00
Unit Cleaning Services	1,571,118	1,673,328	(102,211)	(6.1%)	506.81	539.78	(32.97)
Grounds Maintenance	225,854	229,830	(3,976)	(1.7%)	72.86	74.14	(1.28)
Laundry Operations	344,463	369,060	(24,597)	(6.7%)	111.12	119.05	(7.93)
Utilities and Services	1,303,159	1,324,737	(21,578)	(1.6%)	420.37	427.33	(6.96)
Management Fees	1,068,096	768,892	299,204	38.9%	344.55	248.03	96.52
Human Services Fee	140,171	147,985	(7,814)	(5.3%)	45.22	47.74	(2.52)
Accounting and Finance Fees	174,755	179,364	(4,609)	(2.6%)	56.37	57.86	(1.49)
Insurance	846,640	881,513	(34,873)	(4.0%)	273.11	284.36	(11.25)
Taxes and Licenses	1,433,408	1,303,115	130,294	10.0%	462.39	420.36	42.03
Owners Services Fee	51,757	53,813	(2,056)	(3.8%)	16.70	17.36	(0.66)
Annual Audit Fees	37,520	39,384	(1,864)	(4.7%)	12.10	12.70	(0.60)
Other Expenses	81,002	83,019	(2,017)	(2.4%)	26.13	26.78	(0.65)
<b>TOTAL OPERATING EXPENSES</b>	<b>12,244,628</b>	<b>12,191,663</b>	<b>52,965</b>	<b>0.4%</b>	<b>3,949.88</b>	<b>3,932.79</b>	<b>17.09</b>
<b>RESERVES:</b>							
<b>TOTAL RESERVES EXPENSES</b>	<b>508,480</b>	<b>-</b>	<b>508,480</b>	<b>100.0%</b>	<b>164.03</b>	<b>-</b>	<b>164.03</b>
<b>TOTAL EXPENDITURES</b>	<b>\$12,753,108</b>	<b>\$12,191,663</b>	<b>\$561,445</b>	<b>4.6%</b>	<b>\$4,113.91</b>	<b>\$3,932.79</b>	<b>\$181.12</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$(2,657,451)</b>	<b>\$(3,616,898)</b>	<b>\$959,447</b>	<b>26.53%</b>	<b>\$(857.24)</b>	<b>\$(1,166.74)</b>	<b>\$309.50</b>