



GRAND RESIDENCES

BY ROYAL RESORTS®

ADVISORY COUNCIL MEETING
OCTOBER 26, 2023





General Introduction

GRAND RESIDENCES ADVISORY COUNCIL MEETING, OCTOBER 26, 2023

Advisory Council Members: *Hugo Carlos Berlanga, Jeffery Allen Johnson, Brian Shecterle, William Scott, Judson Wyatt*

The annual Grand Residences Advisory Council meeting was held at the resort on October 26, 2023. All the Advisory Council members were present.

Council members met with President of Holiday Inn Club Vacations Mexico and Royal Resorts Fernando López, VP of Hospitality Javier Vales, Grand Residences Resident Manager Armando Millet, and members of their staff. Representing Holiday Inn Club Vacations were Lesley Nau, VP of Finance, Carlos Ramos VP of Finance, Nick Pestillo VP of Member Services and Michael Thompson, Senior Vice President and General Counsel.

General Introduction

Holiday Inn Club Vacations overview

The meeting began with an overview of Holiday Inn Club Vacations®. The company story begins with Kemmons Wilson, who founded Holiday Inn® in 1952 with his first hotel in Memphis, TN. By 1972, the Holiday Inn collection had grown to 1,405 hotels across 20 countries and Wilson was hailed by *Time* magazine as “the innkeeper of the world.” In 1979, Holiday Inn was sold to the future IHG® and Kemmons Wilson retired after three decades at the helm. In 1982, he came out of retirement to open Orange Lake Resort and Country Club, the company’s flagship resort in Orlando, FL. In 2008, Orange Lake Resorts and IHG® came together to create Holiday Inn Club Vacations® (HICV).

A year later, Holiday Inn Club Vacations unveiled Signature Collection, its luxury product, at Orange Lake Resort in Orlando. Today, many of the resorts have a Signature Collection section of units with upscale fixtures and furnishings, custom décor and artwork, and access to other exclusive stay benefits.

The acquisition of Silverleaf Resorts in 2015 added 13 properties to the resort network and was followed in 2018 by the purchase of two resorts in the Lake Tahoe, NV area and a resort in New Orleans in 2018-2019.

By 2019, the HICV resort network had grown to 28 and the company signed a 100-year strategic agreement with IHG® Hotels & Resorts. The IHG collection comprises 18 brands, including some of the best-known names in the hospitality industry, and over 6,000 hotels and resorts around the world. IHG One Rewards is one of the world’s largest loyalty programs and has more than 109 million members.

In 2021, the New Orleans Resort opened in a historic building dating from 1893, at that time the city’s first skyscraper. A short walk from the French Quarter and one block from famous Bourbon St., the resort is the company’s first urban destination.

Today, Holiday Inn Club Vacations has more than 8,000 units in the U.S. at its resorts throughout the country and more than 350,000 members. It works with 47 Homeowners’ Associations that have annual billings of US\$370M and US\$123M in cash reserves held for future renovations and investments. The first phase of its newest property Myrtle Beach Oceanfront Resort is slated to open in the first quarter of 2024, and it will eventually have 300 units.

The latest addition to the Signature Collection is the Residences at Orange Lake Resort, a collection of luxurious and spacious vacation homes with six bedrooms, six bathrooms and an array of exclusive features and amenities for multigenerational travelers. The first homes will be unveiled in 2025.

The company has won the prestigious J.D. Power Certified Customer Service Award two years running for the phone service given by the Owner Support team.

Holiday Inn Club membership offers the opportunity to stay at resorts in beach, mountain, countryside, historic and entertainment destinations across the U.S., and enjoy a different set of travel benefits. Through IHG®, RCI® and Interval International® exchange networks, Holiday Inn Club Vacations members also have access to over 13,000 hotels and resorts around the world. Holiday Inn Club membership includes complimentary enrollment in IHG One Rewards with Silver Elite status.

Grand Residences owners and members who are happy with their membership and benefits do not have to do anything, nothing changes for them, and their rights remain the same. Elite Points members and President’s Circle members continue to use Royal Resorts Signature Club for their vacation needs. However, for owners and members who might be interested in additional resort stays closer to home or enjoy traveling the world, a Holiday Inn Club Vacations membership could be an option.

Nick Pestillo gave Council members an overview of the Holiday Inn Club membership, explaining how points can be used for stays at resorts in the HICV network, saved for future trips, converted to IHG One Rewards points for international travel through IHG (IHG One Rewards points never expire), for exchanges with RCI or Interval International, and to acquire travel services and lifestyle products with Club Partner Services and affiliates.

He also explained the different Holiday Inn Club membership levels and gave examples of the different benefits they offer, ranging from advance bookings window discounts, complimentary stays and room upgrades at the time of booking to access to the Signature Collection portfolio and more. Some membership levels have access to The Registry Collection and a Personal Travel Counselor.

When a Royal Resorts member joins the Holiday Inn Club, the New Member Ambassador team of agents helps familiarize them with the ways in which they can use their points and the member benefits they are entitled to.

For owners and members interested in acquiring a Holiday Inn Club membership, the initial entry point package is 1,600 Points, for example at The Royal Cancun. As Holiday Inn Club members this would give them the option to convert fractions or points to Holiday Inn Club Points and they can decide each year how to use them.

Jeffery Johnson asked what the priority for Grand Residences is, selling fractions or points. Fernando López said that existing owners and members wishing to expand their portfolio can decide to purchase fractions or points, but new prospects are offered the points membership first.



Turning to Royal Resorts, a planned HICV US\$12M investment at the resorts will include certain safety additions to comply with IHG brand standards, interior and exterior renovations, and additional capital expenditures, including two new specialty restaurants and a lounge bar at The Royal Sands, which are in the design and approval process.

Update on Phases 3 & 4 at Grand Residences

Fernando López and Michael Thompson then gave the Council members an update on the construction of phase 3 and 4 at Grand Residences. This 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 a big 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.

Two additional specialty restaurants, a bar and an owners lounge will be in the lobby building on the second floor in the areas that were occupied by the sales room and original resort store.

The necessary permits have been requested and the construction will take about 24 months from the date that the pending government approval is received. Owners and members will be kept informed.

Work is already advancing internally on design concepts and finishes, restaurant planning and interviewing key managerial personnel, among others. Michael Thompson concluded the update by saying that Holiday Inn Club Vacations is committed to completing the resort.

Economic headwinds in 2023 and the forecast for 2024

Lesley Nau then briefed Council members on the economic headwinds that are impacting resort operations.

The inflation rate was 5 percent in September 2023, down from a record 9 percent in 2022, however, it is not expected to change much in 2024.

On staffing and wage pressures, she noted that the unemployment rate in Mexico is at 2.88 percent, a record low. The tourism industry is one of the country's principal economic powerhouses, and according to the 2022 Economic Impact Report (EIR), it will generate more than 2.7 million new jobs over the next decade.

Minimum-wage workers received a 20 percent raise on January 1, 2023, and another rise that may be up to 20 percent, is expected for 2024. The 2024 budget also includes a cost-of-living wage increase for team members (see Budget Assumptions, p. 6). Amendments to Federal Labor Laws increasing employee vacation days come into effect in 2024, driving increases in vacation bonuses and additional expenses when hiring new employees. Additionally, new rules established by the Federal Labor Law on renegotiation of collective bargaining agreements are also causing more pressure to raise salaries and benefits for unionized employees. Furthermore, other Federal Government initiatives such as reducing the weekly work hours to 40 and increasing the mandatory days of rest for employees to two may lead to higher labor costs in 2024.

Turning to exchange rate fluctuations, the peso's value has soared in part due to high interest rates and foreign direct investment increases, which were up by 50 percent in 2023. Mexico is now the number one trading partner with the United States, overtaking China and Canada.

The Mexican peso is at its strongest level since December 2015.

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, impacting resort finances. The peso was almost 16 percent stronger versus the dollar in 2023.

In 2023, in response to the increased occurrence of devastating weather conditions in the region, and worldwide, the Grand Residences hurricane insurance policy was expanded to "catastrophic damage" coverage, to provide better protection for owners and members, the resort, and related assets. The cost of the expanded hurricane insurance coverage is included in the 2023 financial statements and factored into the 2024 budget.

Financial Report

Fernando López began by reviewing the final figures for 2022 and explained the 2023 financial statement. The Income Statement Comparison accompanying this summary shows budgeted and actual (forecast) income and expenses as of September 30, 2023, with estimates to the end of the year. The 2024 budget is also shown, as are Resort and Villa Improvements executed in 2023 and those planned for 2024.

He explained that the exchange rate fluctuations and the strength of the peso were the principal economic factors having an unprecedented impact on the resort operating budget in 2023. YTD, the peso is almost 16 percent stronger versus the dollar in 2023. The exchange rate variation represents a negative impact on the resort operating budget of US\$1.5 million.

Total Resort Operating Expenses were 22.1 percent over budget.

Housekeeping Services ended the year 22 percent higher than budget due to the 16 percent exchange rate factor and mandatory wage increases. Brian Shecterle noted that there are still 12 vacancies in Housekeeping that must be filled, and some team members are working overtime to provide cover and are being compensated for the extra time they put in.

Javier Vales noted that the minimum wage increases in 2023 and 2024 have put pressure on other salaries. Unions are pressing employers to raise salaries for unionized staff such as maids.

Due to the Tren Maya regional development project and the opening of additional large resorts in the Mexican Caribbean – 6,000 new rooms in 2023 – there are still labor shortages in the area.

The Amenities line item was 23.6 percent over budget due to an increase in member occupancy in 2023, with 6,000 additional owner nights during the year and 2,300 fewer renter nights than 2022. Council members were informed that the member amenity set is being reviewed to ensure that the amenities offered, which include the gift basket and Bvlgari® bath products, are of value and a real benefit for members. The amenities will not be taken away, but they are being studied.

Electricity was only 7 percent over budget due to the long-term contract signed with INFRA to supply clean energy. This company is now providing 90 to 95 percent of all electricity, more than the 80 percent it is committed to by contract, meaning better savings for the resort, especially considering that electricity rates for businesses have risen by 37 percent in Mexico since 2020.

Fernando López responded to a question about the Average Daily Rate (ADR) for renters and explained that it is currently US\$656

for a Jr. Suite for two (including food, taxes, tips, and a marketing commission), an increase from the 2022 ADR which was US\$572. He stressed that two-bedroom units only account for a small percentage of the total units rented.

William Scott said that his perception is that the ADR rate is undervalued. In response Fernando López explained that Grand Residences rental rates are kept as high as possible, higher than at resorts that are in its competitive set, however rates are powered by the market.

He also said that the Rental Program exists to drive occupancy, to rent unsold units and owner units deposited in the program and to generate better sales prospects. It is designed to cover the Club Service Fee, rather than generating a high profit.

The Mexican Caribbean is currently perceived as a more expensive destination than in previous years due to the strength of the peso. Furthermore, with the 6,000 new rooms that entered the market in 2023, competition in the area is even fiercer.

Returning to the Resort Operating Expenses, the Water and Sewage line item was 33.1 percent over budget due to unforeseen reverse osmosis system expenses, cleaning and unclogging wells, maintenance, and the exchange rate impact.

Fixed Assets and Major Repairs was 16.9 percent under budget and several projects for 2023 were postponed.

The 28 percent increase in the Sport Services line item is the result of the exchange rate impact and the replacement of equipment.

The 199.8 percent increase in Resort Insurance is for the purchase of the new resort insurance policy; it should be noted that the cost is for seven months of coverage in 2023.

The 37.6 percent increase in the Member Transportation line item is due to the purchase of two new vans to cater for increased member demand for this service.

In General and Administrative Expenses, the line item for Accounting, Warehouse, IT and Purchasing was 28.6 percent over budget due to unbudgeted IT licenses, this was also the case for Human Resources which showed a 21.4 percent variation because of additional unbudgeted expenses.

In Taxes, the Occupancy Tax charged by the Quintana Roo State government increased from three percent to five percent in 2023.

The Net Income deficit will be US\$2.5 million for 2023.

Fixed Assets and Major Repairs for 2023

Resort Improvements

- Roof waterproofing for the Reverse Osmosis plant
- Roof waterproofing for Bicaci Room, Kids Club and Sport Services

Fixed Assets and Major Repairs Approved in the 2022 Budget and Additional Items Authorized in 2023

- Lobby waterproofing
- Installation of a lightning conductor on Building 1

The 2024 Budget

Turning to 2024, the forecast exchange rate of \$18.20 pesos to US\$1 used for budgeting represents a 2.98 percent depreciation of the peso against the dollar and will continue to impact resort operating expenses, along with inflation and rising payroll expenses.

Fernando López explained that after exhaustive budget analysis, and to best maintain the property and ensure the levels of service that owners and members have come to expect, Management recommended a 15 percent increase in the Grand Residences Club Service Fee for all Fractional week owners and Points members.

He then presented the 2024 budget in detail. The Housekeeping Services line item is 10.9 percent more than in 2023 and Maintenance and Machine House 20 percent, in both cases this is to cover some staffing vacancies deemed necessary to improve service response times and resort maintenance. The Security line item also shows a 17.9 percent increase due to a new government requirement for resorts to hire certified swimming pool lifeguards, and wage rises for 2024.

Fernando López commented that Management is not assuming that full employment will be reached in any categories.

The Fixed Assets and Major Repairs line item shows an 851.6 percent increase over 2023 and includes Resort Improvements needed as the resort is now ten years old. The list of requested items is as follows:

Resort Improvements

- Replacement pool umbrellas and sheets
- Painting building facades
- Replacement of the grass on the tennis courts
- New lounge chair slings
- Replacing the floor tiles bordering villa plunge pools
- Spare parts for the reverse osmosis plant
- Repair of the sump in the wastewater treatment plant
- New pebble flooring for the terrace at El Faro Grill
- Repainting the motor lobby ramp
- Roof waterproofing for the emergency power plant
- Staircase to the laundry gas tanks, tennis court area
- Raised metal walkway on the roof, gas tank area
- Repairs to the jacuzzis in penthouse villas
- Repainting the lobby
- Replacement entrance signs
- Waterproofing tennis courts
- Repainting building facades (2,801 sq. m., each one)

The corrective maintenance program also continues as part of the villa upkeep.

Council members William Scott and Brian Shecterle mentioned that the terrace furniture in some units needs to be replaced. Javier Vales and Armando Millet explained that they are working with team members to improve villa inspections and the reporting procedure for damaged furniture, faulty appliances, and maintenance issues.

The 10.1 percent increase for Social Activities in 2024 is due to a combination of wage increases, filling three vacancies, equipment replacement, licenses, and training expenses.

Resort Insurance is 30.1 percent more than in 2023 and reflects the cost of a full year of coverage with the new insurance policy.

The 45.9 percent increase in the Gym line item is for the purchase and fitting of new carpet. The replacement of fitness machines and other equipment has been postponed until the new gym in the construction plan for phases 3 and 4 is ready.

Total Resort Operating Expenses will be 17.1 percent higher than in 2023.

The resort will have a net deficit of US\$2.6 million, with the 15 percent Club Service Fee increase. Fernando López explained to Council members that the increase will help offset the effects of the peso exchange impact in 2023 and a little of the inflation expected for 2024. He noted that the Developers continue to subsidize the resort.

He said that they made every effort to keep the Club Service Fee increase to the minimum, but the resort has been hit by the 16 percent exchange rate variation, rising payroll increases and inflation. Michael Thompson commented that Club Service Fee increases in the United States ranged from 8 to 20 percent for 2024 due to inflation, wages rises and other factors, without the exchange rate impact being felt in Mexico.

Fernando López and Javier Vales explained that the budget was run several times and they looked for ways to cut costs, without sacrificing service and quality. To maintain the resort's exacting standards, additional staff are needed.

Council members then gave some examples of service and maintenance issues in the villas and in guest areas. Javier Vales and Armando Millet explained that they will be addressing maintenance and reinforcing attention to detail, prompt attention, and quality. Management is committed to improving service at the resort and hopes that the changes will soon be evident to owners and members.

William Scott asked about the sale of owner units and was informed that Management assists owners who wish to sell their units on a case-by-case basis. Furthermore, it is working on a resale program and will present it in the coming months.

Brian Shecterle had concerns about the insurance policy increase and Michael Thompson explained that with resorts in Florida, South Carolina and on the Gulf Coast of Texas, Holiday Inn Club Vacations also has a culture of hurricane contingency planning and felt that expanded insurance coverage was required to better protect Grand Residences and Royal Resorts, its members, the resorts, and related assets. He added that the new insurance policy is the best in the market and is in line with U.S. standards to protect a property.

Michael Thompson noted that Holiday Inn Club Vacations now owns the unsold inventory and will also be paying the higher Club Service Fee. He stressed that the Management team would work with the Advisory Council moving forward to share more information.

Management reiterated that the peso exchange rate variation has been a massive blow to resort finances. Lesley Nau noted that if there had been no exchange rate variation, the Club Service Fee increase would have been about 2 percent.

In 2024, the exchange rate variation forecast only shows a marginal improvement. The US dollar is likely to strengthen again at some point in the future and this would benefit the resort, as it has in the past.

After discussion, the Grand Residences Advisory Council, by a majority, did not endorse the 15 percent increase. Management values Council's input and understands its concerns, however, given the headwinds and their unprecedented impact on the resort's finances, the increase is necessary.

THE BREAKDOWN OF THE 2024 CLUB SERVICE FEE IS AS FOLLOWS

CLUB SERVICE FEE FOR FRACTIONAL MEMBERSHIPS 2024							
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
CSF	2,471.07	2,884.28	2,636.39	3,048.76	3,459.50	2,554.55	2,966.94
VAT 16%	395.37	461.50	421.79	487.80	553.52	408.73	474.71
Lodging Tax 5%	123.56	144.22	131.82	152.44	172.98	127.72	148.35
Total	2,990.00	3,490.00	3,190.00	3,689.00	4,186.00	3,091.00	3,590.00

CLUB SERVICE FEE FOR POINTS MEMBERSHIPS

Grand Residences CSF 2024			CSF	VAT 16%	Lodging Tax 5%	TOTAL	CSF price per point	
Points	Base	Variable						
2,740	3,300	\$255.96	\$0.1990	\$661.98	105.92	33.10	\$801.00	0.2923
3,301	4,000	\$305.73	\$0.1990	\$795.86	127.34	39.80	\$963.00	0.2917
4,001	4,800	\$392.48	\$0.1848	\$935.53	149.68	46.79	\$1,132.00	0.2829
4,801	5,700	\$469.27	\$0.1848	\$1,120.66	179.31	56.03	\$1,356.00	0.2824
5,701	6,600	\$540.37	\$0.1848	\$1,317.35	210.78	65.87	\$1,594.00	0.2796
6,601	7,500	\$625.69	\$0.1848	\$1,525.61	244.10	76.29	\$1,846.00	0.2797
7,501	8,600	\$711.01	\$0.1706	\$1,645.45	263.27	82.28	\$1,991.00	0.2654
8,601	9,800	\$711.01	\$0.1706	\$1,800.00	288.00	90.00	\$2,178.00	0.2532
9,801	10,900	\$739.46	\$0.1706	\$1,993.38	318.94	99.68	\$2,412.00	0.2461
10,901	12,100	\$753.68	\$0.1706	\$2,159.50	345.52	107.98	\$2,613.00	0.2397
12,101	13,500	\$803.45	\$0.1706	\$2,370.24	379.24	118.52	\$2,868.00	0.2370
13,501	15,800	\$831.89	\$0.1706	\$2,590.90	414.54	129.56	\$3,135.00	0.2322
15,801		\$860.33	\$0.1706	\$2,938.84	470.21	146.95	\$3,556.00	0.2250

The Advisory Council selected Steven Richard Bayerlein to replace retiring member Hugo Carlos Berlanga.

Budget Assumptions

An average exchange rate of \$20.94/US\$1 was considered for the preparation of the 2023 budget; however, it is expected to end the year at \$17.68/US\$1. This represents a negative variation of 15.61 percent.

Based on the projections of leading Mexican financial institutions, an average exchange rate of \$18.20 pesos to US\$1 was used for the 2024 budget. This represents a 2.98 percent depreciation of the peso against the dollar when compared to the exchange rate forecast for 2023.

For budgeting purposes, an inflation rate of five percent has been considered for 2024. Inflation has a cumulative effect on payroll expenses and the 2024 budget includes a cost-of-living salary adjustment of 5.5 percent for team members. A possible minimum wage increase is also considered.

Water and Sewage

Budgets for 2024 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 resort.

Electricity

The power purchase agreement with Infra, a green energy broker, is in effect and bringing some energy savings for the resorts in 2023. Infra is now providing 90 to 95 percent of our energy needs at Grand Residences and the other resorts, more than the 80 percent it is required to supply by contract.

Additional information about Grand Residences

Grand Residences ended the year with two international accolades: the *Condé Nast Traveler* Readers' Choice 2023 award as one of the Top Resorts in Eastern Mexico and a 2023 World Travel Award as Mexico's Leading Hotel Residence.

Several new experiences were added during the year for owners, members, and guests to enjoy. They include a Tequila Tasting on Thursday and a Mexican Wine Pairing with the Sommelier (reservations required).

Resort maintenance

The Preventive Maintenance program for Villas continued during 2023. As part of the maintenance program, the air conditioning system is completely overhauled (over and above regular cleaning



processes during the year), furniture and doors are stripped, repainted, and given a new coat of varnish. Chairs, sofas and upholstery are deep cleaned. Technicians also call every month to check appliances are functioning correctly.

Resort maintenance projects in 2023

The following maintenance projects were carried out at the resort in 2023.

Villas

- Bathtub repair in villa 325
- Washing machine maintenance in different units
- Terrace maintenance in villa 501
- Furniture restoration in villa 418

Pools & Jacuzzis

- Pool filters washing
- Jacuzzi card replacement
- Motor installation in Jacuzzi 3
- Main pool resurfacing

Around the Resort

- Replacement of the floor on the main access ramp
- Painting walls in guest areas and pergola maintenance
- External roof restoration of the bathroom, Building 1
- Replacement of the protective border on corners of walls and columns and repainting in different areas
- Replacement of screws on sales room signs
- Painting the sales room terrace
- Installation of signage as stipulated by the new Mexican law regulating the sale of tobacco products and smoking in public
- Adding ashtrays in designated smoking areas
- Clothing storeroom door repair, Building 8
- Furniture repair in the doctor’s office
- Door repair in the employee bathroom, Buildings 1 and 11
- Louver maintenance, Buildings 8 and 9
- Kids Club door repairs
- Replacement of tennis court lights

Machine House

- Osmosis system motor maintenance
- Gas meter replacement
- Fire pump repair
- Maintenance to motors in the Machine House
- Chiller machine maintenance
- Laundry compressor maintenance
- Revolving door plush replacement
- Boiler maintenance
- Repairs to sump pipes, Building 1
- Painting of the access ramp to the platform
- Handler maintenance
- Engineering room painting

Food & Beverages*

- Maintenance to the air conditioner handling unit in the employee cafeteria
- Refrigerator repairs and restoration
- Resurfacing the pool bar roof
- Improving drainage in the storehouse
- Painting and wall repairs in Flor de Canela restaurant
- Lighting fixtures in El Faro Grill
- Thermostat replacement in the Heaven Bar oven
- Waterproofing of storehouses
- Replacement of Heaven Bar chair bases
- Resurfacing of the kitchen drainage counters
- Pastry blender machine maintenance
- Pool bar floor replacement
- Kitchen floor replacement
- Door hinge and frame replacement in Flor de Canela restaurant
- Improvements to buffet lighting in El Faro Grill
- Garbage storage area maintenance
- Kitchen stairs welding
- Air-conditioning handler maintenance in Flor de Canela restaurant
- Door hinge replacement in El Faro Grill

**Food and beverage maintenance project expenses are allocated to the separate Resort Business budget*



GRAND RESIDENCES BY ROYAL RESORTS	NUMBER OF INTERVALS 3,100						
	KEYS 7,200						

Income Statement Comparison Forecast 2023 vs Budget 2024 (US)

2023			DESCRIPTION	2024 BUDGET	FORECAST VS BUDGET		ACTUAL/ INTERVALS
BUDGET	FORECAST	%			2023 VS 2024		
					VARIANCE	%	
\$20,9442	\$17,6752	-15.61%	EXCHANGE RATE	\$18,2012	2.98%		
			GENERAL REVENUE				
7,082,654	7,065,535	-0.2%	Dues Income	8,644,764	1,579,229	22.4%	2,788.63
7,082,654	7,065,535	-0.2%	Total Dues Income	8,644,764	1,579,229	22.4%	2,788.63
			OTHER INCOME				
3,600	3,139	0.0%	Guest Laundry	3,600	461	14.7%	1.16
38,400	24,003	-37.5%	Other Income	38,400	14,397	60.0%	12.39
42,000	27,142	-35.4%	Total Other Income	42,000	14,858	54.7%	13.55
7,124,654	7,092,677	-0.4%	Total Revenue	8,686,764	1,594,088	22.5%	2,802.18
			RESORT OPERATING EXPENSES				
859,370	1,048,011	22.0%	Housekeeping Services	1,161,787	113,776	10.9%	374.77
409,084	432,744	5.8%	Housekeeping Maintenance	428,803	(3,941)	-0.9%	138.32
198,620	245,456	23.6%	Amenities	256,944	11,488	4.7%	82.89
851,961	911,742	7.0%	Electricity	920,284	8,542	0.9%	296.87
1,230,355	1,372,940	11.6%	Maintenance & Machine House	1,648,083	275,143	20.0%	531.64
106,154	141,274	33.1%	Water & Sewage	147,235	5,961	4.2%	47.50
438,532	436,686	-0.4%	Security	514,635	77,949	17.9%	166.01
280,169	308,682	10.2%	Front Desk/Concierges	338,085	29,402	9.5%	109.06
300,329	345,869	15.2%	Internal Laundry	342,453	(3,416)	-1.0%	110.47
51,732	42,970	-16.9%	Fixed Assets and Major Repairs	408,890	365,919	851.6%	131.90
160,916	202,820	26.0%	Landscaping	234,710	31,889	15.7%	75.71
85,234	109,068	28.0%	Sport Services	115,506	6,438	5.9%	37.26
65,709	73,228	11.4%	Telephone (Net Result)	74,548	1,320	1.8%	24.05
195,565	196,288	0.4%	Social Activities	216,017	19,728	10.1%	69.68
22,291	25,708	15.3%	Operational Services	20,109	(5,599)	-21.8%	6.49
305,852	916,795	199.8%	Resort Insurance	1,192,902	276,107	30.1%	384.81
21,633	24,813	14.7%	Gym	36,192	11,379	45.9%	11.67
87,618	120,541	37.6%	Members Transportation	107,595	(12,946)	-10.7%	34.71
129,600	126,639	-2.3%	High Speed Internet Connection	129,600	2,961	2.3%	41.81
5,800,724	7,082,277	22.1%	Total Resort Operating Expenses	8,294,378	1,212,100	17.1%	2,675.61
			GENERAL & ADMIN EXPENSES				
629,302	625,281	-0.6%	Management Fee	757,702	132,420	21.2%	244.42
305,955	351,493	14.9%	Corporate Services	395,964	44,471	12.7%	127.73
131,266	168,783	28.6%	Accounting/Warehouse/IT/Purchasing	160,613	(8,171)	-4.8%	51.81
58,534	68,117	16.4%	Administration/General Management	72,124	4,006	5.9%	23.27
109,693	133,129	21.4%	Human Resources	149,599	16,470	12.4%	48.26
63,680	76,073	19.5%	Other Expenses	85,247	9,175	12.1%	27.50
24,767	17,065	-31.1%	Auditing	19,840	2,775	16.3%	6.40
65,056	79,439	22.1%	Membership Services	83,920	4,482	5.6%	27.07
1,388,253	1,519,380	9.4%	Total General & Admin Expenses	1,725,008	205,629	13.5%	556.45
(64,323)	(1,508,980)	2245.9%	Total Operating Income	(1,332,621)	176,359	-11.7%	(429.88)
			FINANCIAL EXPENSES/INCOME				
53,120	77,346	45.6%	Credit Card Commission CSF	88,948	11,602	15.0%	28.69
53,120	77,346	45.6%	TOTAL FINANCIAL EXPENSES/INCOME	88,948	11,602	15.0%	28.69
			Taxes				
664,951	669,298	0.7%	V.A Tax	854,198	184,900	27.6%	275.55
124,678	144,517	15.9%	Occupancy Tax	213,550	69,033	47.8%	68.89
130,678	152,552	16.7%	Property Tax & Other Exp.	156,364	3,812	2.5%	50.44
920,307	966,368	5.0%	Total Taxes	1,224,112	257,744	26.7%	394.87
(1,037,750)	(2,552,694)	146.0%	Net Income	(2,645,681)	(92,987)	3.6%	(853.45)