IHVC TREASURER'S ANNUAL REPORT

The Imperial's exceptional Management team along with our long-term employees, have successfully maintained our operations at 80% occupancy, generating substantial operating income. Our review, of the monthly profit and expense summaries, along with the balance sheet indicates a manageable profit for December 31, 2024, fiscal year-end.

The Imperial's hotel FIT (Free Independent Traveler) operations contributed significantly to the previous year's operational cash surplus, resulting in board approval of $1.3M for capital projects expenditures. Similarly, for the 2025 annual budget the board has approved the allocation of $900,000 from net income for capital project expenditures. We also approved a reserve fund contribution of $250,000 from the 2025 assessments.

Management and the board closely monitor expenses using cash flow analysis, both actual and forecast. We also utilize a monthly variable income and expenses report that compares actual to budget, as well as a comparison to the previous year, highlighting the difference and percentage increases or decreases.

The CPI (Consumer Price Index) has decreased from the previous highs of last year allowing the Board of Directors along with Management to approve lowering the 2025 annual assessment to 2.5%. This adjustment is intended to cover our expected increase in expenses. The Federal Reserve Board has decreased interest rates, and this has reduced our current investment income. Management meets regularly with our bank representative, and with the board twice a year, to discuss opportunities to maximize interest income on our insured bank deposits.

To encourage owners to prepay their current maintenance assessment, the board once again has approved a 5% discount on cash, check, money-order, payments made before November 30, 2024, and a 3% discount on cash, check and money-order payments made before January 1, 2025. This incentive has had a positive impact on our assessment collections.

John A. Tokarcsik   IHVC Treasurer