

Resort Villa Management Ltd.  
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Calgary, Alberta  
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Customer Service:  
Telephone: 1-877-451-1250



November 22, 2023

## **2024 MAINTENANCE FEE COMMUNICATION**

**Dear Sunchaser Vacation Villas Owner:**

### **2023 Update:**

2023 was a positive year for the Resort. We appear to have stabilized into the new post-Covid pandemic vacation environment and are back to our normal operations for a mature resort. It appears Covid increased our overall delinquency/terminations by approximately 10%. As a result, our occupancy has reduced and we are budgeting 2024 on that basis.

During 2023, we completed or are nearing completion of significant work on the Recreation Building. The roof was replaced, and the HVAC (heating, ventilation and air conditioning) work is scheduled to be completed by year-end. Both were important maintenance work due to the age of the facility.

In the 8100 building, we completed a replacement of the sofa beds which were at or nearing their end of life. We also replaced the dressers in the units as well as the washer/dryer sets. At the 400 building, we resurfaced the decks to address weather related issues/damage. Finally, the Resort switched to high-definition television service in April which has improved quality across the Resort.

### **2024 budget:**

The 2024 budget has been impacted by a number of key factors. Inflation in British Columbia has declined to 3.3% but remains higher than historic averages. Insurance costs are forecast to increase significantly because of factors across the insurance industry and British Columbia specifically. We are also budgeting higher than typical refurbishment due to a number of key projects we need to complete in 2024. Offsetting those increases are planned decreases in our overall staff compliment to reflect our expected occupancy levels as well as reduced propane costs for the year due to lower commodity prices.

Key refurbishment projects for 2024 include: replacement of the Recreation Building electrical system which is outdated and no longer capable of reasonable service; deck repairs to one or more of the 300, 500 and 600 buildings; and new boilers for the 300, 600 and 700 buildings. In addition, the Resort needs to purchase two used vehicles for use by maintenance and housekeeping.

Overall, we have held the year-over-year increase in gross costs to just 0.92% (\$5.35 million versus \$5.3 million last year) and net costs (costs less revenues) to 4.70% (\$4.59 million versus \$4.38 million last year). The total maintenance fee increase including our natural increase in delinquency is 5.06%.

As with prior years, we want to remind Owners that the Resort will take inventory back on a case-by-case basis for the benefit of all Owners. In these cases, the Resort charges a future carrying cost fee to allow the Resort to operate into the reasonable future. This is necessary to balance the right of the Resort to enforce outstanding maintenance fees against the practical reality that Owners may chose permanent delinquency and risk legal action/collections if the Resort is not willing to compromise. We note that Ontario has proposed changes to its consumer protection legislation that are quite similar to our model and we have adjusted our termination fees taking the proposal into consideration.

We hope Owners understand that if they wish to terminate, a fair termination fee is necessary to prevent increased costs to remaining Owners who share mutually in operation of the Resort.

**Payment methods for 2024 maintenance fees:**

We can accept payment by Visa or Mastercard. However, if possible, we request that you pay by E-transfer, internet banking, or cheque as the credit card fees are substantial.

For US Owners, we have provided a US Dollar invoice amount on the budget summary on the next page. This amount is valid until January 31 and reflects the current exchange rate and costs. As always, if you can obtain a better exchange rate through your own bank, you can pay with a CAD\$ cheque or money order.

Payment options:

- 1) Internet banking: Internet banking options to include TD, Bank of Montreal, Scotiabank, RBC, CIBC, National Bank, Alberta Treasury Branches, and various credit unions. When paying by internet banking, please make sure to select the payee “Resort Villa Management Ltd.” or “Resort Villa Management – SVV” as appropriate.
- 2) Mail: Send your cheque, money order or bank draft to our address on the invoice. Please note your CUSTOMER CODE (Example: SMITH12345) on the memo section of the cheque. **\*\*Make sure to use the address listed on the invoice\*\***
- 3) E-transfer: Please email your E-transfer payments to: [customercare@northwynd.ca](mailto:customercare@northwynd.ca). Please include your CUSTOMER CODE (Example: SMITH12345)

**Payment deadlines:**

Maintenance fees are due and payable on January 31, 2024. As in prior years, we are providing an interest free two payment plan option for the maintenance fees (**post-dated cheques only with the first cheque dated January 31, 2024 and the second no later than February 28, 2024**) to help ease the burden of the timing of the maintenance fees. Please return both cheques with the stub from your invoice. **Reminder: You cannot book or deposit your time until your final maintenance fee payment has been made. Please make sure to call Vacation Ownership Services to book or deposit your week at that time.**

**PLEASE NOTE OUR ADDRESS CHANGED LAST YEAR (from unit #170 to unit #180).** During the previous year, we moved to a smaller office to reduce cost. Our new address is listed in the header above.

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We hope you had a happy and healthy 2023. We look forward to seeing you at the Resort in 2024 or to help with your exchange needs. Thank you once again for your continued support of the Resort. Should you have any questions with this communication, please do not hesitate to contact our Vacation Ownership Services team at **1-877-451-1250**.

Best regards,

*“Signed”*

Vacation Ownership Services  
Resort Villa Management Ltd.

SUNCHASER VACATION VILLAS			
2024 Budget			
	2024 Budget	Villa Type	
		Terrace	2 Bedroom
Operating labour:			
Operating wages	1,580,901	\$ 457.37	\$ 538.09
Benefits	238,778	\$ 69.08	\$ 81.27
Total on-site wages and benefits	1,819,679	\$ 526.45	\$ 619.36
Off-site wages and benefits	360,369	\$ 104.26	\$ 122.66
Total wages and benefits	2,180,048	\$ 630.71	\$ 742.02
Non-wage staff costs	34,321	\$ 9.93	\$ 11.68
Total labour costs	2,214,369	\$ 640.64	\$ 753.70
Non-labour operating costs:			
Direct operating	148,000	\$ 42.82	\$ 50.37
Contracted services	120,675	\$ 34.91	\$ 41.07
Repairs and maintenance	183,002	\$ 52.94	\$ 62.29
General and administrative	441,355	\$ 127.69	\$ 150.22
Utilities	591,113	\$ 171.02	\$ 201.20
Insurance	253,018	\$ 73.20	\$ 86.12
Property tax	142,800	\$ 41.31	\$ 48.60
Total non-labour operating costs	1,879,963	\$ 543.89	\$ 639.87
Total operating costs	4,094,332	\$ 1,184.53	\$ 1,393.57
Refurbishment	552,735	\$ 159.91	\$ 188.13
Total costs before management fee	4,647,067	\$ 1,344.44	\$ 1,581.70
Management fee (15% of total costs)	697,060	\$ 201.67	\$ 237.26
Total costs	5,344,127	\$ 1,546.11	\$ 1,818.96
Reservation fees	(131,166)	\$ (37.95)	\$ (44.64)
Ancillary revenues	(204,480)	\$ (59.16)	\$ (69.60)
Reserve allocation	(423,400)	\$ (122.49)	\$ (144.11)
Total other revenue	(759,046)	\$ (219.60)	\$ (258.35)
Maintenance fee before GST	4,585,081	\$ 1,326.51	\$ 1,560.61
GST @ 5%		\$ 66.33	\$ 78.03
<b>Total maintenance fee</b>		<b>\$ 1,392.84</b>	<b>\$ 1,638.64</b>
US Dollar exchange rate		\$ 0.760	\$ 0.760
Estimate US Dollar MF*		\$ 1,058.56	\$ 1,245.38
*subject to change January 31, 2024			