

**LINDO MAR ADVENTURE CLUB, LTD.  
BOARD OF DIRECTORS MEETING  
TELEPHONIC  
REGULAR SESSION**

**MONDAY, FEBRUARY 27, 2017  
9:00 A.M. (PST)**

**MINUTES**

**I. CALL TO ORDER / ROLL CALL / APPROVAL OF AGENDA**

At 9:04 a.m. (PST) President Sandra Wicks called the meeting to order.  
In attendance were:

**Board of Directors**

Sandra Wicks	President
Dennis Lockwood	Vice President
Poul Hansen	Secretary / Treasurer
Charles Meacham	Director
David Brusby	Director

**Trading Places International**

Mauricio Quezada	Director of Resort Operations
Luis Moran	Assistant VP of HOA Accounting

**Lindo Mar Resort**

Roberto Chavez	General Manager
Miguel Correa,	Operations Manager

Chuck Meacham moved and Dennis Lockwood seconded to approve the agenda with the addition of a New Elevator discussion under New Business and move the Executive Session to the end of the meeting. The motion passed unanimously.

**II. MINUTES OF PREVIOUS BOARD MEETING**

Poul Hansen moved and Dennis Lockwood seconded to approve the minutes of the October 26, 2016 meeting. The motion carried unanimously.

**III. REPORTS**

**A. Financial**

**1. Monthly Financial Review**

Luis Moran presented the financial statements for the resort as of January 31, 2017.

Mr. Moran will transfer any surplus from the 2016 Operating Fund to the Reserve Fund by reducing the Association's Operating Fund to \$100,000 as resolved by the Board at the February 22, 2016 Board Meeting upon the completion of the review by an independent CPA.

Chuck Meacham moved to accept the financial statements as of January 31, 2017 and David Brushy seconded. The motion carried unanimously.

**2. Delinquencies**

Delinquencies were reviewed showing a negative variance of 4.36% vs the same period of 2016. The assessment of TPI owned weeks at Lindo Mar does not show on the report and generates an increase. Luis Moran will review and update the report (**Action Item**).

**3. Update on Responses to the 2015 Mexican Update**

Poul Hansen requested a report in writing from management in regards to the actions and measures being taken based on the observations from the 2015 audit (**Action Item**).

**4. Audit Report for the Period Ending December 31, 2015**

No further discussion.

**B. Management**

A quarterly update was provided to the Board. With the replacement of TV's in the one bedroom units, onsite management will move forward with mounting the new TV's on the wall and reduce inconvenience to guests as much as possible during this task.

Roberto Chavez reported on the Labor Department inspection that took place on February 8, 2016 and last December. The Labor Department presented Lindo Mar with a document of notification stating that a follow up inspection will take place in early March to review any outstanding items. Consultants from Mexico City are scheduled to arrive before the inspection to confirm compliance with all the authority's requests.

Roberto Chavez will be reviewing the need to get a larger ice maker for the restaurant and will look into the purchase of a floor cleaning machine (**Action Item**).

**C. Comment Cards**

Comment cards were reviewed. A lack of onsite activities was noted. Roberto Chavez will consider adding more onsite activities (e.g. movie night, cooking class, card night, bingo).

**D. Occupancy**

The occupancy report was reviewed.

**E. Great Destinations Sales Report**

The report was reviewed with no further discussion.

**IV.UNFINISHED BUSINESS**

**A. 2017 Reserve Study Update**

Poul Hansen moved and Dennis Lockwood seconded to accept the Reserve Study and to post on the Lindo Mar website. The motion passed unanimously.

**B. Kitchen Project**

Dennis Lockwood moved and Chuck Meacham seconded to allocate an additional \$19,000 for the kitchen remodel for a total not to exceed of \$44,000 including contingencies and kitchen equipment. The project will commence in early June and continue through July of 2017. The motion passed unanimously.

Mr. Hansen noted the importance to start negotiating the lease renewal two years before the expiration date.

**C. World Wide Vacations Club Inventory Update**

A list of available Association inventory will be reviewed at the June meeting and the possibility of setting up a second auction will be discussed. The relinquished WWVC inventory will be made available to Javier Quezada to sell and any interval weeks breaking the 50% fixed rule will be converted into floating weeks.

**D. Refurbishing Project 2018-2020**

A follow up meeting with the LAM Architect group is scheduled for March 1<sup>st</sup> and March 15<sup>th</sup> to continue discussing unit design and interiors.

**E. Gym Remodel**

Dennis Lockwood moved and Chuck Meacham seconded to remodel the Lindo Mar gym in May for a total not to exceed \$15,000 as presented by Mauricio Quezada including all new equipment, the demolition of the existing sauna area and the floor replacement. The motion passed unanimously.

**F. Javier Quezada's Performance**

The sales have improved and 11 onsite sales have been completed in the last two months. As of the end of January, more than 25% of the sales budget for the year has been reached.

### **G. Possible Working Relationships with Casa Karma**

Dennis Lockwood and Poul Hansen will coordinate a meeting with the owner and manager of Casa Karma to discuss parties and noise coming from their property at night (**Action Item**).

## **V. NEW BUSINESS**

### **A. Expense Reimbursement Guidelines**

David Brusby moved and Poul Hansen seconded to approve the Board of Directors Expense Reimbursement Guidelines as amended. The motion passed unanimously.

### **B. New IRS Mileage Rate**

Chuck Meacham moved and seconded by Dennis Lockwood to approve using the prevailing mileage rate as set by the IRS. The motion passed unanimously.

### **C. 2017 Election**

The timeline for the 2017 election was presented to the Board:

March 6 - Call for nominations

April 6 - Limit date to turn in nominations

April 27 - Mailer with ballots is sent to the members

June 13 - Limit date to turn in ballots

### **D. Elevator**

Dennis Lockwood moved and Chuck Meacham seconded the motion to approve building and installing a second elevator due to the age and usage of the existing one, in the amount of \$96,000 with a "durock" (sheetrock) material for the elevator walls and an OTIS brand elevator. The elevator is set to be built during 2017 beginning during the summer and is set to be completed by October. The motion carried with 4 votes in favor, 1 opposed.

## **VI. OTHER BUSINESS**

### **A. Owner Forum / Correspondence / Cancellation Requests**

Chuck Meacham moved and Poul Hansen seconded the motion to accept the cancellation requests that were submitted in writing if the accounts are in good standing or brought current no later than April 30, 2017. The motion passed unanimously.

Mr. Quezada will coordinate contacting the members who submitted their requests in writing to inform the Board's decision (**Action Item**).

**B. Review of Previous Action Items**

The action items were updated and reviewed.

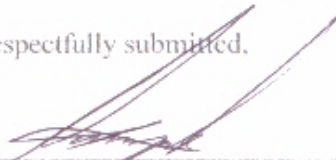
**VII. EXECUTIVE SESSION**

At 12:34 p.m. (PST), the Board recessed the Regular Session and moved into Executive Session. The Regular Session reconvened at 1:04 p.m. (PST).

**VIII. ADJOURNMENT**

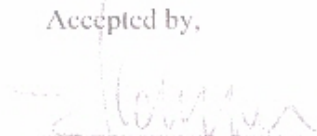
Sandra Wicks moved to adjourn the meeting at 1:05 p.m. (PST).

Respectfully submitted,



Mauricio Quezada  
Director of Resort Operations  
Trading Places International / VRI

Accepted by,



Poul Hansen,  
Secretary / Treasurer  
Lindo Mar Adventure Club, Ltd.