

**LINDO MAR ADVENTURE CLUB, LTD.
BOARD OF DIRECTORS MEETING
Trading Places International
Lake Forest, CA**

**Tuesday, June 12, 2018
9:00 A.M. (PDT)**

REGULAR SESSION MINUTES

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

The meeting was called to order at 9:08 a.m. (PDT) by President Sandra Wicks. In attendance were:

Board of Directors

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

Lindo Mar Resort

Roberto Chavez	General Manager
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Trading Places International

Asael Sandoval	Director of Resort Operations
Douglas L. Wilcox	Sr. VP of Resort Operations
Luis Moran	Assistant VP of HOA Accounting
Casey Clayson	Administrative Assistant

Guests

Roger Denton	Lindo Mar Adventure Club Owner
Scott Gordon	Lindo Mar Adventure Club Owner

Poul Hansen made a motion and Charles Meacham seconded to approve the agenda. The motion passed unanimously.

II. MINUTES OF PREVIOUS BOARD MEETING

Charles Meacham made a motion and David Brusby seconded the motion to approve the board minutes of the February 26, 2018 meeting with the following wording correction: under VI. A. Federal Zone Update change “updated the Lindo Mar coordinates ranging from their neighbors to the resort on both the north and south side” to state “updated the Lindo Mar coordinates between our neighbors on the north and south side.” The motion passed unanimously.

III. EXECUTIVE SESSION

At 9:10 a.m. (PDT), Dennis Lockwood made a motion and Charles Meacham seconded the motion to recess the regular session and move into executive session to approve the previous executive meeting minutes, and to discuss both legal and employee matters.

The board exited executive session at 11:00 a.m. (PDT).

After a short break, regular session was reconvened at 11:15 a.m. (PDT).

IV. REPORTS

A. Financial

1. Monthly Financial Review

Luis Moran presented the financial statements for the resort as of April 30, 2018. For the month of April 2018, Mr. Moran reported that the association was operating with a surplus in the amount of \$170,197 and a favorable variance to budget of \$121,030.

Dennis Lockwood moved to accept the financial statements as of April 30, 2018 and Charles Meacham seconded the motion. The motion carried unanimously.

2. Schedule of Actual Expenditures vs. Reserve Study

Mr. Moran presented the Reserves Fund activity of actual expenditures and the Reserve Study 2018 Plan.

3. Delinquencies

The delinquency rate as of April 2018 was 5.11% which was lower than the previous year by .96%.

4. 2017 Financial Review

Luis Moran presented the 2017 financial review completed by Schonwit & Associates, Inc. for the year ended December 31, 2017.

Dennis Lockwood motioned, and Charles Meacham seconded the motion to approve the December 31, 2017 financial review completed by Schonwit & Associates, Inc. The motion carried unanimously.

B. Management

Roberto Chavez provided the board with an update of outstanding projects at Lindo Mar. He reported that staff were working on replacing old valves in all the units to be remodeled and beams that were termite infested in affected units.

Charles Meacham made a motion and Dennis Lockwood seconded the motion to ban smoking in the north end of La Playita. The motion carried unanimously.

Dennis Lockwood made a motion and Poul Hansen seconded the motion to approve spending \$4,000 to purchase tables with tile tops for the restaurant. The motion carried unanimously.

Charles Meacham made a motion and Dennis Lockwood seconded to approve the purchase of chairs with the wood bottoms for the restaurant at \$380 pesos each. The motion carried unanimously.

Roberto Chavez stated that Civil Protection requested smoke detectors in all the units. The board approved the installation of smoke detectors during remodeling but requested that Mr. Chavez provide them with the installation cost for approval (Action Item).

The board recessed for lunch at 1:09 p.m. (PDT). Scott Gordon entered the meeting at 1:17 pm (PDT). The board meeting resumed at 1:35 p.m. (PDT).

David Brusby made a motion and Charles Meacham seconded the motion to approve the purchase and installation of new blinds for the units to be remodeled in 2018. The motion carried unanimously.

Charles Meacham made a motion and David Brusby seconded the motion to approve the remodeling of floors 3,7 and 8 in 2019. The motion carried unanimously.

Chuck Meacham made a motion and Poul Hansen seconded the motion to approve spending \$1,374 per unit for additional items for the 2018 room remodeling (including items such as refrigerators, microwaves, towel bars, lights, etc.). The motion passed 4-1. Sandra Wicks, Chuck Meacham, Poul Hansen, and David Brusby voted yes, and Dennis Lockwood dissented.

The board requested for management to provide them with a proposal for bar remodeling and another proposal for the remodeling of Javier Quezada's office for the October board meeting (Action Item).

The board requested for Roberto Chavez to have signage placed at front desk informing owners what special accessories are available for rental (Action Item).

1. Javier Quezada

Roberto Chavez reported that Javier Quezada has made \$64,000 in sales from January to May 2018.

C. Comment Card Review (RCI, II, TPI & TripAdvisor)

The board reviewed and discussed the RCI, II, TPI, and TripAdvisor comments.

D. Occupancy

The board reviewed and discussed the occupancy report.

E. Great Destinations Sales Report

Asael Sandoval reviewed the Great Destinations sales report with the board reporting that Great Destinations has sold a total of 34 units since January 1, 2018.

V. UNFINISHED BUSINESS

A. 2nd Elevator

Roberto Chavez reported that was another delay in the opening of the elevator caused by water entering the shaft. He announced that the elevator would open after the problem had been fixed and that the new elevator will be used only by Lindo Mar and restaurant guests and members.

The board directed management to provide the board with different vendor bids to refurbish the old elevator (Action Item).

B. Refurbishing Project 2018 -2020

The board reviewed and discussed the refurbishing project as part of the manager's report.

C. Federal Zone Update

Roberto Chavez provided the board with an update on the completed federal zone survey. Mr. Chavez reported that there were 58 meters of land won to the sea. The board determined that this subject would be addressed again at the October board meeting.

D. Falling Northern Wall

Dennis Lockwood made a motion and Poul Hansen seconded the motion to approve the upgrades to the northern wall in the amount of \$5,315 USD. The motion carried unanimously.

E. Ventilation in the Kitchen

Poul Hansen made a motion and Chuck Meacham seconded the motion to approve the purchase of a carrier AC system with 5-ton capacity ventilation system in the La Playita kitchen in the amount of \$5,193.42 USD. The motion carried unanimously.

VI. NEW BUSINESS

A. 2018 Election Results

Asael Sandoval provided the board with a handout showing the results of the 2018 election were as follows:

Roger Denton	283	Sandra Wicks	565
Scott Gordon	204		
Chuck Meacham	483	<u>Write-Ins</u>	
Will Stewart	34	Laura Raltson	1
Les Toth	31	Steve Raltson	1

The two incumbents, Sandra Wicks and Chuck Meacham, were re-elected to serve for another two-year term on the board.

David Brusby made a motion and Dennis Lockwood seconded the motion to ratify the results of the 2018 election as presented. The motion carried unanimously.

Poul Hansen made a motion and Charles Meacham seconded the motion to have all board members retain their current position on the board. The motion carried unanimously, and the board remains as follows:

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

The board thanked Sandra Wicks and Charles Meacham for their continued dedication to Lindo Mar. The board also thanked Scott Gordon, Roger Denton, and all board candidates not present for their interest in serving on the board of directors.

B. TPI Inspection Reports

Asael Sandoval reported that Mark Giddings will be completing quarterly inspection reports of Lindo Mar, at TPI's expense, to help the board and management determine areas for improvement at the resort.

The board thanked Trading Places for the thorough report.

VII. OTHER BUSINESS

A. Owner Forum / Correspondence / Cancellation Requests

The board reviewed all cancellation requests submitted to them.

Dennis Lockwood made a motion and Charles Meacham seconded the motion to accept Jeanne Clifton's request the cancellation of her membership once the account is paid in full. The motion carried unanimously.

The board directed Trading Places to turn over Marco Hernandez and Christijana Bender's request for cancellation over to Great Destinations, from whom they purchased the week from (Action Item).

B. Review of Previous Action Items

The board reviewed the action items list.

VIII. ADJOURNMENT

Sandra Wicks thanked the board and management for their hard work. The meeting adjourned at 3:57 p.m. (PDT).

Submitted by:
Trading Places International
Its: Managing Agent

Accepted by:
Lindo Mar Adventure Club, Ltd.

Casey Clayson
Administrative Assistant

Poul Hansen,
Secretary / Treasurer