

LINDO MAR FINANCIAL RECAP – JUNE 2025

Sandra Erickson, Secretary/Treasurer

In keeping with the continuing effort to provide as much current information as possible to the member/owners the Lindo Mar Board of Directors have directed that a recap of each meeting...both in general and specifically in the area of finance be prepared and posted for review. The following presents a functional understanding of Lindo Mar Resort's financial position as of the end of April 2025 – the most recent report available from Trading Places.

Background:

The 2025 budget was prepared in **October of 2024** and used the best available information at the time.

- Average USD/Mex Peso exchange rate in October 2022 was 20.15
- Average USD/Mex Peso exchange rate in October 2023 was 17.73
- Average USD/Mex Peso exchange rate in October 2024 was 19.70

A broader look at 2024 revealed the average exchange rates (in 2024) were:

- In May the peso strengthened ...USD/Mex Peso average exchange rate to the dollar was 16.79.
- In December, 2024 the peso weakened... USD/Mex Peso average exchange rate to the dollar was 20.31

Clearly the US dollar was fluctuating significantly. In October of 2024 the BOD adopted an exchange rate of USD/Mex Peso exchange rate of 19 for budgeting purposes. As mentioned above the fluctuation had budgetary implications. In addition, the Maintenance Fees were raised which provided for a balanced budget for 2025.

This basic information has already been shared with the membership.

So where are we now?

- At the end of April, 2025, Consolidated Lindo Mar operations experienced a YTD surplus of income over expenses of \$154,039.
- La Playita Restaurant and Bar continued to experience extraordinary growth of income in revenue over budget by \$122,820. Just for transparency, cost of sales was

down, operational costs and staff costs were also down which allowed for this figure. This is very favorable.

We must also mention that there are still significant employment taxes to be paid.

- Our overall expenses are under budget by \$42,635.
- Our combined Reserve Fund was \$162,145. Do note that a \$5000 monthly figure (plus interest) is contributed to this fund. Also, the 2024 budget did not have a monthly contribution so we are pleased to be able to again make regular monthly contributions.
- The BOD has progressed in the development of a full Reserve Study (a study to determine the replacement of common assets). There have been two drafts completed to date. This document is prepared for the beginning of 2026 Fiscal Year. There will be a separate zoom BOD meeting in the near future to review this second draft. It was prepared by Mari Jo Betterley of the Better Reserve Consultants of Nevada.

*As a reminder, the Reserve Study is a financial planning tool to fund repair, replacement, restoration and maintenance of the major components of the common element.... usually over a 30-year period...which allows for an equal payment of each cost over this period of time so that a large burden will not be placed on future owners.

* Also, the completion of the remodeling project would fall within this study.

An additional item of interest is the progress of the Finance Committee. The BOD extended an invitation to Walt Grady to be on this Committee. He has regularly contributed to the understanding and sharing of the extensive financial data prepared by Trading Places. His extensive background (CPA as well as working with Reserve Studies for 40 years) has proved valuable. In addition, BOD member Giancarlo Accettullo and Trading Places executive Ken Loury are functioning within that committee.