

APPROVED

**LINDO MAR ADVENTURE CLUB, LTD.
BOARD OF DIRECTORS REGULAR MEETING MINUTES
Wednesday, June 21, 2023**

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

Having established a quorum, Dennis Lockwood called the Regular Meeting to order at 10:04 a.m. (PT). The following people were in attendance:

Board of Directors:

Dennis Lockwood, President
Sandra Erickson, Vice President
Charles Meacham, Treasurer
Lisa DeJong, Secretary
Roger Denton, Director

Trading Places International and Resort Management:

Daniel Garza, Director of Resorts
Ulises Alfaro, General Manager
Ken Loury, Sr. Vice President of HOA Accounting
Royce Pennington – Sr. Vice President of Resort Operations

II. APPROVAL OF AGENDA

MOTION: Chuck Meacham moved to approve the agenda as amended by adding C. Board of Directors Code of Ethics, under VIII. New Business Continued. Motion was seconded by Roger Denton and approved unanimously.

III. MINUTES OF PREVIOUS BOARD MEETING

A. February 13, 2023 Regular Meeting Minutes

MOTION: Chuck Meacham moved to approve the Regular Board Meeting Minutes of February 13, 2023 as written. Motion was seconded by Roger Denton and approved unanimously.

IV. REPORTS

A. Financial

1. Review of Financial Statements as of March 31, 2023

Ken Loury presented the month end March 31, 2023 financial statements. Ken reported that the unaudited financial statements reflect that the Association was operating with a surplus in the amount of \$103,389 and a favorable variance to the budget in the amount of \$42,434 for the three-month period.

2. Acumatica

Discussed under 3. Delinquency.

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3. Delinquency

The delinquency rate as of March 2023 was 13.35% which is higher by 2.89% compared to March 2022.

Ken Loury provided a brief report of the April 2023 financial numbers. Ken notified the Board of the recent change to Acumatica reporting and the delay in financial reporting was affected by the migration. Ken advised the Board monthly reporting should return to normal by August 2023.

B. Management Report / La Playita Comments

Management presented, and the Board reviewed at length, the management reports covering the areas of general operation, maintenance, administration, restaurant, and owner relations.

1. Sales Performance

Ulises Alfaro reported that year-to-date, Javier Quezada has conducted sales in the amount of \$70,000 USD for the year with a combination of HOA sales and resales for members.

C. Comment Card Review (RCI, II TripAdvisor, and Yelp)

The TripAdvisor and Yelp summaries were reviewed.

1. Occupancy

The Occupancy Reporting was presented, reviewed, and discussed by management and Board.

MOTION: Roger Denton moved to approve the Management reporting as presented. Motion was seconded by Lisa DeJong and approved unanimously.

V. UNFINISHED BUSINESS

A. Restaurant Remodeling Items

1. New Bar Design

The new bar design discussion remained tabled.

2. Roof Tile Replacement

Ulises Alfaro reported the roof tiles are being addressed as needed.

3. Floor Tile Replacement

No update was provided.

B. 1st Floor Remodel Project

Ulises Alfaro reported and provided updates on the 1st floor remodel project. The drainage system was close to completion and on track to be completed for opening Lindo Mar on July 1, 2023. The Board held a lengthy discussion about the increase in cost of the 1st floor remodel. The Board noted the peso had devalued by 15% resulting in the increase in cost and took that into account with the validity of the proposal.

MOTION: Lisa DeJong moved to ratify the approval of the email dated June 2, 2023 to accept the new proposal of \$6,496,973 PESOS. Motion was seconded by Chuck Meacham and approved unanimously.

C. Penthouse Remodel Project (2024)

The Board tabled the penthouse remodel project discussion.

D. Front Entrance Wood Beams

Ulises Alfaro reported the wood beams were to be completed during the recent maintenance closure.

E. PBX Phone

Ulises Alfaro reported the need to replace and upgrade the PBX phone system. Ulises will secure additional proposals to present to the Board.

F. UPS Peaks Surge Protector

Ulises Alfaro reported the Peaks Surge Protector was completed but there remained pending interior electrical work that would be completed.

G. Cashier Counter Restaurant

Ulises Alfaro reported for efficiency and better service to reallocate the location of the cashier counter. Ulises reported he would continue to secure proposals to present to the Board.

H. Fire Hydrant Project

Ulises Alfaro reported on the increase in materials since it was first approved and proposed the fire hydrant project be completed in phases.

VI. NEW BUSINESS

A. Software Restaurant

Ulises Alfaro reported La Playita Restaurant requires a point of sale (POS) system to provide better efficiency and service for the restaurant. Ulises presented the “Soft Restaurant” POS system.

MOTION: Chuck Meacham moved to approve the purchase of Soft Restaurant software at a price not to exceed \$9,000 USD. Motion was seconded by Sandra Erickson and approved unanimously.

B. Drainage Kitchen Grid

Ulises Alfaro updated the Board on the drainage grid to prevent water from ponding around the kitchen and walkways.

C. Kitchen Freezer Proposal

MOTION: Roger Denton moved to ratify the approval of the kitchen freezer from the email dated February 27, 2023 at a cost of \$39,092 PESOS. Motion was seconded by Sandra Erickson and approved unanimously.

D. Bar Refrigerator

Ulises Alfaro reported some of the bar refrigerators are provided by the beer distributors, and they were recently replaced by the distributors. Ulises reported there may be a point where the distributors may no longer provide bar refrigerators and will require the purchase of bar refrigerators.

E. Bakery Oven

F. Cold Room Storage

MOTION: Chuck Meacham moved to approve the purchase of a bakery oven and cold room storage for La Playita Restaurant at a cost not to exceed \$26,000 USD. Motion was seconded by Rodger Denton and approved unanimously.

G. Kitchen Equipment

Ulises Alfaro advised the Board there is kitchen equipment that requires replacement and will be completed under operating expenses.

H. Member Storage

Ulises Alfaro reported over the years members have stored their personal belongings at Lindo Mar from year to year. Ulises reported the responsibility of storing personal items and the limited space Lindo Mar has causes difficulties. Management will no longer provide storage of personal items on-site.

- I. Rules and Regulations Reservation and Use Rights
- J. Handicap Pool Lift

The Board discussed at length a request to provide a handicap pool lift. The Board has taken the pool lift under advisement and the item was tabled until a future meeting.

VII. OTHER BUSINESS

- A. Owner Cancellation Requests

MOTION: Lisa DeJong moved to ratify the previously approved cancellation of membership requests. Motion was seconded by Roger Denton and approved unanimously.

- B. Membership Cancellations via Collections

MOTION: Chuck Meacham moved to provide management with the ability to review, evaluate and take action on settlement debts and membership cancellations when presented. Motion was seconded by Lisa DeJong and approved unanimously.

- C. Board Communication Strategy (Newsletter, Facebook, Yahoo Group)

Lisa DeJong advised communication is important to the membership and an informational newsletter should be sent regularly.

The Board voiced its dissatisfaction with TPI at length and the errors that have occurred over the last year and the need to do better for the membership.

- D. Lindo Mar Inspection

The Board reviewed at length the inspection report prepared by the Giddings group.

MOTION: Chuck Meacham moved that the detailed Lindo Mar Inspection report prepared by Giddings was no longer required to be presented in future Board packages. Motion was seconded by Sandra Erickson and approved unanimously.

- E. 2023/2024/2025 Meeting Schedule

Chuck Meacham advised management that the previous practice of conducting the October meeting at Lindo Mar be completed during week 43.

VIII. NEW BUSINESS CONTINUED

- A. 2023 Election Results

Daniel Garza provided the Board with a handout showing the results of the 2023 election were as follows:

Lisa DeJong	514	Raima H. Ballinger	39
Roger Denton	426	David Brusby	132

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Dennis Lockwood	535	Michael Comerate	113
Giancarlo Accettullo	515	Kelli Gilbert	57

Write-Ins
 Steve Ragston, Esq. 9

The Board thanked all that had participated and shown an interest in serving on the Board. Each member of the Board expressed their gratitude to Roger Denton on his years of service and thanked him for his many hours of sacrificed time on behalf of the Association.

Two incumbents, Lisa DeJong, and Dennis Lockwood were re-elected to serve for another two-year term on the Board and candidate Giancarlo Accettullo was elected to serve a two-year term.

B. Candidate Communications

The Board reviewed a complaint from a member regarding his personal email being used for candidate solicitation. TPI at no time will provide private emails that are not registered in the system. If a member is posting on various Facebook or Yahoo groups, those are open to the public.

C. Board of Directors Code of Ethics

President Dennis Lockwood circulated the Board Member Code of Ethics for all Directors to review, execute and become attached to these minutes herein.

It was agreed that when a member wishes to run for the Board, the Board Member Code of Ethics be signed prior to nomination.

IX. EXECUTIVE SESSION


MOTION: Chuck Meacham moved to adjourn the Regular Meeting and move into Executive Session. Motion was seconded by Sandra Erickson and approved unanimously.

X. ADJOURNMENT

MOTION: Roger Denton moved to adjourn the meeting at 3:34 p.m. PT. Motion was seconded by Sandra Erickson and approved unanimously.

Submitted by:
 Trading Places International
 Its: Managing Agent

Accepted by:
 Lindo Mar Adventure Club, Ltd.

DocuSigned by:

 B3F582D7EAS148F...
 Daniel Garza
 Regional Director, Resort Operations

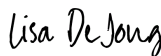
DocuSigned by:

 5036427D0789486...
 Lisa DeJong
 Secretary

EXHIBIT B

Lindo Mar Adventure Club, Ltd.

BOARD MEMBER CODE OF ETHICS

As a board member, you are aware that more is expected of those in leadership roles. Review and sign-off on the following statements. Signing this Code of Ethics solidifies your commitment to honest board service.

As a member of this board, I will:

- Be committed to fulfilling the mission and vision of the Lindo Mar Adventure Club, Ltd.
- Keep all confidential board information, confidential.
- Serve on a committee and/or task force in a leadership capacity.
- Focus my efforts on the best interests of Lindo Mar Adventure Club, Ltd. and refrain from using my service for my own personal advantage or for the advantage of my friends or associates.
- Respect and support the majority decisions of the board.
- Immediately disclose to the board any perceived or real conflict of interest as soon as I have knowledge of the potential conflict.
- Approach all board issues with an open mind, prepared to make the best decisions for everyone involved.
- Do nothing to violate the trust of those who elected or appointed me to the board or of those we serve.
- Never exercise authority as a board member except when acting in a board meeting or as I am delegated by the board or its President.
- Continue to maintain the Lindo Mar Adventure Club, Ltd. board member candidate qualifications.
- Consider myself a trustee of this organization and do my best to ensure that it is well maintained, financially secure, and always operating in the best interests of those we serve.


Board Member Signature

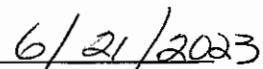

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6-21-2023
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