

APPROVED

LINDO MAR ADVENTURE CLUB, LTD.
BOARD OF DIRECTORS REGULAR SESSION MEETING MINUTES
Wednesday, October 25, 2023

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

Having established a quorum, Dennis Lockwood called the meeting to order at 9:14 a.m. (CT). The following people were in attendance:

Board of Directors:

Dennis Lockwood, President
Lisa DeJong, Vice President
Chuck Meacham, Secretary
Sandra Erickson, Treasurer
Giancarlo Accettullo, Director (Zoom)

Trading Places International and Resort Management:

Royce Pennington, Regional Vice President, Resort Operations/VRI
Daniel Garza, Regional Director, Resort Operations/VRI
Ulises Alfaro, General Manager

Guests:

Bill Alstrom, Member

MOTION: Chuck Meacham moved to approve the agenda with the additions as presented. Motion was seconded by Lisa DeJong and approved unanimously.

II. MINUTES OF PREVIOUS BOARD MEETING

A. September 13, 2023, Regular Meeting Minutes

MOTION: Sandra Erickson moved to approve the Regular Board Meeting Minutes of September 13, 2023, as presented. Motion was seconded by Chuck Meacham and approved unanimously.

III. REPORTS

A. Management Report / La Playita Comments

Ulises Alfaro presented, and the Board reviewed at length, the management report covering the areas of general operations, maintenance, administration, and owner relations.

1. Sales Performance

Ulises Alfaro reported that Javier Quezada continues to work on sales of non-performing intervals.

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

Daniel Garza reported there were no comment cards to review, however, management had been monitoring the Yelp and Yahoo sites for negative comments regarding La Playita.

1. Occupancy

The Occupancy Report was reviewed and discussed, and no action was taken. The Rental Report was reviewed, and no action was taken.

IV. UNFINISHED BUSINESS

A. Restaurant Remodeling Items

1. New Bar Design

Daniel Garza reported with the hurricane damage that occurred, a new bar design is being drawn up for presentation at a future meeting.

2. Roof Tile Replacement

Ulises Alfaro reported the roof of the restaurant was being addressed with the insurance carrier and will be completed quickly to restore full service to the restaurant.

3. Floor Tile Replacement

Daniel Garza reported this will remain tabled at this time.

B. 1st Floor Remodel

Daniel Garza reported the first floor was completed. The Board conducted a walkthrough of the remodeled units.

C. Penthouse Remodel (2024)

Daniel Garza recommended with the uncertainty of the peso exchange rate in 2024, the penthouse remodel will be tabled for a future meeting.

D. Front Entrance Wood Beams

Ulises Alfaro reported although the project was approved, this project was put on hold until after the hurricane repairs and high season.

E. PBX Phone

Ulises Alfaro reported he is continuing to research ways to replace the existing PBX phone system as the cost of repairing continues to rise with an antique system. Mr. Alfaro advised he will provide continued research to the Board at a future meeting.

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F. Cashier Counter Restaurant

Ulises Alfaro reported the cashier counter will be moved once the hurricane repairs were completed.

G. Fire Hydrant Project

Ulises Alfaro reported the project remains on a phase completion schedule.

H. Software Restaurant

Ulises Alfaro reported the restaurant software system was being updated with current menu items and pricing and will go live prior to high season.

I. Bar Refrigerator

Ulises Alfaro reported the need for a new bar refrigerator and presented a proposal for Board review and approval.

MOTION: Chuck Meacham moved to approve the purchase of a bar area walk-in refrigerator at a cost not to exceed \$4,500 USD. Motion was seconded by Sandra Erickson and approved unanimously.

J. Rules and Regulations

Daniel Garza reported management and the Communication Committee will continue reviewing the Rules and Regulations and present updated changes to the full Board at a future meeting.

K. Insurance Bar

Management reported damages and repairs of the restaurant bar have been presented to the insurance carrier for recovery of expenses.

V. NEW BUSINESS

A. Contracts and Ratifications

1. Cashier Technology

MOTION: Lisa DeJong moved to ratify the approval of the cashier technology package in the amount of 64,753 pesos. Motion was seconded by Chuck Meacham and approved unanimously.

2. Financial Review Engagement

MOTION: Lisa DeJong moved to approve the 2023 Financial Review Engagement as presented with Fitzgerald & Associations, Inc. Motion was seconded by Chuck Meacham and approved unanimously.

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B. 2022 Financial Review

MOTION: Lisa DeJong moved to approve the 2022 Financial Review presented by Cambaliza McGee LLP, with the excess of revenues over expenses in the amount of \$115,991 USD to be transferred into the operating account. Motion was seconded by Sandra Erickson and approved unanimously.

C. La Playita

Ulises Alfaro reported the La Playita restaurant menu was completed for Board presentation and continued improvement and changes as needed.

D. HOA Administrative Hold

Daniel Garza reported the Association presently holds approximately 550 weeks in its name available for sale and rental and approximately 150 delinquent intervals, which equates to over 700 non – performing intervals at Lindo Mar.

Mr. Garza reported management currently has a six – month window to deposit non – performing intervals into the rental program and was requesting the window be moved up to nine months and providing owners the advantage of booking their use weeks two months prior to non – performing intervals being deposited into the rental program.

MOTION: Chuck Meacham moved to approve management depositing non-performing intervals into the rental program nine-months in advance of the calendar year which gives members a two-month booking advantage over non-owner renters. Motion was seconded by Lisa DeJong and approved with Giancarlo Accettullo voting no.

E. Committee Assignments

Daniel Garza reported the 2024 committee assignments were completed.

F. 2024 Budget

The Board reviewed and discussed at length the 2024 Budget and the uncertainty of the peso exchange, government mandated significant increased minimum wage and other employee benefits.

MOTION: Chuck Meacham moved to approve the 2024 Budget with an exchange rate of 18 with a 10% increase in maintenance fees. Motion was seconded by Sandra Erickson and voted no by a majority.

MOTION: Sandra Erickson moved to approve the 2024 Budget with an exchange rate of 18 with a 15% increase in maintenance fees. Motion was seconded by Lisa DeJong and voted no by a majority.

MOTION: Chuck Meacham moved to approve the 2024 Budget with an exchange rate of 18 with a 13% increase in maintenance fees. Motion failed to receive a second.

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MOTION: Giancarlo Accettullo moved to approve the 2024 Budget with an exchange rate of 18 with a 12.5% increase in maintenance fees. Motion was seconded by Chuck Meacham and voted no by majority.

The Board continued with lengthy discussions of the 2024 Budget.

MOTION: Sandra Erickson moved to approve the 2024 Budget with an exchange rate of 18 with a 15% increase in maintenance fees. Motion was seconded by Lisa DeJong and approved with Director Accettullo abstaining.

VI. OTHER BUSINESS

A. Owner Forum/Correspondence

Daniel Garza reported there was no correspondence to present.

B. 2024/2025/2026 Meeting Schedule

MOTION: Sandra Erickson moved to approve the meeting schedule as presented. Motion was seconded by Chuck Meacham and approved unanimously.

VII. ADJOURNMENT

MOTION: Chuck Meacham moved to adjourn the meeting at 3:15 p.m. (CDT). 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:
Daniel Garza
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C Meacham Jan 29, 2024

Daniel Garza
Regional Director, Resort Operations/VRI

Chuck Meacham
Secretary