

APPROVED

**LINDO MAR ADVENTURE CLUB, LTD.
BOARD OF DIRECTORS 2022 BUDGET MEETING MINUTES
Wednesday, September 15, 2021**

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

The meeting was called to order at 10:06 a.m. (PDT) by President Dennis Lockwood. The following people were in attendance by video conference / phone:

Board of Directors:

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

Lindo Mar Resort:

Roberto Chavez, General Manager

Trading Places International:

Douglas Wilcox, Sr. Vice President of Resort Operations
Ken Loury, Sr. Vice President of HOA Accounting
Cathy Cruz, Assistant Vice President of HOA Accounting
Daniel Garza, Director of Resorts
Edgar Sierra, Sr. Staff Accountant

MOTION: Roger Denton moved to approve the agenda with the addition of items D. Consultation Compensation and E. Social Media Enhancements under New Business. Motion was seconded by Charles Meacham and approved unanimously.

II. REPORTS

A. Financial

1. Review of Financial Statements as of July 30, 2021

Ken Loury presented the month end July 31, 2021 financial statements. He reported as of July 31, 2021, the Association was operating with a surplus in the amount of \$81,133 and a favorable variance to the budget in the amount of \$39,505.

2. Delinquency

Mr. Loury also advised the delinquency rate for the month of July was 7.57% which is a decrease of 1.11% compared to the same month last year.

APPROVED

3. 2020 Financial Review

Ken Loury reviewed the 2020 financial review completed by Schonwit & Associates, Inc. for the year ended December 31, 2020.

MOTION: Sandra Erickson moved to approve the December 31, 2020 financial review completed by Schonwit & Associates, Inc. and to direct the President to sign the representation letter. Motion was seconded by Charles Meacham and approved unanimously.

B. Rental Report

Doug Wilcox presented the 2021 Rental Summary report through July 2021. Mr. Wilcox reported an increase of 186.5% in room nights and a decrease of 28.4% in average rental rate. The rental rates from 2021 to 2020 were skewed along with room nights due to the pandemic. Mr. Wilcox reported the Web Direct distribution and internet booking engines showed room nights increased by 98 for a total to date of 142 nights as compared to 44 in 2020 while ongoing digital marketing and social media campaigns continue to drive bookings.

III. NEW BUSINESS

A. Contracts and Ratifications

1. 2021 Audit Engagement

MOTION: Roger Denton moved to approve engaging the US financial review with Cambaliza McGee LLP for the year 2021 in the amount of \$2,675. Motion was seconded by Chuck Meacham and approve unanimously.

B. Consultation Compensation

Roger Denton presented a consultation fund that would be used for the future renovations at Lindo Mar with the pending retirement of the General Manager and Maintenance Supervisor. The consultation compensation will be discussed further under III. New Business, D. 2022 Budget Review and Approval.

C. Social Media Enhancements

The social media enhancements will be discussed under III. New Business, D. 2022 Budget Review and Approval.

D. 2022 Budget Review and Approval

Daniel Garza presented three (3) proposed budgets using an exchange rate of 19.50%. The first budget reflected a 0% increase, the second a 3% increase, and the third a 5% increase.

APPROVED

MOTION: Charles Meacham moved to approve the proposed 2022 budget using \$20 Pesos per \$1 USD, exchange rate with no increase to the annual maintenance fees and a contribution of \$89,673 to the Replacement Fund and change the existing “Publications and Announcement” line item to “Publications and Social Media” in the budget. Motion was seconded by Roger Denton and approved unanimously.

The Board agreed to review the pending remodeling of floors 1 and 9; any other upgrades and/or repairs will be discussed at the upcoming October meeting.

E. 2022 Maintenance Fee Mailer

1. Cover Letter

MOTION: Roger Denton moved to approve the revised cover letter to show no increase in 2022. Motion was seconded by Chuck Meacham and approved unanimously.

2. ABC Policy

MOTION: Roger Denton moved to approve the ABC policy as presented. Motion was seconded by Chuck Meacham and approved unanimously.

3. TPI Marketing Inserts

MOTION: Roger Denton moved to approve the TPI marketing inserts within the maintenance fee mailer. Motion was seconded by Chuck Meacham and approved unanimously.

IV. ADJOURNMENT

MOTION: Charles Meacham moved to adjourn the meeting at 12:06 p.m. (PDT). Motion was seconded by Roger Denton and approved unanimously.

Submitted by:
Trading Places International
Its: Managing Agent

Accepted by:
Lindo Mar Adventure Club, Ltd.

DocuSigned by:
Daniel Garza
B3F582D7EA5148F...
Daniel Garza
Director of Resorts

DocuSigned by:
Dennis Lockwood
C34F97BE44794C6...
Dennis Lockwood,
President