

APPROVED

**LINDO MAR ADVENTURE CLUB, LTD.
BOARD OF DIRECTORS REGULAR MEETING MINUTES
Wednesday, June 22, 2022**

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

Having established a quorum, Dennis Lockwood called the Regular Meeting to order at 10:08 a.m. (PT). The following people were in attendance:

Board of Directors:

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

Trading Places International:

Daniel Garza, Director of Resorts (via Zoom)
Ulises Alfaro, General Manager
Martha Corredor, Administrative Assistant
Cathy Cruz, Vice President of HOA Accounting
Ken Loury, Sr. Vice President of HOA Accounting
Doug Wilcox, Sr. Vice President of Resort Operations
Royce Pennington, Sr. Vice President of Resort Operations

II. APPROVAL OF AGENDA

MOTION: Chuck Meacham moved to approve the agenda as amended by adding H. Website – Social Media Committee under IV. Unfinished Business and H. Virtual Board Meeting under V. New Business. Motion was seconded by Sandra Erickson and approved unanimously.

III. MINUTES OF PREVIOUS BOARD MEETING

A. February 9, 2022, Regular Meeting Minutes

MOTION: Chuck Meacham moved to approve the Regular Board Meeting Minutes of February 9, 2022 as amended correcting the spelling of Lisa DeJong. Motion was seconded by Lisa DeJong and approved unanimously.

IV. REPORTS

A. Financial

1. Review of Financial Statements as of March 31, 2022

Ken Loury presented the month end March 31, 2022 financial statements. He reported that the Association was operating with a surplus in the amount of \$85,693 and a favorable variance to the budget in the amount of \$84,179 for the nine-month period.

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2. Delinquency

The delinquency rate as of April 30, 2022 was 9.8% as compared to 7.7% in April of 2021. Ken provided a report on 151 weeks which are delinquent and could be cancelled. Of this group, only 42 do not have a purchase agreement lien. 67 accounts are delinquent on their purchase agreement and maintenance fees and 42 are current on their purchase agreement and not their maintenance fees.

A discussion was held regarding the merits of using an outside professional collection agency. The Board agreed it was time to attempt that recourse before the cancellation of accounts occurs. It was agreed that management should seek a proposal from Meridian Financial Collection company for collection services.

MOTION: Roger Denton moved to approve changing the Association's Assessment Billing and Collection Policy (ABC Policy) to include a vital step of turning the delinquent accounts over to collections to try to obtain payment prior to cancellation of memberships. Motion was seconded by Lisa DeJong and approved by majority vote with Chuck Meacham and Dennis Lockwood opposed.

B. Management Report / La Playita Comments

Ulises Alfaro provided various updates and reported that the owner's meetings have been reinstated on every Thursday. Routine housekeeping and maintenance have been completed. The RCI Exchange granted Lindo Mar Gold Crown status for 20 years in a row now. Also, Interval International advised that Lindo Mar has received the High Quality Vacation award.

Ulises reported on food and beverage activities including a special Super Bowl event, and Valentine's Day promotion. There are some shortages in product but overall, the restaurant is operating very well.

There were some changes in employees with Marielena Arevalo retiring, Raul Rodriguez in the restaurant retired, Luis Langarica in maintenance retired and Eduardo Acosta our chef will be retiring in June.

1. Sales Performance

Ulises Alfaro reported that year-to-date, Javier Quezada has conducted sales in the amount of \$135,500 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 Report was reviewed and discussed, and it showed that owners were using 62% of the units with the exchange companies using 19%.

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The Rental Report was reviewed, and it showed that just 4% of the units are being rented through May 2022. Occupancy is up a great deal over last year.

V. UNFINISHED BUSINESS

A. Restaurant Remodeling Items

The Board met and discussed items that were deemed important in order to make the restaurant better and Lindo Mar more attractive. The following is what was included:

1. The restaurant is great, but it has been understaffed to satisfy patrons.
2. The kitchen is small and slows down delivery of food items.
3. There are system issues and efficiencies could be improved.
4. It was agreed that the Board and Management needed an expert to help them identify the proper corrections to the restaurant and kitchen.
5. The goals are to provide kitchen, bar, and dining area alternatives to provide more drinks to more people – happy hour improvements.
6. To provide a plan B for possible loss of a portion of the restaurant area.

B. Roof Tile Replacement

Ulises discussed the options he and Daniel are working on for a permanent replacement. He will provide pricing for evaluation.

C. Floor Tile Replacement

No update was provided for this discussion

D. Water Heaters

Ulises reported that he is working on this and will meet with the vendor and attorney to identify solutions.

E. Labor Secretary

Ulises reported that he is working on completing the requirements to meet inspections to maintain HR safety.

F. 1st Floor remodel Project

The Board decided to block three weeks for the remodeling of the first floor.

G. Penthouse Remodel Project

The Board decided to block three weeks for the penthouse remodel project.

H. Website

The Social Media Committee reported that they are working on the first set of changes to the La Playita site and asked the Board to check it out and to share feedback.

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VI. NEW BUSINESS

A. Contracts and Ratifications

1. 500 Club Rental Program

The Board reviewed the Lindo Mar 500 Club Rental Program that was approved prior to the meeting. This program will allow 500 weeks to be made available to members and their guests for \$500 USD to rent a week from June 1st to September 30th for a 1 Bedroom and \$750 for a 2 Bedroom and to receive a \$500 Peso credit per room to use at La Playita Restaurant during the stay for each week rented. Some units are not included in this program.

MOTION: Roger Denton moved to approve ratifying the 500 Club Rental Program as previously approved via email. Motion was seconded by Charles Meacham and approved unanimously.

2. Kitchen Case Goods

MOTION: Roger Denton moved to approve ratifying the decision to purchase kitchen case goods in the amount of \$145,140.88 as previously approved via email. Motion was seconded by Charles Meacham and approved unanimously.

B. In-Unit Drinking Water System

Ulises reported that the water filters would cost \$2,200 Pesos each. He will continue to evaluate and provide more information when it becomes available.

C. La Playita Road Sign

The Board encouraged Ulises and Daniel to continue developing ideas for a sign advertising Ocean Front Dining on the road for public display and that the road sign be completed prior to October 2022.

D. Generator

Include a plan and cost for generator in the new budget proposal for Board to consider.

E. Fire Hydrant Project

The Board directed Ulises and Daniel to begin working on the fire hydrant project to show the municipality the progress being made in order to show good faith and to make a plan on how to come up with 1 million Pesos to pay for it.

MOTION: Sandra Erickson moved to approve the fire hydrant project. The September 20th Budget meeting will include provisions to accommodate this expense. Motion was second by Chuck Meacham and approved unanimously.

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F. Virtual Board Meeting

The Board discussed the need to provide a forum for more communication with members and the possibility of virtual updates from Board members or owner meetings that can be held via video conference such as Zoom.

VII. OTHER BUSINESS

A. Owner Cancellation Requests

A report of 151 accounts that are delinquent and could be cancelled was reviewed. The Board directed TPI Management to engage a collection agency before cancellation of the accounts and monitor the results.

B. Review of Previous Recap Items

The Board reviewed the Action Items and discussed the progress of each item.

VIII. NEW BUSINESS

A. 2022 Election Results

The election resulted in the two incumbent Board members being re-elected by the members. Charles Meacham and Sandra Erickson were elected to two-year terms.

B. Role of Trustee

The Board briefly discussed the legal documentation of the Lindo Mar Adventure Club, Ltd. and discussed the desire to learn more specifically what the role of the Trustee is in order to make certain that managing this aspect of the Club is up to date.

IX. EXECUTIVE SESSION

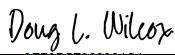
MOTION: Roger Denton moved to adjourn the Regular Meeting and move into Executive Session. Motion was seconded by Sandra Erickson and approved unanimously.


X. ADJOURNMENT

MOTION: Roger Denton moved to adjourn the meeting at 3:11 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:

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Douglas Wilcox
Sr. Vice President of Resort Operations

DocuSigned by:

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Sandra Erickson
Secretary