

Tierra Grande Improvement Association, Inc.
Board of Directors
January 23, 2019

Directors Present: Carol Gasperetti, President
Michael Sumner, Executive VP
Judi Magnussen, Treasurer
Jim Lardner, Secretary
Howard Snell, Director

Directors Absent: None

Administration Present: Sue Moran, Administrator
George Hobbes, Accountant

Guest(s):

Carol Gasperetti, President, called the meeting to order at 3:58 p.m.

AGENDA:

Ms. Gasperetti asked if there were any changes to the Agenda.

Ms. Moran asked that an MOU with the Valencia County Road Department be added to the Action Items.

There being no other changes made to the Agenda, the Agenda was accepted as amended.

ACTION ITEMS:

Minutes: The minutes of the November 28, 2018 Board Meeting.

Ms. Gasperetti asked if there were any changes or corrections to the content or to the substance of the minutes. No changes were identified. There being no further discussion:

Motion: Motion by Ms. Magnussen, seconded by Mr. Lardner to approve the minutes of the November 28, 2018 Board Meeting as presented. No further discussion. Unanimously approved. Motion carried.

Audit / Review Proposal: The Board reviewed the bid submitted by Baldwin Accounting & Consulting, LLC, to prepare Tierra Grande's 2018, 2019 and 2020 Annual Financial Reviews. Ms. Gasperetti recommended that TGIA reach out to Ricci & Co., to see if they were interested in submitting a bid as they had been the company responsible for completing our 2015, 2016 & 2017 Annual Financial Reviews. The Board concurred. Ms. Moran will reach out to Ricci & Co. No Action was taken at this time.

HOA Disclosure Request Charge: Ms. Moran reported that the State HOA Act, entitles HOA's such as TGIA is designated to charge a title transfer service fee on properties that are sold within the HOA. Currently TGIA only charges this fee to title companies as those documentation requests take some time to complete. Our current fee is \$50, which according one local realtor is much lower than most HOA's charge. In accordance with the State HOA Act, HOA's can increase the cost of the title transfer fee every three (3) years per the Consumer Price Index.

Looking at the CPI beginning December 2015 to December 2018 the \$50 we currently charge is now valued at \$53.11.

Motion: Motion by Mr. Sumner, seconded by Mr. Snell to increase the Title Transfer Fee to \$53 beginning February 1, 2019 through January 31, 2022. No further discussion. Unanimously approved. Motion carried.

CD Renewal Options: Mr. Lardner opened the discussion related to options available to TGIA to earn more interest on the funds currently held in CD's. Information was shared about TGIA's practice of investing our funds with local banks that support the local economy. The TGIA Board has always practiced that our funds are to be held in FDIC insured institutions.

Motion: Motion by Mr. Sumner and seconded by Mr. Lardner move the 12 month CD to a 24 month CD and the 24 month CD to a 30 month CD. Unanimously Approved.

Ms. Moran was instructed to obtain updated rates and information regarding renewing the CD's at these terms. (The above motion was amended by the Board of Directors on January 25, 2019 and a revised motion was made to roll over the 24 month CD into another 24 month CD) * See motion filed in the record of January 25, 2019.

5:13 - EXECUTIVE SESSION – The Board convened Executive Session to discuss personnel matters.

5:18 – Board of Directors – The Board reconvened as the TGIA Board of Directors

No Decisions made during Executive Session

MOU Valencia County Road Department: Ms. Moran reported that the she and Mr. Lardner had met with Lina Benavidez, Public Works Director for Valencia County and Louis, Road Department Foreman to discuss a water diversion rip/rap project which, hopefully, will divert water damaging our roadways as the water travel down from the Manzano Mountains from the east. The project is experimental. It will begin in an area that appears the most problematic. Then we will wait for the rains and see how it works. The County will send out bids for the materials needed. The County will bill TGIA for the cost of the materials. Ms. Moran asked for an approval of \$10,000 for the 2019 budget.

Motion: Motion by Mr. Sumner and seconded by Mr. Snell to approve and MOU with Valencia County for a water diversion rip/rap project to improve road conditions in Tierra Grande for a maximum of \$10,000 for 2019. Yes from Ms. Magnussen, Yes from Ms. Gasperetti. Mr. Lardner abstained. Motion Approved.

FINANCIAL REPORT(s) – The Financial Reports for period ending November 30, 2018 and December 31, 2018 were reviewed.

Mr. Hobbes reported that the December 31, 2018 report was a draft. The report will be updated and presented to the Board for discussion at the February 2019 meeting.

There being no further discussion the Financial Statement for the period ending November 30, 2018 only will be placed in the record for audit or review.

OLD BUSINESS

Assessment Discussion: In relation to the topic of raising the assessments which had not been increased since 1995, the Board reviewed the Consumer Price Index Inflation Calculator for the period beginning December 1994 through December 2018 (24 years). The increase is a little over 67%. Based on this information the Board is considering the following increase of the annual assessment to begin January 1, 2020:

- 5 – 9.99 Acres - \$30 increased to \$50
- 10 – 19.99 Acres - \$45 increased to \$75
- 20 – 39.99 Acres - \$60 increased to \$100
- Over 40 Acres - \$75 increased to \$125

The Board also discussed implementing a policy that the Board review the assessment charge every three (3) years.

Ms. Moran reported that there will be an article in the February issue of the TGIA Tails N Trails newsletter regarding increasing the assessments but no specifics as to the amount proposed. She will let the Board know what feedback she hears from the members.

The Board will make a final decision regarding the assessment rate and share the decision with the members at the July 2019 Annual Meeting and in upcoming editions of the Tails N Trails newsletters.

Also of note, the billing for 2020 will not be mailed out until October of 2020. Announcing the increase in the next few months will give owners time to consider if they want to retain or sell their TGIA property.

NEW BUSINESS

2019 Draft Proposed Budget: The Board reviewed a proposed budget for 2019 but since the December 2018 financial report was not finalized, the proposed budget will be discussed further at the February 2019 Board meeting.

2019 Board Meeting Dates: A list of the 2019 Board meeting dates was distributed to the Board.

OTHER ITEMS

Western Spirit Transmission Line: An updated map of the proposed transmission line was reviewed. Representatives from Pattern Development will attend the February 27, 2019 Board meeting.

Architectural Control Committee (ACC): The ACC is busy developing policies and procedures for the implementation of fees / fines which, hopefully, will be brought before the Board for review/consideration within the next few months.

Postage: Ms. Moran wanted to make the Board aware that first class postage will be going up significantly effective January 26, 2019. In that light, Ms. Moran has purchased in January, what she hopes, is all of the postage necessary to carry TGIA through 2019.

ADJOURNMENT: Ms. Gasperetti adjourned the meeting at 5:34 p.m.

Next TGIA Board Meeting: The next meeting is scheduled for Wednesday, February 27th 2019 at 4:00 p.m.

Signature

/sdm: Minutes01/23/19

Date Approved