

Tierra Grande Improvement Association, Inc.  
Board of Directors  
July 24, 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):** Thad Everhart & Don Wilson  
Non-Members / Access to Open Space
- Audience:** None

Carol Gasperetti, President, called the meeting to order at 4:05 p.m.

**GUESTS:** Introductions were made. Mr. Everhart explained that he and his father, Mr. Wilson, age 81, were lucky enough to receive deer hunting permits from the State. The area they are approved to hunt in is located on State forest land just east of Tierra Grande's Open Space. The Permit is for mid-September. Since the two of them prefer to hike in on foot to the designated area, it would be easier on Mr. Wilson if they could cross through Tierra Grande's property to access the location. In exploring access to the designated area, they came upon Tierra Grande's private property / no trespassing signs. They respect private property and those signs are what brought them here before the Board.

After discussion of possible alternative routes, the Board placed the following conditions upon Mr. Everhart and Mr. Wilson's request to cross TGIA Open Space:

- Provide TGIA with copies of the Permits
- Meet with Ms. Moran to review the designated location for the hunt to assure the best route is through TGIA Open Space
- A temporary permit and the combination to the locks (if necessary) will be provided at that time.

**Motion: Motion by Mr. Snell, seconded by Ms. Magnussen to approve the request by Mr. Everhart and Mr. Wilson to cross TGIA Open Space to access a location on State forest land to hunt, as conditioned above. No further discussion. Unanimously approved. Motion carried**

The gentlemen were appreciative of the Board's approval of their request. Mr. Everhart and Mr. Wilson left the meeting at this time.

**AGENDA:**

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

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

**ACTION ITEMS:**

**Minutes:** June 26, 2019 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 Mr. Sumner, seconded by Mr. Snell to approve the minutes of the June 26, 2019 Board Meeting as presented. No further discussion. Unanimously approved. Motion carried.**

**Election of Officers:** Mr. Sumner proposed the following slate of officers for 2019 – 2020.

<b>President:</b>	Carol Gasperetti
<b>Executive VP:</b>	Michael Sumner (no signatory authority)
<b>Treasurer:</b>	Judi Magnussen
<b>Secretary:</b>	Jim Lardner

**Motion: Motion by Mr. Sumner, seconded by Mr. Lardner to approve the slate of officers as presented. No further discussion. Unanimously approved. Motion carried.**

**Appointment of Architectural Control Committee:** Current ACC Members are: Judi Magnussen, Chair; Carol Gasperetti, Member; Sue Moran, Member; Mike Mulvey, Member, Michael Hunt, Member. All five (5) members have agreed to continue to serve on the ACC.

<b>Chair:</b>	Judi Magnussen
<b>Member:</b>	Carol Gasperetti
<b>Member:</b>	Michael Hunt
<b>Member:</b>	Michael Mulvey
<b>Member:</b>	Sue Moran

**Motion: Motion by Mr. Sumner, seconded by Mr. Snell to approve the Architectural Control Committee with its current members. No further discussion. Unanimously approved. Motion carried.**

**Western Spirit Transmission Line:** The Board discussed Percheron's (Western Spirit Transmission Line) offer to purchase TGIA owned lot – Unit 19, Block 3, Lot 4 for \$5,000 in lieu of paying for an easement across the lot for \$3,486.

Ms. Gasperetti expressed concern about the sale. She asked if there might be possible future interest in the lot. Discussion ensued about the many easements that are currently on the lot and its value to a possible future buyer. Question was asked if Percheron would be required to pay the annual assessment. Ms. Moran affirmed that Percheron would be responsible for paying the annual assessment. Based on that information, the Board approved the sale of the lot to Percheron for \$5,000.

**Motion: Motion by Mr. Sumner, seconded by Mr. Lardner to approve the sale of TGIA owned lot – Unit 19, Block 3, Lot 4 for \$5,000. No further discussion. Unanimously approved. Motion carried.**

**Certificate of Deposit Renewal:** The Board reviewed a spreadsheet representing the funds and types of accounts of TGIA financial holdings. An 18 month CD with NM Bank & Trust matured on 7/22/19. Ms. Moran reported that the current highest interest rate offered at a local FDIC NM bank was 1.75% for a 17 month CD with Bank of Albuquerque. NM Bank & Trust offered to match the Bank of Albuquerque rate of 1.75% for a 17 month CD.

**Motion: Motion by Mr. Lardner, seconded by Ms. Magnussen to approve the renewal of the CD with NM Bank & Trust for 17 months at a rate of 1.75% No further discussion. Unanimously approved. Motion carried.**

Mr. Lardner inquired as to why the funds that are currently held in low interest savings accounts could not be moved into higher interest bearing accounts such as CD's. Mr. Hobbes explained that some accounts were restricted by the Board of Directors for specific purposes. For instance the Overage Account for foreclosure funds held in trust until such time as the funds are transferred to the State. The Open Space account has been restricted by the Board to use for Open Space related improvements.

Mr. Lardner continued his question, as to why can't these accounts earn a higher interest rate. What about the Special Projects account or the Money Market Savings account even though they may have designations couldn't they still earn a higher yield?

Ms. Moran was instructed to contact the banks TGIA currently does business with to ask about accounts that may result in a higher yield. Ms. Moran volunteered to research the history of the Special Projects account and the Money Market account to find out if the Board had placed any restrictions on these funds.

**For Sale By Owner (FSBO) – TGIA Lots:** The Board reviewed a spreadsheet of properties owned by TGIA that are in the For Sale By Owner catalog. Three (3) offers have been received for the following properties.

Unit 24, Block 5, Lot 1 – SAB Properties – Offer \$2,250  
Unit 24, Block 8, Lot 14 – SAB Properties – Offer \$2,500  
Unit 24, Block 8, Lot 14 – Mike & Mari Schaefer – Offer \$4,000

Discussion took place. Ms. Moran reported that each of these lots are on power and near homes. The Board instructed Ms. Moran to make the following counter offers:

Unit 24, Block 5, Lot 1 – SAB Properties - \$7,000  
Unit 24, Block 8, Lot 14 – Mike & Mari Schaefer - \$4,750

**Motion: Motion by Mr. Snell, seconded by Mr. Lardner should the TGIA counter offers be accepted, the sale of the properties will be approved. No further discussion. Unanimously approved. Motion carried.**

**FINANCIAL REPORT(s)** – The Financial Report for period ending June 30, 2019 was reviewed.

There being no questions or discussion the Financial Statements for the period ending June 30, 2019 will be placed in the record for audit or review.

## **OLD BUSINESS**

**Foreclosures / Policy:** Discussion continued from previous Board meetings regarding the creation of a policy for the handling of TGIA properties considered for foreclosure.

Ms. Moran again expressed her concerns about creating a policy. A practice, or guidelines might be something to consider for those who follow in the Administrative role.

This issue will be an agenda item for the August Board meeting.

Related to the topic of foreclosures, Ms. Moran once again asked for a temporary exception to the foreclosure selection process. There is one owner of nine (9) properties in TG who has refused to pay for assessments/interest incurred prior to 2017. He purchased these properties in a State tax sale. Ms. Moran offered to write off interest if the owner would pay the past due assessments. The owner called to inform TGIA that he would not pay the past due assessments. He did pay the 2018 assessments. One (1) of the nine (9) properties has a home on it. Ms. Moran would like to do a title search on all of these properties including the lot with the home on it. Once done, have our attorney send a demand letter. If the owner does not respond, then the property with the home on it will be removed from foreclosure and a lien will be placed upon that lot. The other properties will move forward into foreclosure. Ms. Moran expressed her concern that the owner of these properties is an investor with interest in re-sale of the properties. The longer TGIA waits, the more complicated and potentially more expensive the process can become.

As recommended by Mr. Hobbes, Ms. Moran did a title search (within the limits of her experience and with the help of a Valencia County Clerk's office staff member). There were no liens or other encumbrances found on any of the properties including the lot with a home on it.

The Board approved sending the account to our attorney for a demand letter, then an official title search, then moving forward with foreclosure if the account is unpaid, except for the property with the home on it, in which case a lien will be filed on that property.

## **NEW BUSINESS**

**2019 Annual Meeting:** The Board thought the 2019 Annual Meeting of the TGIA membership was a success.

**Five (5) Year Goals and Objectives:** The Board reviewed, discussed, and updated the 2017-2022 Goals and Objectives. Minor changes were recommended:

1. Public Relations, etc.:
  - Bullet 1 – Replace the word “promote” with the word “develop” to read:
    - Continue to develop the Architectural Control Committee
2. Tierra Grande Policies/Procedures/Guidelines
  - New Bullets – Add the following:
    - Architectural Control Policy
    - HOA Guidelines
    - Foreclosure Guidelines – Vacant Lots
4. Reduce Costs and Assure Income Covers Expenses
  - Bullet 2 – Add “every three (3) years beginning with 2020” to read:
    - Evaluate Raising Assessments every three (3) years beginning with 2020.

**Annual Review of Assessment Income as of June 30<sup>th</sup>:** The Board reviewed a spreadsheet comparing the Assessment revenue collected by year beginning with June 2006. Ms. Gasperetti asked why the number of unpaid lots was so much lower in 2008 and 2009. Ms. Moran committed to finding the answer.

Discussion took place regarding the reasons for delinquency. Ms. Moran expressed that in most part it is due to the aging out of the original buyers who purchased the properties from Horizon back in the 70's. Many are deceased and did not leave the properties to their heirs. She added that non-payment may be in direct relationship to the current low market value of the properties. Ms. Moran reported an increase in the number of land speculators who are buying low and reselling quickly. It is her hope that this next generation of owners will see the value that TGIA brings to the community and that property values will increase with time.

Ms. Moran noted that the effort made in 2018 to reach out to owners whose properties were three (3) years in arrears did not result in payment.

**EXECUTIVE SESSION**

The Board convened into Executive Session at 6:06 p.m. to discuss a legal matter and two (2) Director matters.

The Board re-convened the regular Board Meeting at 6:20 p.m.

No action was taken.

**OTHER ITEMS**

None

**ADJOURNMENT:** Ms. Gasperetti adjourned the meeting at 6:22 p.m.

**Next TGIA Board Meeting:** The next meeting is scheduled for Wednesday, August 28th, 2019 at 4:00 p.m.

\_\_\_\_\_  
Signature  
/sdm: Minutes07/24/19

\_\_\_\_\_  
Date Approved