

Tierra Grande Improvement Association, Inc.  
Board of Directors  
August 22, 2018

**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):** None

Carol Gasperetti, President, called the meeting to order at 4:00 p.m.

**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:** The minutes of the July 25, 2018 Board Meeting were reviewed.

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 Ms. Magnussen to approve the minutes of July 25, 2018 Board Meeting as presented. No further discussion. Unanimously approved. Motion carried.**

**Response to Foreclosure Statement:** The Board reviewed our attorney's (Nathan Sprague) response to Defendant's Answer related to a foreclosure action.

**Motion: Motion by Ms. Magnussen, seconded by Mr. Lardner to approve the filing of Plaintiff's Statement in Response to Defendant's Answer as presented by TGIA's attorney, Nathan Sprague. No further discussion. Unanimously approved. Motion carried.**

**Resolution - Suspension of Membership Rights:** Per Section 3 – Suspension of Membership Rights as outlined in Article Five of the Amended Articles of Incorporation:

A. A member's rights, including, but not limited to, the right to vote, (see Article II of the Amended Bylaws for additional "membership" privileges) may be suspended by resolution of the Board of Directors under the following circumstances:

1. The member fails to pay any assessment or charge when first due according to the provisions of any recorded instrument relating to such assessment or charge;
2. The member, family, guests, tenants, (etal.) violate any rule or regulation adopted by the corporation regarding the use of any property within Tierra Grande . . . . .
3. The member or the members' family, guests, tenants, (etal.) use any property within Tierra Grande contrary to any protective covenant regarding the property . . . . .

B. The suspension of membership rights based upon the failure of the member to pay any assessment or charge when first due shall continue until five (5) business days after the past due assessment, together with interest or other charge collectible with such assessment or charge is paid in full. The suspension of membership rights based upon the violation of a rule, regulation, or protective covenant shall continue for period of thirty days after the date the Board of Directors adopts a resolution suspending membership rights, or so long as the violation continues . . . . .

**Motion: Motion by Mr. Sumner, seconded by Mr. Snell to approve the Resolution of the Suspension of Membership Rights as outlined in the Amended Articles of Incorporation. No further discussion. Unanimously approved. Motion carried.**

The Board recommended that the above resolution to suspend membership rights:

- be renewed annually by the Board of Director's when the election of officers occurs
- be placed annually in the February newsletter
- be included in every new owner packet

**FINANCIAL REPORT(s)** – The Financial Report for Period July 31, 2018 was reviewed.

Mr. Lardner inquired if the check written on the Open Space Account was used to pay for the drink tank installed in the Open Space. Mr. Hobbes confirmed that the funds were used to pay for the purchase of a drink tank for the Open Space. Ms. Moran shared pictures of the drink tanks and placement in accordance with the Board's recommendation (not to obstruct the natural flow of any water in the area).

There being no further discussion the Financial Statement for the period ending July 31, 2018, will be placed in the record for audit or review.

**OLD BUSINESS**

**Board Authority to Increase Assessments:** The Board reviewed our attorney's (Nathan Sprague) response to TGIA's questions regarding the Board's authority to increase the assessments.

- In Article IV - Section 4.02 states that the percentage increase is equal to the Consumer Price Index. It doesn't say how far TGIA can look back since the last increase was in 1995. **Our review of the documents does not show a limit on a look back period to determine the percentage increase. Looking back to 1995 when the last increase was implemented is reasonable and justifiable.**

- Does the Association have to file a Revised Notice of Homeowners Association as well? **Yes, the HOA statute is pretty clear that a change in terms for assessments requires a revised Notice of HOA.**

- Does the Association have to file a Revised Notice of Amendment to Protective Covenants when Annual Charge is raised? **No. The Revised Notice of Amendment to Protective Covenants filed in 2013 were amended by the majority of owners in Units "for the purpose to grant and continue the rights of TGIA, under the Indenture, to exercise all rights under the Indenture, including but not limited to making assessments against the lots within the Unit and enforcing those assessments by the liens provided therein."**

Ms. Moran noted that when the decision is made to increase the assessments, the Board keep in mind the Units that are currently held in majority by "subsequent developers". The potential of additional loss of income is great in those Units. Mr. Lardner requested information regarding that potential loss. Ms. Moran will prepare a chart for review at the next Board meeting.

## **NEW BUSINESS**

**Tierra Grande Lots for Bid:** In accordance with Board Policy, the Board reviewed the list of TGIA owned lots that will be offered for bid in the October 2018 issue of the Tails "N" Trails newsletter. Bids will be reviewed at the October Board meeting.

Mr. Hobbes requested Ms. Moran create a spreadsheet detailing expenses incurred related to TGIA's ownership of the properties.

**Quorum:** The Board reviewed Article II Section 2.08 of the Amended By-Laws relating to Quorum and Manner of Acting. The section reads:

"At all meetings of members, ten percent (10%) of the total number of LOTS and living UNITS within the subdivision shall constitute a quorum. If a quorum of members are present, in person OR BY PROXY. The affirmative vote of a majority of the members present at the meeting, together with any votes cast by proxy, shall be the act of the members . . . ."

**Authority of the Board of Directors:** The Board reviewed the Amended Articles of Incorporation as they relate to the authority of the Board of Directors as found in Article Four:

"Without limiting the generality of the foregoing, the Corporation shall have power to take and hold any property, to establish thereon and to administer and enforce covenants, conditions, restrictions, reservations, servitudes, profits, licenses, easements, liens or charges for the support and benefit of the corporation and the welfare or betterment of such communities of residents thereof . . . ."

Article Four of the Amended Articles of Incorporation supports the authority of the Board to impose charges and liens among other things but in this discussion as it relates to covenant enforcement and the Architectural Control initiative to recommend to the Board fees for the oversight and enforcement of the protective covenants. Mr. Larder expressed that fees/charges for ACC oversight and Covenant enforcement is beneficial to owners and residents of Tierra Grande.

## **OTHER ITEMS**

**Architectural Control** – The Board received a copy of the summary of the July 25<sup>th</sup> meeting of the Architectural Control Committee.

**Western Spirit Transmission Line** – The revised route of the Western Spirit Transmission Line is not available as of this date.

**TGIA Owned Lot** – Discussion took place regarding the 72 acre lot that is owned by TGIA which adjoins the fire station. The lot needs to be surveyed and re-platted to divide off the area for the proposed heliport in order for TGIA to sell the remaining acreage. No decision was made.

**Open Space Video** – A short video of a cougar capturing a deer in Tierra Grande’s Open Space was shared with the Board.

**ADJOURNMENT:** Ms. Gasperetti adjourned the meeting at 5:27 p.m.

**Next TGIA Board Meeting:** The September meeting of the Board was cancelled due to the scheduling conflicts of Board and staff. The next meeting is scheduled for Wednesday, October 24, 2018 at 4:00 p.m.

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Signature

/sdm: Minutes08/22/18

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Date Approved