

Tierra Grande Improvement Association, Inc.  
Via: Zoom & Telephonic  
Board of Directors  
October 26, 2022

**Directors Present:** Jim Lardner, President  
Michael Sumner, Executive VP (Zoom)  
Judi Magnussen, Treasurer  
Rhonda Davis, Secretary  
Trenten Moore, Director

**Directors Absent:** None

**Administration Present:** Sue Moran, Administrator  
George Hobbes, Accountant

**Guest(s):** United Business Bank Representatives  
Deanna Wheeler – Regional Branch Administrator  
Delsie Sheets – Branch Manager  
Jeannette Armijo – E-Banking Support Specialist

**Audience:** Ron Robbins

Jim Lardner, President, called the meeting to order at 4:00 p.m.

**AGENDA:**

Mr. Lardner asked if there were any changes to the agenda.

Ms. Moran noted the following changes:

Guest/Discussion - Remove Coyote Gravel. The company found an alternate route to their gravel plant.

New Business - Add - YTD 10/24/22 Cash Basis Budget Report

The Agenda was approved as amended.

**GUESTS: United Business Bank Representatives**

Three (3) representatives from United Business Bank were present to share with the Board various investment options available for the reinvestment of the funds in a TGIA CD that is coming due on October 28, 2022.

- 7-month Certificate of Deposit at 2.76%
- 13-month Certificate of Deposit at 3.00%
- A special 2-year Matter Certificate of Deposit that can be broken into smaller renewal options such as a 4-week CD at 1.99% and upward which gives the investor flexibility
- If the FDIC cap is an issue – the presenters shared information regarding the CDARS program – like a sweep account – funds are held at other financial institutions to keep funds insured under the FDIC cap.

Ms. Sheets, Branch Manager, noted that if TGIA were interested in a Money Market account, UBB would match rates with a financial institution that might be offering a higher rate. She went on to say the UBB is a 5 Star rated Grade A Bank.

Mr. Sumner asked if the bank had a Securities Broker on staff. Ms. Sheets stated they did not.

Ms. Sheets noted that all CD's offer the investor the option of adding a minimum of \$1,000 per month to the existing CD until maturity. There is a 180-day penalty for early withdrawal depending on the date of the withdrawal.

Ms. Sheets noted that the Special Rates for the CD's are only available through the end of October 2022.

There being no further discussion. The UBB representatives left the meeting at this time.

## **ACTION ITEMS:**

### **Board of Directors Meeting Minutes – September 28, 2022**

Mr. Lardner asked if there were any changes or corrections to the content or to the substance of the minutes.

**Motion: Motion by Ms. Magnussen, seconded by Mr. Sumner to approve the Board meeting minutes of September 28, 2022, as presented. No further discussion. Unanimously approved. Motion carried.**

### **CD Renewal –**

Discussion took place regarding the timing of upcoming expenses related to the construction of the proposed fire station / multi-use facility. Once the location is approved, construction activity and related expense will move very quickly. The Board felt it was best to roll the maturing CD #21 into the 7-month CD at 2.76% with United Business Bank.

**Motion: Motion by Mr. Sumner, seconded by Ms. Magnussen to approve rolling the maturing CD #21 into a 7-month CD with UBB at a rate of 2.76%. No further discussion. Unanimously approved. Motion carried.**

Mr. Sumner discussed the possibility of investing in U.S. Treasury notes as this might be a promising investment for the future. He asked Ms. Davis if she would please research a good securities broker.

**FINANCIAL REPORT(s)** – The Financial Report for period ending September 30, 2022, was reviewed.

Mr. Hobbes shared that financially, things were quiet in September.

There being no further discussion, Mr. Lardner recommended that the Financial Statement for the period ending September 30, 2022, be placed in the record for audit or review.

## **OLD BUSINESS:**

### **Update-Multi-Use Center –**

Mr. Moore noted the following:

- Fencing contractors: Almost done with the current fencing as quoted in April 2022. He recommended that that contractors be asked to submit a bid for the installation of gates and the Tierra Grande sign.
- State Fire Marshal Site Inspection: The State Fire Marshal, Derek Rodriguez has set a date to visit the TGIA site on Wednesday, November 2<sup>nd</sup>. Mr. Moore recommended inviting John Kirkpatrick, our architect, to attend the site review. Rio Communities City Manager, Martin Moore and Andrew Tabet, Fire Chief, will also be attending.
- Well – State Engineers Office: If TGIA wants a commercial well, TGIA will have to purchase water rights.

Ms. Moran reported that she had reviewed the Title Search of the TGIA Open Space. While the Association owns the Mineral Rights, there is no reference to TGIA owning the water rights. Discussion ensued regarding the cost to purchase / lease water rights.

Ms. Moran noted that she has reached out to Harvey Yates regarding the very question of the cost to lease and/or purchase water rights.

Discussion took place regarding one well or two wells. Since there is so much that is unknown, that discussion is deferred for another time as information becomes available. The well will be a priority at some point.

Ms. Moran remarked that she could only find one of the stakes from Mr. Yate's sonar location and that one stake was only about three feet from where Mr. Sumner had identified as a potential well site.

## **NEW BUSINESS:**

### **Billing Comparison – September 30, 2021, vs September 30, 2022 –**

The Board reviewed a report generated by the assessment billing program which compared unpaid assessment totals between the 2 years as well as the number of unpaid lots.

2022 is about \$17,000 higher in unpaid assessments / interest and an additional fifty-five lots are unpaid from the prior year. Past due amounts for year 1 and year 2 seem to have the biggest impact on the uncollected amounts.

Ms. Moran shared that there are many contributing factors to this number such as:

- No foreclosure sales held in 4 years
- Eighty-seven bad addresses to date – we take a lot of time to try and locate these owners & heirs
- Twenty-one of those 87 – that we are aware of - are deceased
- Per our governing documents – we must show proof of attempting to find these owners at least four times – before we can stop sending statements. It is an expensive process.
- Owners do not pass on information on ownership or if they do, often it is not in a will therefore probate and family dynamics make moving the property on to another owner is difficult at best.

TGIA staff works hard to encourage owners to complete a transfer upon death deed or other document that makes it easy for heirs to transfer the property. She is looking into ways to get the word out.

Ms. Moran also noted that she had lunch with Karla Poe, TGIA Attorney a week ago. Karla promised to make the TGIA foreclosures a priority.

### **Skip Tracing –**

Ms. Moran noted that she is looking into what benefit Skip Tracing might provide to TGIA in looking for owners or heirs to these properties, but she was unsure what benefit vs. cost this service might offset.

The Board recommended that Ms. Moran obtain some pricing for the Board to review at the November Board meeting.

### **Budget YTD –**

The Board reviewed the Cash Basis Budget vs Actual Income/Expense as of October 24, 2022. The Board remarked that nothing seemed out of alignment from what was anticipated might be higher or lower such as the increased expenses related to the TGIA newsletter or lower income as no revenue from a foreclosure sale was received and no TGIA owned lot was purchased.

**OTHER ITEMS: None**

**ADJOURNMENT:** Mr. Lardner adjourned the meeting at 5:45 p.m.

**Next TGIA Board Meeting:** The next meeting is scheduled for Wednesday, November 16, 2022, at 4:00 p.m.

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Signature

/sdm: Minutes10/26/2022

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Date Approved