

Tierra Grande Improvement Association, Inc.
Via: Zoom & Telephonic
Board of Directors
June 26, 2024

CALL TO ORDER: Rhonda Davis, President, called the meeting to order at 3:56 p.m.

ROLL CALL: Sue Moran, Administrator

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

Directors Absent: None

Administration Present: Sue Moran, Administrator
Ron Robbins, IT/Operations

Guest(s): Lee Baldwin, CPA
2023 TGIA Annual Financial Review

Audience: None

AGENDA:

Ms. Davis asked if there were any changes to the agenda.

Ms. Moran noted the following:

New Business: Corporate Transparency Act

There being no other changes to the agenda,

Motion: Motion by Dr. Moore, seconded by Mr. Lardner to approve the Agenda of June 26, 2024, as amended. No further discussion. Unanimously approved. Motion carried.

ACTION ITEMS:

2023 Annual Financial Review: Lee Baldwin, CPA, presented to the Board the 2023 Annual Financial Review. Mr. Baldwin discussed the document page by page.

Various Board and Staff requested the following modifications to the 2023 review report:

- Page 5 - Correct heading years to reflect 2023 and 2022.
- Page 8 - Note 1 - First paragraph - last sentence change 3 years to read "within two years,"
- Page 9 - Note 3 - Deferred charges - last sentence - During 2023 and 2022, TGIA received \$6,451.49 and \$3,454.53, respectively, related to recovering costs of foreclosing.

- Page 9 - Note 4 - Donated land - change the years to read - During 2023 and 2022. . .
- Page 10 - Note 7 - Paragraph 2 - change sentence to read to lease office space and requires sixty monthly payments TOTALING

Motion: Motion by Mr. Lardner, seconded by Mr. Moore to approve the 2023 Financial Review with amendments. No further discussion. Unanimously approved. Motion carried.

Ms. Davis asked Mr. Baldwin if the Board could apply interest income earned from various investments to the general expenses covered by Member Assessments and Interest paid in Delinquent Accounts. Mr. Baldwin responded, no. TGIA must operate its general expenses within the Assessment related revenue earned.

Set Policy Cap for Capitalizing Items: The Board discussed with Mr. Baldwin, setting a cap for capitalizing items. Decision was made to capitalize a physical item costing \$3,500 or more.

Motion: Motion by Mr. Lardner, seconded by Mr. Sumner to capitalize an item costing more than \$3,500. No further discussion. Unanimously approved. Motion carried.

Discussion did take place regarding the need to clean up the current assets listed on the asset inventory as most have fully depreciated. Another item discussed was the need to consolidate the foreclosure assets into one category. These items will be addressed to the auditor before completing the 2024 annual review.

Board of Directors Meeting Minutes: Ms. Davis asked if there were any changes or corrections to the content or to the substance of the May 22, 2024, minutes. There being none:

Motion: Motion by Dr. Moore, seconded by Mr. Moore to approve the Board meeting minutes of May 22, 2024, as presented. No further discussion. Unanimously approved. Motion carried.

Re-invest Maturing Funds: The Board reviewed the spreadsheet showing active accounts, balances, and in some cases interest rates and maturity dates. No action was needed at this time.

Funding the Operating Account: Ms. Moran reported that the Operating Account has a current balance of approximately \$7,000. Ordinary monthly expenses are estimated at \$9,000.

Motion: Motion by Mr. Moore, seconded by Dr. Moore to approve the transfer of \$5,000 each month from TGIA's money market account to the Operating account until such time as sufficient assessment revenue is received to cover expenses. No further discussion. Unanimously approved. Motion carried.

Fencing Quotes: The Board reviewed the fencing quotes for the two (2) lots TGIA owns where the wells and water tanks are proposed to be installed. One quote received was from Mike Vilar, the company that had fenced a different TGIA property. The other quote received was from Mr. Valenzuela. Mike Vilar's quote for each lot was lower than Mr. Valenzuela's.

Motion: Motion by Mr. Moore, seconded by Mr. Lardner, to award the fencing project to Mike Vilar. No further discussion. Unanimously approved. Motion carried.

Measures / Foreclosures: The Board reviewed a spreadsheet of properties as of 2024 which are 2 or more years in arrears (116) and have not yet received a measure. Ms. Moran reported that she is working on the measures. Letters will be mailed out the first week in July giving the owners the opportunity to bring their accounts up to date or liens and/or foreclosure proceedings would begin.

No motion was required.

Ms. Moran will update the Grant Procedure for Road Assistance for review/discussion at the July Board meeting.

FINANCIAL REPORT(s) – The Board reviewed various financial materials representing the period ending May 31, 2024. Ms. Moran reported that the financial reports will be different for the close of June moving forward.

There being no further discussion, Mr. Sumner recommended that the financial materials representing May 2024 be placed in the record for audit or review.

OLD BUSINESS -

Accountant: Ms. Moran stated that she has not heard back from Claudette Riley regarding accepting a bookkeeping position with Tierra Grande. Ms. Davis stated that she would contact Ms. Riley.

NEW BUSINESS -

Capital Fund – Possible Development: Ms. Moran shared the communication she has had with representatives of Capital Fund. Discussions included solar projects, home building, rezoning of Unit 19 properties from rural residential to commercial and water well issues. Ms. Moran doubts that any action will take place any time soon.

Annual Meeting: The Board reviewed the draft agenda for the 2024 TGIA Annual Meeting of the Members.

Corporate Transparency Act: George Hobbes forwarded information to TGIA regarding the proposed Corporate Transparency Act. Even though it appears not to apply to non-profits, Mr. Hobbes suggested that might be true. Mr. Lardner stated that there is a lot of opposition to this Act and that it may be changed/clarified by October 2024. If it does apply to TGIA, we will have to file a report for 2024 at the beginning of 2025.

EXECUTIVE SESSION:

The Board recessed into Executive Session at 5:30 p.m. to discuss:

- Legal
- Personnel

The Board reconvened as the Board of Directors at 5:40 p.m.

During Executive Session, the following actions were taken:

Send a letter to Michael Scott in response to his question regarding membership vs ownership authority.

Approve paying the Treasurer stipend for the first half of the year to the Board Secretary in recognition of his taking on additional responsibilities as Acting Treasurer.

Motion: Motion by Mr. Sumner, seconded by Mr. Moore to approve paying the Acting Treasurer as presented during the Executive Session. No further discussion. Four (4) in favor, One (1) abstained. Approved. Motion carried.

OTHER ITEMS:

- None

ADJOURNMENT: Ms. Davis adjourned the meeting at 5:45 p.m.

Next TGIA Board Meeting: The next meeting is scheduled for Wednesday, July 24, 2024, at 4:00 p.m.

Signature

/sdm: Minutes06/26/2024

Date Approved