

Tierra Grande Improvement Association, Inc.
Via: Zoom & Telephonic
Board of Directors
October 31, 2024

CALL TO ORDER: Rhonda Davis, President, called the meeting to order at 4:00 p.m.

ROLL CALL: Sue Moran, Administrator

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

Directors Absent: None

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

Guest(s): Paul Lucero, PNL Accounting and Tax Service

Audience: None

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

There being no changes to the agenda,

Motion: Motion by Dr. Moore, seconded by Mr. Sumner to approve the Agenda of October 30, 2024, as presented. No further discussion. Unanimously approved. Motion carried.

GUEST: Paul Lucero, PNL Accounting & Tax Service

Mr. Lucero, owner of PNL Accounting & Tax Service. Mr. Lucero gave a brief synopsis of his education, and the accounting services his firm offers. He also shared the partnership he has with Sais & Associates, a CPA firm that performs audits and reviews.

Mr. Lucero went on to discuss his proposal to provide bookkeeping services for Tierra Grande as follows:

Bookkeeping Services: \$8,400

- Reviewing the appropriate categorizing of income and expenses against budget
- Providing Quarterly Reports for the Board of Directors
- Completing the Annual 990 Tax Return

Mr. Lardner suggested that \$8,400 for the first year of the contract is fine since the new accountant would be setting up the accounting system and putting in the time to learn Tierra Grande's finances. However, unlike our previous Accountant, the new accountant would not be attending monthly Board meetings, nor preparing monthly reports, nor providing payroll services. The Board would like to hear from Mr. Lucero as to what a fair charge would be for accounting services **after** the first year.

Mr. Lucero shared that the cost of his services would likely be less after the first year. Mr. Lucero will submit a bid for a five (5) year agreement. The Board was agreeable to that.

The Board understands that it is a requirement of PNL Accounting that Tierra Grande agrees to bundle the accounting and audit/review services with PNL's partner company Sais & Associates.

Mr. Lucero stated that Sais & Associates will submit a bid to provide review / audit services to TGIA for the upcoming five (5) years.

ACTION ITEMS:

Board of Directors Meeting Minutes – September 25, 2024

Ms. Davis asked if there were any changes or corrections to the content or to the substance of the minutes. There being none:

Motion: Motion by Dr. Moore, seconded by Ms. Roberts to approve the Board meeting minutes of September 25, 2024, as presented. No further discussion. Unanimously approved. Motion carried.

Grazing Lease – Juan Sanchez Jr.

Ms. Moran shared that Juan Sanchez Jr. agreed to a five (5) year grazing lease at \$150 per year with TGIA for the 72-acre lot TGIA owns which adjoins the fire station. Mr. Sanchez plans to put a water tank on the property. Ms. Moran noted that the grazing lease should offset some of the property tax on the lot.

Motion: Motion by Mr. Lardner, seconded by Dr. Moore to approve a five (5) year grazing lease with Juan Sanchez Jr. as presented. No further discussion. Unanimously approved. Motion carried.

Grant Culvert / Road Improvement -

The Board reviewed a grant request from Adriana & Gregg Knepper for the installation of a bar ditch (culvert) at the entrance to their property which is located on Trueno Loop. The request is for the maximum allowed of \$2,500.

Ms. Moran shared that Valencia County informed TGIA, after the grant had been submitted to TGIA, that the County does maintain all of Trueno Loop. The County road department stated that all requests for culverts on County maintained roads requires County approval. The entrance improvement to the Knepper property was approved by the County.

Discussion took place regarding the need to update all TGIA's grants and to remove culverts as a covered grant. Ms. Moran committed to updating the grants for the Board to review at the November Board meeting.

Motion: Motion by Dr. Moore, seconded by Ms. Roberts, to approve the grant request for Adriana & Greg Knepper in the amount of \$2,500. No further discussion. Unanimously approved. Motion carried.

MOA – Valencia County Public Works –

Ms. Moran reviewed with the Board the Memorandum of Agreement (MOA) between TGIA and Valencia County Public Works, which proposes that TGIA provide a grant to the County to help offset the cost of major road improvement projects in Tierra Grande as identified by Valencia County.

Valencia County Public Works will submit a grant request to the Board outlining the work to be done and the estimated cost of the project. TGIA would in turn approve the project by submitting the funds to Valencia County. The County would have six (6) months to complete the project, or the grant funds will be returned to TGIA.

The maximum grant funding in any given year is capped at \$50,000.

Ms. Moran noted that this MOA makes it clear that TGIA does NOT own the roads. It may help in our negotiations with our insurance company.

The MOA can be terminated with thirty (30) days' notice by either party.

The Board of County Commissioners will review the MOA at an upcoming Commission meeting for final approval.

Motion: Motion by Dr. Moore, seconded by Mr. Sumner to approve the MOA between TGIA and Valencia County as presented. No further discussion. Unanimously Approved. Motion carried.

2024 Amended Budget -

Ms. Moran presented to the Board an amended budget for 2024. She explained that the budget was redesigned to reflect her increased knowledge of budget terminology. The amended budget now includes categories such as pre-paid expenses and assets. The budget was further modified to clearly differentiate the Operating budget from the Discretionary budget. The bottom line of the budgets did not change.

The Board liked the redesign of the budget.

Motion: Motion by Ms. Roberts, seconded by Mr. Lardner, to approve the amended 2024 budget as presented. No further discussion. Unanimously Approved. Motion carried.

FINANCIAL REPORT(s) – The Financial Reports (Net Worth, Cash Flow, & Profit & Loss Statement, Budget, and check register for each account) for the period ending September 30, 2024, were reviewed.

New to the usual reports was a breakout of revenue and expenses by month – year to date. This format makes it easy to look at trends and unusual occurrences in income and expense categories.

There being no further discussion, Mr. Sumner recommended that the Financial Statements for the period ending September 30, 2024, be placed in the record for audit or review.

Status of Accounts – The Board reviewed the status of accounts as of October 25, 2024. Ms. Moran noted that two (2) CDs with NMB&T were up for renewal on November 7, 2024, and one (1) T-Bill maturing on November 11, 2024.

Ms. Davis reported that NMB&T has an eight (8) month special CD at 4.50%.

Motion: Motion by Mr. Lardner, seconded by Dr. Moore to:

- **Renew the two (2) NMB&T CDs for eight (8) months at 4.50%.**

Motion: Motion by Mr. Sumner, seconded by Mr. Lardner to:

- **Renew the three (3) month T-Bill**

No further discussion. Unanimously approved. Motions carried.

OLD BUSINESS -

Well on TGIA Owned Lot: Ms. Moran proposed to request a quote from the SunZia well driller for a quote to drill a well on the TGIA owned lot that had been designated for a fire station. If the quote comes back at a reasonable amount, it might be worth TGIA's investment. An additional well would benefit firefighting and road maintenance efforts as well as enhance the re-sale value of the property should the Board decide to sell the lot at some point.

The Board thought it was an idea worth investigating.

NEW BUSINESS - None

ADJOURNMENT: The meeting adjourned at 5:10 p.m.

Next TGIA Board Meeting: The next meeting is scheduled for Wednesday, November 20, 2024, at 4:00 p.m.

Signature

/sdm: Minutes10/30/24

Date Approved