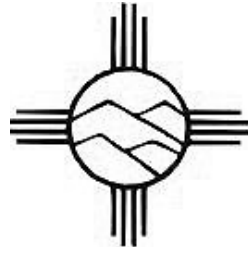


Tierra Grande Tales 'n' Trails

February 2021



Tierra
Grande
Improvement
Association

P.O. Box 1388 • Rio Communities New Mexico 87002 • 505 864-2345

To the Members

Thank you, thank you, for your support during 2020. It has not been an easy time for anyone. You have been so gracious and understanding of the increased assessment rate. When you look at the 2020 proposed budget – found on page four -- you may ask yourself why was there a need to increase the assessment? There are several reasons.

Primarily, IRS regulations and TGIA's governing documents require the Association's operating expenses "live" within the means of the assessment revenue collected. If it were not for the interest earned on savings over the years, the Association would have operated in the red.

The Board and Staff have implemented efforts to bring expenses down from reducing office hours, to bidding out

large item expenses such as insurance. The Board also approved policies/practices/leases/easements, etc., for alternative revenue sources – but these funds are not "assessment" revenue.

Fiscal Responsibility – The Board of Directors, as your representatives, act in your best interest. Therefore they have set aside three years' of operating expenses – over \$350,000 – in case of an emergency.

Alternative Income Sources – additional income received for easements through Tierra Grande Open Space was not anticipated. These funds will be earmarked for special projects to improve the great community, some of which can be found in the Five Year Goals & Objectives found on page two of this newsletter.

Working Together in 2020

Your assessments have supported the Tierra Grande community in 2020 by helping us:

- Protect ownership/titles by clearing six property differences in ownership/titles with the Valencia County and Socorro County Assessor's offices.
- File 12 death certificates, where owners were joint tenants, for Valencia County owners at no cost.
- Review approximately 5,000 Socorro & Valencia County property ownership records of TGIA landowners which resulted in several updates of owners and over 50 changes of address.
- Through an ongoing relationship with the Valencia County and Socorro County Assessors, TGIA forwarded over 175 updated owner addresses to prevent future tax liability problems for our owners.
- Mail out over 150 New Owner Packets and recorded over 486 ownership changes during the year.
- Organize a community cleanup with dumpsters provided at no cost from Valencia County.
- Partner with the Valencia County Road Department to repair areas of roads.
- Support efforts to protect the Open Space by installing additional signs, locks, and gates as well as work with New Mexico Department of Game & Fish and the U.S. Forest Service to protect the wildlife in the Open Space and to enforce the "no hunting no trapping" restrictions. Worked with universities to allow student access to study Open Space.
- Investigated, reported, and cleaned up areas of the Community as a result of vandalism and dumping.
- Market the For Sale By Owner catalog to help owners sell their lots – to date 192 properties have sold.
- Enforce a Permit Policy for owners who wish to drive vehicles in Tierra Grande Open Space.
- Enforce a Lien Policy for lots with structures in arrears

on payment of assessments.

- Complete a successful Audit/Review for 2019.
- Celebrate the 6th anniversary of Little Free Library.
- Work with and attend meetings with area governments and County representatives, public works, planning & zoning, county commissioner, and sheriff on issues related to Tierra Grande.
- With the support of the Tierra Grande Architectural Control Committee, TGIA enforced the Protective Covenants to accommodate as many different people with their needs who make Tierra Grande a diverse and welcoming community.
- Pay the insurance and property taxes on the Open Space and TGIA (\$12,000 +).
- Work with cattle grazers, developers, and individuals with vested interests in Tierra Grande to keep our community beautiful.
- Replace / repair over thirty street signs.
- Install twelve informational signs at each primary entrance into Tierra Grande
- Work to create a sense of community with our members/residents through email information sharing, community watch involvement, and being responsive to TGIA members.
- On a day-to-day basis provide ongoing service to our members such as providing maps, notary and fax services, UPS delivery, obtaining historical deeds, guiding owners/family regarding changes of ownership, transfer upon death deeds, probate contact information, etc.
- Tierra Grande has almost 2,600 land owners. During 2020 the office answered your calls, met with many of you directly, represented you when necessary, and responded to your issues and concerns professionally and as quickly as possible.

TIERRA GRANDE ASSOCIATION, INC.

FIVE YEAR GOALS & OBJECTIVES

July 2017 – June 2022

In July of each year, the Board of Directors gives serious consideration to securing the future of Tierra Grande in support of you, the member. Members may not be aware that the IRS and TGIA's other governing documents prevent Tierra Grande from acting as a developer. Over the years the Association has spent a lot of money in an effort to improve the community to encourage development. In looking back, those expenditures did not result in development as hoped.

Therefore, as you can see from these Five-Year Goals & Objectives that the Board of Directors has and is implementing plans and practices that have the greatest benefit to our members.

1. Public Relations / Promote / Develop Value of Tierra Grande Improvement Association:

- Continue to Develop the Architectural Control Committee (Achieved 08/19)
- Continue to Promote / Protect the Open Space Property
- Revise / Update Web Site & Brochures (Achieved 01/20)
- Evaluate Building Fire Station / Community Room & Grounds (In Process)
- Evaluate Additional Internet Tower in Tierra Grande (In Process)
- Continue to Work with Valencia County to Maintain Roads
- Continue to Develop a Positive Relationship with Members & Associates

2. Tierra Grande Policies / Procedures

- Develop a Consolidated Instruction Book of Office Procedures/Policies (by close of 2021)
- Implement Off Highway Vehicle Policy for the Open Space (Achieved 07/17)
- Implement Lien Policy for Properties with Structures that are Four or More Years in Arrears on Assessments (Achieved 07/17)
- Develop and Implement Best Practices Related to Foreclosing on Vacant Lots (Achieved 07/20)
- Develop and Implement Architectural Control Committee Policy and Procedures including Establishing Fees & Fines for Covenants (Achieved 04/20)
- Develop and Implement Best Practices as related to NM State HOA Act 497 (Achieved 2019)
- Change Language in Foreclosure Orders to Reflect that Future Over Bids will be Deposited Directly to the Courts by the Special Master following the date of the sale. (Achieved 2019)
- Transfer Overage Account Funds to State of NM Courts (In Process)
- Develop Policy / Practice to Off-set Cost of Extending Power Lines to Support Owners Building in Tierra Grande (In Process)

3. Develop Alternate Sources of Income

- Continue to Sell Lots Owned by TGIA

4. Monitor Costs to Assure Income Covers Expense

- Continue to Review Expense Lines Regularly
- Evaluate Raising Assessments Every Three Years Beginning with Year 2020

5. Maximize Billing

- Continue Foreclosure Process
- Continue to Keep Up to Date on Change of Ownership
- Continue to Keep Up to Date on Subsequent Developer

Annual Meeting Covers Many Topics

The Tierra Grande Improvement Association, Inc. annual meeting was held via Zoom and telephone on Dec, 12, 2020, with directors, administration, and others present. Eight TGIA members participated live via Zoom. (602 invitations to participate were e-mailed to members. TGIA received 34 RSVPs from members that they would participate.)

Administrator Sue Moran introduced the Board of Directors:

- Carol Gasperetti, President – resident of Tierra Grande for over 26 years.
- Michael Sumner, Vice President – retired banker and Tierra Grande historian.
- Judi Magnussen, Treasurer – Tierra Grande resident for over 30 years.
- Jim Lardner, Secretary – Tierra Grande landowner for over 20 years
- Rhonda Davis, Director – Vice President of a local bank & candidate for election to the Board.

Moran said this Board is frugal with member funds, while generous with their time and expertise in guiding the Association.

Moran then introduced support staff:

- George Hobbes, TGIA Accountant. Hobbes attends every Board meeting and weighs in on every financial decision to assure the Association follows IRS guidelines and the Association's governing documents.
- Lee Baldwin CPA, has served as TGIA's auditor for the past two years and he will work on the 2020 report for members.
- Sandy Schauer, Newsletter Editor, knows what is going on in the community
 - Mark Earthman, TGIA Maintenance, is a Tierra Grande landowner. He is instrumental in keeping the community looking good. He repairs and installs signs, removes trash and graffiti, maintains entrance lights, replaces Open Space locks and does repairs around the office.
 - Janie Earthman, Assistant Administrator – Janie is a Tierra Grande landowner. She has served as Assistant Administrator for almost 40 years. She is an amazing supporter of Tierra Grande. Her knowledge of TGIA's history is important to understanding TGIA's foundations.

Sue Moran is a Tierra Grande resident and is grateful to serve members and the Association. It has been a challenging year but Board and member support made all the difference.

Board President Gasperetti thanked people for taking time to attend TGIA's first annual meeting held via Zoom. She said it has been a year full of firsts and thanked administrator Sue Moran for going the extra mile to host the meeting.

This is the first year annual assessments have increased since 1995. The decision to raise assessments was made two years ago, due to loss of revenue and increasing costs. TGIA has always operated in the black, meaning without taking on debt, and this made increasing assessments a necessity.

With the increased revenue, the first item to address is fire protection. Almost two years ago, the Board began talks with the Rio Communities Fire Department about creating an additional substation. An additional coverage area for fire protection will benefit residents with decreased insurance rates, as well as increasing the value of vacant land held by making it more attractive to those who wish to build a home.

Gasperetti said she has seen many changes in Tierra Grande. The continuation of this association was successfully completed due to the members choosing and voting to continue the association.

Protecting the open space for the membership has always been a key principle. The board also succeeded in obtaining the release of the reversionary clause that Horizon retained in case this association ever was dissolved. Had this association been discontinued, the current owner of Horizon's old assets would have the opportunity to lay claim to the open space to do with it as it saw fit. Gasperetti said, "I cannot stress how important this accomplishment was as that clause could have drastically changed the very nature of Tierra Grande, had we not secured its release."

Having the release of the reversionary clause also enabled the association to appoint the Architectural Control Committee, as well as oversee the enforcement of the covenants. This board has worked with BLM and NM Game and Fish on several projects including the reintroduction of the big horn sheep into the open space, as well as working with BNSF when they added a second line of track through the canyon while securing the safety of those big horn sheep.

Gasperetti encouraged people to run for the board seat she is vacating as a Tierra Grande resident must occupy the seat.

Auditor Lee Baldwin noted that while TGIA is in a good financial position, the 2018 and 2019 reviews reflect that without the interest earned from the investment of funds, the collected assessments alone are not sufficient to cover the Association's day to day operating expenses. He pointed out the "Independent Accountant's Review Report" reflects that based on his review he is not aware of any material modifications that should be made to the 2019 financial statements.

Administrator Sue Moran reported --

- TGIA updates will be posted on the "Updates" page of the web site This is an opportunity to review and respond to proposed policy changes
 - Build a Fire Station / Community Area on the east side of NM HWY 47
 - Possibility of an additional TWN Internet Tower in TGIA
 - Erosion Prevention Project in cooperation with Valencia County Public Works
 - NM HOA Act – Fees & Fines Charged for Architectural Control Services & Non-Compliance with the Protective Covenants
 - Practice to help off-set the cost of Power Line Extensions

Continued on page 4

2020 TGIA TREASURER'S REPORT

Annual Meeting

Continued from page 3

TIERRA GRANDE IMPROVEMENT ASSOCIATION, INC. SOURCE OF FUNDS	CASH BASIS	Actual 2019	PROPOSED BUDGET 2020
TOTAL ASSESSMENTS		119,607	175,462
TOTAL C.D. & MM INTEREST		2,096	2,500
<i>Interest - Delinquent Accounts</i>		2,529	2,700
<i>Tower Site Rental</i>		1,800	1,800
<i>Royalty Leases (Cattle/Gravel)</i>		1,450	1,450
<i>Misc Income(land sales, TTF, PPF, Easements)</i>		28,839	196,439
<i>Donated Land</i>		0	10,000
TOTAL PROJECTED REVENUE		\$182,302	\$583,790

	BUDGET 2019	PROPOSED 2020
A. SALARIES	51,230	59,360
B. RENT/UTILITIES	8,762	8,950
C. GENERAL OFFICE	19,974	24,400
D. INSURANCE	14,834	15,320
E. PROFESSIONAL FEES	22,688	22,750
F. LAND TAXES	2,638	10,350
G. MISCELLANEOUS	4,587	5,000
H. PROMOTIONALS	1,756	3,560
I. MAINTENANCE	189	11,250
TOTAL PROJECTED OPERATING EXPENSE	\$126,469	\$149,690

OTHER COMMUNITY IMPROVEMENTS NOT INCLUDED IN OPERATING BUDGET	YEAR 2019	PROPOSED YEAR 2020
VALENCIA COUNTY EROSION PROJECT		
NEW TGIA FIRE STATION/CENTER	0	100,000
FORECLOSURES - Recoverable	21,552	23,500

LIQUID ASSETS	ACTUAL 2019	PROPOSED 2020
MyBank Checking	73,793	100,000
Money Market Open Space	7,206	7,000
Money Market - Special Projects	73,947	150,000
CD's	315,750	315,750
Impress Account	1,500	1,500
Petty Cash	150	150
TOTAL CASH	\$472,346	\$574,400

FIXED ASSETS	ACTUAL 2019	PROPOSED 2020
TOTAL PROPERTY & EQUIPMENT	\$351,714	\$350,893

- How your assessments protect Tierra Grande land ownership and help our Community retain a reputation of being one of the best subdivisions in the area

In the drawing of winners of credits

- 1st Prize – \$250 Credit: Robert Pearson – Wisconsin

- 2nd Prize – \$175 Credit: Lillian Clark – Minnesota

- 3rd Prize – \$75 Credit: John Gronager – New Mexico

George Hobbes reported 298 Ballots cast for a total of 351 votes. (Some members own multiple lots – hence more votes than ballots.)

Candidates Received the following votes:

- Rhonda Davis – 253. Elected to Board of Directors

- John Hoffman – 98

Hobbes noted that 34 states other than New Mexico were represented in the ballots cast. One ballot came from the Virgin Islands and one from Israel!

Members of the audience had the opportunity to speak directly with Board members, speakers and staff on a variety of issues.

Check out 2019 Annual Review at
<http://www.tierragrande.org/newowners.htm>
 Item F. Most Recent Balance Sheet

Board Member To Be Elected

If you are a resident of Tierra Grande and would like to serve on the TGIA Board, please send your resume, with a cover letter, to TGIA Board, P.O. Box 1388, Belen, NM 87002. Your letter of interest must be received no later than April 1, 2021. If you want to nominate someone, be sure they are willing to serve for a five-year term before sending a cover letter and resume for that person.

The election of a Board member is held at the annual TGIA meeting in July.

What Is a Director?

Webster's Dictionary defines director as "... a member of a Board chosen to direct the affairs of a corporation or institution." This is a rather bland, general, somewhat all-encompassing statement which does not reflect or require a commitment to integrity, effort or responsive decision-making.

The experience working with your TGIA Board of Directors over the past years requires an addition to this description to accurately reflect the efforts and dedication expended in the past. Mainly, TGIA Directors have preserved the integrity of the Tierra Grande property so that when you are ready to enjoy its benefits, the land will have retained the original purpose/goal that first motivated your purchase.

For almost 50 years the board has been composed of (1) two owner/members living within the Tierra Grande Subdivision; (2) a member / non-occupant of the area; (3) a banking executive; and (4) a member of the local business community. Board members have been unselfish in their efforts to retain the residential design of Tierra Grande.

Accomplishments have been numerous, as you can see from the annual report of accomplishments in this newsletter. The current and past Directors have invested a tremendous amount of energy and time securing the future of the Tierra Grande community and have received only a small stipend (which was voluntarily reduced a few years ago), plus an annual dinner. The Association and its members have benefitted from their dedication.

Tierra Grande Board of Directors

Officers for the Period of December 2020 – June 2021
Annual Meeting Rescheduled Due to Pandemic Restrictions
Annual Meeting was held Saturday, December 12, 2020

Election of Officers was held Dec. 16, 2020, via Zoom

President – Jim Lardner

Business Owner / NM Travertine

Tierra Grande Landowner Term expires 2023

Executive V.P. - Michael Sumner

Retired / Valencia County Banker Term expires 2022

Treasurer – Judi Magnussen

Tierra Grande Resident Term expires 2024

Secretary – Rhonda Davis

VP Sales / New Mexico Bank & Trust Term expires 2025

Director – Carol Gasperetti

Retired / UNM Administrator

Tierra Grande Resident Term expires 2021

TGIA Staff

Administrator – Sue Moran

Assistant Administrator – Janie Earthman

Maintenance – Mark Earthman

Newsletter Editor – Sandy Schauer

Architectural Control Committee

For the Period of December 2020 – June 2021

Chair – Judi Magnusson Member – Carol Gasperetti

Member – Sue Moran Member – Michael Hunt

Member - Vacant

Death Certificates–Information & Changes

If you have filed a death certificate for a loved one and their name still appears on the property tax records, you need to contact the Valencia County OR Socorro County Tax Assessor (the County in which your Tierra Grande lot is located) and let them know that the death certificate was filed with the County Clerk.

There may be additional paperwork required. Just don't want you to assume that since the death certificate was filed that the property ownership records have been updated.

Unfortunately, Valencia County has changed its policy. Tierra Grande can no longer file death certificates on your behalf. If your property is located in Valencia County, an original death certificate must be mailed to the Valencia County Clerk for recording.

Make sure to include a check for \$25 payable to the Valencia County Clerk along with a self-addressed return stamped envelope. The mailing address for the Valencia County Clerk is: PO Drawer 969, Los Lunas, NM 87031.

Western Spirit Transmission Line

Individual Tierra Grande property owners have successfully negotiated easements with the Western Spirit Transmission Line. This includes the Tierra Grande Improvement Association's approval of an easement through a small portion of Open Space located in Socorro County.

The easement that was approved follows along-side a Public Service of New Mexico (PNM) electric utility line easement that has been in place for many years. The funds received by TGIA for this easement are earmarked for special projects, such as a proposed fire station / community center. Construction is expected to start in 2021.

If you would like further information regarding the proposed transmission line, visit www.westernspirit-transmission.com or call the Land Department at Pattern Energy – 505 375-1324.

Pay Attention to Property Value Notice

Each early spring a Notice of Property Value is mailed to property owners from either the Valencia County Assessor or the Socorro County Assessor, depending on which County your Tierra Grande property is located.

A window of opportunity exists to protest the property value, which is the basis for the property tax. The protest period generally ends at the close of April.

If you choose to protest your property value, the protest forms can be found on the County sites or by contacting the Assessor's Office:

Socorro County: 575 835-0714: www.SocorroCounty.net

Valencia County: 505 866-2417: www.Co.Valencia.nm.us

Unpaid Assessments Accrue Interest

Unpaid Tierra Grande Assessments for 2020 have begun to accrue interest at the rate of eight percent per annum.

Accounts delinquent in the third year of nonpayment are sent to legal counsel to begin foreclosure proceedings. Payment in full for past due assessments plus costs must be recovered from owners who want to remove their lot from further legal proceedings.

Upcoming Community Watch Meeting

The next Community Watch meeting has been tentatively scheduled for Saturday, April 17, 2021, from 11 a.m. to 1 p.m. at the Tierra Grande Fire Station depending on COVID-19 restrictions,

Community Watch Coordinator Needed

If you are a resident of Tierra Grande and would be interested in finding out more information about the Coordinator position or are willing to serving as Community Watch Coordinator, please contact Sue Moran, Administrator at 505 864-2345.

Another Successful Community Cleanup

On the weekend of Oct. 16, 2020, thanks to the support of the Valencia County Public Works Department and the Keep New Mexico Beautiful campaign, Tierra Grande had use of dumpsters which were packed to the brim. Thank you to everyone who participated and those who work so hard to keep Tierra Grande beautiful.

2021 TGIA Board Meeting Dates

Generally, the 4th Wednesday of the Month at 4 p.m.

January 27 February 27 March 24

April 28 May 26 June 23

July 17 – Saturday - Annual Meeting

July 28 – Election of Officers

August 25

September 29 – 5th Wednesday - Scheduling

October 27

November 17 – 3rd Wednesday - Thanksgiving

December 15 – 3rd Wednesday - Christmas

IMPORTANT

Architectural Control Policies & Procedures

FEES/FINES Enforcement Begins April 1, 2021

Recognizing that it takes a lot of time and expense to enforce the Protective Covenants and to provide a general scheme for creating good land planning and design, the Architectural Control Committee, as approved by the Board of Directors, has developed policies, procedures, fees and fines for oversight and enforcement of the Protective Covenants.

The Fee and Fine schedules were developed for members requiring review/approval of construction and for owners of properties in violations of the Protective Covenants. These policies and the schedule of fees and fines can be found on the Tierra Grande web site: www.tierragrande.org/building-in-tierra-grande/

TGIA Open Space Access

The combination locks to Tierra Grande's Open Space (Sand Canyon & Black Butte Park) will be changed. Please contact the office at 505 864-2345 or info@tierragrande.org to obtain the new combination. Please remember to re-lock the gates as appropriate. If the locks are placed too low on the gate, it can make it difficult to open should rain, snow or mud pile up around the bottom of the gate.

Rio Communities, New Mexico 87002

PO Box 1388

Improvement Association

Tierra Grande

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