

Tierra Grande Improvement Association, Inc.
Board of Director's Meeting
December 10, 2008

Directors Present: Judi Magnussen, President
Carol Gasperetti, Executive V.P. & Treasurer
George Koch, Secretary
Tim Lardner, Director
Michael Sumner, Director

Directors Absent: None

Administration Present: George Hobbes, Accountant
Sue Moran, Administrator

Guest(s): None

Ms. Magnussen, President, called the meeting to order at 4:00 p.m.

AGENDA: Ms. Magnussen asked if there were any additions or corrections to the Agenda. Ms. Moran stated that she had some miscellaneous information to add.

ACTION ITEMS:

Minutes: The minutes of the November 19, 2008 Board Meeting were reviewed.

Ms. Magnussen asked if there were any changes or corrections to the content or to the substance of the minutes. There were no corrections to the minutes.

Motion: Motion by Mr. Koch, seconded by Mr. Sumner to approve the minutes of November 19, 2008 Board Meeting as written. Unanimously approved. Motion carried.

Audit Proposals: An analysis of the bids received to provide audit services for Tierra Grande Improvement Association, Inc., for fiscal years 2008, 2009 and 2010 was reviewed.

Mr. Hobbes explained that the difference between a full audit and a review audit is in scope of work the auditors perform during the audit process. An example might be that the auditors may decide not to send out the same number of sample letters to landowners, banks etc. that they might ordinarily do. He assured the Board that the client (TGIA) still has the same recourse to the auditor if there is some discrepancy discovered with the audit. The audit firm is responsible should there be any litigation. Our landowners will receive almost the same report except that somewhere in the report it will note that a review was completed.

Question was raised, can TGIA decide to have a review audit performed one year and a full audit the next year. Mr. Hobbes said yes. The kind of audit to be performed is at the Board's discretion.

Ms. Magnussen polled each Board member as to his or her recommendation. Decision was made to award the review audit to Moss Adams for 2008, 2009, 2010 while reserving the right to have a full audit performed at the discretion of the Board.

Motion: Motion by Mr. Koch, seconded by Mr. Sumner to award the bid to Moss Adams for the next three (3) years. Unanimously approved. Motion carried.

Ms. Moran was instructed to send letters to the audit firms. Mr. Hobbes requested he receive a copy of the letter to Moss Adams.

FINANCIAL REPORT:

Mr. Hobbes presented the November 2008 Financial Statements. He pointed out that he had recorded the funds received from NRCS and VCSWCD as income and the payment as an expense instead of zeroing out the transaction. There were no questions.

Ms. Magnussen stated that the Financial Statements for the period ending November, 2008 will be placed in the record for review by the auditors.

OLD BUSINESS:

Trip to Sand Canyon: Ms. Magnussen reported on the trip to she and five (5) Tierra Grande landowners took to Sand Canyon. The group was escorted by Mark Olsen, of the New Mexico Department of Fish & Game. Ms. Magnussen distributed pictures to the Board of before and after the clear-cut. During the trip a herd of about 17 big horn sheep were spotted as well as a small herd mule deer. It was a beautiful day.

Mr. Hobbes suggested that these pictures be added to our web page.

Ms. Magnussen had an opportunity to speak with a railroad representative. He reported to her that the railroad will not begin constructing the 2nd track until after 2010.

Foreclosures: Ms. Moran reported that she had met with Mary Jo Jaramillo, paralegal from Moses, Dunn, Farmer & Tuthill, P.C. Ms. Jaramillo will research bad addresses. When Ms. Jaramillo finds new addresses, TGIA will send out statements to the owners. Also, a minor change, instead of proceeding with 20 properties in foreclosure, we will proceed with 20 owners in foreclosure, this may result in 40 properties. It is our plan to hold the first foreclosure sale in June of 2009.

Ms. Moran asked if the Board had any concerns regarding this information. The Board was encouraged by this information.

NEW BUSINESS: None

INFORMATION

Follow-up Items from Previous Minutes: Ms. Moran reported on some follow-up items.

Certificate of Deposit: The CD was renewed for 10 months at a rate of 3.10 percent.

FDIC Limit: MyBank and New Mexico Bank & Trust have agreed to pay the increased premium as a result their depositors now insured with the FDIC for \$250,000 per individual depositor and \$1,000,000 for a business depositor.

Employee Surety Bond: The CAN Surety Bond can cover up to five (5) employees without incurring an additional charge.

Newsletter: Feedback about the streamlined newsletter has been positive. The resulting savings was over \$1,300.

Thank You Note: A letter to Mr. & Mrs. Louis Stynen was mailed thanking from for cleaning up the graffiti that was painted on the walls of the main entrance to Tierra Grande.

Web Page: It will cost approximately \$25-\$50 per month to place a counter on the web page on which the Board minutes will be posted. Discussion took place regarding adding a side-bar to the web page to allow people to receive the minutes via e-mail. Ms. Moran will explore this option with the web designer.

OTHER ITEMS

There were no other items discussed.

Ms. Magnussen adjourned the meeting at 4:30 p.m.

Next TGIA Board Meeting: Scheduled for Wednesday, January 28, 2008 at 4:00 p.m.

Signature

Date Approved

/sdm:Minutes12/10/08