



TIMBERLAKE RANCH LANDOWNERS' ASSOCIATION

**ANNUAL MEETING
May 26, 2012
2011/2012 Fiscal Year Report**



Board of Directors

**Eileen Domer
Don Parry
Linda Pedersen
Linda Shoppe
Dale Spencer
Jerry Toellner
Mary Jo Wallen**



DEMOGRAPHICS OF TIMBERLAKE RANCH AND LANDOWNERS

Timberlake Ranch covers approximately 7000 acres in both Cibola and McKinley County. It is nestled in a valley surrounded by the Cibola National Forest (342,000 acres). There are five subdivisions: Cloh Chin Toh, Timberlake (Cibola) Unit 1, Timberlake (Cibola) Unit 2, McKinley Units 1---10, and Timberlake South for a total of 743 lots varying in size from 5 – 14 acres.

Number of Lots according to Subdivision:

Cloh Chin Toh: 93 (CCT 74 Common Land)

Cibola Unit 1: 65

Cibola Unit 2: 73

Timberlake South: 31

McKinley Unit 1: 52

Unit 2: 42

Unit 3: 46

Unit 4: 54

Unit 5: 45

Unit 6: 48

Unit 7: 51 (Includes Lot given to McKinley Co. for the Volunteer Fire Dept.)

Unit 8: 61

Unit 9: 54

Unit 10: 27

TRLA Common Land: There are five parcels of land in Cibola Country for a total of 333 acres. This includes the Horse Pasture, 100' narrow strip running north of it, Field of Stream, and Lot 74 in Cloh Chin Toh Subdivision along with the TCC Ranch House and surrounding acreage. In McKinley County there are 9 parcels totaling 894 acres. This includes land on north and south of the lake, a strip of land going north and south on which the bathhouse sits, and the area along the cliffs to the west

As of May 2012, Timberlake landowners (577) reside in 29 states and one foreign country (Switzerland.) The top three states landowners come from are Arizona (42%), followed by New Mexico (35%), and then California (9%). There are 144 homes in Timberlake. Of these, 60 are fulltime residents, 27 part-time residents, and 57 considered recreational. Included in the recreational group are homes that are vacant, for sale, rentals, in a foreclosure process or a combination thereof.

TRLA BUDGET REPORT FOR ANNUAL MEETING
FISCAL YEAR 2011-2012 MAY 26, 2012

- Total Income for July 1, 2011 to April 30, 2012: \$174,927.83
- Total expenses for July 1, 2011 to April 30, 2012: \$94,168.00
- Added Depreciated assets: Picnic tables Ranch house: \$5,371.17 and Woodland property: \$2102.87
- Expected cost for expenses for in May and June 2012 =\$14,500.00
- Possible carry forward = \$47,191.00

Budget over runs:

- Ranch House Maintenance and repair by \$1,133
- Dump truck maintenance and repair by \$1,257
- Ford 550 pickup truck maintenance and service by \$58.00.

Pie Charts: Administrative expenses were 25% of outflows, an increase of 50% due to the increased cost for office supplies, postage and especially legal fees due to increase bankruptcies, foreclosure and placement of liens.

Ranch operations expenses were 75% of the total outflows down 14% from the 2010-2011 fiscal years.

Budget for 2012-2013 approved by the Board. The dues will remain at \$230.00 per lot /yr.

- Line item for property taxes increased for additional land.
- Line item for liens/notary fees increased to 500.00. Cibola and McKinley Counties increased the cost of filing /releasing liens from \$9.00 to \$25.00. Legal fee line item will remain at \$18,000.
- Building maintenance and repair decreased from \$7,500 to \$4,500.
- Gravel, road maintenance and repair budget increased from \$50,000 to \$65,000.
- Truck loan will be satisfied in April 2013.
- Contingency (\$10,000) line item removed.

Collections:

- Nine percent (9%) still owe current year dues: compared to 8.6% last year.
- Collected 50% of previous years dues, the same as last year
- Five lots are with lawyer for foreclosure, three lots are in position for foreclosure by TRLA, and one lot will be sold by the State.
- Landowners declared bankruptcy on four lots

- One lot foreclosed on by a bank; two lots are currently in this position. One lot sold by NM State for back taxes, new owner paid assessment fees, but not legal fees. Two new owners found for lots with debt. One has paid other making payments.
- Liens: liens are placed after 18 months or more delinquent. This year nine (9) new liens were placed for a total of twenty eight - two more than last year.
- Nine liens released. Four were from 1992 and 1993. One release is pending.

Budget Goals for Fiscal Year 2012-2013

This year was the first in many that TRLA has had to deal with foreclosures and bankruptcies. As the financial atmosphere continues to become tense, the Board will be fiscally responsible and stay within budget.

Continue to improve record keeping.

A reasonable reserve will be maintained for capital expenses, replacement cost and assessment fee short fall.

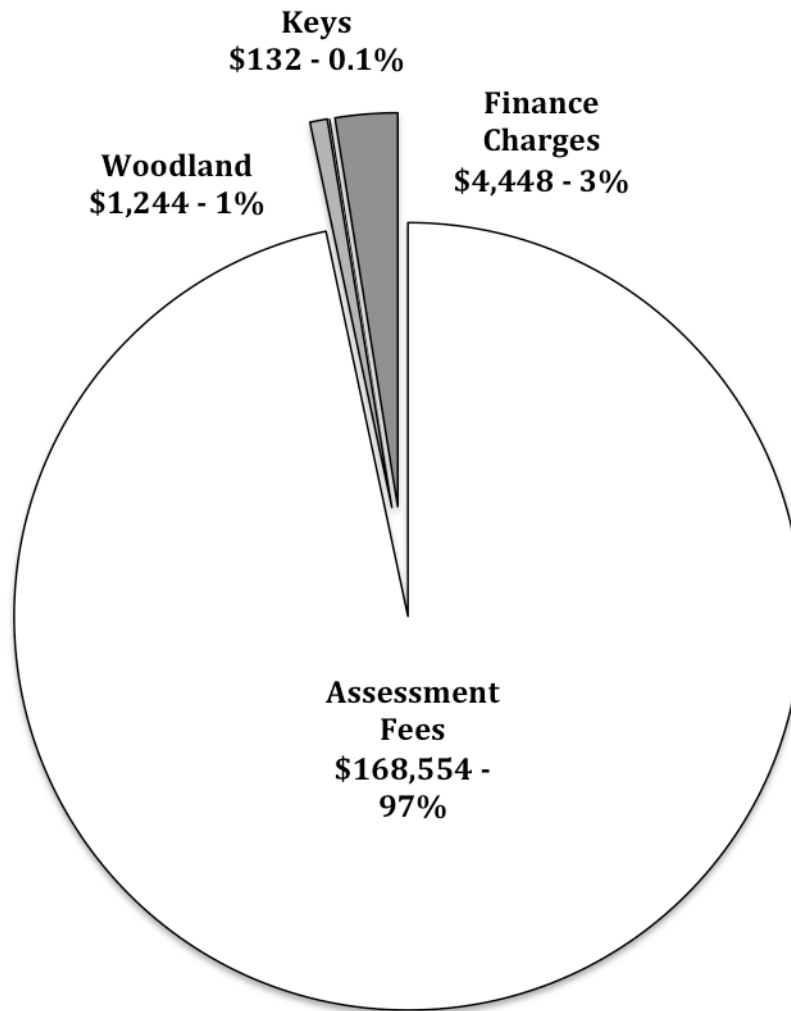
To help cover the rising cost of collecting assessment fees, a 10% late fee will be added in July 2012 to the accounts of Landowners who did not pay their previous years dues and do not have a lien in place.

Respectfully submitted,

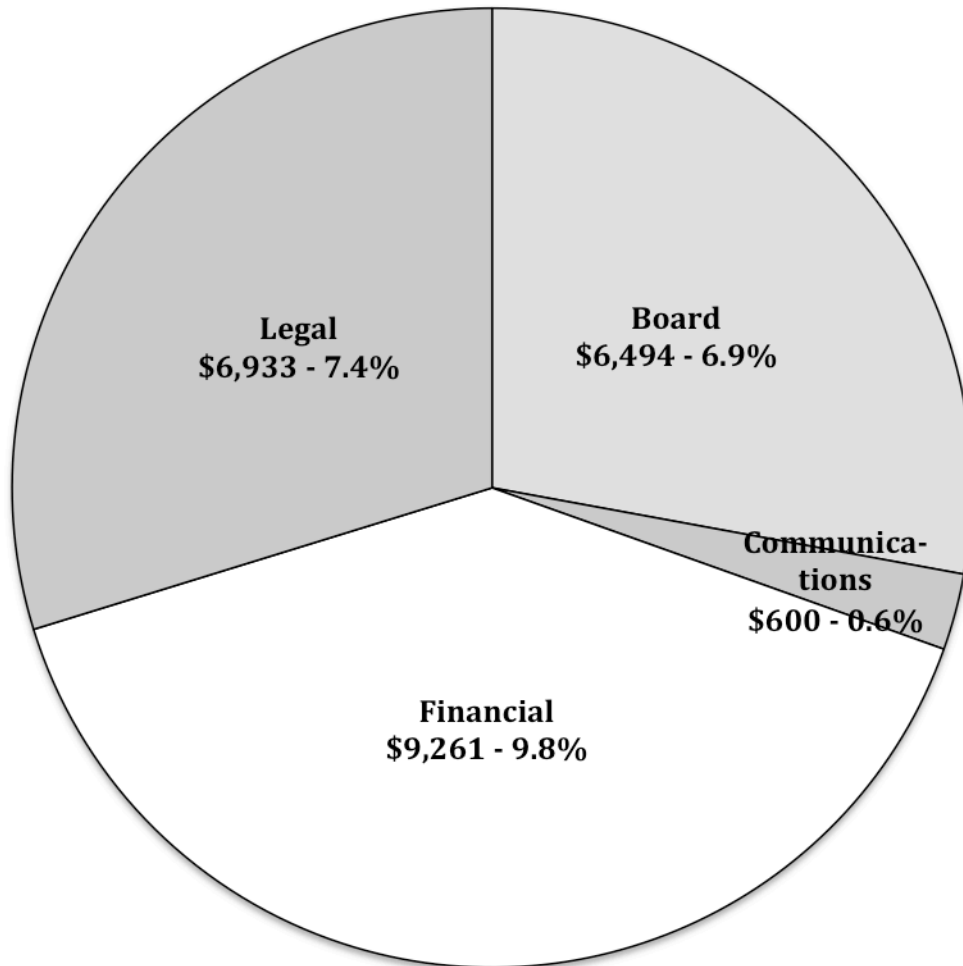
Eileen Domer, TRLA Treasurer

May 16, 2012

**FY 2011 - 2012
TRLA INFLOWS
JULY 2011 - APRIL 2012**



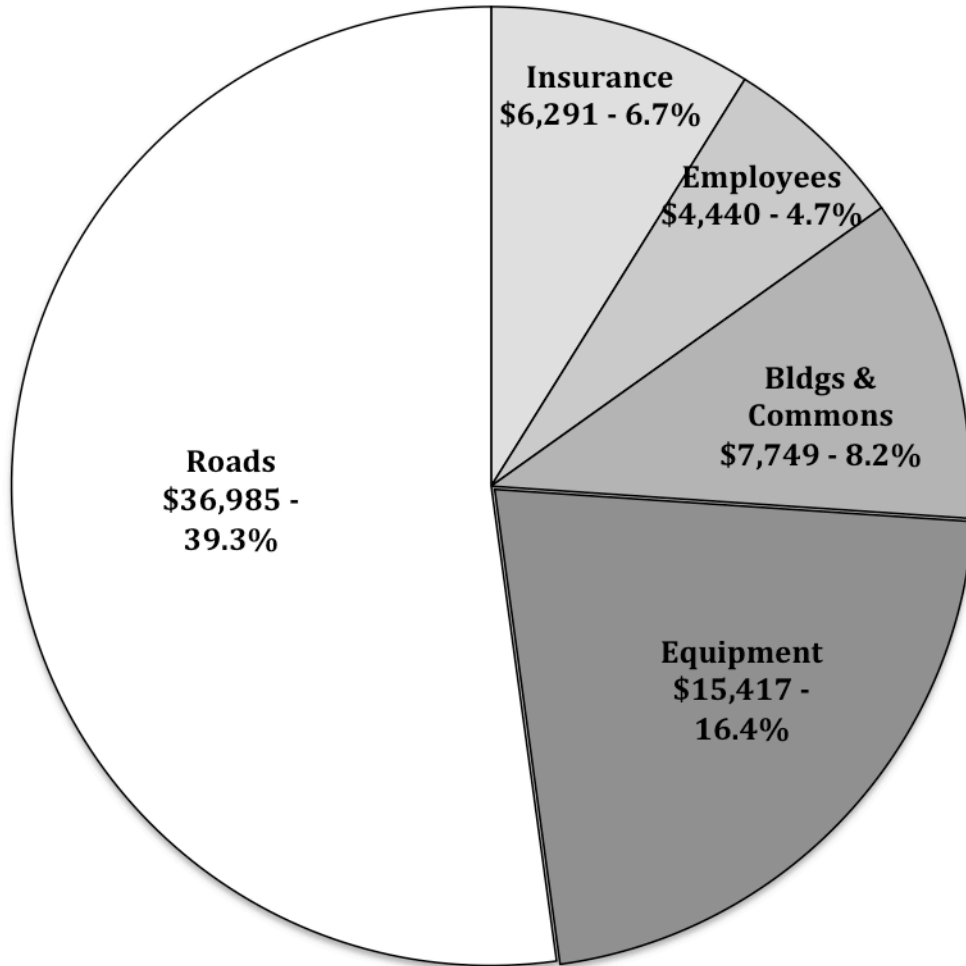
**FY 2011 - 2012
TRLA ADMINSTRATIVE OUTFLOWS
JULY 2011 - APRIL 2012**



ADMINISTRATIVE OUTFLOW DETAILS

| BOARD | COMMUNICATIONS | FINANCIAL | LEGAL |
|-------------------------|-----------------------|--------------------|--------------------|
| Annual Meeting (\$17) | Newsletter \$600 | Accounting \$8,120 | Lawyers \$5,548 |
| Insurance \$2,492 | Website | Taxes \$1,141 | Liens \$184 |
| Office Supplies \$1,782 | | | Title Fees \$1,201 |
| Postage \$2,107 | | | |
| Subscriptions \$55 | | | |
| Mileage \$75 | | | |

FY 2011 - 2012
TRLA RANCH OPERATIONS OUTFLOWS
JULY 2011 - APRIL 2012



FISCAL YEAR 2011-2012

| INCOME /INFLOWS | | JUL | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | YTD TOTAL | BUDGET |
|-----------------------------------|-----------------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|----------------------|-------------------|
| 5009 | Assessment Fees Total | \$ 99,909.32 | \$ 7,810.36 | \$ 4,520.84 | \$ 7,709.83 | \$ 3,429.01 | \$ 867.81 | \$ 28,278.15 | \$ 8,026.10 | \$ 4,598.88 | \$ 3,403.76 | \$ 168,554.06 | 170,890.00 |
| | Current Year | \$ 97,444.55 | \$ 7,785.36 | \$ 2,816.21 | \$ 6,474.05 | \$ 2,837.50 | \$ 867.81 | \$ 26,294.38 | \$ 6,536.31 | \$ 3,347.35 | \$ 2,356.67 | \$ 156,760.19 | 164,190.00 |
| | Previous Years | \$ 2,464.77 | \$ 25.00 | \$ 1,704.63 | \$ 1,235.78 | \$ 591.51 | | \$ 1,983.77 | \$ 1,489.79 | \$ 1,251.53 | \$ 1,047.09 | \$ 11,793.87 | |
| 5011 | Woodland | \$ 460.00 | \$ 690.00 | | \$ 153.33 | | | | | \$ (59.56) | | \$ 1,243.77 | |
| 5915 | Key Income | \$ 31.00 | \$ 41.00 | \$ 16.00 | \$ 24.00 | \$ 10.00 | | | | | \$ 10.00 | \$ 132.00 | |
| 5920 | Donations | \$ - | \$ 100.00 | | | | | | | \$ 450.00 | | | |
| 5930 | Finance Charges | \$ 588.00 | \$ 290.00 | \$ 540.00 | \$ 479.00 | \$ 424.00 | \$ 391.00 | \$ 408.00 | \$ 352.00 | \$ 592.00 | \$ 384.00 | \$ 4,448.00 | 3,000.00 |
| | TOTAL INFLOWS | \$ 100,988.32 | \$ 8,931.36 | \$ 5,076.84 | \$ 8,366.16 | \$ 3,863.01 | \$ 1,258.81 | \$ 28,686.15 | \$ 8,378.10 | \$ 5,581.32 | \$ 3,797.76 | \$ 174,927.83 | 167,190.00 |
| EXPENSES/OUTFLOWS | | | | | | | | | | | | | |
| Board | | | | | | | | | | | | | |
| 6050 | Annual Meeting | \$ (17.00) | | | | | | | | | | \$ (17.00) | 500.00 |
| 6103 | Insurance-Directors & Officers | \$ - | | \$ 2,492.00 | | | | | | | | \$ 2,492.00 | 2,000.00 |
| 6140 | Office Supplies & Exp | \$ - | \$ 695.00 | \$ 105.00 | \$ 334.00 | \$ 146.00 | | \$ 470.00 | | \$ 20.00 | \$ 12.00 | \$ 1,782.00 | 2,000.00 |
| 6160 | Postage | \$ 2.00 | \$ 149.00 | | \$ 46.00 | \$ 134.00 | | \$ 895.00 | \$ 286.00 | \$ 152.30 | \$ 443.00 | \$ 2,107.30 | 1,800.00 |
| 6215 | Subscriptions and Dues | \$ 10.00 | | | | | | | \$ 45.00 | | | \$ 55.00 | 10.00 |
| 6290 | Mileage - Board Members | \$ - | \$ 25.00 | | | | | | | \$ 50.00 | | \$ 75.00 | 100.00 |
| | TOTAL | \$ (5.00) | \$ 869.00 | \$ 2,597.00 | \$ 380.00 | \$ 280.00 | \$ - | \$ 1,365.00 | \$ 331.00 | \$ 222.30 | \$ 455.00 | \$ 6,494.30 | 6,410.00 |
| Communcations | | | | | | | | | | | | | |
| 6130 | Newsletter | \$ - | | \$ 200.00 | | | \$ 200.00 | | | \$ 200.00 | | \$ 600.00 | 700.00 |
| 6170 | Website | \$ - | | | | | | | | | | \$ - | - |
| | TOTAL | \$ - | \$ - | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | \$ 600.00 | 700.00 |
| Financial | | | | | | | | | | | | | |
| 6010 | Accounting | \$ 802.00 | \$ 1,115.00 | \$ 750.00 | \$ 753.00 | \$ 750.00 | \$ 950.00 | \$ 750.00 | \$ 750.00 | \$ 750.00 | \$ 750.00 | \$ 8,120.00 | 9,569.00 |
| 6020 | Audit | \$ - | | | | | | | | | | \$ - | |
| 6030 | Bad Debt | | | | | | | | | | | \$ - | |
| 6250 | Taxes - Real Estate | \$ - | | | | \$ 1,055.00 | | | | | | \$ 1,055.00 | 850.00 |
| 6260 | Taxes - Income | \$ - | \$ 86.00 | | | | | | | | | \$ 86.00 | 200.00 |
| | TOTAL | \$ 802.00 | \$ 1,201.00 | \$ 750.00 | \$ 753.00 | \$ 1,805.00 | \$ 950.00 | \$ 750.00 | \$ 750.00 | \$ 750.00 | \$ 750.00 | \$ 9,261.00 | 10,619.00 |
| Legal | | | | | | | | | | | | | |
| 6110 | Legal | \$ 189.00 | | | | | | | \$ 483.00 | | \$ 529.00 | \$ 1,201.00 | |
| 6110.01 | Legal - Casutt | \$ 454.00 | \$ 467.00 | \$ 779.00 | \$ 1,032.00 | \$ 1,636.00 | \$ 103.00 | \$ 155.00 | \$ 503.00 | \$ 419.00 | | \$ 5,548.00 | 18,000.00 |
| 6111 | Lien & Notary Fees | \$ 50.00 | \$ (46.00) | \$ 50.00 | | | | | \$ 20.00 | \$ 110.00 | | \$ 184.00 | 150.00 |
| | TOTAL | \$ 693.00 | \$ 421.00 | \$ 829.00 | \$ 1,032.00 | \$ 1,636.00 | \$ 103.00 | \$ 155.00 | \$ 1,006.00 | \$ 529.00 | \$ 529.00 | \$ 6,933.00 | 18,150.00 |
| RANCH OPERATIONS | | | | | | | | | | | | | |
| Insurance | | | | | | | | | | | | | |
| 6090 | Insurance - Workers Comp | \$ - | \$ 188.00 | \$ 113.00 | \$ 113.00 | \$ 115.00 | \$ 113.00 | \$ 112.00 | | | | \$ 754.00 | 800.00 |
| 6100 | Insurance - Liability & Bond | \$ 1,298.00 | \$ 654.00 | \$ 600.00 | \$ 641.00 | \$ 641.00 | \$ 641.00 | | \$ 534.00 | \$ 640.50 | \$ 641.00 | \$ 6,290.50 | 8,000.00 |
| | TOTAL | \$ 1,298.00 | \$ 842.00 | \$ 713.00 | \$ 754.00 | \$ 756.00 | \$ 754.00 | \$ 112.00 | \$ 534.00 | \$ 640.50 | \$ 641.00 | \$ 7,044.50 | 8,800.00 |
| Employee Wages & Taxes | | | | | | | | | | | | | |
| Wages | | | | | | | | | | | | | |
| 6310 | | | | | | | | | | | | | |
| 6310.01 | Grader Time (\$10,000.00) | \$ - | \$ 488.00 | | | \$ 195.00 | | | | | | \$ 683.00 | 10,000.00 |
| 6310.02 | Brushhog Time | \$ - | | | | \$ 121.00 | | | | | | \$ 121.00 | 500.00 |
| 6310.03 | Snowplow (\$2,600) | \$ - | | | | | | | \$ 143.00 | | \$ 99.00 | \$ 242.00 | 2,000.00 |
| 6310.04 | Supervisor | | | | | \$ 30.00 | | | | | | \$ 30.00 | |
| 6310.06 | Sanitation & Janitorial (W-9) (\$1,400) | \$ 154.00 | \$ 119.00 | \$ 220.00 | \$ 176.00 | | | \$ 50.00 | | | | \$ 719.00 | 1,400.00 |
| 6310.07 | Ranch Hand (\$5,000) | \$ 319.00 | \$ 382.00 | | | \$ 303.00 | \$ 44.00 | | \$ 259.00 | | \$ 308.00 | \$ 1,615.00 | 9,000.00 |
| 6310.1 | Dump Truck Maintenance | | | | | \$ 26.00 | | | 28 | | | \$ 54.00 | |
| | Total | \$ 473.00 | \$ 989.00 | \$ 220.00 | \$ 176.00 | \$ 675.00 | \$ 44.00 | \$ 50.00 | \$ 430.00 | \$ - | \$ 407.00 | \$ 3,464.00 | 22,900.00 |
| Taxes | | | | | | | | | | | | | |
| 6220 | Taxes - FICA | \$ 24.00 | \$ 67.00 | | | \$ 52.00 | \$ 3.00 | | \$ 31.00 | | \$ 23.00 | \$ 200.00 | 1,645.00 |
| 6230 | Taxes - Federal Unemployment | \$ 3.00 | \$ 7.00 | | | \$ 5.00 | | | \$ 3.00 | | \$ 3.00 | \$ 21.00 | 172.00 |
| 6240 | Taxes - State Unemployment | \$ 2.00 | \$ 5.00 | | | \$ 4.00 | \$ (14.00) | | \$ 3.00 | | \$ 1.00 | \$ 1.00 | 516.00 |
| 6300 | Mileage - Foreman & Employees | \$ - | | | | | | | | | | \$ - | - |
| | TOTAL | \$ 29.00 | \$ 79.00 | \$ - | \$ - | \$ 61.00 | \$ (11.00) | \$ - | \$ 37.00 | \$ - | \$ 27.00 | \$ 222.00 | 2,333.00 |

| FISCAL YEAR 2011-2012 | | | | | | | | | | | | | |
|---------------------------------------|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|----------------------|
| INCOME /INFLOWS | | JUL | AUG | SEPT | OCT | NOV | DEC | JAN | FEB | MAR | APR | YTD TOTAL | BUDGET |
| Buildings & Commons | | | | | | | | | | | | | |
| 6150 | Operating Supplies | \$ 17.00 | | \$ 234.00 | \$ 6.00 | | | | | \$ 36.00 | | \$ 293.00 | 300.00 |
| 6180 | Building Maintenance & Repairs | \$ - | | | | | | | | \$ 315.00 | | \$ 315.00 | |
| 6180.01 | Ranch House | \$ 1,228.00 | \$ 49.00 | \$ 2,769.00 | \$ 69.00 | | | \$ 268.00 | | \$ 218.00 | \$ 532.00 | \$ 5,133.00 | 4,000.00 |
| 6180.02 | Bath House | \$ - | | \$ 26.00 | | | | | | | \$ 150.00 | \$ 176.00 | 1,000.00 |
| 6181 | Common Land Maintenance/Repairs | \$ 6.00 | | \$ 198.00 | | | | | | \$ 108.00 | | \$ 312.00 | 2,000.00 |
| 6200 | Sanitation & Janitorial Supplies | \$ 11.00 | \$ 65.00 | | \$ 44.00 | | | | | \$ 2.00 | | \$ 122.00 | 200.00 |
| TOTAL | | \$ 1,262.00 | \$ 114.00 | \$ 3,227.00 | \$ 119.00 | \$ - | \$ - | \$ 268.00 | \$ - | \$ 679.00 | \$ 682.00 | \$ 6,351.00 | 7,500.00 |
| Equipment Maint. & Repairs | | | | | | | | | | | | | |
| 6070.01 | Dump Truck | \$ - | | | \$ 1,757.00 | | | | | | | \$ 1,757.00 | 500.00 |
| 6070.02 | Grader | \$ - | | | \$ 123.00 | | | | | | \$ 1,130.00 | \$ 1,253.00 | 2,000.00 |
| 6070.03 | Pick Up | \$ 13.00 | | | | \$ 198.00 | \$ 84.00 | | | \$ 163.00 | | \$ 458.00 | 400.00 |
| 6070.04 | Tractor | \$ 13.00 | | \$ 50.00 | \$ 455.00 | | \$ 28.00 | | | \$ 263.00 | | \$ 809.00 | 3,000.00 |
| 6070.05 | Other | \$ - | | \$ 11.00 | | | | | | | | \$ 11.00 | 200.00 |
| TOTAL | | \$ 26.00 | \$ - | \$ 61.00 | \$ 2,335.00 | \$ 198.00 | \$ 112.00 | \$ - | \$ - | \$ 426.00 | \$ 1,130.00 | \$ 4,288.00 | 6,100.00 |
| FUEL | | | | | | | | | | | | | |
| 6311.01 | Gasoline (1,500.00) | \$ 75.00 | | \$ 191.00 | \$ 49.00 | \$ 207.00 | \$ 64.00 | \$ 32.00 | | | \$ 115.00 | \$ 733.00 | 2,000.00 |
| 6311.02 | Dyed Diesel (8,000.00) | \$ - | | | \$ 1,464.00 | | | | | | | \$ 1,464.00 | 4,000.00 |
| TOTAL | | \$ 75.00 | \$ - | \$ 191.00 | \$ 1,513.00 | \$ 207.00 | \$ 64.00 | \$ 32.00 | \$ - | \$ - | \$ 115.00 | \$ 2,197.00 | 6,000.00 |
| ROADS | | | | | | | | | | | | | |
| 6190 | Gravel | \$ 4,958.00 | \$ 15,732.00 | \$ 861.00 | | \$ 10,035.00 | | | | | \$ 4,273.00 | \$ 35,859.00 | 45,000.00 |
| 6190 | Road Maintenance & Repairs | \$ - | \$ 105.00 | \$ 116.00 | \$ 22.00 | \$ 823.00 | \$ 60.00 | | | | | \$ 1,126.00 | 5,000.00 |
| TOTAL | | \$ 4,958.00 | \$ 15,837.00 | \$ 977.00 | \$ 22.00 | \$ 10,858.00 | \$ 60.00 | \$ - | \$ - | \$ - | \$ 4,273.00 | \$ 36,985.00 | 50,000.00 |
| UTILITIES | | | | | | | | | | | | | |
| 6270 | Telephone | \$ 54.00 | \$ 62.00 | \$ 68.00 | \$ 92.00 | \$ 44.00 | \$ 44.00 | \$ 44.00 | | \$ 140.00 | \$ 44.00 | \$ 592.00 | 600.00 |
| 6280 | Electric & Propane | \$ 47.00 | \$ 57.00 | \$ 64.00 | \$ 127.00 | \$ 117.00 | \$ 55.00 | \$ 116.00 | \$ 91.00 | \$ 90.00 | \$ 42.00 | \$ 806.00 | 2,500.00 |
| TOTAL | | \$ 101.00 | \$ 119.00 | \$ 132.00 | \$ 219.00 | \$ 161.00 | \$ 99.00 | \$ 160.00 | \$ 91.00 | \$ 230.00 | \$ 86.00 | \$ 1,398.00 | 3,100.00 |
| 6315 | CONTINGENCY FUND | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 10,000.00 |
| NOTES PAYABLE | | | | | | | | | | | | | |
| 6105 | Interest Expense | \$ 88.00 | \$ 85.00 | \$ 81.00 | \$ 77.00 | \$ 73.00 | \$ 69.00 | \$ 65.00 | \$ 61.00 | \$ 57.34 | \$ 53.00 | \$ 709.34 | |
| 2216 | F550 | \$ 805.00 | \$ 809.00 | \$ 813.00 | \$ 816.00 | \$ 820.00 | \$ 824.00 | \$ 828.00 | \$ 832.00 | \$ 836.00 | \$ 840.00 | \$ 8,223.00 | |
| TOTAL | | \$ 893.00 | \$ 894.00 | \$ 894.00 | \$ 893.00 | \$ 893.00 | \$ 893.00 | \$ 893.00 | \$ 893.00 | \$ 893.34 | \$ 893.00 | \$ 8,932.34 | 10,720.00 |
| TOTAL OUTFLOWS | | \$ 10,605.00 | \$ 21,365.00 | \$ 10,791.00 | \$ 8,196.00 | \$ 17,530.00 | \$ 3,268.00 | \$ 3,785.00 | \$ 4,072.00 | \$ 4,570.14 | \$ 9,988.00 | \$ 94,170.14 | \$ 163,332.00 |
| Bank Balances | | | | | | | | | | | | | |
| Bank Balances | | 8/15/11 | 9/13/11 | 10/13/11 | 11/20/11 | 12/21/12 | 1/31/12 | 1/31/12 | 3/5/12 | 4/13/12 | 5/11/12 | | |
| Deposit | | \$ 67,964.58 | \$ 66,594.22 | \$ 61,644.05 | \$ 59,990.84 | \$ 51,726.11 | \$ 62,300.09 | \$ 62,300.09 | \$ 58,544.19 | \$ 52,380.19 | \$ 46,236.96 | | |
| Blue | | \$ 43,632.25 | \$ 31,249.21 | \$ 33,239.97 | \$ 24,598.04 | \$ 28,284.66 | \$ 33,527.78 | \$ 33,527.78 | \$ 50,143.68 | \$ 48,901.52 | \$ 53,910.18 | | |
| Reward | | \$ 1,520.19 | \$ 1,520.24 | \$ 1,520.29 | \$ 1,520.34 | \$ 1,520.39 | \$ 1,520.44 | \$ 1,520.44 | \$ 1,520.54 | \$ 1,520.59 | \$ 1,520.64 | | |
| Reserve | | \$ 135,670.40 | \$ 135,675.01 | \$ 135,679.47 | \$ 135,684.08 | \$ 135,688.54 | \$ 135,693.15 | \$ 135,693.15 | \$ 135,702.37 | \$ 135,706.68 | \$ 135,711.15 | | |
| | | \$248,787.42 | \$235,038.68 | \$232,083.78 | \$221,793.30 | \$217,219.70 | \$233,041.46 | \$233,041.46 | \$ 245,910.78 | \$238,508.98 | \$237,378.93 | | |

Board of Directors Report

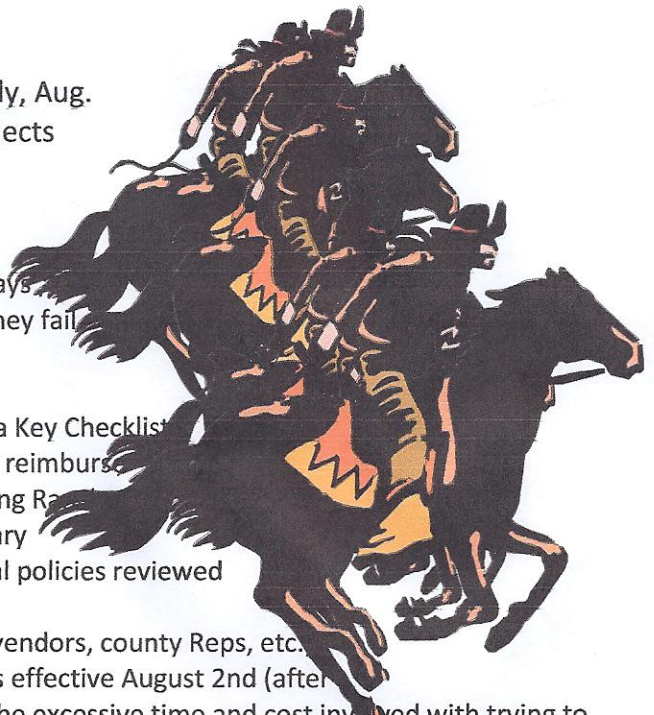
Board Meetings were held in May (after the Annual meeting), July, Aug. October, February, March and April. In addition to all of the projects reported elsewhere in this report, the following tasks were achieved:

1. Revised Guest Membership Agreement and approved by Cassutt, Hays & Friedman, P.A. (1) Guest will be held responsible for all legal fees if they fail to fulfill obligations and (2) guest will be held responsible for the cost of "all" keys to be redone.
2. Continued to update Policy & Procedures Manual (1) Implemented a Key Checklist for the Ranch House, Bath House and all equip. (2) Policy established to reimburse Travel Expenses for Board Members @45 cents per mile while conducting Ranch business. Board Members are only reimbursed for unusual and necessary trips to conduct legal affairs of TRLA. (3) Hiring, Promotion and Dismissal policies reviewed and updated.
3. Updated Contact List and provided to all Board Members (includes vendors, county Reps, etc.).
4. Began enforcement of the 10% late fee (per By-laws) on landowners effective August 2nd (after dues are one year late). The Board felt this was necessary because of the excessive time and cost involved with trying to collect past due accounts.
5. Revised Ranch Hand timesheet to provide more details and equipment maintenance information.
6. Began initial conversations between Board and landowners concerning the Ramah Trail System (updates have been provided in each Newsletter).
7. Submitted request to Verizon for cell tower. Many landowners have reported a lack of service but to our knowledge, only three have submitted official complaints to Verizon and/or the NM Public Relations Committee. Contact information was provided in the March newsletter. Without assistance from landowners, Verizon and the NMPRC will probably not afford us any attention for our concerns.
8. Re-keyed existing safe to provide safe and secure storage of TRLA legal documents.
9. Potential RV/Blackwater Dumping Station for Recreational Landowners was voted down after meeting with local Environmental Specialist, Mr. John Rhoderick.
10. Reviewed Ferrell Gas Propane Lease/Purchase programs to ensure cost effectiveness.
11. Linda Shoppe filled a Board vacancy which expires in 2013.
12. Purchased nine (9) new aluminum/folding picnic tables to replace some of the existing wooden picnic tables. Timberlake Neighborhood Volunteer group donated \$450 towards the purchase.

Areas under Board Investigation:

1. Review of Major Equipment and Capital Investment lists for the next two to 20 years (e.g. Zetor tractor and lawn mower replacements in two years, Ranch House metal roof in nine years, purchase of backhoe and keeping Zetor for light work? Purchase Roller/sheepsfoot; Construction of Equipment Storage Building for Grader, Tractor, Ford F550, brush hog, snow plow attachments, etc.
2. Further investigation of constructing a trail system within TRLA.
3. Surveying needs.
4. Road Maintenance & Improvement is always a major concern

NOTE: There will be three openings on the Board next year and "if" the existing Board Members do not re-run for these positions, replacements must be filled by landowners willing to devote the necessary time required to keep TRLA running smoothly. For example, Eileen Domer has devoted the last five years to TRLA as its Treasurer and Mary Jo Wallen has served the last two years as Secretary. Both of these positions require numerous hours every week, all year long. Jerry Toellner, who oversees Roads, has also devoted the last five years to TRLA with his expertise in grading. The Board Member MUST have knowledge of road maintenance, equip. operation and supervisory skills.





Legal Report

TRLA retains the law firm of Cassutt, Hays & Friedman, P.A. in Santa Fe, New Mexico.

Legal expenses have increased in FY 2011/2012 due to two (2) Landowner bankruptcies where TRLA was named as codefendant; five (5) foreclosure processes on eight (8) lots; acquisition of additional Common Land; and legal opinions requested by Board of Directors, e.g. Ramah Lake and Water Use Rights, Open Range and damage due to roaming cattle, Trail System, loss of Common Land due to resurveying, Guest Membership Agreement, etc.

Total Cost as of May 2012:

Communications Report

Website:

TRLA's website is hosted by trnews.info which is sponsored and maintained by Roger Irwin and Tim Amsden. David Skinner continues to volunteer his time to assist them by updating and maintaining the archiving of records for TRLA. The trnews.info website has over 65,000 hits (up 8,000 from a year ago) and TRLA 6800 (up 1700). We are indebted to these men for keeping Landowners informed of facts that can affect lives and property.



Timberlake Times Newsletter:

The newsletter was published in August 2011, December 2011, and March 2012. The Board contracted with Shawna Compton to do the layout with editing and addition of her personal photography.

Approximately 280 newsletters are printed, folded, taped, addressed and stamped for each mailing. The newsletter is converted to a portable document format (pdf) and electronically sent to 358 email addresses. This saves TRLA about \$160 each newsletter edition. Please let us know if we can use your email address.

Timberlake and Rosie Alerts:

On occasion when there becomes a situation that impacts Timberlake immediately, e.g. lost and found pets, Bear/Mountain Lion alerts, suspicious behavior, etc., an electronic alert is sent to landowners in the Timberlake area. Landowners who wish to be included in this alert system need to notify Mary Jo Wallen or Linda Pedersen.

Roads Report

Maintenance and Repair: July 2010- April 2012 (FY2011-2012)

Grader John Deere 670B: Tire patch, two batteries; air/fuel/hydraulic and oil filters; oil and hydraulic fluid

Total: \$1,252.88

Dump truck: Tire repair, installed remanufactured ram clinder, kill switch, adjusted clutch, replaced tail light and rear flex line for brakes, bled brakes, oil change, new wiper blades. Safety issues were a concern, thus these expenses had to be incurred.

Total: \$1,771.81

Ford 550 Pick-up: Cleaning supplies, replace fuel filter, flush fuel system, (1st oil change was free from Corley Ford), install and adjust snow chains, antifreeze, annual license plate registration.

Total: \$458.76

Zetor Tractor: Cleaning supplies, skid parts, install grader blades, fix power steering leak, replaced two inner tubes and one new tire.

Total: \$761.72

Lawn Mower: Sharpened lawn mower blades

Total: \$11

GRAND TOTAL: \$4,256.17



Roads Repaired, upgraded and/or graveled: July 2011 thru May 4, 2012

- Bobcat
- Pinetree
- Blackbear
- Aspen Loop
- Pinion
- Culebra
- Cottonwood Loop
- Cottonwood Drive
- Sunflower/Hilltop Intersection
- Oak Drive
- Yucca



Gravel: 986.85 Tons

TOTAL: \$35,858.99

Snowplowing: Zetor/550 Pickup

Total Hrs: 22 Total Cost: \$242 Does not include Cibola & McKinley Co.

Grading with Grader & Zetor:

Total Hrs: 154.75 Total Cost: \$2,420.75 Does not include McKinley and Cibola Co. on 48A and Timberlake Road

Maintenance (tree trimming, general cleanup, brush hog, tires and chains, etc):

Total Hrs: 100.5 Total Cost: \$1,216.50



COMMONS REPORT

The “Commons” refers to approximately 1200 acres of Timberlake land in McKinley County and Cibola County, upon which lies the TCC Ranch House, Bath House, south and north lake gate entrances and roads along shoreline, boat ramp and parking area on north side, and about 38 miles of side roads and easements.

The following improvements, repairs, and maintenance have been performed in FY 2011/2012.

TCC Ranch House

- Original oak floors repaired, stripped and refinished.
- New wood deck and steps made and installed to the south of kitchen entrance.
- Insulation was blown into the ceiling space above the entire Ranch House and Rock Room.
- Acoustic tapestries (3 or 6) hung in Rock Room.
- Window treatments (Timberlake Neighborhood Volunteers) installed on Ranch House windows.
- Lighting installed over the kitchen sink.
- Cement ramps were poured for wheel chair accessibility on east side and west side.
- Entire alcove area cemented in for future patio area and to prevent access for “critters” getting under foundation.
- Original screen doors refurbished and reinstalled to kitchen and alcove area.
- Rock pathway widened to three feet.
- Nine (9) picnic tables with lifetime warranty purchased.
- Antique farm equipment donated from Joty Baca was placed north of TCC Ranch House.
- Weather stripping of doors and door sweeps installed.

Volunteer Hours: 36

Total Cost: \$7373

Bath House

- Furnace repaired which was still under warranty.
- New door installed with locking mechanism to prevent random accessibility to Bath House furnace and hot water heater.

Cost: \$100

Well and Well Room

Shutdown and draining of all lines on 10.26.11

Startup with bleaching of all lines/hot water heaters and reconnection of lines on 3.29 and 3.30.12

Total hours: 8.5

Cost: \$93.50

Brush Pile

Timberlake Volunteer Fire Dept. burned on March 23, 2012.

North and South Lake Gates and Fences

Cable to the north lake gate repaired.

Trees trimmed on the south side.

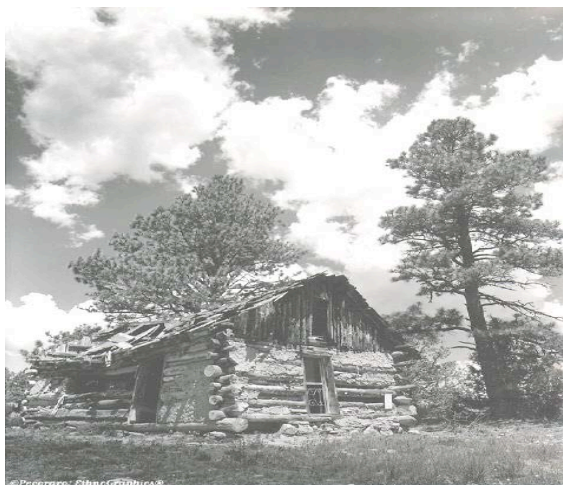
Signs were placed on both gates to remind landowners to relock after opening due to liability concerns.

Cost: \$108.06

Volunteer Hours: 4

Misc.

Fence line surrounding Commons on the east side of Ranch House was inspected for possible damage due to roaming cattle. Fence line was straightened and a lock will be placed on gate opening to prevent cattle access to Common Land.



Architectural and Maintenance Report

- Building Plans submitted and approved:
House Addition (1) New Homes (3)
- No. of covenant violations closed: 9
- No. of covenant violations to be closed by the end of the 2012 or on a plan: 2
- Other covenant violations: 3

EQUESTRIAN/HIKING COMMON LAND ACCESS



The Board has spent a considerable amount of time investigating the possibility of developing a trail(s) thru some of our Common Land that could be used for the enjoyment of hikers and possibly horseback riders. Legal issues concerning a partnership with Adventures Gallup & Beyond were answered and the highlights were reported in the March Timberlake Times newsletter.

Recently, we found out that the cost of having the Youth Corp build trails is approximately \$3,500 per mile. The Ad Hoc Trails Committee will gather more information/costs in the next few months. We need to determine if there is sufficient interest to

pursue this idea further because we understand that not everyone hikes or rides horses. Some questions are:

How often would you use the trail(s)? How many people?

Who would be willing to volunteer their time to develop a trail(s)?

Do you think we should budget funds for this project? If so, how much?

Our Common Land (except for the Timberlake Community Center and several areas by the lake) has not been improved for the purpose it was designed for by the original developers. It is not uncommon to hear comments that people just don't know where the trails are at and then an occasional complaint is voiced by a landowner when someone trespasses on private property. This situation could be corrected if we had defined paths that are resistant to erosion, cause minimal damage to the environment and are located in the "right spot".

Please contact Mary Jo Wallen or one of the other Board Members with your comments so the Board can decide if this project is warranted at this time.

POTENTIAL FUTURE PROJECTS & THOSE IN PROCESS

Roads (Inventory):

- Roads that need bar ditching and/or rebuilding
- Roads that need spot graveling
- Roads that need new/additional gravel (Landowner Requests)
- Roads that need new culverts or culvert repair or culvert cleanout
- Roads that need erosion abatement measures

Roads/Commons:

- Entrance to Timberlake South (drainage of road and cleanup) In Process
- Entrance to Timberlake North (fence/cattleguard) In Process

TCC Ranch House

- Ceiling Tiles for Book Room
- Screen Doors Library Rooms and Kitchen In Process
- Rock Room Repair of interior edging to halt adobe disintegration
- Finish remaining three wall tapestries In Process
- Historic Room Completion In Process
- Alcove Area – drainage/gravel/shade
- Increasing Usage/activities

Bath House

- Place handle on Bathhouse north door Completed
- Resurfacing of Shower Stalls
- Interior cosmetic facelift of Phone area

Land

- Secure gate and repair pasture fence to the east of TCC Ranch House In Process
- Tree and brush cleaning south lake access road

CAPITAL INVESTMENTS IN FUTURE:

- Replacement of Zetor
- Replacement of Ranch House Metal Roof
- Replacement of Lawn Mower
- Construction of Equipment Storage Building for Grader, Tractor, brush hog, snowplow attachments, 550 Truck and Work Room

Volunteers

To those who have contributed to the Timberlake Community and TRLA with time and energy:



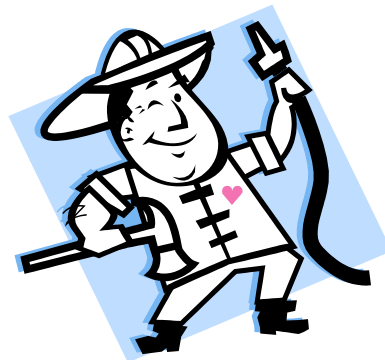
Amsden, Tim and Lucia
Baca, Joty and Virginia
Barbano, Duane and Fran
Boller, Dan and Kathy
Burnam, Allen and Pat
Crawford, Cindy
Dobbs, George and Nancy
Domer, Tim and Eileen
Dougherty, John and Anderson, Michelle
Duncan, Barb
Garcia, Jo
Gray, Herb
Farrell, Julie
Haverstick, Charley and Judy
Henderson, Mike and Shirl
Irwin, Roger
Kangas, Bill and Carren
Kelly, Barb
Kirchner, Bill
Lambert, Frank and Barbara
Lipka, Mike

McNabb, Sue
Mansfield, Ron and Mary
Mansperger, Larry and Pam
Mansperger, Jack
Mansperger, Jane
McGuire, Judy and Larry
Merritt, Tom and Darlene & Family
Montoya, Danny/Pedersen, Linda
Parry, Don and Joleen
Railsback, Steve and Chris & Family
Ramm, Wayne and Nancy
Richardson, Rusty
Shoppe, Dave and Linda
Skinner, David
Spencer, Dale
St. Charles, Jeremy
Toellner, Jerry and Judy
Wallen, Dick and Mary Jo
Whiteside, Nancy & Family
Wills, Steve and Nancy
Wolford, Bill and Pat
Zwerg, Jim and Carrie

...And all those who wish to remain anonymous

Timberlake Volunteer Fire Department

Beoff, Justin
Ferrill, Lee
Fisher, Susan
Hollingsworth, Kerry
Kalista, Cherie and Christina
Montoya, Danny
Pettigrove, Frieda
Sanders, Billy
St, Charles, Dan
Wilson Andy and Avery
Wolford, Bill



Volunteers are unpaid not because they are worthless, but because they are priceless. We hope that no one has been left out as we so appreciate all of you.