



April 24, 2012

Dear Forest Oaks Owners Association Residents:

Attached you will find the Meeting Notice for the upcoming Forest Oaks Owners Association Annual Meeting. This meeting will be held on **May 10, 2012 at 7:30 p.m.** (7:00 p.m. registration) at Reagan Elementary School.

Enclosed with the meeting notice, there is a proxy form that will assign your vote to a third party. ***Should you be unable to attend the meeting, please either send in the proxy attached or vote electronically in order for quorum to be met for the meeting to be held. If you would like to vote electronically, please log onto [www.forestoaksonline.com](http://www.forestoaksonline.com), click on the electronic voting link, enter in your registration code, and cast your vote. You can find your registration code on your coupon book which begins with an "R". If you cannot find your "R" number, please contact RealManage at [realservice@realmanage.com](mailto:realservice@realmanage.com). Electronic voting will end at midnight on Tuesday, May 8, 2012.***

The 2011 Annual Meeting Minutes and the approved 2012 Forest Oaks Owners Association Budget are included in the meeting packet as well.

Please note that there are three positions on the Board available. If you are interested in running for a position on the Board, please send me a short biography at your earliest convenience at [realservice@realmanage.com](mailto:realservice@realmanage.com). These biographies will be posted online at the HOA website [www.forestoaksonline.com](http://www.forestoaksonline.com) and posted on the electronic voting website. Floor nominations will be available as well.

There will be six door prizes given away at the Annual Meeting. The homeowners that attend the Annual Meeting on May 10, 2012 will receive a ticket (one ticket per address). You **MUST** be present to win.

The Board of Directors is making a diligent effort to present a professional and informative meeting. Accordingly, prior to the start of the meeting and during sign in, residents who want to address the membership must sign up for a speaking slot. Due to time constraints, each resident who is signed in to speak will be allocated three minutes to state their concerns. There will be no political speaking allowed during the Annual Meeting.

We look forward to seeing you there!

Sincerely,

Keri Scott  
Association Manager

**FOREST OAKS OWNERS ASSOCIATION, INC.**

NOTICE OF THE ANNUAL MEETING OF THE MEMBERS

In accordance with Article III, Section 3.3 of the Bylaws for Forest Oaks Owners Association, Inc. and at the direction of the Board of Directors, notice is hereby given this 24th day of April, 2012 that the Annual Members Meeting will be held at the time and place specified below:

Date:	Thursday, May 10, 2012
Sign-in Begins at:	7:00 p.m.
Meeting Time:	7:30 p.m.
Place:	Reagan Elementary School 1700 E. Park Street, Cedar Park, Texas 78613

**AGENDA**

***Call Meeting to Order 7:30 p.m.***

1. Roll Call/Certifying of Proxies/Proof of Notice of Meeting
2. Reading and Approval of August 30, 2011 Annual Meeting Minutes
3. Board of Directors Report
4. Manager's Report
5. Election of Three Directors
6. Committee Reports
7. Communications from Members (Signed-in Guest Speakers may speak in order of sign-in, **with a 3-minute limit per person**, maximum of 30 minutes for all speakers combined.)
8. New Business

***Adjournment at 9:00 p.m.***



## Candidate Bio – David Karabinas

**Occupation:** Television Producer

**Years in Forest Oaks:** 10

**Family:** Samantha (wife), Ethan (8 yrs old), Gracie (5 years old)

### About Me:

I was appointed to the HOA Board roughly one year ago to fill a surprise vacancy. During my one-year tenure on the board I have been able to see several of my neighborhood dreams fulfilled, specifically the installation of neighborhood Holiday Lights, a Yard of the Month program, and the opening of the door to the Pool 1 play-scape. I would love to see a worst yard of the month program instituted but apparently I'm the only one who thinks that is a good idea. I can be abrasive and I'm very opinionated. I think if you ask a stupid question you should get a sarcastic and condescending answer.

Here's what I am for:

- Parking in your driveway no matter what some judge said you could do
- Mowing your yard
- Paying your assessments
- Fining people who don't follow the rules
- Abiding by the contract we all signed when we moved in
- Not freaking out because the HOA sends you a letter telling you that you violated a rule
- Understanding that we live in a community and we have a responsibility to everyone we share it with
- Being reasonable and understanding that just because it's a big deal to you doesn't mean it's a big deal to everyone



I hope I have your vote.

David Karabinas

### About Me

- I have lived in Forest Oaks since December 2000
- I am a single father with 50% shared custody of my 11 yr old daughter
- We attend Hill Country Bible Church
- I hold a BS in Mechanical Engineering from NC State University and an MS in Mechanical System & Design from UT Austin
- I am a certified P.E. in Texas and South Carolina
- I am an ex-paratrooper, served in the 82<sup>nd</sup> Airborne Division and was deployed to Saudi Arabia and Iraq during the first Gulf War
- I will be 43 years old this year
- I am an avid cyclist, and to stay fit I also train for and participate in about 3 or 4 local triathlons each year

None of these things qualify me or anyone else to represent you in our HOA!! However, the next section does ...



**ROBERT MEDURE, P.E.**

Rather than tell you what I would do for you in service on the HOA board of directors, how about I tell you what I have done as a member of the association over the last several years. ☺

1. In 2010 I began to apply pressure to the board to make the monthly board of directors' meeting minutes public. They refused, so at my own expense I paid Real Manage for copies and made them available to you via email and on my own web server. Finally late 2011, the board was forced to make the minutes available on the website by the new TX HOA legislation.
2. In November 2011, our HOA board adopted/signed a "Document Request Policy" requiring that ALL document requests from homeowners MUST be sent by certified mail! In a gross misinterpretation of the new TX HOA legislation, Ed Strout (current board president) claimed that the certified mail requirement was mandated by law. I was the one with the common sense to question this and warn the homeowners. When the board still refused to budge, I took it upon myself to contact Senator Royce West's office for clarification and ultimately compelled the board to remove this ridiculous requirement.
3. In July of 2011 I noticed in the monthly board meeting minutes that our HOA was issuing fines on homeowners in a more ruthless manner than what was posted in the official fining policy. In particular, they imposed a 12 month probationary period for any violation while the policy called for no probationary period! The HOA has been nailing homeowners with this "secret rule" for years. I fought the HOA board over this for 8 months – in the process I discovered that Section 209 of the property code limits the probationary period that an HOA can impose to no more than 6 months! The matter was ultimately resolved in mediation. Throughout this process, due to my intervention the board: (a) changed the probationary period to 6 months, (b) updated the fining policy to accurately reflect the probationary period, (c) returned all fines collected as a result of probationary period violations greater than the 6 months allowed by law, and (d) returned all parking fines and fees collected via illegal enforcement of the overnight parking restriction.
4. Over the years there has been a tremendous amount of contention among homeowners and between homeowners and the board about overnight parking. Since the beginning of its enforcement several years ago, I knew it could not be legally enforceable. For years I tried to reason with the board, but they remained obstinate. So in May 2010 I finally decided to hire an attorney and take the matter to a judge. Of course the judge ruled in accordance with the law and declared the restriction not legally enforceable. I know that there are some homeowners who are not happy with the position of the law on this issue. According to my email list the majority of homeowners are satisfied. If nothing else, we now have clear and final direction on the issue and can move on. I am proud to have played a significant role in stopping those on the board who would lord over us wielding the 'power of the HOA', enforcing more restrictive interpretations of our deed restrictions, simply for the sake of enforcement.
5. Just recently the board once again accepted a misinterpretation of the new TX HOA legislation in a manner that would have prevented us from having electronic voting; in fact it was defeated in the April board meeting. I was the one who once again contacted Senator Royce West's office for clarification AND I also at the March board meeting suggested that they get a second opinion from another attorney. Both Senator Royce West's office and the 2<sup>nd</sup> legal opinion confirmed that we can in fact have electronic voting. Joe Capesius was particularly instrumental in the "last minute" effort to get it worked out. Hooray Electronic Voting!! ☺

In short, I promise to continue to apply common sense and reason to board issues, to always question the nay-sayers who have proven lately to be wrong more often than not, and to foster a more neighborly HOA!! ☺

Founder of Ellmaker Realty and Management.

I was born on a remote island near Jakarta in Indonesia. As a youth I spent much of my younger years living overseas in the Philippines, Germany, Ivory Coast, Iran and Bahrain. In 1979 my family was escorted out of Iran as refugees and moved to Houston where I spent my grade school years. After I graduated High School in 1990 I visited some friends in Austin and fell in love with the people immediately. Later that day I leased an apartment and have been here ever since.

I am a divorced father with primary custody of my two beautiful children, Haley age 3 and Austin age 7. My children mean the world to me and I want my children to grow up in a great neighborhood and make lifelong friends like I have. I volunteer sometimes at Cox Elementary and also serve as a Watchdog.

As a Realtor/Broker, I have participated in numerous home sales in Forest Oaks since 2003 and know it very well. I even manage a few homes here too. I love the neighborhood and the family environment that it offers. My children feel safe here and seem to get along with everybody. I would like to do my part to help the community by starting different functions, groups and activities for all age groups. My intent is for us to get to know one another better and look out for each other as true neighbors should. Help me make Forest Oaks a community that we can all be proud of for generations to come.

It would be my honor to support our community.

Craig





**MINUTES OF THE ANNUAL MEETING OF THE MEMBERS  
OF THE FOREST OAKS OWNERS ASSOCIATION, INC.**

**2nd Attempt, August 30, 2011**

The undersigned, President of the Forest Oaks Owners Association, Inc ("The Association"), hereby certifies that at 7:30 p.m. on August 29, 2010, the 2nd attempt, Annual Meeting of the Forest Oaks Owners Association, Inc. was held at the Cedar Park Recreational Center 1435 Main Street, Cedar Park, Texas 78613. President Ed Strout, Vice President Dennis Eberwein, Treasurer Christine Cheng, Secretary John Traube, were present. Also in attendance was Mrs. Keri Scott, Association Manager, Jenny Key, Vice President, Austin Branch, Mr. Jeff Girardeau, Director of Association Manager, Ms. Mindy Abramson Assistant Community Association Manager. President Strout called the meeting to order at 7:30 p.m. and the following business was conducted:

Item 1 – Roll Call, Certifying of Proxies and Proof of Notice

A roll call of the Members was made via sign-in sheet (attached as Exhibit "A"). Of the 1491 lots of record, 79 were present and 150 were represented by proxy, for a total of 229 Class A members present. The following table summarizes the attendance and quorum requirements:

<u>5.03 A Resident/Builder Votes</u>	<u>No. of Votes per Lot</u>	<u>Total Votes</u>
Resident/Builder Lots	1	1,491
<b>TOTAL</b>		<b>1,491</b>
<b>TOTAL VOTES POSSIBLE</b>		<b>1,491</b>
<b>VOTES REQUIRED FOR QUORUM (10%)</b>		<b>149</b>
<b>VOTES PRESENT</b>		<u><b>Total Votes</b></u>
Resident		229
Builder		0
Declarant		0
<b>TOTAL</b>		<b>229</b>
<b>QUORUM ACHIEVED</b>		<b>YES</b>

The proxy presented is attached as Exhibit "B" and the proof of notice is attached as Exhibit "C".

Item 2 – Reading and Dispensation of Annual Meeting Minutes from May 11, 2010

President Strout called for any comments or corrections to the draft meeting minutes from the Forest Oaks Owners Association Annual Meeting held on May 11, 2010. There being none, a motion was made to approve the minutes as presented. The motion was seconded and passed unanimously by voice vote.

Item 3 –Board of Directors Report

President Strout presented the Board report. The following topics were covered briefly:

- Introduction of Board members
- Introduction of RealManage staff
- Introduction of Committee members
- Restrictions and Covenants
- DCCR's enforcement.

President Strout took a moment to thank John Traube for serving on the board.

#### Item 4 – Manager's Report

Keri Scott presented the Manager's Report. The following topics were covered briefly.

- Presented the 2010 Financial Reports
- Presented the 2011 Operating Budget
- Explained the Status Assessment Collection
- Explained the Status of Homeowners in Association and Association Contracts
- Insurance, Utilities, and Real Estate Taxes
- Explained the Deed Restriction Enforcement process
- Association Committees and how very important they are to the community

#### Item 5 – Election of One Director for a Three-Year Term

President Strout informed the members that (1) Board position was open for a three term. Three members were on the ballot. President Strout introduced Joe Capesius. Mr. Capesius gave a over view on why he wanted to serve on the Board. President Strout then introduce Robert Medure. Mr. Medure announced to the members if anyone had objections of him to run for the board because of the pending lawsuit against the Homeowners Association. A majority show of hands against him running for the board were shown. Mr. Medure withdrew is nomination. Mr. Strout introduced Don Garritano. Mr. Garritano gave and over view of why he wanted to serve on the Board. President Strout ask if there were any other nominations from the floor. With no other nominations a motion was made to close the floor. There was a vote by ballot, of which Joe Capesius was elected to the Board.

#### Item 6 –Committee Reports

- Melanie Capesius heads the Social Committee and planned the upcoming Halloween & Christmas Event.
- Ben Wilson reported on the communications committee and the Forest Oaks Website.
- Don Garritano gave a report on the ACC committee and process.
- Bob Heckathorn heads the Landscape/Neighborhood Watch
- Matt Powell heads the Community Involvement.
- Tony Gatica reported on the pool committee.

#### Item 7 – Signed-in Speakers

- Fence at 708 S. Lynnwood - Is it going to be moved to allow sidewalk?
- If homeowner provides email address is it public?
- Are Steal roofs ever going to be allowed?
- Driving down Darkwoods - traffic for the school is very congested. President Strout suggested to call the police department.
- Did Board Donate money to the C.P. Police Department. President Strout reported that the Board did donate \$250.00 to the Office Reed Fund.
- Monument Sign - Survey was done and homeowners wanted to leave as is.
- Playground 1 - rocks need to be washed they are very dirty.

Item 8 – New Business

President Ed Strout reported on the 18 things that the Legislation changed that affects the HOA.

There being no further business, the meeting was adjourned at 9:00 p.m.

ATTEST:

\_\_\_\_\_  
Ed Strout, President

DRAFT

**Forest Oaks Owners Association, Inc.**  
**Revenue and Expense Budget Summary for FY 2012**

	Operating Fund	Replacement Fund	Common Property Fund	Consolidated
<b>REVENUES</b>				
<b>Assessments</b>				
Regular Assessments	\$535,320	-	-	<b>\$535,320</b>
Assessment Allocation	(\$58,900)	\$58,900	-	
<b>Total Assessments</b>	\$476,420	\$58,900		<b>\$535,320</b>
Other Income			-	
<b>Total Other Income</b>			-	
<b>TOTAL REVENUES</b>	\$476,420	\$58,900		<b>\$535,320</b>
<b>EXPENSES</b>				
<b>Operating Expenses</b>				
<b>Direct Operating Expenses</b>				
Electricity	\$38,688	-	-	<b>\$38,688</b>
Landscape Maintenance	\$84,120	-	-	<b>\$84,120</b>
Pool Operating Expenses	\$92,664	-	-	<b>\$92,664</b>
Repairs and Maintenance	\$48,600	-	-	<b>\$48,600</b>
Other Expenses	\$7,848	-	-	<b>\$7,848</b>
Taxes	\$2,000	-	-	<b>\$2,000</b>
Telephone	\$5,436	-	-	<b>\$5,436</b>
Trash Removal	\$1,068	-	-	<b>\$1,068</b>
Water and Wastewater	\$47,784	-	-	<b>\$47,784</b>
<b>Total Direct Operating Expenses</b>	\$328,208			<b>\$328,208</b>
<b>General and Administrative Expenses</b>				
Professional Fees	\$5,100	\$3,200	-	<b>\$8,300</b>
Bad Debts	\$2,400	-	-	<b>\$2,400</b>
Collection Expense	\$22,092	-	-	<b>\$22,092</b>
Homeowner Activities	\$10,575	-	-	<b>\$10,575</b>
Homeowner Communications				
Insurance	\$31,500	-	-	<b>\$31,500</b>
Management Fee	\$44,400	-	-	<b>\$44,400</b>
Administration	\$25,520	-	-	<b>\$25,520</b>
<b>Total General and Administrative Expenses</b>	\$141,587	\$3,200		<b>\$144,787</b>
<b>Total Operating Expenses</b>	\$469,795	\$3,200		<b>\$472,995</b>
Capital Expenditures (Non-capitalized)	-	\$59,419	-	<b>\$59,419</b>
Other Expenses	\$2,250	-	-	<b>\$2,250</b>
Depreciation	-	-	\$16,740	<b>\$16,740</b>
<b>TOTAL EXPENSES</b>	\$472,045	\$62,619	\$16,740	<b>\$551,404</b>
<b>NET SURPLUS (DEFICIT)</b>	\$4,375	(\$3,719)	(\$16,740)	<b>(\$16,084)</b>

**Forest Oaks Owners Association**  
**Schedule of Revenues and Expenses - Actual vs. Budget**  
*Operating Fund*  
*(Amounts rounded to nearest dollar)*

	Month Ending 12/31/11			Year To Date 12/31/11		
	Actual	Budget	Variance	Year To Date	Budget	Variance
<b>REVENUES</b>						
Assessments						
Regular Assessments						
Builder(s)	188	30	158	4,920	4,320	600
Owners	44,422	44,580	(158)	530,400	531,000	(600)
Assessment Allocation	(4,712)	(4,712)	0	(86,500)	(56,500)	(30,000)
<b>Total Assessments</b>	<b>39,898</b>	<b>39,898</b>	<b>0</b>	<b>448,820</b>	<b>478,820</b>	<b>(30,000)</b>
Other Income						
Late Payment Charges	1,200	700	500	18,060	8,400	9,660
Collection Fees - Lien Filing	566	500	66	10,363	6,000	4,363
Late Payment Charges Waived	(70)	0	(70)	(2,520)	0	(2,520)
Miscellaneous Income	482	0	482	2,493	0	2,493
Returned Check Fees	25	0	25	150	0	150
Insurance Settlement	2,139	0	2,139	2,139	0	2,139
Fines	(150)	100	(250)	3,350	1,200	2,150
Compliance Fees	300	0	300	1,258	0	1,258
Interest Income	69	0	69	679	0	679
User Fees	1,150	250	900	8,619	3,000	5,619
Pool Keys, Access Cards, Transmitters	0	0	0	150	0	150
<b>Total Other Income</b>	<b>5,711</b>	<b>1,550</b>	<b>4,161</b>	<b>44,741</b>	<b>18,600</b>	<b>26,141</b>
<b>TOTAL REVENUES</b>	<b>45,609</b>	<b>41,448</b>	<b>4,161</b>	<b>493,561</b>	<b>497,420</b>	<b>(3,859)</b>
<b>EXPENSES</b>						
Operating Expenses						
Direct Operating Expenses						

**Forest Oaks Owners Association**  
**Schedule of Revenues and Expenses - Actual vs. Budget**  
*Operating Fund*  
*(Amounts rounded to nearest dollar)*

	Month Ending 12/31/11			Year To Date 12/31/11		
	Actual	Budget	Variance	Year To Date	Budget	Variance
Electricity	2,073	2,791	718	35,815	33,492	(2,323)
Landscape Maintenance	5,510	6,360	850	83,925	85,120	1,195
Pool Expense	920	2,898	1,978	74,550	86,005	11,455
Repairs and Maintenance	3,625	3,030	(595)	45,948	36,360	(9,588)
Other Operating Expenses	1,683	659	(1,025)	11,320	7,908	(3,412)
Taxes	0	0	0	1,819	2,000	181
Telephone	549	390	(159)	5,221	4,680	(542)
Trash Removal	87	113	26	1,040	1,356	317
Water and Wastewater	4,766	6,795	2,029	66,272	81,540	15,268
<b>TOTAL Direct Operating Expenses</b>	<b>19,213</b>	<b>23,036</b>	<b>3,824</b>	<b>325,910</b>	<b>338,461</b>	<b>12,551</b>
<b>General and Administrative Expenses</b>						
Professional Fees	2,746	300	(2,446)	8,381	3,900	(4,482)
Bad Debts	3,631	1,400	(2,231)	17,227	16,800	(427)
Collection Expense	613	2,348	1,736	18,499	28,176	9,677
Homeowner Activities	1,816	1,575	(242)	5,882	4,200	(1,682)
Homeowner Communications	0	0	0	481	0	(481)
Insurance	2,728	2,548	(180)	31,822	30,543	(1,278)
Management Fee	3,700	3,803	103	45,222	45,636	414
Administration	1,850	2,023	173	28,102	27,276	(826)
<b>TOTAL General and Administrative Expenses</b>	<b>17,084</b>	<b>13,997</b>	<b>(3,087)</b>	<b>155,616</b>	<b>156,531</b>	<b>915</b>
<b>TOTAL Operating Expenses</b>	<b>36,297</b>	<b>37,033</b>	<b>736</b>	<b>481,526</b>	<b>494,992</b>	<b>13,466</b>
Other Expenses	0	0	0	0	2,250	2,250
<b>TOTAL EXPENSES</b>	<b>36,297</b>	<b>37,033</b>	<b>736</b>	<b>481,526</b>	<b>497,242</b>	<b>15,716</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$ 9,312</b>	<b>\$ 4,415</b>	<b>\$ 4,897</b>	<b>\$ 12,035</b>	<b>\$ 178</b>	<b>\$ 11,857</b>