



April 15, 2013

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 21, 2013 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. Electronic voting will begin on Wednesday, May 1, 2013 and end at midnight on Sunday, May 19, 2013. If you would like to vote electronically, please log onto www.forestoaksonline.com, click on the electronic voting link, OR log onto forestoakstx.ivotehoa.com, 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 or have any issues with logging on, please contact RealManage at realservice@realmanage.com. If you are unable to vote electronically, you can still vote at the annual meeting or send in your proxy to assign your vote to a third party.***

The 2012 Annual Meeting Minutes and the approved 2013 Forest Oaks Owners Association Budget are included in the meeting packet as well.

Please note that there is one position 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. These biographies will be posted online at the HOA website www.forestoaksonline.com and posted on the electronic voting website. Floor nominations will be available as well.

There will be food catered by Rudy's Barbeque, so please come hungry, enjoy the food, and meet some of your neighbors.

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, CMCA, AMS
Community 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 15th day of April, 2013 that the Annual Members Meeting will be held at the time and place specified below:

Date:	Tuesday, May 21, 2013
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. Special Guest Speaker
2. Roll Call/Certifying of Proxies/Proof of Notice of Meeting
3. Reading and Approval of May 10, 2012 Annual Meeting Minutes
4. Board of Directors Report
5. Manager's Report
6. Election of One Director
7. Committee Reports
8. 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.)
9. New Business

Adjournment at 9:00 p.m.

FOREST OAKS OWNERS ASSOCIATION, INC.

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Place: Reagan Elementary School
1700 E. Park Street, Cedar Park, Texas 78613

PROXY

The undersigned member(s) hereby appoint(s) ***(Please circle one name, or fill in the blank)***:

- | | |
|---------------------------------|-------------------------------------|
| President – Joseph Capesius | Secretary – Christi Cheng |
| Vice President – Craig Ellmaker | Director at Large – David Karabinas |
| Treasurer – Robert Medure | |

(or) _____ as proxy agent, with full power of substitution and with discretionary authority, to vote the number of votes to which I (we) am (are) entitled to vote at the Annual Meeting of the Forest Oaks Owners Association, Inc. (the "Association") to be held at the time and place set forth above, and at any adjournment thereof, as fully and with the same effect that the undersigned would be entitled to if personally present, to vote upon any matter which may properly come before the members.

This proxy revokes all proxies previously granted by me (us) with respect to the Association and shall be valid for up to eleven (11) months after the date of its execution unless previously revoked. I (we) understand that unless I (we) give other instructions on this proxy, the proxy agent intends to vote the lots or living units represented by this proxy at his or her discretion on the matters that come before the members.

The undersigned hereby ratifies and confirms all that said proxy agents may lawfully do by virtue hereof.

Resident Name(s)
(PLEASE PRINT): _____

Lot Address(es)
(PLEASE PRINT): _____

Member Signature(s): _____ Date: _____

You can vote electronically as well. Please log onto www.forestoaksonline.com, click on the electronic voting link, and enter in your registration code, and cast your vote. You can find your registration code on your coupon book which begins with an "R".

A quorum is required to conduct business at this meeting, therefore you are strongly encouraged to attend. If you cannot attend the meeting, please return this proxy so that you can assign your voting rights to a third party. The proxy may be returned to RealManage by mail or facsimile or brought to the meeting by a neighbor.

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

May 10, 2012

The undersigned, President of the Forest Oaks Owners Association, Inc (“The Association”), hereby certifies that at 7:30 p.m. on May 10, 2012, the Annual Meeting of the Forest Oaks Owners Association, Inc. was held at Reagan Elementary School at 1700 E. Park Street, Cedar Park, Texas 78613. President Ed Strout, Vice President David Karabinas, and Director at Large Christine Cheng were present. Also in attendance were Keri Scott, Community Association Manager, Jenny Key, Vice President, Austin Branch, and Samantha Garcia, Assistant Community Association Manager. President Strout called the meeting to order at 7:35 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, 49 were present and 114 were represented by proxy, for a total of 163 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
TOTAL		1,491
TOTAL VOTES POSSIBLE		1,491
VOTES REQUIRED FOR QUORUM (10%)		149
VOTES PRESENT		<u>Total Votes</u>
Resident		163
Builder		0
Declarant		0
TOTAL		163
QUORUM ACHIEVED		YES

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 August 30, 2011

President Strout called for any comments or corrections to the draft meeting minutes from the Forest Oaks Owners Association Annual Meeting held on August 30, 2011. 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
- Electronic Voting
- Resurfacing of the pools
- Expanding the neighborhood amenities

Item 4 – Manager’s Report

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

- Presented the 2011 Financial Reports
- Presented the 2012 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 Architectural Change and Deed Restriction Enforcement process
- Encouraged Payment Plans to avoid late, and possible, attorney fees

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

President Strout informed the members that (3) Board positions were open for a three term. Three members were on the ballot. President Strout introduced David Karabinas. Mr. Karabinas gave an over view on why he wanted to serve on the Board. President Strout then introduced Robert Medure. Mr. Medure gave an over view on why he wanted to serve on the Board. President Strout then introduced Craig Ellmaker. Mr. Ellmaker gave and over view of why he wanted to serve on the Board. President Strout asked if there were any other nominations from the floor. With no other nominations, a motion was made to close the floor. With unanimous approval, David Karabinas, Robert Medure, and Craig Ellmaker were elected to the Board.

Item 6 –Committee Reports

- National Night Out to be held in August
- Pool Committee discussed pool rules
- Forest Oaks Facebook page discussed

Item 7 – Signed-in Speakers

There were no topics to discuss as all speakers issued were addressed during meeting.

Item 8 – New Business

There being no further business, the meeting was adjourned at 8:30 p.m.

ATTEST:

Joe Capesius, President

**Forest Oaks Owners Association, Inc.
Revenue and Expense Budget Summary for FY 2013**

	Operating Fund	Replacement Fund	Common Property Fund	Consolidated
REVENUES				
Assessments				
Regular Assessments	\$535,320	-	-	\$535,320
Assessment Allocation	(\$61,400)	\$61,400	-	
Total Assessments	\$473,920	\$61,400		\$535,320
Other Income	\$1,200		-	\$1,200
Total Other Income	\$1,200			\$1,200
TOTAL REVENUES	\$475,120	\$61,400		\$536,520
EXPENSES				
Operating Expenses				
Direct Operating Expenses				
Electricity	\$30,504	-	-	\$30,504
Landscape Maintenance	\$82,212	-	-	\$82,212
Pool Operating Expenses	\$96,731	-	-	\$96,731
Repairs and Maintenance	\$35,760	-	-	\$35,760
Other Expenses	\$2,088	-	-	\$2,088
Exterminating	\$1,344	-	-	\$1,344
Taxes	\$2,000	-	-	\$2,000
Telephone	\$5,808	-	-	\$5,808
Trash Removal	\$1,080	-	-	\$1,080
Water and Wastewater	\$53,100	-	-	\$53,100
Total Direct Operating Expenses	\$310,627			\$310,627
General and Administrative Expenses				
Professional Fees	\$18,325	\$3,500	-	\$21,825
Bad Debts	\$13,200	-	-	\$13,200
Collection Expense	\$26,544	-	-	\$26,544
Homeowner Activities	\$12,900	-	-	\$12,900
Homeowner Communications				
Insurance	\$19,494	-	-	\$19,494
Management Fee	\$45,336	-	-	\$45,336
Administration	\$25,898	-	-	\$25,898
Total General and Administrative Expenses	\$161,697	\$3,500		\$165,197
Total Operating Expenses	\$472,324	\$3,500		\$475,824
Capital Expenditures (Non-capitalized)		\$93,189	-	\$93,189
Other Expenses	\$2,000	-	-	\$2,000
Depreciation	-	-	\$12,935	\$12,935
TOTAL EXPENSES	\$474,324	\$96,689	\$12,935	\$583,948
NET SURPLUS (DEFICIT)	\$796	(\$35,289)	(\$12,935)	(\$47,428)

Final

Printed on 10/11/2011

(1) Operating Fund

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

	Month Ending 12/31/2012			Year To Date 12/31/2012		
	Actual	Budget	Variance	Year To Date	Budget	Variance
REVENUES						
Assessments						
Regular Assessments						
Builder(s)	30	0	30	1,201	1,080	121
Owners	44,580	44,610	(30)	533,580	534,240	(660)
Assessment Allocation	(4,912)	(4,912)	0	(58,900)	(58,900)	0
Total Assessments	39,698	39,698	0	475,881	476,420	(539)
Other Income						
Late Payment Charges	920	0	920	14,710	0	14,710
Collection Fees - Lien Filing	1,530	0	1,530	18,783	0	18,783
Late Payment Charges Waived	(41)	0	(40)	(1,590)	0	(1,590)
Miscellaneous Income	393	0	393	814	0	815
Returned Check Fees	0	0	0	75	0	75
Prior Years Write Offs - Fines	0	0	0	(5,150)	0	(5,150)
Prior Years Write Offs - Compliance Fees	0	0	0	(4,200)	0	(4,200)
Fines	0	0	0	400	0	400
Compliance Fees	162	0	162	321	0	321
Interest Income	15	0	15	216	0	216
User Fees	635	0	635	8,975	0	8,975
Insurance Settlements	0	0	0	560	0	560
Total Other Income	3,615	0	3,615	33,914	0	33,914
TOTAL REVENUES	43,313	39,698	3,615	509,795	476,420	33,375

EXPENSES

Operating Expenses

 Direct Operating Expenses

RealFinance Report by RealManage

(Unaudited)

(1) Operating Fund

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

	Month Ending 12/31/2012			Year To Date 12/31/2012		
	Actual	Budget	Variance	Year To Date	Budget	Variance
Electricity	2,322	3,224	903	30,157	38,688	8,531
Landscape Maintenance	11,093	6,510	(4,583)	112,583	84,120	(28,463)
Pool Expense	1,949	3,398	1,449	88,057	92,664	4,607
Repairs and Maintenance	1,968	4,050	2,082	35,083	48,600	13,517
Other Operating Expenses	859	654	(205)	2,677	7,848	5,171
Taxes	0	0	0	1,828	2,000	171
Telephone	489	453	(36)	5,732	5,436	(295)
Trash Removal	130	89	(41)	1,039	1,068	29
Water and Wastewater	2,114	3,982	1,868	50,268	47,784	(2,484)
TOTAL Direct Operating Expenses	20,924	22,360	1,436	327,424	328,208	784
General and Administrative Expenses						
Professional Fees	250	400	150	13,613	5,100	(8,513)
Bad Debts	309	200	(109)	1,932	2,400	469
Collection Expense	2,520	1,841	(679)	27,013	22,092	(4,922)
Homeowner Activities	1,920	1,575	(345)	9,307	10,575	1,268
Homeowner Communications	0	0	0	74	0	(74)
Insurance	1,577	2,614	1,037	24,679	31,500	6,821
Management Fee	3,700	3,700	0	44,400	44,400	0
Administration	1,850	1,910	60	27,424	25,520	(1,904)
TOTAL General and Administrative Expenses	12,126	12,240	114	148,442	141,587	(6,855)
TOTAL Operating Expenses	33,050	34,600	1,550	475,866	469,795	(6,072)
Capital Expenditures	0	0	0	4,699	0	(4,699)
Other Expenses	751	0	(751)	751	2,250	1,499
TOTAL EXPENSES	33,801	34,600	799	481,316	472,045	(9,271)
NET SURPLUS (DEFICIT)	\$ 9,512	\$ 5,098	\$ 4,414	\$ 28,479	\$ 4,375	\$ 24,104

RealFinance Report by RealManage

(Unaudited)

Forest Oaks Owners Association

Detailed Balance Sheet

(Amounts rounded to nearest dollar)

	(1) Operating Fund As of 12/31/2012 <u>Actual</u>	(2) Replacement Fund As of 12/31/2012 <u>Actual</u>	(3) Common Property Fund As of 12/31/2012 <u>Actual</u>	All Funds As of 12/31/2012 <u>Actual</u>
ASSETS				
Current Assets				
Cash - Operating Fund	\$ 168,182	\$ 0	\$ 0	\$ 168,182
Cash - Operating Fund - Amplify CDs	91,449	0	0	91,449
Cash - Replacement Fund	0	188,305	0	188,305
Cash - Replacement Fund CD	0	105,636	0	105,636
Accounts Receivable	86,698	0	0	86,698
Allowance for Bad Debts	(23,300)	0	0	(23,300)
Prepaid Expenses	2,483	0	0	2,483
Prepaid Insurance	7,886	0	0	7,885
Total Current Assets	333,398	293,941	0	627,338
Fixed Assets				
Furniture and Equipment	0	0	24,764	24,764
Basketball Courts	0	0	11,175	11,176
Poolhouse and Swimming Pool	0	0	39,567	39,566
Security Gate	0	0	16,118	16,118
Improvements	0	0	1,747	1,748
Accumulated Depreciation	0	0	(76,215)	(76,216)
Total Fixed Assets	0	0	17,156	17,156
Other Assets				
Deposits - Utility	173	0	0	173
Deposits - Other	907	0	0	908
Other Assets	1,080	0	0	1,081
TOTAL ASSETS	334,478	293,941	17,156	645,575
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Current Liabilities				
Accounts Payable	13,134	0	0	13,134
Prepaid Assessments	82,219	0	0	82,219
Other Accrued Expenses	2,155	0	0	2,155
Income Taxes Payable	751	0	0	751
Total Current Liabilities	98,259	0	0	98,259
TOTAL LIABILITIES	98,259	0	0	98,259
FUND BALANCES				
Fund Transfers	(76,638)	(16,733)	93,371	0

RealFinance Report by RealManage

(Unaudited)

Forest Oaks Owners Association

Detailed Balance Sheet

(Amounts rounded to nearest dollar)

	(1) Operating Fund As of 12/31/2012 <u>Actual</u>	(2) Replacement Fund As of 12/31/2012 <u>Actual</u>	(3) Common Property Fund As of 12/31/2012 <u>Actual</u>	All Funds As of 12/31/2012 <u>Actual</u>
Prior Years Surplus (Deficit)	284,378	299,768	(64,407)	519,740
YTD Surplus (Deficit)	28,479	10,906	(11,808)	27,576
TOTAL FUND BALANCES	<u>236,219</u>	<u>293,941</u>	<u>17,156</u>	<u>547,316</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 334,478</u>	<u>\$ 293,941</u>	<u>\$ 17,156</u>	<u>\$ 645,575</u>

RealFinance Report by RealManage

(Unaudited)