



FORRESTER LAKE TOWNHOUSE ASSOCIATION

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COMMUNITY NEWSLETER

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Special points of interest:

- 2016 Board of Directors Election
- Pay your maintenance fee electronically
- Reminder.. Board meetings are held every third Thursday @ 7:00pm !
- Amendment to the Reservations, Restrictions and Easements
- Treasurers report

Annual Board of Directors Election



This year there are three positions on the board up for election. The positions are currently held by Brook Baker, Bob DeCesare, and Jim Elswick. Each candidate wishes to continue serving the community, and is running for re election. There was one additional request received to run for this election. Envelopes containing the election instructions and ballot will be mailed out on September 23rd to each townhomes' owner on file. If you did not receive the envelope, please contact the office to obtain a replacement ASAP. All ballots must be received no later than 5pm on October 14th 2016. Any ballots received after the deadline, or that do not include a signature and townhouse number, will not be counted. PLEASE be sure to follow the instructions included in the envelope exactly.

Candidate Bio's *In Alphabetical order*

Brook Baker (Incumbent)

I have been a resident of Forrester Lake for 13 years and a sitting board member for 4 years. For the last 16 years I have worked for Hewlett-Packard Enterprise. I'm a graduate of Texas A&M University.

I believe in making Forrester Lake a welcoming community for all of our owners and residents. I would like to continue to serve the residents and owners and work to further all of the improvements the current board has worked to make in the community.

Bob DeCesare (Incumbent)

Hello! My name is Bob DeCesare, My partner Sam and I have lived in FLTH since August of 2013. I am a graduate of the University of Texas at Austin and I received my MBA in 1983. I am currently working for Accenture Consulting and I am a Delivery Partner. I work primarily in the Human Resources Space.

Jim Elswick (Incumbent)

My Name is Jim Elswick and I have lived in Forrester Lake since 1996 and have served on the Board of Directors from 2003/2009 and again from 2012 to date.

I have worked for 50 years in the contact lens industry in management, production, and sales both internationally and domestically. In 1996 I purchased Universal Contact Lens and enjoyed a very successful business through those years.

I have the business experience, willingness to work with others on the board and the knowledge on how to make Forrester Lake a better place to live for all.

Eric Erkens

My name is Eric Erkens and I am running for the board. I am a Senior Linux Administrator that has been working at a web hosting company for over five years. I love Forrester Lake and want to see it shine at its full potential. I can bring value to the Forrester Lake and make it a great place to live.

Pay your Maintenance Fee Online



In September we began offering the option to pay your monthly maintenance fee online. You have the ability to create an account which will give you access to you payment history, and pay your dues electronically from your checking account.. You can also set up your payment to be automatically paid on a specific date every month. This service is available at no additional charge to you, and saves you the trouble of remembering to write a check every month, as well as saving the office the time it takes to process 243 checks every month. If you have not already been sent an email invitation to be set up with this service, please email the office so that we can send you an invitation back.

Homeowners Insurance Renewals



Just a reminder that everyone needs to send a copy of their insurance declaration page to the office each year when your homeowners policy is renewed. You are required to carry a homeowners policy for full replacement cost of your unit. Failure to maintain in the proper coverage will result in a fine of \$100.00 per month

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Litigation vs. Mediation and Arbitration

The Board of Directors of the Forrest Lake Homeowners Association approved the Second Amendment to the Reservations, Restrictions and Easements on August 11, 2016. The amendment deals with how disputes between members of the Association and the Association resolve disputes going forward. As required by the Texas Property Code, the amendment must be submitted to the members of the Association for approval and has therefore been placed on the October ballot in conjunction with the election of members to the Association board of directors. This approval is required in this manner as our Reservations, Restrictions and Easements does not include a provision for amending the governing document.

Litigation

The purpose for enacting this amendment to the Reservations, Restrictions and Easements is to provide for an alternative to litigation (lawsuit) which is usually:

- Lengthy
- Expensive
- May not resolve the dispute if the lawsuit is withdrawn by the plaintiff before its conclusion
- The documents presented are available to the public
- The judgement of the court is a public record that others may use when making decisions about the party that loses the lawsuit.
- There is a winner and a loser but sometimes no one is happy with the outcome of litigation.
- If you prevail (win), in a lawsuit, you may not be awarded all that you asked for in your petition.

The Association has been a defendant to a couple of lawsuits over the past few years and these lawsuits have cost the Association and its members tens of thousands of dollars, which has then delayed the implementation of various capital projects for the benefit of the members.

Mediation

This amendment requires that members must utilize mediation and, if necessary, binding arbitration, to resolve disputes between members and the Association rather than filing a lawsuit that usually is expensive and lengthy in order to resolve disputes.

Mediation and arbitration are alternatives to litigation and employ the use of a neutral third party(s). Mediation is:

- Conducted with a single mediator selected by both parties who does not judge the case but assists both parties in facilitating discussion and resolution of the dispute
- In some states, before a lawsuit can be filed, the dispute must first have been submitted for mediation before proceeding to the court for litigation.
- The mediation process is confidential and it attempts to limit the issues and place them into proper perspective.
- Mediation allows both parties an opportunity to “tell their story” without the constraint of a trial setting that has guidelines about how evidence and testimony is presented.
- Neither the member nor the Association may share what goes on during mediation.
- The documents presented are confidential and there is no public record that others may use against either party.
- Is relatively quick and inexpensive as compared to litigation
- The length of the mediation is agreed upon by both parties and most mediation sessions are from one-half to one day in length.
- Once the dispute is resolved, a written mediated settlement agreement is provided to both parties and it becomes binding on all of the parties.

Mediation is conducted with the understanding that both parties agree to mediation in good faith until either party reasonably determines that it is fruitless to continue and cannot reach an agreement, and therefore an impasse has been reached. Another important benefit of the mediation is the ability to not only salvage but also rebuild the communication process between the member and the Association. In many cases, both sides need to maintain open lines of communication and collaborate for many years regarding various residential issues.

The amendment requires that both parties agree to:

- Enter into mediation within twenty (20) days of notice of the dispute,
- Select a mediator within thirty (30) days of notice of the dispute,
- Begin mediation within sixty (60) days of notice of the dispute,
- Both the member and the Association each equally share the cost of the mediation; and,
- If the dispute is resolved through mediation, that agreement reached will be binding on both parties.

Arbitration

If the dispute cannot be resolved through mediation or the selection of a mediator was not successful, the member or the Association may initiate the binding arbitration process. Arbitration is:

- A panel of arbitrators takes on the role of judges who make decisions about evidence and give a written opinion.
- The decision is made by a majority vote amongst the arbitrators.
- Arbitration is generally less expensive, faster, and more confidential than litigation.
- The documents presented are confidential, while those documents filed as part of the litigation are available to the public.

The amendment requires that both parties agree to:

- A panel of three (3) arbitrators is chosen within ninety (90) days of the mediation date,
- The cost of the arbitration is decided by the panel of arbitrators; and,
- The decision of the panel or arbitrators is binding upon all parties pursuant to the Texas Arbitration Act.

Vote to Approve the Amendment

The Board of Directors of the Forrest Lake Townhouse Association recommends that all homeowners (members of the Association) approve the Second Amendment to the Reservations, Restrictions and Easements. The amendment can be found on the Association web site on the Documents page at: [Proposed Second Amendment to the Reservations Restrictions and Easements](#). Furthermore, the Board requests that all members cast their ballots during this year’s election, as the approval of the amendment requires a larger majority of members. Thank you.

Letter From the Association Board President

My fellow Forrest Lake residents; Fall is just upon us meaning it is time for some cooler weather, more rain, and community elections. This year is even which means there are three positions open on the Board. Both Philip Salerno, Treasurer, and I will continue on through next year. This year we have four candidates running for the open seats including all three incumbents and one more resident.

This past year, the Board had a lot of work to do. Our biggest project was to replace the roofs on all our buildings. In the past, the Board would pace the replacement over several years. However, with the prudent fiscal practices of the Board and through firm negotiations with our vendor, we were able to save tens of thousands of dollars by replacing all of the roofs at one time. Another success we had this past year was to negotiate with Comcast to keep our rates fairly flat and to have us queued for "fiber to the building" service by the beginning of January. This level of service should provide our residents with faster, more stable internet coverage. More details regarding this service will be released closer to the construction date.

The Board recently passed a resolution to help with our feral animal population by reducing the feeding time to daylight hours only. Previously, we received quite a few complaints regarding the population increase of these animals, and we worked together to come up with a measure to help control that population. So far, we believe this has been a success and we thank everyone for following this policy.

One area where the Board has fallen short has been with our legal expenses, which brings me to the second item the Board is asking residents to vote on. As part of your ballot is a copy of the Second Amendment to the Reservations, Restrictions and Easements (RR&E) the Board is proposing. The RR&E is the governing document of our community, similar to a Terms of Service. This document, our By-Laws, and the Texas Property Code are what define the relationship between the Owner and the Association. Today, we are asking you, the Owner, to agree to a change to the RR&E to channel all civil suits with the Association through mediation and binding arbitration. Arbitration is a means of settling legal disputes outside the court process. It is where lawyers from both sides meet with an impartial party to settle the dispute. The conclusion of the arbitration is final and there are limited rights of appeal.

One may ask why the community should want to do mediation or arbitration. The primary answer is for time and money. Lawsuits take a significant amount of time and a substantial amount of money. This past year, Forrest Lake was sued by an owner seeking damages due to a break in at their unit. The public records for this case may be found on the Harris County District Clerk's site by searching for cause number 201514182. We will not go into the details of the case here, however, it is to be said the case began in March of 2015, ended in June of 2016, took several days of the Board member's personal time, and despite having the case rule in the Association's favor, it cost the Association over **\$100,000**. Though the Association was able to recover much of that cost, those funds had to be removed from landscaping projects, maintenance, and many of the fundamental functions the Association is to provide the Owners. In the very rare instance of a legal dispute between an Owner and the Association, mediation/arbitration will provide both with a quick and far less expensive means to remedy the dispute. In the end, cutting legal costs is beneficial to all at Forrest Lake and the Board encourages Owners to vote in favor of this amendment.

As President of the Association, I have greatly enjoyed working with my team over this past year. Each one has done a fantastic job, and look forward to them rejoining me for another year. The Board is excited to release our upcoming landscaping project that should commence this fall. We are also exploring giving the fronts of all the buildings a new paint job using a new color palette, something we will be rolling out through the next year.

Again, I have greatly enjoyed this past year serving our community. I hope we as a whole have served you well. If there is anything the Board can do to help make this place more wonderful for you, please don't hesitate to email me directly at President@ForrestLake.com.

Sincerely,

Canion Boyd

President

Treasurers & Administration Report

The 2016 fiscal year has been busy for our community. Our balance sheet is in excellent condition and several projects were completed this year. Those projects include:

- Replacement of all roofs on homeowner buildings
- Continuation of the multi-year and continuing yearly tree trimming
- Allocation of significant amount of funds to the multi-year project to replace and upgrade our plants, trees, and shrubbery with more planting to occur this Autumn
- Major sidewalk, drainage, and road repairs and replacement
- Replacement of the security cameras and the purchase of body cameras for the security guards to wear
- Replacement of the pool furniture with a new color palette. Many thanks to Brook Baker and Tyler Warwick for their work on this project.
- Replacement of the clubhouse furniture with new dinette tables and chairs, chairs, sofa tables, and 16 additional chairs. Many thanks to Tyler Warwick and Bobbie Elswick who assisted the Board with the furniture selection.
- New contract with Comcast with additional services
- Completed the fourth and last phase of the irrigation system project. This project is now complete with almost all of the community now with irrigation.
- And the addition of the two financial improvement projects that allows for invoices to be approved electronically and the subsequent checks to be issued or payments made electronically and the Bill and Pay service that allows homeowners to pay their maintenance fees online

Important Phone Numbers:

General Manager (Tyler) 713.681.3591
Security Cell Phone 713.201.5656

Maintenance Crew: (For after hours appointments)

Willie 713.828.2428
Francisco 713.409.4820
Nahun 713.202.7148

How to Reach a Board Member:

Canion Boyd (President)	President@Forrestlake.com	713.800.7702
Philip Salerno (1st VP & Treasurer)	Treasurer@Forrestlake.com	713.681.0568
Jim Elswick (Landscaping)	Landscaping@Forrestlake.com	281.468.3501
Bob DeCesare (Secretary)	Secretary@Forrestlake.com	
Brook Baker (2nd VP & Maintenance)		832.497.1255
Forrest Lake Website:	www.Forrestlake.com	
General Manager email	Office@Forrestlake.com & FLTA1@att.net	

	Nov2015	Dec2015	Jan2016	Feb2016	Mar2016	Apr2016	May2016	Jun2016	Jul2016	Aug2016	Sep2016	Oct2016	FY2016 YTD	Budget YTD	% of Budget YTD
BALANCE SHEET:															
Assets:															
17000 - Wells Fargo (checking)	167,166.95	11,500.46	3,973.96	5,253.37	25,178.01	5,704.13	81,474.46	88,896.46	90,260.38	90,512.09					
17500 - Wells Fargo (savings)	94,854.28	94,859.11	84,363.90	115,641.85	115,647.75	90,653.37	106,904.89	106,910.16	106,915.61	106,921.06					
Total Checking/Savings	262,021.23	106,359.57	88,337.86	120,895.22	140,825.76	96,357.50	188,379.35	195,806.62	197,175.99	197,433.15	0.00	0.00			
Accounts Receivable	32,182.00	32,974.00	34,446.00	29,177.41	29,176.00	17,745.00	18,756.00	49,306.00	19,766.00	20,198.00					
Other Current Assets:															
11600 - Infrastructure Fund	11,589.51	8,208.05	8,895.76	3,147.89	547.92	547.94	547.95	547.97	547.98	547.99					
15500 - Roofing Fund (Wells Fargo)	72,374.46	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
16005 - Prepaid Property Insurance	11,291.25	9,033.00	2,258.25	6,774.75	4,516.50	5,783.25	25,471.42	23,155.84	20,840.26	18,524.68					
16015 - Prepaid Expenses	0.00	0.00	9,033.00	2,258.25	2,258.25	2,258.25	0.00	0.00	0.00	0.00					
18000 - Wells Fargo New Roofing Fund	82,510.55	8,003.63	10,433.99	9,584.89	12,015.33	14,445.85	16,876.49	8,007.08	10,437.45	12,867.93					
18500 - Greater Texas CD	252,361.57	252,807.47	90,376.47	29,198.76	29,249.72	29,249.72	29,249.72	40,602.79	40,602.79	40,602.79					
18550 - Greater Texas Share Account	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00					
Total Other Current Assets	430,132.34	278,057.15	121,002.47	50,969.54	48,592.72	52,290.01	72,150.58	72,318.68	72,433.48	72,548.39	0.00	0.00			
Total Assets	724,335.57	417,390.72	243,786.33	201,042.17	218,594.48	166,392.51	279,285.93	317,431.30	289,375.47	290,179.54	0.00	0.00			
Liabilities:															
12000 - Accounts Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
21600 - Maintenance Fees Paid In Advance	13,177.00	16,619.00	10,133.00	11,450.00	22,114.00	14,557.00	19,822.00	8,930.00	16,765.00	10,870.00					
24500 - Security Deposits	154,461.20	155,781.20	155,431.20	155,491.20	155,801.20	155,961.20	156,381.20	158,211.20	158,601.20	158,601.20					
Total Liabilities	167,638.20	172,400.20	165,564.20	166,941.20	177,915.20	170,518.20	178,203.20	167,141.20	175,886.20	169,471.20	0.00	0.00			
PROFIT & LOSS:															
Total Income	331,721.64	290,785.33	243,728.92	86,644.49	80,563.01	81,481.17	175,482.98	81,126.12	80,875.91	81,390.85	0.00	0.00	1,473,800.42	1,375,387.39	107.16%
Total Expenses	182,803.41	389,916.09	250,999.64	120,276.03	84,851.86	103,709.40	70,275.20	76,643.76	75,253.35	79,001.14	0.00	0.00	1,433,729.88	1,389,185.77	103.21%
Net Ordinary Income	148,918.23	-159,130.76	-7,270.72	-33,631.54	-4,288.85	-22,228.23	105,207.78	4,482.36	5,622.56	2,389.71	0.00	0.00	40,070.54	-13,798.38	290.40%
Other Income/Expense:															
Other Income:															
90005 - Dividend/Interest-Roofing Fund	2.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			2.09		
90006 - New Roofing Fund Dividend	3.98	3.08	92.19	0.40	54.40	0.52	0.64	53.66	0.37	0.48			209.72		
Total Other Income	6.07	3.08	92.19	0.40	54.40	0.52	0.64	53.66	0.37	0.48	0.00	0.00	211.81		
Other Expense:															
Bad Debt Write Off	0.00	0.00	0.00	4,758.59	0.00	11,946.00	0.00	0.00	0.00	0.00			16,704.59		
Roofing Fund Contribution	2,430.00	2,430.00	2,430.00	2,430.00	2,430.00	2,430.00	2,430.00	2,430.00	2,430.00	2,430.00			24,300.00	24,300.00	100.00%
Infrastructure Fund Contribution	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00			10,000.00	8,333.33	120.00%
Total Other Expense	3,430.00	3,430.00	3,430.00	8,188.59	3,430.00	15,376.00	3,430.00	3,430.00	3,430.00	3,430.00	0.00	0.00	51,004.59	32,633.33	156.30%
Net Other Income/Expense	-3,423.93	-3,426.92	-3,337.81	-8,188.19	-3,375.60	-15,375.48	-3,429.36	-3,376.34	-3,429.63	-3,429.52	0.00	0.00	-50,792.78		
Net Income	145,494.30	-162,557.68	-10,608.53	-41,819.73	-7,664.45	-37,603.71	101,778.42	1,106.02	2,192.93	-1,039.81	0.00	0.00	-10,722.24	-46,431.71	23.09%
Aging Report:															
Over 30 Days	2,838.00	2,475.00	157.00	2,079.00	1,749.00	1,782.00	1,779.00	1,808.00	2,172.00	128.00					
Over 60 Days	2,124.00	198.00	2,475.00	1,868.00	1,523.00	1,518.00	99.00	1,490.00	99.00	1,815.00					
Over 90 Days	23,531.00	27,452.00	28,599.00	22,441.41	23,149.00	12,287.00	13,744.00	13,409.00	15,054.00	16,742.00					
Total	28,493.00	30,125.00	31,231.00	26,388.41	25,421.00	15,587.00	15,622.00	16,707.00	17,325.00	18,685.00	0.00	0.00			