

Circle C Homeowners Association

**Board of Directors
Report to the Members
March 2015**

This is the Annual Report of the Board of Directors of the Circle C Homeowners Association. In this report we provide an overview of the activities and achievements of 2014 for the Association as well as an outline of our proposed activities and goals for 2015. We believe that 2014 was a year of significant progress for the Association, and we are committed to continuing that progress in 2015. Our primary goal remains preserving and improving the Circle C Ranch subdivision.

INTRODUCTION FROM THE PRESIDENT, Chris Poynor

This past year was a very big year for Circle C. The HOA completed the extensive repairs to the Swim Center lap pool which included the addition of more lap lanes, new steps on both sides of the pool, new plaster and tiles. The Community Center continues to be a success and has been heavily used. It is a great place for our residents to gather for neighborhood functions and personal gatherings. The landscaping and irrigation improvements have been completed on Barstow and along La Crosse Ave. Our newest sections, Avana and GreyRock Ridge continue to grow. We are happy to announce that a third pool in Circle C will be located in Avana and is being built by the developer. The estimated opening date will be sometime in the summer of 2015. GreyRock Ridge will also have a pool built by the developer and is not expected to open until 2016. This will make a total of four pools in Circle C. At the end of 2014, after careful review, the board paid of the remaining balance of the loan for the construction of the Community Center!

As we approach our annual meeting in March, I ask that you take the time and fill out your absentee ballot or name a proxy. The absentee ballot and proxy can be found on the back of this year's first assessment which was mailed to you at the beginning of February. We need to have ten percent of members voting to have a quorum or we cannot conduct business at the annual meeting. This board has done a lot this year and the best way to thank them is to participate in the Annual Meeting and vote. Candidate biographies are available on the website, so please take the time to research the candidates.

The current Board of Directors would like to thank you for the opportunity to serve you. It has been an honor and we will continue to strive to keep Circle C the best and most sought after neighborhood in Austin.

Completed Projects during 2014

- ✓ Swim Center Pool re-plaster
- ✓ Irrigation infrastructure improvements
- ✓ Bed upgrades including the MoPac/Slaughter entrance

- ✓ Rock work throughout Circle C
- ✓ Swim Center Furniture & Equipment
- ✓ Tree work throughout Circle C

Growth of Circle C Ranch

Year	Lots in the Association	Lots paying full assessment
2014	4897	4386
2015	5154	4775

Circle C Governing Documents

All of the Circle C HOA's defining documents can be found on the HOA website at www.circlecranch.info; under the Resource tab. Residents must register for the website in order to access the documents.

Board of Directors

The members of the CCHOA elect a volunteer Board of Directors (BOD) to run the Association. The board consists of seven people, all of whom must be property owners. Directors are elected for three year terms. We have two director seats that expire in 2015 (Dan Vavasour and Kim Ackermann). Chris Poynor, Natalie Place McClure and Michael Chu's terms expire in 2016. Jason Bram and Bob McKenna's terms expire in 2017.

As of this writing the CCHOA BOD has four officers: President (Chris Poynor), Vice President (Kim Ackermann), Treasurer (Dan Vavasour) and Secretary (Natalie Place McClure). Michael Chu, Bob McKenna and Jason Bram also serve on the board. You can email the board at directors@circlecranch.info

Operations Staff

- Operations Manager: Karen Hibpshman, CMCA
- Operations Asst. Manager: Gale Foster
- Community Center Coordinator: Sarah Humphrey
- Facility Maintenance Coordinator: Robert Bardeleben
- Aquatics Director: Brody McKinley
- Financial Manager: Terri Giles, Giles & Shea

Public Board Meetings

The CCHOA BOD holds monthly board meetings that are open to residents, currently scheduled at 6:00PM on the last Thursday of each month at the Circle C Community Center. We allot time at the beginning of each meeting for a Homeowners Forum that allows residents to address the board.

Architectural Control Committee

Committee Members: A.E. Martin, former CCHOA Board Member
Laura Sherman, AIA Registered Architect
Trent Rush, Principal, TBG Partners, Reg. Landscape Architect

New Homes Reviewed: 200 new homes were reviewed and approved.

Remodels/Residential Projects: The ACC reviewed 229 residential projects

Current Circle C Residential Builders for New Homes:
Streetman Homes in Greyrock Ridge
Standard Pacific Homes—Avana 1-1
Standard Pacific Homes—Avana 1-2
Standard Pacific Homes—Cornerstone

Residential Development Update:

In mid 2014, Standard Pacific acquired Streetman Homes, the active builder in Greyrock Ridge. Some of the product continues to be built under the Streetman Homes name as a transition in this area to all Standard Pacific built homes occurs. Since KB Home finished up at Fairways Estates, that leaves Standard Pacific as the single builder in Circle C. Their current subdivisions include:

Avana—a mixture of 50, 60, and 75 foot single family lots and homes are under construction.

Greyrock Ridge—will include 368 sixty foot frontage single family lots.

Cornerstone—located across from the Fire Station located in Circle C on Escarpment, this small section of 35 single family lots is underway.

Avana Estates—20 estate lots located at the south end of Escarpment are under construction.

Common Area Improvements:

Over three acres of common area landscape located on Escarpment between Trissino and Bernia were accepted for landscape maintenance. This area includes zoysia turf, naturalized areas, trees, and perennial beds and is watered primarily by drip irrigation.

The entrance to Cornerstone was also accepted for landscape maintenance.

Avana Amenity Center—Standard Pacific has constructed a pool and playground facility at Escarpment and Trissino in Avana. This facility will be open to all residents. We anticipate the facility being open for the 2015 swim season.

Annual Meeting for Members

The CCHOA holds its Annual Meeting in March. The Annual Meeting agenda includes election of directors, a financial review, and an operational report to members. The 2015 Annual Meeting will be held on **Wednesday, March 4th at 6:30pm at the Circle C Community Center**. Please be on the look-out for the February assessment with ballot and proxy on the back. We encourage everyone to attend the Annual Meeting as well as vote in the 2015 Board of Directors election.

Communications

There are several ways to contact the Association. You can submit a concern, report a deed violation or ask a question via the HOA website at www.circlecranch.info. You can email or call our manager, Karen Hibpshman. Her phone number is 512-288-8663, and her email address is info@circlecranch.info. You can speak to the Board at the monthly board meeting or send them an email at directors@circlecranch.info.

We have several ways we use for neighborhood communications. Our web page is at <http://www.circlecranch.info> (please register if you haven't already), we publish a newsletter monthly, sent to your home by first class mail. We maintain eight marquees around the neighborhood for announcements.

We also utilize a Community Email database for Circle C HOA announcements. Please take a moment to sign up to receive timely HOA news via email by logging onto: www.circlecranch.info

Aquatics Report

Aquatics Lead Staff

Aquatics Director:	Brody McKinley
Program Coordinator:	Amanda Hartman
Administrative Coordinator:	Trevor VanOsselaer
Aquatics Supervisor:	Cami Kelly
Aquatics Supervisor:	Jessy Lieck
Select Head Coach:	Jennie Lou Leeder

2014 Usage

Swim Center Entries	-	38,700
Community Center Entries	-	15,247
Total Resident Entries	-	53,947
Guest Entries	-	4,135
Total Facility Entries	-	58,082

2014 Events

- Dive-In Movie Nights (June 14, July 12, August 23)
- World Championship of Texas: 3-on-3 Swimming Tournament (September 14)
- Blue Santa Guard-A-Thon (December 7)

2014 Select Swim Team

Head Coach	-	Jennie Lou Leeder
Assistant Coach	-	Cami Kelly
Dry Land Coach	-	Erin Gerbrecht

2014 Team Enrollment

Jan	-	52
Feb	-	51
Mar	-	63
Apr	-	81
May	-	77
Jun	-	78
Jul	-	76
Aug	-	86
Sep	-	126
Oct	-	114
Nov	-	106
Dec	-	83

2014 Swim Meets Attended

January 11	-	B Champs
Jan 31 - Feb 2	-	BB Champs
February 14-16	-	A Meet
April 18-20	-	Long Course Kick Off
May 16	-	End of School Splash
June 27	-	Texas Open
July 17	-	A Champs
August 1-3	-	Junior Stags
September 19	-	AQTX Unclassified
October 21	-	AQTX Tuesday
October 24-26	-	Fall Kick Off
October 25	-	Great Pumpkin
November 1	-	Unclassified
November 4	-	AQTX Tuesday
November 14	-	November Unclassified
November 18	-	AQTX Tuesday
December 2	-	AQTX Tuesday
December 12-14	-	'Tis The Season
December 12-14	-	Jingle Bell Splash

December 27 - Trained or Tapered

2014 Group Swim Lessons

349 registrations

2014 Private Swim Lessons

1,141 Private Swim Lessons Taught

2014 Classes & Clinics

Water Aerobics

Instructor – Marilyn Vaillant

Class Participation: 59

Masters

Instructor – Erin Gerbrecht

Class Participation: 48

Lifeguard Certification Classes

Class Participation: 58

Boy Scout Swim Testing

Class Participation: 25

Area Reservations

Swim Center - 48

Community Center - 57

Facility Rentals

Swim Center - 6

Community Center - 7

Contracted Rentals

Austin T3

Bowie High School Swim Team

CDC Summer Camp

Dreams of Hope Ranch Special Olympics

Elli Overton Training Systems

Kiker Summer Voyager Summer Camp

Seals Swim Team

SwimVersity

Incidents

Water Rescues	-	18
Injuries Treated	-	30
Sudden Illnesses Treated	-	3
Total Incidents	-	51

Landscape Services, 2014

Circle C Landscape continued providing landscape maintenance, irrigation and installation services for the CCHOA in 2013. Over the course of 2013, the commons areas increased in size due to the addition of Escarpment in Avana. In late 2013, Archeleta Boulevard and the further extension of Escarpment were added for the 2014 year. In total, the landscape area for the Circle C Commons Areas includes approximately 125 acres of irrigated high maintenance land, approximately 65 acres of maintained natural areas, 26 postal stations, and the Circle C Swim Center and the Circle C Community Center.

Landscape Maintenance Services include standard mowing, blowing, weed-eating, bed weeding, fertilizations, trimming and pruning, daily trash pickup, irrigation monitoring and repair and installation of landscape and irrigation improvements according to projects approved by the CCHOA Board of Directors.

The Green Community Model which emphasizes water conservation, diversified trees, limited turf area, installation of drought tolerant plants and conversion to drip irrigation and more efficient irrigation where possible is the governing standard for care on the commons areas. Circle C Landscape is responsible for complying with all City of Austin Water Conservation requirements, filing the appropriate variances and audits with the City and keeping all irrigation systems up to the standards of the State of Texas and the City of Austin.

Water Management: Water is carefully controlled on the commons areas and irrigation controllers are monitored and re-set according to weather conditions. Irrigation repairs are completed in a timely fashion to prevent water waste.

Tree Care: Circle C Landscape monitors and supervises tree care throughout the commons areas. This year, all trees located on Escarpment from Aden Lane to LaCrosse received a health prune. In addition, trees on LaCrosse west of Escarpment were pruned and all trees that overhang walls and fences in that area were trimmed back to prevent damage. Due to the drought, weak trees have been under pressure and more than average have died. They are promptly removed to keep the commons areas looking their best.

Tree planting: In accordance with the Circle C Green Community Model, diversified trees and trees that enhance the urban landscape are planted in areas that are undergoing restoration or renovation.

Improvements:

Conversion of rotors or spray heads to drip. Due to the new water conservation rules from the City of Austin and in an effort to provide the most efficient irrigation, it is a goal of the CCHOA to convert as many areas as possible to drip irrigation. In 2013, the following areas were converted:

Circle C North—all bedding areas have been changed to drip irrigation

Dahlgreen, south of Galsworthy—side and median beds

Circle C Swim Center—area around new deck

LaCrosse—Rhett Bulter to Dahlgreen, north side and median

MoPac/LaCrosse intersection—median beds and trees

LaCrosse, median north of swim center

Escarpment/Slaughter, south side, trees and shrubs behind monument and on outside of circle on east side.

Irrigation controllers throughout the commons areas more than 10 years old were replaced.

Capital Improvements:

Circle C North: All old shrubs from the mail center to Hillside Terrace were removed to facilitate the installation of the new fence. After the fence was installed, new plantings, drip and rock work were installed. The median across from this area was renovated. The developer of Barstow Court paid to have new landscaping and drip irrigation installed along the outsides of the new wall on Barstow. Additional beds on the east and west side were renovated at the time of this project. Rock work was installed in key locations to prevent water run-off and improve visibility.

LaCrosse: Park West Pass to Fox Creek Pass. A landscape renovation was needed in this area to reduce turf areas and replace with drip irrigation, drought tolerant plantings and ornamental trees. This will allow the sidewalk and street areas to be maintained according to the Green Community Model, while allowing the more remote areas to naturalize. Rock work was installed in appropriate areas.

Landscape Services, 2014-2016. The CCHOA Board of Directors created a Board task force to review the current specifications and pricing for the landscape maintenance on the commons areas since the contract with Circle C Landscape ended in 2013. After extensive review, the Board unanimously voted to enter into a new contract for three years with Circle C Landscape. The experience on the property, excellent supervision, active response to concerns, leadership in water conservation and management, and pricing were considered in this decision.

Financial Report (for the period ending December 31, 2014)

The CCHOA Treasurer has very specific responsibilities, which are detailed in our By-Laws (Article VIII, section 8, (d)). Those duties include ensuring that our funds are collected and accounted for in the bank accounts and books, securing the annual audit, and reporting our financial condition at the annual members meeting.

The CCHOA completed 2014 over budget due to the additional loan payment that paid the loan in full.

- Income was \$3,369,420 (vs.\$3,477,216 last year).
- Expenses were \$3,777,090 (vs. \$2,934,437 last year)
- Retained Earnings \$4,627,011 (vs. \$3,394,025 last year)

The income break-down is \$2,664,585 from HOA dues (79%) and \$704,834 from other sources (21%). Under expenses, the larger categories were, \$1,135,200 (30%) for common area services, \$846,591 (23%) for the swim center & community center, \$326,525 (9%) for capital improvement projects and \$504,898 (13%), for operations. The Delinquency rate for the HOA dues is 2.9% currently compared to last year which was at 10.5%.

CCHOA used a combination of their dedicated reserve funds, the developer collected Amenity Fund, and a 10-year mortgage loan to finance the Circle C Community Center (CCCC) and pool. In 2014, total payments on the loan totaled \$775,005.49 which has paid the loan in full.

The developer continues to collect an Amenity fee for every home sold in Circle C Ranch and will continue to add to this fund, as new lots are sold to home builders. The result is that CCHOA can anticipate more than \$600,000 of income over the next 10-15 years, which goes into the capital improvements and amenities for the neighborhood.

CCHOA continues to maintain a reserve fund for emergencies. The goal of the Reserve fund is to cover 10% of our annual expenses. This is the current fund size for 2015:

- The General Reserve Fund is \$505,798.

The required annual audit was completed by Stephen M. Tilson, PC. The inspections took place during March of 2014, for the budget year that ended on December 31st, 2013. The CCHOA budgets and audits are always available for inspection, by any HOA member at the HOA office, during the usual office hours.

All of the board members participated in preparing the 2015 budget this year. As always, we look forward to answering your questions at the annual meeting, on March 4th at the Community Center, next to Clayton Elementary school.

Dan Vavasour
CCHOA Treasurer

CIRCLE C HOMEOWNERS ASSOCIATION
2014 INCOME & EXPENSE STATEMENT (Unaudited)

INCOME:

HOMEOWNER INCOME	
HOMEOWNERS DUES	\$2,664,585.27
RESALE CERTIFICATE INCOME	\$50,268.82
TRANSFER FEE INCOME	\$87,850.00
LATE FEES COLLECTED	\$25,686.83
LIEN ADMIN FEE INCOME	\$2,254.55
FILING FEE INCOME	\$3,135.62
NSF FEE INCOME	\$150.00
COLLECTION FEE INCOME	<u>\$4,326.08</u>
TOTAL HOMEOWNER INCOME	\$2,838,257.17
ARCHITECTURAL REVIEW INCOME	<u>\$84,460.00</u>
TOTAL ARCHITECTURAL REVIEW INCOME	\$84,460.00
RENTAL INCOME	
OFFICE RENT	\$8,378.00
GRILL RENT	<u>\$8,755.76</u>
TOTAL RENTAL INCOME	\$17,133.76
SWIM CENTER INCOME	
POOL PROGRAMS	\$81,401.25
POOL PROGRAMS-SWIM TEAM	\$140,378.68
GUEST FEES/FACILITY RENTALS	<u>\$46,900.12</u>
TOTAL SWIM CENTER INCOME	\$268,680.05
CIRCLE C COMMUNITY CENTER INCOME	
CCCC FACILITY RENTALS	<u>\$44,045.64</u>
TOTAL COMMUNITY CENTER INCOME	\$44,045.64
OTHER OWNER LANDSCAPE REIMBURSEMENTS	
STRATUS LANDSCAPE REIMB	\$97,000.00
COA LANDSCAPE REIMB	<u>\$17,600.00</u>
TOTAL OTHER OWNER L/S REIMB	\$114,600.00
MISCELLANEOUS INCOME	
INTEREST INCOME	<u>\$2,243.86</u>
TOTAL MISCELLANEOUS INCOME	\$2,243.86
TOTAL INCOME	\$3,369,420.48

EXPENSES:

COMMONS AREAS SERVICES

LANDSCAPE MAINTENANCE CONTRACT	\$840,516.00
2014 LAND ADDITIONS	\$(180.00)
LANDSCAPE REPAIRS	\$42,508.05
LANDSCAPE UTILITIES – WATER	\$177,994.63
LANDSCAPE UTILITIES - ELECTRIC	\$31,559.39
TREE PRUNING	\$13,327.97
FENCE REPAIRS & MAINT	\$4,674.85
ELECTRICAL REPAIRS & MAINT	\$10,932.28
NEIGHBORHOOD REPAIRS & MAINTENANCE	<u>\$13,867.01</u>
TOTAL COMMONS AREA SERVICES	\$1,135,200.18

SWIM CENTER FACILITY

ADMINISTRATIVE	\$30,413.51
SUPPLIES - POOL	\$2,302.07
SUPPLIES – CHEMICALS	\$33,545.36
SUPPLIES & FEES – PROGRAMMING	\$2,113.22
SUPPLIES & FEES – SWIM TEAM	\$36,025.97
MAINTENANCE – POOL	\$30,683.59
MAINTENANCE – BUILDING	\$24,937.36
MAINTENANCE – CONTRACT LANDSCAPING	\$23,641.80
MAINTENANCE – NON-CONTRACT LANDSCAPING	\$1,834.85
PAYROLL – STAFF	\$391,314.75
PAYROLL – PROGRAMMING STAFF	\$27,276.28
PAYROLL – SWIM TEAM	\$70,740.80
UTILITIES – WATER	\$22,603.99
UTILITIES – ELECTRIC	\$33,189.54
UTILITIES – GAS	\$19,182.42
AVANA POOL	\$3.42
UTILITIES – PHONE/INTERNET	<u>\$3,361.19</u>
TOTAL SWIM CENTER FACILITY	\$753,170.12

COMMUNITY CENTER FACILITY

UTILITIES – WATER	\$7,456.49
UTILITIES – ELECTRIC	\$24,194.82
UTILITES – PHONE/INTERNET	\$10,733.74
EVENTS SALARIES	\$842.99
FURNITURE	\$1,864.54
MAINTENANCE – BUILDING	\$23,366.43
MAINTENANCE – CONTRACT LANDSCAPING	\$23,641.80
MAINTENANCE – NON-CONTRACT LANDSCAPING	<u>\$1,320.65</u>
TOTAL COMMUNITY CENTER FACILITY	\$93,421.46

HOA OPERATIONS

OFFICE SUPPLIES	\$5,089.92
OFFICE EQUIPMENT & MAINTENANCE	\$11,602.75
MAINTENANCE SALARIES	\$77,163.52
MAINTENANCE PAYROLL TAXES	\$6,309.91

POSTAGE/DELIVERY	\$10,890.98
WEBSITE OPERATIONS	\$4,317.50
PRINTING/HOA OFFICE	\$1,187.60
HOA MEETINGS	\$556.82
DEED RESTRICTIONS	\$5,107.96
HOA SPECIAL EVENTS	\$36,315.33
MISC OPERATIONAL EXPENSES	<u>\$477.43</u>
HOA OPERATIONS TOTAL	\$159,019.72
FINANCIAL MANAGEMENT	
FINANCIAL MANAGEMENT SERVICES	\$89,610.12
RESALE CERTIFICATE EXPENSE	\$8,133.65
LIEN FILING FEES	\$2,910.00
BANK FEES	\$22,664.79
CPA/AUDIT	<u>\$7,700.00</u>
TOTAL FINANCIAL MANAGEMENT	\$131,018.56
HOA MANAGEMENT	
MANAGEMENT SALARIES	\$166,548.33
MANAGEMENT PAYROLL TAXES	\$13,308.60
MILEAGE REIMBURSEMENT	\$5,619.11
HEALTH INSURANCE STIPEND	\$27,900.00
CONTINUING ED/SKILLS ENHANCEMENT	<u>\$1,485.76</u>
MANAGEMENT STAFF TOTAL	\$214,861.80
ARCHITECTURAL REVIEW	<u>\$35,892.50</u>
TOTAL ARCHITECTURAL REVIEW	\$35,892.50
LEGAL	<u>\$45,513.96</u>
TOTAL LEGAL	\$45,513.96
TAXES	
TAXES – PROPERTY	\$22,948.94
TAXES – OTHER	<u>\$0.00</u>
TOTAL TAXES	\$22,948.94
INSURANCE	
GEN'L, PROPERTY, B&M & AUTO	\$61,691.37
INSURANCE - D & O	\$8,688.00
INSURANCE - WORKERS COMP	<u>\$13,177.71</u>
TOTAL INSURANCE	\$83,557.08
COMMUNITY ENHANCEMENT	
DONATIONS	\$780.00
ASSOCIATION MEMBERSHIPS	<u>\$174.00</u>
TOTAL COMMUNITY ENHANCEMENT	\$954.00

DEBT SERVICES (NEW COMMUNITY CENTER LOAN)	
CCCC DEBT SERVICES - PRINCIPAL	\$736,873.34
INTERST – AUSTINTELCO	<u>\$38,132.15</u>
TOTAL DEBT SERVICES	\$775,005.49
 CAPITAL BUDGET PROJECTS	
LANDSCAPE – BED UPGRADES	\$15,998.34
LANDSCAPE – IRRIGATION INFRASTRUCTURE	\$24,022.78
LANDSCAPE – ROCK WORK	\$2,679.38
LANDSCAPE – TREE PLANTING	\$7,685.00
TOTAL LANDSCAPE PROJECTS	\$50,385.50
SWIM CENTER SHADE STRUCTURES	\$3,586.70
SWIM CENTER LOUNGE CHAIRS	\$4,507.00
SWIM CENTER AWNING	\$3,337.35
SWIM CENTER POOL COVERS	<u>\$7,683.60</u>
TOTAL SWIM CENTER PROJECTS	\$19,114.65
POOL RENOVATION	<u>\$257,026.95</u>
TOTAL NEIGHBORHOOD PROJECTS	\$257,026.95
TOTAL EXPENSES	<u>\$3,777,090.91</u>
EXCESS EXPENSES OVER REVENUE	<u>\$(407,670.43)</u>
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CALENDAR OF EVENTS 2015

Circle C Homeowners Association

www.circlecranch.info

JAN 1

New Year Holiday, HOA Office Closed

JAN 15

Holiday Lights/Décor must be removed

FEB 1

First ½ year assessment mailed, Due March 1st
Ballot & Proxy to be printed on back of assessment

FEB 11

Board of Directors Candidate Forum: 6:30-7:30pm

MAR 4

Annual Meeting, Community Center: 6:30-9:30pm

APR 4

Easter Egg Hunt Swim Center Plaza 9am

APR 18

Circle C Community Wide Garage Sale: 8am-5pm

MAY 25

Memorial Day, Pools Open, HOA Office closed

JUL 1

Second ½ years assessment mailed, due August 1st

JUL 4

4th of July Community Parade, Pool Plaza, 9-11am

Pools open, HOA Office closed

SEPT 7

Labor Day, HOA Office closed

NOV 26 & 27

Thanksgiving, HOA Office closed

DEC 5

Kid's Holiday Party Saturday 10am-1pm CCCC

Entry is one new unwrapped toy per child

DEC 12

Adult Holiday Party Friday 7-10pm CCCC

DEC 24-25

Christmas Break, CCHOA Office closed

Board of Directors Meeting, last Thursday of every month,
6:00 pm at the Circle C Community Center (CCCC)

Swim Center Events, please see website, www.circlecranch.info

**All dates subject to change