Board of Directors Report to the Members March 2018

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 2017 for the Association as well as an outline of our proposed activities and goals for 2018. We believe that 2017 was a year of significant progress for the Association, and we are committed to continuing that progress in 2018. Our primary goal remains preserving and improving the Circle C Ranch subdivision.

INTRODUCTION FROM THE PRESIDENT, Natalie Placer-McClure

2017 has been a great year for Circle C HOA. At the Swim Center, the basketball goals were replaced at the playground and rock steps were added to the terraces for easier access to all levels. The Community Center splash pad was refinished and the fencing surrounding the splash pad was replaced using recycled plastic posts and rope netting. The Grey Rock pool opened this summer bringing the total number of pools in Circle C to four. Three of the pools are seasonal and the Swim Center is open year-round. Pool safety is still a high priority for the Board and staff. Increasing the number of lifeguards at the pool and implementation of new policies have helped to keep all residents safe at the pool.

The HOA continues to work on the irrigation infrastructure, upgrading bedding areas and adding river or flat rock where needed. The last sections of Circle C are being developed. Avaña, GreyRock, Avaña Estates, Hillside Estates continue to be developed and built out. There is a new gated community that will have 25 single family homes that is currently being developed next to St. Augustine. 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, personal gatherings, kids summer camps and a variety of fitness programs. Food Trailer Nights have continued to be a huge success and will continue through 2018 and hopefully many years to come.

As we approach our annual meeting in March, I ask that you take the time to fill out your absentee ballot, name a proxy or cast your vote online through the website. 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. The Board introduced Online Voting this past year with great success which helped us reach quorum prior to the meeting with a record 24.8% quorum. This Board has worked hard 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 the community. 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 2017

- ✓ Added the ability for Online voting which was done for the 2017 Annual Meeting
- ✓ Irrigation infrastructure improvements
- ✓ Bed upgrades throughout the community
- ✓ Rock work throughout Circle C
- ✓ Tree work throughout Circle C
- ✓ Replaced Basketball goals at the Swim Center Playground
- ✓ Resurfaced the splash pad at the Community Center pool
- ✓ Replaced the fence around the splash pad at the Community Center pool
- ✓ Rock steps added to the Swim Center Terraces

Growth of Circle C Ranch

Year	Lots in the Association	Lots paying full assessment	
2017	5435	5076	
2018	5550	5201	

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 2018 (Kim Ackermann and Steve Urban). Natalie Placer-McClure, Dan Vavasour and James Moseley's terms expire in 2019. Jason Bram and Russ Hodes terms expire in 2020.

As of this writing, the CCHOA BOD has four officers: President (Natalie Placer-McClure), Vice President (Dan Vavasour), Treasurer (Russ Hodes) and Secretary (James Moseley). Jason Bram, Steve Urban and Kim Ackermann also serve on the Board. You can email the Board at directors@circlecranch.info

Operations Staff

- Operations Manager: Karen Hibpshman
- 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 6:30PM on the last Tuesday 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 Annual Report, 2017

Committee Members: A.E. Martin, Former CCHOA Board Member, Retired Engineer

Trent Rush, Principal, TBG Partners, Registered Landscape

Architect

Laura Sherman, AIA Registered Architect (Jan-Nov 2017)

Randall Owen – appointed Nov 14, 2017

New Home Reviews: 145 New Homes were reviewed and approved

Remodels/Residential Reviews: 238 Residential Projects were reviewed

Common Areas: A final review of the GreyRock Amenity Center building, pool and

landscaping was conducted after repairs were completed and was accepted. Common areas located behind the Grey Rock pool and the

Barstow parkland were reviewed and accepted.

Residential Development Update:

CalAtlantic Builders continues to offer new homes for sale in Avaña, GreyRock, Avaña Estates, Barstow Trails, and Hillside Estates. Avaña and GreyRock are being developed in phases, and Avaña Estates, Barstow Trails, and Hillside Estates have all developed lots and are in the sales phase.

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 2018 Annual Meeting will be held on <u>Wednesday</u>, <u>March 7th at 6:30pm at the Circle C Community Center</u>. Please be on the lookout 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 2017 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 methods for neighborhood communication. Our web page is at http://www.circlecranch.info (please register if you haven't already) which we utilize a Community Email

database for Circle C HOA announcements. We publish a newsletter monthly, sent to your home by first class mail and maintain ten marquees around the neighborhood for announcements.

2017 Annual Aquatics Report

Circle C Aquatics operates one full time facility, the Circle C Aquatics Swim Center (SC). Additionally, we operate three seasonal facilities, the Community Center Aquatics Facility (CC), the Avaña Aquatics Facility (AV) and, our newest addition, the Greyrock Aquatics Facility (GR).

We offer programming, lessons, lap swimming, and a competitive swim team, year-round, at the SC location and maintain our aquatics staff throughout the entire year.

Our Aquatics staff successfully completed the American Red Cross Aquatic Examiner Service during the summer of 2017. Our Lifeguard Program has been recognized by the American Red Cross as one of the top three programs in Texas and recognized for our commitment to safety, training, and drowning prevention.

Aquatics Staff

Lead Staff

Aquatics Director: **Brody McKinley**, CPO, LGIT, WSIT Program Coordinator: **Amanda Hartman**, CPO, LGI, WSI

Admin Coordinator: Mariana Lira, LGI, WSI

Select Head Coach: **Jennie Lou Leeder**, USA Swimming

Operational Staff

Lifeguards – 114 Front Desk – 12 Instructors – 16 Coaches – 7

Total Aquatics Staff – 148

Facility Usage

Resident Entries

SC - 45,379 CC - 15,490 AV - 8,477 GR - 4,063 **Total** - **73,409**

Total Facility Entries – 82,267

Guest Entries

SC - 4,916 CC - 2,738 AV - 949 GR - 255 **Total** - **8,858**

Area Reservations

SC - 31 CC - 50 AV - 18 GR - 1 Total - 100

Facility Rentals

SC - 5 CC - 5 AV - 1 GR - 1 Total - 12

Select Swim Team

Our Select Swim Team is a year-round, USA Swimming Certified program. Members of our Select Team attended 35 competitive events during 2017, including Sectionals, STAGS, Jr. STAGS, TAGS, and Jr. Nationals.

Select Head Coach - Jennie Lou Leeder

Select Team Enrollment

Jan 75 Feb 82 Mar 84 79 Apr May 73 57 Jun 48 Jul 34 Aug 90 Sep Oct 94 Nov 90 Dec 64

Aquatics Programming

Group Swim Lessons

Instructors – CC Aquatics WSI Staff

Registrations: 363

Circle C Aquatics is an authorized provider of the American Red Cross Swim Lesson Program. Our 2017 program was recognized by the Red Cross and received the Gold Level Award.

Private Swim Lessons

Instructors – CC Aquatics WSI Staff

Registrations: 1,085

Water Aerobics

Instructor – Marilyn Vaillant

Registrations: 81

Masters

Instructor – Erin Gerbrecht

Registrations: 115

Our Masters Swimming program is a USA Swimming Certified program.

Lifeguard Certification Courses

Instructors – Brody McKinley, Amanda Hartman, Mariana Lira

Registrations: 131

We are an authorized provider of the American Red Cross Lifeguard Certification Course. Our lifeguards, head guards, Supervisors, and Lead Staff are all certified in the American Red Cross Program.

Water Safety Instructor Courses

Instructors – Brody McKinley, Amanda Hartman

Registrations: 6

We are an authorized provider of the American Red Cross Water Safety Instructor Course. Our instructors are all WSI Certified.

Scout Swim Testing

Instructors – CC Aquatics Head Guard Staff

Registrations: 21

Special Events

- Polar Plunge (January 28)
- Dive-In Movie Nights (June 17, July 22, August 12)
- Community Water Safety Day (May 21)

- World's Largest Swimming Lesson (June 22)
- Guard-A-Thon (December 3)

Contracted Rentals

- Bowie High School Swim Team
- Crockett 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
- Veritas Swim Team

Incidents

Water Rescues	-	18
Injuries Treated	-	41
Sudden Illnesses Treated	-	1
Patron Behavior Incidents	-	3

Total Incidents - 63

Landscape Services, 2017

Circle C Landscape continued to provide landscape maintenance and irrigation services for 2017. New capital projects were also implemented to bring outdated landscape areas up to current standards. A complete copy of a detailed Annual Report presented to the CCHOA Board of Directors can be found at www.circlecranch.info.

Landscape Maintenance Services which include all mowing, weeding, pruning, trimming, trash pick-up, irrigation monitoring and repair were performed according to the specifications of the landscape contract. The services occur year-round and Circle C Landscape provides a highly trained and experienced crew six days per week on the property.

The Green Community Model for all Circle C landscaping continues to be the standard of operations for the community. This includes focused efforts on water conservation, drought tolerant vegetation, limited turf areas, tree diversification, use of rock work in applicable areas, conversion of standard irrigation to drip irrigation where possible, and limited use of herbicides and pesticides.

Water Management is a large component of the services provided by Circle C Landscape. We ensure that all water systems are in compliance with City of Austin regulations, that all water systems are operating at maximum efficiency, monitor water usage, and eliminate water waste. Circle C Landscape also coordinates and supervises any required water audits by the City of Austin.

Tree Care for the 2700 shade trees on the property is supervised by Circle C Landscape.

Capital Improvements included the following for 2017:

The Barstow Park was treated for Johnson grass prior to having a low growing wildflower/grass seed planted and a border of river rock installed along the sidewalk. The open space/trail behind the GreyRock pool had wildflower/grass planted on each side of the granite trail.

Diversified trees (Big Tooth Maples) were planted along Escarpment. Appropriate irrigation was also installed.

Financial Report (for the period ending December 31, 2017)

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 2017 under budget.

Income was \$3,801,219 (vs. \$3,634,353 last year).
Expenses were \$3,690,200 (vs. \$3,337,738 last year)
Retained Earnings \$4,836,245 (vs. \$4,697,301 last year)

The income break-down is \$3,138,186 from HOA dues (82%) and \$663,033 from other sources (18%). Under expenses, the larger categories were \$1,541,523 (41%) for common area services, \$1,157,329.24 (32%) for the Aquatics Facilities, \$126,112 (3%) for capital improvement projects and \$865,234 (24%), for operations. The Delinquency rate for HOA dues remains the same as last year at 2.8%.

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 2017:

The General	Reserve	Fund	ic	\$507	926
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The required annual audit was completed by Stephen M. Tilson, PC. The inspections took place during November of 2017, for the budget year that ended on December 31st, 2016. The CCHOA budgets and audits are always available for inspection, by any HOA member at the HOA office, during the usual office hours or can be found on the CCHOA website at www.circlecranch.info.

All of the Board members participated in preparing the 2018 budget this year. As always, we look forward to answering your questions at the annual meeting, on March 7th at the Community

Russ Hodes CCHOA Treasurer

CIRCLE C HOMEOWNERS ASSOCIATION 2017 INCOME & EXPENSE STATEMENT (Unaudited)

INCOME:

HOMEOWNER INCOME	
HOMEOWNERS DUES	\$3,138,186.73
RESALE CERTIFICATE INCOME	\$60,725.00
TRANSFER FEE INCOME	\$84,000.00
LATE FEES COLLECTED	\$21,804.47
LIEN ADMIN FEE INCOME	\$336.00
FILING FEE INCOME	\$1,357.80
NSF FEE INCOME	\$250.00
COLLECTION FEE INCOME	\$749.16
TOTAL HOMEOWNER INCOME	\$3,307,409.16
ARCHITECTURAL REVIEW INCOME	<u>\$81,775.00</u>
TOTAL ARCHITECTURAL REVIEW INCOME	\$81,775.00
RENTAL INCOME	
OFFICE RENT	\$8,378.00
GRILL RENT	\$4,500.00
TOTAL RENTAL INCOME	\$12,878.00
SWIM CENTER INCOME	. , ,
POOL PROGRAMS	\$94,609.25
POOL PROGRAMS-SWIM TEAM	\$140,020.75
GUEST FEES/FACILITY RENTALS	\$49,131.66
GREYROCK DEVELOPER FUNDING	\$30,000.00
ROWELL HOA	<u>\$6910.74</u>
TOTAL SWIM CENTER INCOME	\$320,672.40
CIRCLE C COMMUNITY CENTER INCOME	
CCCC FACILITY RENTALS	<u>\$56,494.25</u>
TOTAL COMMUNITY CENTER INCOME	\$56,494,.25
OTHER OWNER LANDSCAPE REIMBURSEMENTS	
STRATUS LANDSCAPE REIMB	\$ 0
COA LANDSCAPE REIMB	<u>\$17,600.00</u>
TOTAL OTHER OWNER L/S REIMB	\$17,600.00
MISCELLANEOUS INCOME	
INTEREST INCOME	\$4,389.67
SALES TAX TIMELY FILE DISCOUNT	\$1.27
TOTAL MISCELLANEOUS INCOME	\$4,3 90.40
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TOTAL INCOME \$3,801,219.75

EXPENSES:

COMMONS AREAS SERVICES					
LANDSCAPE MAINTENANCE CONTRACT	\$1,084,000.16				
SC CONTRACT LANDSCAPE	\$27,499.80				
CCCCC CONTRACT LANDSCAPE	\$27,499.80				
AV CONTRACT LANDSCAPE	\$19,499.88				
GR CONTRACT LANDSCAPE	\$11,374.93				
2017 LAND ADDITIONS	\$2,903.56				
LANDSCAPE REPAIRS	\$55,781.03				
LANDSCAPE UTILITIES – WATER	\$221,692.35				
LANDSCAPE UTILITIES - ELECTRIC	\$32,494.34				
TREE CARE	\$14,871.88				
FENCE REPAIRS & MAINT	\$4,922.33				
ELECTRICAL REPAIRS & MAINT	\$12,723.59				
NEIGHBORHOOD REPAIRS & MAINTENANCE	\$17,214.75				
SC NON-CONTRACT MAINTENANCE	\$,3470.,50				
CCCC NON-CONTRACT MAINTENANCE	\$2,324.15				
AV NON-CONTRACT MAINTENANCE	\$1,675.48				
GR NON-CONTRACT MAINTENANCE	\$1,575.04				
TOTAL COMMONS AREA SERVICES	\$1,541,523.57				
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SWIM CENTER FACILITY					
ADMINISTRATIVE	\$35,508.19				
SUPPLIES - POOL	\$6,157.11				
SUPPLIES – CHEMICALS SUPPLIES & FEES – PROGRAMMING	\$60,174.19				
SUPPLIES & FEES – PROGRAMMING SUPPLIES & FEES – SWIM TEAM	\$9,133.65				
MAINTENANCE – POOL	\$17,009.22 \$60,205.80				
MAINTENANCE – FOOL MAINTENANCE – BUILDING	\$39,063.70				
PAYROLL – STAFF	\$704,380.92				
PAYROLL – PROGRAMMING STAFF	\$33,165.41				
PAYROLL – SWIM TEAM	\$91,337.80				
SC-UTILITIES – WATER	\$25,073.38				
AV – UTILITIES – WATER	\$3,978.87				
GR-UTILITIES-WATER	\$861.14				
SC-UTILITIES – ELECTRIC	\$25,270.71				
AV – UTILITIES – ELECTRIC	\$10,187.30				
GR- UTILITIES-ELECTRIC	\$2,202.62				
SC-UTILITIES – GAS	\$22,187.23				
SC-UTILITIES – PHONE/INTERNET	\$6,745.83				
AV – PHONE/INTERNET/CAM	\$2,709.80				
GR – PHONE/INTERNET/CAM	<u>\$1,976.34</u>				
TOTAL SWIM CENTER FACILITY	\$1,157,329.24				

COMMUNITY CENTER FACILITY	
UTILITIES – WATER	\$35,095.67
UTILITIES – ELECTRIC	\$19,553.11
UTILITES – PHONE/INTERNET	\$8,212.45
EVENTS SALARIES	\$6,457.45
FURNITURE	\$1,956.23
MAINTENANCE – BUILDING	\$31,582.64
TOTAL COMMUNITY CENTER FACILITY	\$102,857.55
HOA OPERATIONS	
OFFICE SUPPLIES	\$6,057.27
OFFICE EQUIPMENT & MAINTENANCE	\$11,360.27
MAINTENANCE SALARIES	\$141,297.64
MAINTENANCE PAYROLL TAXES	\$11,747.25
POSTAGE/DELIVERY	\$11,665.20
WEBSITE OPERATIONS	\$627,57
PRINTING/HOA OFFICE	\$1,470.90
HOA MEETINGS	\$2,827.52
DEED RESTRICTIONS	\$3,571.72
HOA SPECIAL EVENTS	\$36,316.94
MISC OPERATIONAL EXPENSES	<u>\$40.00</u>
HOA OPERATIONS TOTAL	\$227,431.80
FINANCIAL MANAGEMENT	
FINANCIAL MANAGEMENT SERVICES	\$103,028.03
RESALE CERTIFICATE EXPENSE	\$9,785.00
LIEN FILING FEES	\$1,644.00
BANK FEES	\$34,908.50
CPA/AUDIT	\$7,200.00
TOTAL FINANCIAL MANAGEMENT	\$156,565.53
HOA MANAGEMENT	
MANAGEMENT SALARIES	\$180,098.54
MANAGEMENT SALARIES MANAGEMENT PAYROLL TAXES	\$150,096.54 \$15,477.53
MILEAGE REIMBURSEMENT	\$8,582.19
HEALTH INSURANCE STIPEND	\$32,621.28
CONTINUING ED/SKILLS ENHANCEMENT	\$578.00
MANAGEMENT STAFF TOTAL	\$237,357.54
ARCHITECTURAL REVIEW	\$31,98 <u>5.25</u>
TOTAL ARCHITECTURAL REVIEW	\$31,985.25
IOTAL ARCHITECTURAL REVIEW	₹31,905.25
LEGAL	<u>\$20,337.72</u>
TOTAL LEGAL	\$20,337.72
TAXES	
TAXES – PROPERTY	\$4,279.54
TOTAL TAXES	\$4,279.54
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INSURANCE

EXCESS REVENUE OVER EXPENSES	\$111,019.42
TOTAL EXPENSES	<u>\$3,690,200.33</u>
TOTAL CAPITAL BUDGET PROJECTS	\$126,112.90
BILLBOARD PROJECT	\$8,490.70
SWIM CENTER – REPLACE STARTING BLOCKS	\$21,791.81
SWIM CENTER -REPLACE BASKETBALL GOALS	\$6,663.80
CCCC- REPLACE SPLASH PAD FENCE	\$14,938.43
CCCC- REFINISH SPLASH PAD	\$10,635.35
SWIM CENTER LOUNGE CHAIRS	\$5,896.00
LANDSCAPE – TREE PLANTING	\$4,900.00
LANDSCAPE – ROCK WORK	\$9,996.81
LANDSCAPE – IRRIGATION INFRASTRUCTURE	\$25,000.00
CAPITAL BUDGET PROJECTS LANDSCAPE – BED UPGRADES	\$17,800.00
TOTAL COMMUNITY ENHANCEMENT	\$2,287.17
ASSOCIATION MEMBERSHIPS	\$1,972.17
DONATIONS	\$315.00
COMMUNITY ENHANCEMENT	
TOTAL INSURANCE	\$82,132.52
INSURANCE - WORKERS COMP	<u>\$8,985.86</u>
INSURANCE - D & O	\$10,698.00
GEN'L, PROPERTY, B&M & AUTO	\$62,448.66
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Circle C Homeowners Association www.circlecranch.info

JAN 1-2

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 printed on back of assessment FEB 6

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

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

MAR 30 Good Friday, HOA Office Closed

MAR 31

Easter Egg Hunt Swim Center Plaza 9am (Cancelled due CDC projects) **APR 14**

> Circle C Community Wide Garage Sale (Recycle/Shred Day at CCCC)

> > **MAY 28**

Memorial Day, Pools Open, HOA Office closed JUL 1

Second 1/2 years assessment mailed, due August 1st JUL 4

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

JUL 4

Pools open, HOA Office closed

SEPT 3

Labor Day, HOA Office closed

OCT 20

Circle C Community Wide Garage Sale (Recycle/Shred Day at CCCC)

NOV 21 - 23

Thanksgiving, HOA Office closed

DEC 1

Kid's Holiday Party Saturday 10am-1pm CCCC Entry is one new unwrapped toy per child

DEC 7

Adult Holiday Party Friday 7-10pm CCCC DEC 24-26

Christmas Break, CCHOA Office closed

Board of Directors Meeting, last Tuesday of every month, 6:30 pm at the Circle C Community Center (CCCC)

Swim Center Events, please see website, www.circlecranch.info **All dates subject to change