

CCHOA Board Meeting Agenda
30 June 2021, 6:30pm
Circle C Community Center via zoom

- I. Roll Call
- II. Acceptance of Agenda
- III. Acceptance of May 26, 2021 board meeting minutes *Trinh Bartlett*
- IV. Homeowner Forum (*3 min each*)
 - a. Jim Casey
 - b. John McLeod - Add
 - c. Kimberly De La Garza - Add
- V. Management Reports
 - a. General Report, *Karen Hibpshman*
 - 1. May YTD Financials
 - b. Landscape Report, *Clayton Hoover*
 - c. Aquatics Report, *Brody McKinley*
 - d. Maintenance Report, *Robert Bardeleben*
- VI. Discussion Items
 - a. Escarpment Loop Project
 - b. Landscaping – Replanting from storm loss
 - c. Legislation 2021
 - d. Cove @ Circle C Agreement - Add
- VII. Action Items
 - a. AISD Landscape Proposal - Karen
 - b. 2020 Audit Engagement Letter
 - c. Financial Lease - Karen
 - d. Tree removal - Karen
- VIII. Adjourn Public Meeting
- IX. Executive Session

Attachments

- 1. May 2021 Board Meeting Minutes
- 2. General Report (including YTD Financials)
- 3. Landscape Report
- 4. Aquatics Report
- 5. Maintenance Report

Circle C Homeowners Association
Board Meeting Minutes
May 26, 2021

1. The CCHOA Board of Directors convened on May 26, 2021, via video conferencing (Zoom). Russ Hodes called the meeting to order at 6:38 p.m. In attendance were board members Russ Hodes, Michael Chu, Theresa Bastian. Trinh Bartlett joined at 6:47p.m. Jason Bram and Natalie Placer-McClure were not present. CCHOA Manager Karen Hibpshman (HOA Manager), Marnie McLeod (Assistant Manager), Brody McKinley (Aquatics Director), Clayton Hoover (Circle C Landscape) was present. Robert Bardeleben (Facilities Coordinator) was not present.
2. Russ presented the May 26, 2021 agenda. Russ asked if there are changes to the agenda. Michael motioned to approve the agenda as written. Theresa seconded the motion. All were in favor and the motion passed.
3. Russ presented the April 28, 2021 Board of Directors Meeting Minutes. Michael motioned to approve the minutes as written. Theresa seconded the motion. All were in favor and the motion passed.
4. Russ introduced the Homeowner Forum. No Homeowners signed up to speak. Russ: I want everyone to know that we ask the people to sign up for the homeowner forum before the meeting and email their questions beforehand. We won't be answering the chat questions at the meeting and in the past, there have been some anonymous questions. We ask that owners submit their questions to the HOA office by close of business the Monday before the meeting and we will answer those at the end of the meeting.
5. Karen provided the management report and the YTD Financials. Violations for yards, trash cans, architectural and repair of exterior damages are what we are seeing right now. 30 new Homeowner packets were sent. We have expanded the capacity for facility rentals to 50%. Update on the storm damage insurance claim. We did receive the additional payment for the damage that was found at Avana for \$2,563.68 for a total of \$16,119.73.

There is going to be a repaving project in Avana by a sub-contractor for the city who has requested a zoom meeting for any resident who may have questions. I have set up the meeting for June 3rd at 6pm and sent out the information to a couple of owners in Avana to share on the Avana Facebook groups to reach as many of the Avana residents and Rowell HOA residents. This project will start June 9th

Michael had a question concerning the office and grill rent. Theresa: Why would there be an entry in January. Karen: That is part landscaping and part office rent. Michael: The grill income for March is actually February and March. Karen: The mail has been unreliable. Trinh mailed a check and it took 6 weeks to get to us. Michael agreed. Karen: This is why during COVID, we have accepted payments in the drop box. Trinh:

I gave you a heads up about my check not being cashed yet. What about other residents. Do they incur late fees? Karen: Payments are not late until 6-8 weeks. They have all of February, March and part of April and the payments are processed as soon as they are received. Trinh: My concern is that other residents might get hit with late fees when it's not their fault. Karen: If that happens, we will always work with the homeowner.

6. Clayton presented the landscaping report. We are in heavy mowing rotation as long as the ground isn't too soft from the rain. The only thing outstanding on the storm response list is the Rosemary removal, we are approximately 1/3 through the removal. It is leaving some large empty spaces in the bedding areas that will need to be addressed. We're getting ready for the summer; the clocks are still off.
7. Brody presented the aquatics report. We have changed the format of the report a bit and I'm going to try to tweak it a bit to provide more data going forward. In April we had 1600 entries at the Swim Center for lap swimming and family swim lanes. We did have two incidents for First Aid Response and one Sudden Illness treatment outside of the pool facility which required 911 to be called. We are currently in our Spring Hours and starting June 7th will be switching to our Summer Hours. On May 13th, the CDC updated their guidance on individuals who are vaccinated. That lead to some changes to the operations. The reservations were discontinued at Avana and GreyRock will open this weekend
8. Karen presented the maintenance report. Routine maintenance has been completed. We did have a broken window at the Community Center and that has been repaired. Replace a leaking coil in the HOA office. Spotlight and Bollard repairs along Escarpment are about 95% complete. Two new trash cans were installed in GreyRock, one in the park and a second just down from the park on Archeleta Blvd. The GreyRock pool is ready to open this weekend.

Michael: For the Community Center pool, is the completion date, do we need to wait for things to cure? Karen: Yes, it does have to cure. Michael: Is the complete date include the cure time. Karen: Yes, hopefully by June 15th, all the repairs will be completed. Theresa: Do we have enough lifeguards to open the Community Center pool? Brody: No but we do have a lot in the upcoming classes so hopefully we will get there soon. Theresa: Do we have enough guards to open the wade pool to open on the 15th when those repairs are done? Brody: No, with the Texas Department of Insurance's requirements, it actually has us adding 4 additional guards to the shift just for the slide. Russ: Brody, was there any more discussion about removing the slide at the wade pool as a way to reduce staff requirements? Brody: That would definitely help and if we removed the slide, we could guard that pool with one guard. With the Texas Department of Insurances requirements, it takes 4 guards to guard the pool which is more than it takes at Avana. Russ: Maybe we should look at removing the slide. Michael: Would that be a permanent change or would it be able to be put back easily? Brody: No, it would be a permanent change. Theresa: We should wait to see what the next guard classes before making any decisions. Brody: This would be a decision that could be made over long-

term planning. These requirements went into place last year but we were closed so we aren't sure what this is going to look like having that many guards on this small pool. Once we are open and see how everything is working, then some long-term decisions can be made.

9. The first action item was the PPP Loan. Karen: The board asked to look into getting a PPP Loan and we did receive \$399,000 PPP Loan. They used the payroll information from 2019 to calculate the amount of the PPP Loan. For the PPP Loan, we do need to use a percentage of the loan for payroll expenses. Russ had asked for this to be put on the agenda for approval. Theresa motioned to accept the PPP Loan for \$399,000. Michael seconded the motion. All were in favor and the motion passed.
10. The second action item was the AISD Landscaping proposal. Karen asked that this be tabled. They have not provided any irrigation plans to connect to our existing irrigation. This is important. They did say that you would like to meet next week, so I am asking for the board to table this item. Michael motion to table the AISD Landscaping Proposal. Theresa seconded the motion. All were in favor and the motion passed.
11. The third action item was Cove @ Circle C. Legal Collections Attorney. Karen: I sent an update to the board today with a proposed different language for the #4 (Amenity Fee). There is no change to the document except for the change in the amount from \$706 to \$703. Patty's suggested certain language but it was nonspecific. It's open-ended and I'm worried someone might not be able to know what the past history was. Russ: That doesn't look different from last month. Karen: There was one change. Michael: The 95% of the CCHOA members will not exceed the annual assessment. It gives us the most flexibility, it's not a number set in stone.

Theresa: Is this agreement modeled after the Rowell agreement. How was that one done? Karen: The original agreement that was in place with the Rowell residents only gave them access to the Avena pool. After working with the developer, the agreement was updated and we charge 95% of the fees and they have access to all of the amenities. Trinh: On number 4, the amenity fee. "In the first year, starting with May 1st, they will pay \$706 per year per unit." Is that right or is it \$1,000? Michael: There is a one-time per house or per sale fee: Karen: It's a one-time fee on new home construction. Michael: So, a one-time per builder charge: Karen: Yes, each section has their own legal document. Not every section has the same documents. Trinh: Can we go back and ask? Karen: Yes, they have been very reasonable and they have been collecting from their residents. Trinh: Have you received any payments? Karen: No, it's not finalized.

Michael: The payments would be from their HOA to our HOA, not the residents. Jason has concerns about this. Is he ok with them paying dues and the \$1,000 for amenities? Or does he not want them to have access: Theresa: His last email said that he didn't want them to have access for a cheaper rate than we pay. Michael: I'd like to get his opinion on this. Theresa: No one before spoke up with having a problem. Are we going to continue putting this off? Trinh: Jason was adamant in his email and Natalie isn't here, I would hope that the board could wait until we can all be here to make decisions.

Michael: Natalie was in agreement. I am ready to vote. Russ: Theresa, do you want to make that motion. Trinh motioned to table this until the next board meeting. Michael seconded the motion. Russ, Michael and Trinh voted yes. Theresa voted no. The motion passed 3-1.

12. The fourth action item was Board Appointment. Trinh: I put forth a motion on email which would appoint one person to the board now and at the next open vacancy that we have, we select a second person to fill that vacancy. Since the voting was so close and almost split, is it not possible to do my motion? Michael: There isn't anything legally wrong with your motion. It does make it where whoever we appoint will not be able to make a future vote. Trinh motioned to appoint Stephen Bega to fill the open Board of Directors position and that the next vacant position to be Daniel Becka. Theresa seconded the motion but what if the next vacancy isn't for 8 months and Daniel Becka isn't in Circle C anymore? Trinh: This is something that we will consider when it happens and go back and reassess. Russ, Michael, and Theresa voted no. Trinh voted yes. The motion failed 3-1.

Michael motion to appoint Stephen Bega to the open position. Theresa seconded the motion. All were in favor and the motion passed. Congratulations to Stephen Bega.

13. Theresa motioned to adjourn the Public Meeting at 7:56 pm. Michael seconded the motion. All were in favor and the motion passed.
14. The Board went into executive sessions at 8:01 pm to discuss the legal and the Escarpment Loop. No votes or actions were taken. The Board adjourned the executive session at 8:38 pm.

**Circle C Homeowners Association
Manager's Report
May 24, 2021 – June 25, 2021**

Violation Report (May 24th, 2021 – June 25th, 2021)

135 Violations

- 49 (36.30%) Rubbish and Debris
- 43 (31.85%) Front Yard Maintenance
- 6 (4.44%) Architectural
- 7 (5.19%) Vehicle Storage
- 12 (8.89%) Repair of Exterior Damages
- 9 (6.67%) Exterior Lighting
- 2 (1.48%) Fencing
- 5 (3.70%) Use Limitations
- 1 (.74%) Offensive Activities
- 1 (.74%) Driveway

135 Violations by Stage

- 1 (.74) stage 0
- 125 (92.59%) stage 1/cooperative letters
- 7 (5.18%) stage 2 letters
- 2 (1.48%) stage 3 letters

262 Violation Updates/Creates

- 68 (50.37%) Closed
- 51 (37.78%) New
- 12 (8.89%) Escalated
- 4 (2.96%) Re-Opened
- 2 (1%) Attorney

Administration

63 New Homeowner Packets mailed May 15th – June 18th

Financial

AP checks were signed May 20th with Terri Giles

Upcoming Special Events

July 3rd – 4th of July Parade

July 5th – HOA office closed for 4th of July

- July 9th – Food Trailer Night
- July 12th – Large Brush Pick-up
- July 28th – July Board Meeting
- Aug 2nd – Bulk Item Collection (South of Slaughter Lane)
- Aug 30th – Bulk Item Collection (North of Slaughter Lane)

Project/Updates

- Reservations have started at the Community Center. We have expanded to a 50% capacity and will continue to evaluate for expanding the capacity
- Employees are back in the office. The doors have not been unlocked at this point but meeting with residents by appointment. We will still be requiring facemasks when entering the building.
- Working with AISD on their bid. AISD provided a narrative on the scope which was received just prior to the April board meeting. Additional questions were “how was the contractor going to connect to our existing system”? I haven’t been able to get a good response on this. AISD proposed working collaboratively with Circle C to ensure the repairs are done correctly and activating the system while they are onsite to ensure no additional damage that is associated with the school construction. Have requested the irrigation plans that the contractor will use and also asked who will cover the cost of the collaborative work between AISD and CCHOA.
- **Capital Projects**

2021 Capital Budget Projects include:

Swim Center – Pool Covers	Completed
Swim Center – Wade Pool Repairs	Started – Estimated Completion 7/1
Avana – Refinish splash pad feature	Completed
Swim Center/Café – repair/seal exterior walls	Completed
Community Center – replace 5 funbrellas	Completed
Avana – shade structure	Completed
Swim Center – Seal coating/Restripping	Completed
Community Center Partial Replaster	Completed
Escarpment Loop Project	Not Started
Circle C North Improvements	Water meter has been installed. Working with an engineer on next phase

Construction Repairs	Repairs due to construction have been done at Bernia, Trissino, Slaughter, La Crosse, Escarpment and Archeleta.
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Current or Future Projects

- Irrigation Infrastructure
- Signage
- Monuments
- Landscape Prep
- Expansion of CCCC pool
- Phase II
- Additional Playgrounds/shade covers

2021 CCHOA INCOME BUDGET

Category	Subcategory	2021 Budget	Jan-20	Feb-21	Mar-21	Apr-21	May-21	Totals	%
Homeowner Income	Homeowner Dues	\$4,000,000	\$44,204.58	\$965,187.64	\$732,392.52	\$133,337.92	\$178,506.45	\$2,053,629.11	51%
Homeowner Income	Resale Certificates	\$78,075	\$5,175.00	\$5,850.00	\$8,100.00	\$9,900.00	\$9,000.00	\$38,025.00	49%
Homeowner Income	Transfer Fees I0come	\$61,250	\$4,200.00	\$1,925.00	\$5,600.00	\$6,125.00	\$6,475.00	\$24,325.00	40%
Homeowner Income	Late Fees Collected	\$20,000	\$2,040.63	\$3,026.81	\$3,383.31	\$2,285.46	\$4,854.79	\$15,591.00	78%
Homeowner Income	Lien Admin Fees Income	\$420	\$189.06	\$126.00	\$168.00	\$28.00	\$42.00	\$553.06	132%
Homeowner Income	Filing Fee Income	\$1,680	\$714.00	\$504.00	\$712.54	\$163.67	\$145.79	\$2,240.00	133%
Homeowner Income	NSF Charges	\$100	\$0.00	\$0.00	\$50.00	\$0.00	\$0.00	\$50.00	50%
Homeowner Income	Collection Fee Income	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Homeowner Income Total		\$4,161,525	\$56,523.27	\$976,619.45	\$750,406.37	\$151,840.05	\$199,024.03	\$2,134,413.17	51%
Architectural Review Income	Architectural Review I0come	\$10,000	\$4,255.00	\$1,255.00	\$2,380.00	\$2,270.00	\$1,400.00	\$11,560.00	116%
Architectural Review I0come Total		\$10,000	\$4,255.00	\$1,255.00	\$2,380.00	\$2,270.00	\$1,400.00	\$11,560.00	116%
Rental Income	Office Rent	\$14,400	\$2,193.28	\$0.00	\$2,646.00	\$0.00	\$1,750.35	\$6,589.63	46%
Rental Income	Grill Rent	\$6,300	\$262.50	\$0.00	\$1,313.25	\$0.00	\$525.30	\$2,101.05	33%
Rental Income Total		\$20,700	\$2,455.78	\$0.00	\$3,959.25	\$0.00	\$2,275.65	\$8,690.68	42%
Aquatics Income	Pool Programs	\$85,000	\$3,383.00	\$0.00	\$1,170.00	\$2,250.00	\$2,680.00	\$9,483.00	11%
Aquatics Income	Pool Programs - Swim Team	\$107,500	\$9,840.00	\$0.00	\$4,865.00	\$6,415.00	\$7,140.00	\$28,260.00	26%
Aquatics Income	Facility Income	\$37,500	\$3,605.32	\$0.00	\$0.00	\$254.00	\$3,423.76	\$7,283.08	19%
Aquatics Income Total		\$230,000	\$16,828.32	\$0.00	\$6,035.00	\$8,919.00	\$13,243.76	\$45,026.08	20%
CCCC Income	CCCC Facility Rentals	\$40,000	\$5,510.75	\$320.00	\$285.00	\$250.00	\$900.00	\$7,265.75	18%
CCCC Income Total		\$40,000	\$5,510.75	\$320.00	\$285.00	\$250.00	\$900.00	\$7,265.75	18%
Landscape Reimbursements	Stratus Reimb	\$97,000	\$0.00	\$0.00	\$0.00	\$0.00	\$48,500.00	\$48,500.00	50%
Landscape Reimbursements	COA Reimb	\$17,600	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%
Landscape Reimbursements Total		\$114,600	\$0.00	\$0.00	\$0.00	\$0.00	\$48,500.00	\$48,500.00	42%
Miscellaneous	Interest Income	\$15,000	\$1,049.41	\$143.92	\$297.43	\$387.85	\$436.15	\$2,314.76	15%
Miscellaneous	Sales Tax Discount	\$0	\$1.13	\$0.00	\$0.00	\$0.00	\$0.00	\$1.13	
Miscellaneous Total		\$15,000	\$1,050.54	\$143.92	\$297.43	\$387.85	\$436.15	\$2,315.89	15%
Rowell Reimbursement	The Rowell HOA	\$60,000	\$26,184.40	\$0.00	\$0.00	\$0.00	\$4,700.13	\$30,884.53	51%
The Rowell Total		\$60,000	\$26,184.40	\$0.00	\$0.00	\$0.00	\$4,700.13	\$73,584.53	123%
Grand Total		\$4,651,825.00	\$112,808.06	\$978,338.37	\$763,363.05	\$163,666.90	\$313,179.72	\$2,331,356.10	50%

2021 CCHOA EXPENSE BUDGET

Category	Subcategory	2021 Budget	Jan-20	Feb-21	Mar-21	Apr-21	May-21	Totals	%
Commons Area Services	Landscape Maint Contract	\$1,299,959	\$102,867.33	\$108,300.24	\$108,300.24	\$108,300.24	\$108,300.24	\$536,068.29	41%
Commons Area Services	Contract Landscape SC	\$33,426	\$2,652.88	\$2,785.53	\$2,785.53	\$2,785.53	\$2,785.53	\$13,795.00	41%
Commons Area Services	Contract Landscape CCCC	\$33,426	\$2,652.88	\$2,785.53	\$2,785.53	\$2,785.53	\$2,785.53	\$13,795.00	41%
Commons Area Services	Contract Landscape AV	\$23,703	\$1,881.23	\$1,975.29	\$1,975.29	\$1,975.29	\$1,975.29	\$9,782.39	41%
Common Area Services	Contract Landscape GR	\$23,703	\$1,881.23	\$1,975.29	\$1,975.29	\$1,975.29	\$1,975.29	\$9,782.39	41%
Common Area Services	Common Area Holiday Lighting	\$48,288	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%
Commons Area Services	2016 Land Additions	\$5,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%
Commons Area Services	Landscape Repairs	\$80,000	\$0.00	\$10,698.00	\$10,592.34	\$11,398.00	\$14,085.74	\$46,774.08	58%
Commons Area Services	Landscape Water Utilities	\$255,000	\$5,771.47	\$6,099.24	\$4,336.95	\$3,383.14	\$7,243.18	\$26,833.98	11%
Commons Area Services	COA Water Utility Compliance	\$8,000	\$0.00	\$3,570.00	\$0.00	\$0.00	\$0.00	\$3,570.00	45%
Common Area Services	Landscape Electric Utilities	\$36,000	\$2,861.21	\$2,724.28	\$2,581.38	\$2,562.28	\$2,645.96	\$13,375.11	37%
Common Area Services	Tree Care	\$50,000	\$2,250.00	\$0.00	\$17,500.00	\$8,375.00	\$1,500.00	\$29,625.00	59%
Commons Area Services	Fence Repairs & Maint	\$7,000	\$0.00	\$0.00	\$108.87	\$0.00	\$0.00	\$108.87	2%
Commons Area Services	Electrical Repairs & Maint	\$12,000	\$0.00	\$771.60	\$1,164.92	\$249.88	\$1,358.54	\$3,544.94	30%

Common Area Services	Neighborhood Maint & Repair	\$20,000	\$1,017.55	\$238.25	\$3,707.96	\$380.01	\$1,234.03	\$6,577.80	33%
Common Area Services	Non Contract Landscape - SC	\$15,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%
Commons Area Services Total		\$1,950,505	\$123,835.78	\$141,923.25	\$157,814.30	\$144,170.19	\$145,889.33	\$713,632.85	37%
Aquatics Facilities	Administrative	\$64,000	\$2,505.49	\$537.41	\$6,137.42	\$2,877.11	\$3,299.38	\$15,356.81	24%
Aquatics Facilities	Supplies - Pool	\$25,000	\$2,349.45	\$0.00	\$83.52	\$1,601.45	\$2,036.50	\$6,070.92	24%
Aquatics Facilities	Supplies - Chemicals	\$71,000	\$2,305.18	\$368.65	\$3,384.12	\$6,282.71	\$3,790.32	\$16,130.98	23%
Aquatics Facilities	Supplies & Fees - Swim Team	\$22,500	\$1,820.57	\$120.00	\$0.00	\$638.55	\$1,197.34	\$3,776.46	17%
Aquatics Facilities	Maintenance - Pool	\$89,300	\$3,108.12	\$180.00	\$20,671.63	\$3,135.46	\$3,584.61	\$30,679.82	34%
Aquatics Facilities	Maintenance - Building	\$63,100	\$2,448.21	\$2,715.04	\$5,463.05	\$4,626.15	\$2,656.86	\$17,909.31	28%
Aquatics Facilities	Payroll - Staff	\$733,000	\$22,490.05	\$10,285.03	\$11,478.54	\$45,714.73	\$42,017.22	\$131,985.57	18%
Aquatics Facilities	Payroll - Programming Staff	\$41,000	\$361.05	\$0.00	\$0.00	\$0.00	\$0.00	\$361.05	1%
Aquatics Facilities	Payroll - Swim Team	\$102,000	\$7,763.13	\$4,367.11	\$4,335.49	\$14,035.42	\$9,259.03	\$39,760.18	39%
Aquatics Facilities	SC-Utilities - Water	\$30,000	\$1,628.27	\$1,697.07	\$1,805.58	\$1,918.97	\$1,863.00	\$8,912.89	30%
Aquatics Facilities	Avana _Utilities-Water	\$4,500	\$282.65	\$449.56	\$0.00	\$378.51	\$1,595.78	\$2,706.50	60%
Aquatics Facilities	GR - Utilities - Water	\$4,000	\$200.96	\$154.39	\$171.88	\$246.50	\$127.63	\$901.36	23%
Aquatics Facilities	SC-Utilities - Electric	\$28,000	\$1,989.86	\$2,073.37	\$3,537.52	\$2,056.28	\$2,069.71	\$11,726.74	42%
Aquatics Facilities	Avana - Utilities- Electric	\$12,000	\$667.02	\$833.17	\$442.35	\$587.42	\$816.37	\$3,346.33	28%
Aquatics Facilities	GR -Utilities-Electric	\$6,000	\$414.88	\$393.06	\$460.31	\$372.41	\$382.51	\$2,023.17	34%
Aquatics Facilities	Utilities - Natural Gas	\$32,000	\$3,129.24	\$269.32	\$1,713.00	\$3,114.22	\$2,836.05	\$11,061.83	35%
Aquatics Facilities	SC-Utilities - Telephone/Internet	\$12,000	\$169.86	\$538.97	\$899.34	\$539.17	\$539.22	\$2,686.56	22%
Aquatics Facilities	Avana - Telephone/Internet	\$5,000	\$170.96	\$202.27	\$207.75	\$126.05	\$285.18	\$992.21	20%
Aquatics Facilities	GR - Telephone/Internet	\$5,000	\$202.32	\$176.39	\$191.89	\$176.44	\$166.73	\$913.77	18%
Aquatic Facilities Total		\$1,349,400	\$54,007.27	\$25,360.81	\$60,983.39	\$88,427.55	\$78,523.44	\$307,302.46	23%
Circle C Community Center	Utilities - Water	\$27,000	\$2,628.03	\$307.13	\$324.62	\$313.14	\$732.68	\$4,305.60	16%
Circle C Community Center	Utilities - Electric	\$24,000	\$15.00	\$1,519.45	\$1,669.66	\$1,072.40	\$1,143.92	\$5,420.43	23%
Circle C Community Center	Utilities - Telephone/Internet	\$9,000	\$650.37	\$664.07	\$664.07	\$664.07	\$664.07	\$3,306.65	37%
Circle C Community Ctr	Events Payroll	\$6,000	\$722.42	\$0.00	\$0.00	\$0.00	\$109.25	\$831.67	14%
Circle C Community Center	Maintenance - Building	\$50,000	\$3,405.24	\$2,078.12	\$1,600.79	\$3,137.67	\$5,649.28	\$15,871.10	32%
Circle C Community Ctr Total		\$116,000	\$7,421.06	\$4,568.77	\$4,259.14	\$5,187.28	\$8,299.20	\$29,735.45	26%
Maintenance Operations	Office Supplies	\$1,500	\$0.00	\$0.00	-\$9.73	\$72.48	\$0.00	\$62.75	4%
Maintenance Operations	Employee Education	\$1,200	\$135.00	\$0.00	\$0.00	\$0.00	\$0.00	\$135.00	11%
Maintenance Operations	Uniforms	\$1,800	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%
Maintenance Operations	Staff Recruitment	\$300	\$35.00	\$0.00	\$0.00	\$0.00	\$35.00	\$70.00	23%
Maintenance Operations	Safety Equip/Supplies	\$1,400	\$334.33	\$0.00	\$192.36	\$0.00	\$0.00	\$526.69	38%
Maintenance Operations	Maintenance Payroll	\$180,000	\$13,346.48	\$13,346.48	\$13,346.48	\$20,019.72	\$13,346.48	\$73,405.64	41%
Maintenance Operations	Pool Tech	\$69,000	\$3,335.00	\$3,000.00	\$3,000.00	\$4,500.00	\$4,186.03	\$18,021.03	26%
Maintenance Operations	Payroll Taxes	\$15,000	\$1,262.55	\$1,080.63	\$1,091.07	\$4,047.51	\$3,833.85	\$11,315.61	75%
Maintenance Operations	Computer/Software	\$1,400	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%
Maintenance Operations	Tools/Supplies	\$5,000	\$0.00	\$0.00	\$535.69	\$70.86	\$192.30	\$798.85	16%
Maintenance Operations	Office Furniture	\$600	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0%
Maintenance Operations Total		\$277,200	\$18,448.36	\$17,427.11	\$18,155.87	\$28,710.57	\$21,593.66	\$104,335.57	38%
HOA Operations	Office Supplies	\$9,000	\$2,458.77	\$0.00	\$560.99	\$448.14	\$351.92	\$3,819.82	42%
HOA Operations	Equip & Maintenance	\$15,000	\$152.30	\$142.14	\$461.13	\$216.45	\$258.67	\$1,230.69	8%
HOA Operations	HOA Owned Vehicle Expense	\$8,000	\$267.52	\$187.82	\$302.14	\$130.97	\$174.94	\$1,063.39	13%
HOA Operations	Postage	\$16,000	\$3,749.90	\$2,163.60	\$28.00	\$1,258.36	\$93.00	\$7,292.86	46%
HOA Operations	Web Operations	\$3,000	\$20.47	\$881.45	\$20.47	\$20.47	\$0.00	\$942.86	31%
HOA Operations	Printing	\$2,000	\$592.34	\$0.00	\$0.00	\$48.71	\$1,269.88	\$1,910.93	96%
HOA Operations	HOA Meetings	\$5,000	\$672.34	\$0.00	\$170.56	\$126.50	\$127.92	\$1,097.32	22%
HOA Operations	Deed Restrictions	\$5,000	\$708.56	\$708.56	\$0.00	\$708.56	\$0.00	\$2,125.68	43%
HOA Operations	HOA Special Events	\$30,000	\$9,997.93	\$0.00	\$0.00	\$0.00	\$0.00	\$9,997.93	33%
HOA Operations	Professional Fees	\$2,000	\$0.00	\$793.70	\$201.70	\$65.50	\$0.00	\$1,060.90	53%
HOA Operations Total		\$95,000	\$18,620.13	\$4,877.27	\$1,744.99	\$3,023.66	\$2,276.33	\$30,542.38	32%
Financial Management	Management Services	\$113,000	\$9,314.25	\$9,314.25	\$9,314.25	\$9,361.81	\$9,314.25	\$46,618.81	41%
Financial Management	Resale Certificate	\$17,350	\$800.00	\$1,650.00	\$1,000.00	\$2,250.00	\$2,450.00	\$8,150.00	47%
Financial Management	Lien Filing Administrative Fees	\$2,500	\$208.00	\$0.00	\$0.00	\$598.00	\$0.00	\$806.00	32%
Financial Management	Bank Fees	\$40,000	\$2,542.07	-\$2,026.98	\$6,244.06	\$6,068.83	\$2,776.60	\$15,604.58	39%

Circle C Landscape
Board Report, June, 2021

Weather

General: Hot and rainy late May/early June
Rainfall Total: 5+ inches
Temperature: 64-99 degrees
Major Events: none, rain at first of month

Maintenance Services

General: Mowing rotation all areas
Weeding: Weed, clean
Trimming: Clean and trim
Treatments: Pre Emergent on Beds
Fire Ant Bait at all Amenities Centers and Parks

Outlying Areas

Filter Pond, CCCC weedeated, trash removed
Outlying mail centers weedeated, cleaned
Upcoming: Weedeat/Mow/bush hog all wildflower areas

Irrigation:

All controllers and node clocks have been turned on
Repairs continue throughout

Winter Storm Damage

All agreed upon dead vegetation has been removed including water iris, cacti, dead vines/debris from MoPac/LaCrosse

Rosemary has been 100% removed, hauled off approximately 40 cubic yards

Vines on the walls have shown good recovery

Further issues;

- Dead /stressed shrubs
- Open areas after extensive dead vegetation removal
- Dead/stressed small trees
- Dead/Stressed large trees

Construction Damage and Projects

Construction continues to be a major threat to the irrigation and commons areas.

Slaughter/Escarpment, Mobility Corridor Improvements

Per KH request, main lines, valves and water meters on Slaughter

Circle C Landscape
Board Report, June, 2021

Lane north and south have been marked.

Slaughter/Escarpment

Monument Landscape Renovation
On site irrigation design has been completed
Irrigation work scheduled
Rock Work scheduled
Plants and turf will be weather dependent

Slaughter at Beckett to MoPac: No water in this area
Second median has no water due to construction

LaCrosse at Mopac: Continued construction and median damage
Wildflower Park Side, debris and continuing construction
LaCrosse West side, debris and continuing construction

Avana: Bear Creek Elementary School Damage to west side
CCL met with Karen regarding Bear Creek install to be done by others
Trissino/Cricoli area damaged by light pole installation
Main line for Bernia controller, isolated and located
Bernia controller, inspection complete, repairs for portions underway

Greyrock: New Irrigation Installed
Rock Work Installed
Grass, installed, 100%
Plants installed
100% complete!

Circle C Aquatics

May 2021

Spring Operations

Facility Usage	Swim Center		Community Center		Avaña		Greyrock		All Facilities	
	May-21	YTD	May-21	YTD	May-21	YTD	May-21	YTD	May-21	YTD
Resident Entries	1,762	4,019	-	-	1,011	1,011	223	223	2,996	5,253
Unique Residents	599	759	-	-	687	687	153	153	1,298	1,423
Unique Households	303	378	-	-	213	213	56	56	509	574
Guest Entries	-	-	-	-	-	-	-	-	-	-
Other Entries	1,421	1,612	-	-	-	-	-	-	1,421	1,612
Average Hourly Count	22		0		20		20			
% of Capacity	14%		0%		20%		25%			
Total Entries	3,183	5,631	-	-	1,011	1,011	223	223	4,417	6,865

Incidents	Swim Center		Community Center		Avaña		Greyrock		Total	
	May-21	YTD	May-21	YTD	May-21	YTD	May-21	YTD	May-21	YTD
Water Rescues	0	0		0	1	1	0	0	1	1
First Aid Responses	2	4		0	0	0	0	0	2	4
Sudden Illness Treatments	0	1		0	0	0	0	0	0	1
Patron Behavior Incidents	0	0		0	0	0	0	0	0	0
Biohazard Cleanups	0	0		0	0	0	0	0	0	0
Suspensions/Expulsions	0	0		0	0	0	0	0	0	0
EMS/911 Callouts	0	1		0	0	0	0	0	0	1
Total Incidents	2	5	0	0	1	1	0	0	3	6
Incident per Entry Ratio	0.06%	0.09%			0.10%	0.10%	0.00%	0.00%	0.07%	0.09%

Revenue	May-21	YTD
Aquatics Programs	\$ 2,680	\$ 6,175
Swim Team	\$ 7,140	\$ 18,420
Guest Fees	\$ 0	\$ 0
Area Reservations	\$ 0	\$ 0
Facility Rentals	\$ 0	\$ 0
Lane Rentals	\$ 2,604	\$ 2,604
Other Facility Income	\$ 820	\$ 1,074
Total Aquatics Revenue	\$ 13,244	\$ 28,273

Programs	May-21
Select Swim Team	41
Masters Swimming	0
Group Swim Lessons	0
Private Swim Lessons	0
Water Aerobics	0
Certification Courses	24
WSI Course	0
Total Participants	65

Reservations & Rentals	Swim Center		Community Center		Avaña		Greyrock		Total	
	May-21	YTD	May-21	YTD	May-21	YTD	May-21	YTD	May-21	YTD
Area Reservations	-	-		-		-		-	-	-
Private Rentals	-	-		-		-		-	-	-
Lap Lane Reservations	1,013	3,025		-		-		-	1,013	3,025
Family Swim Lane Areas	78	128		-		-		-	78	128
Pool Use Reservations	-	-		-	708	708		-	708	708
Total Reservations	1,091	3,153	-	-	708	708	-	-	1,799	3,861

Aquatics Staffing	May-21
Lifeguards/Head Guards	94
Front Desk Staff	12
Instructors/Coaches	3
Total Staff	109

Resident Stats	Individuals	Households	Members / Household
Homeowners	16,819	5,326	3.16
Renters	1,404	389	3.61
New Members	303	60	5.05
Totals	18,223	5,715	3.19

Circle C HOA
Maintenance Report for Board June 2021
Prepared by Robert Bardeleben -Facilities Director

SWIM CENTER COMPOUND/Maintenance Offices

- Routine Cleaning and Maintenance have been completed
- Minor Equipment and Facility Repairs Made
- Wade Pool Repairs Almost Completed—estimated completion date is 7/1

COMMUNITY CENTER

- Routine inspections and maintenance have been completed
- Shattered Window Replaced in Foyer

COMMUNITY CENTER POOL

- Routine cleaning and maintenance have been performed.
- Minor Repairs have been completed on equipment and facility.
- Repairs to Beach Entry, Tile, and Splash Pad Completed
- All Repairs and Cleaning for pool opening completed
- Replaced Rope and Netting on Splash Pad
- Replaced all Splash Pad Actuator Valves
- Repainted Pool Deck
- Slide Inspection Completed—Sticker received
- Replaced Ceiling Fan in Men's Restroom

NEIGHBORHOOD

- Minor repairs have been completed as needed
- Bollard Repairs Completed
- Ongoing Graffiti Removal
- Replaced Basketball Goal Actuators at Swim Center Playground

AVANA AMENITIES CENTER

- Routine Cleaning and Maintenance have been completed
- Minor repairs have been made

GREY ROCK AMENITIES CENTER

- Routine Cleaning and Maintenance have been completed
- Minor repairs have been made

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REPRESENTING PROPERTY OWNERS ASSOCIATIONS FOR MORE THAN 25 YEARS

June 4, 2021
TEXAS POA LEGISLATIVE UPDATE

The Texas Legislative session has come to a close. This session will live in our memories (no matter how much we care to forget it) as one that imposed some very problematic laws on HOAs and their volunteer boards and members.

This article highlights the bills that have the most impact on HOAs. **ACTION ITEMS – items that require action in our opinion are noted in red type. A summary of recommended action items is on the final page of this report.**

All summaries below represent the legal opinions of Connie Heyer. Connie is also a co-chair of Texas Community Association Advocates (TCAA), a nonprofit trade organization whose express purpose is to protect, preserve, and enhance property and a community association's ability to perform its functions. The TCAA board consists of homeowners, management professionals, lawyers, and other community association service providers. Connie is also past president of the Austin chapter of the Texas Community Associations Institute.

For more information please visit www.txcommunityassociationadvocates.org and www.caiaustin.org.

“HB” denotes a House Bill, and “SB” denotes a Senate Bill. Also, the summaries below denote whether the bill would affect HOAs (i.e., subdivisions) and/or Condos (i.e., condominiums).

Senate Bill 1588. As of June 4th this bill has not yet been signed by the governor but it is anticipated that it will be signed and become law. However the religious display element of the bill (see Section 2 description below) has already become law.

Highlights:

- *Unless otherwise noted below, the effective date of all SB 1588 provisions is September 1, 2021.
- *Architectural committees and HOA boards cannot have any common membership, including spouses.
- *Management certificates must be refiled, and filed with TREC as well as in the county records.

Details:

Section 1. Condo associations inability to collect assessments. Condo associations who don't have express assessment rights in their restrictions cannot collect assessments. This is a huge potential problem for condo associations whose document simply defer to state law, which grants a condo association the statutory right to collect assessments. There is no legal need to reference assessments in condo docs (until now) because state law provided a statutory right. This could render many condo HOAs unable to collect assessments.

Action item: Your HOA attorney should examine all condo declarations to determine if assessment authority is expressly referenced. If it is not, amend the restrictions.

Section 2. HOA and Condo religious displays – the bill removed certain express authority of an HOA or condo association to restrict items displayed in the name of religion. Under the former law it was permissible for associations to limit religious displays to the front entry and to no more than 25 square inches. There is no longer an express provision in the law allowing displays to be restricted to 25” at the entry.

That being said the bill says that associations may not *prohibit* religious displays on an owner's home or lot. It does not say that associations may not *restrict* these displays.

Associations may still *prohibit* religious displays that: 1) threaten the public health or safety; 2) violate a law other than prohibition of the display of religious free speech; 3) contain graphics or language that is patently offensive to a passerby *for reasons other than its religious content [what this means legally is anyone's guess – it will be a court's*

determination] and 4) are installed on common area property or association property, violates building lines, easements, or setbacks, or displays attached to a traffic control device, lamp, fire hydrant or utility pole or fixture. (This language passed twice, once in SB 1588 and once in a stand-alone will, SB 581.)

It is not hard to envision scenarios like an owner putting a Nazi flag up in the name of “religion” and declaring that it is religious content and the HOA can do nothing. HOAs in these instances may well be forced to a lawsuit. Ideally your adopted restrictions can limit size and location so that the offensive displays are somewhat unobtrusive and in most cases a lawsuit could be avoided.

Recommendation/action item: adopt *restrictions* on religious displays (location and size for example), and *prohibitions* as allowed (prohibiting installations on common areas for example.) The stand-alone version of this religious display bill is *already in effect*, it was signed by the governor and took effect 5-31-21.

Section 3. Swimming pool fences. HOAs and Condos cannot deny an owner the right to put a child-proof fence around his pool. HOAs can adopt a rule regulating the appearance including color.

Action item: All HOAs and condos should consult their HOA attorney and adopt a rule that is as restrictive as allowed, in order to be able to control aesthetics to the extent possible.

Section 4. Security measures in HOAs. This section is n/a to condos. HOAs cannot *prevent* an owner from installing “security measures” including cameras, motion sensors, and fences. However HOAs can prevent owners from making certain installations in the common area. The language does not prohibit *restrictions* on security measures so long as the security measure is not *prevented* from being installed. So HOAs can’t prevent installation of burglar bars on an owner’s home for example, but could restrict the color, materials and design of the bars through the architectural review process. This bill also passed in stand-alone form, HB 3571.

Section 5-7. Resale certificate changes, including fee caps for HOAs (n/a to condos). There is now a cap of \$375 on resale certificates fees and \$75 cap on updates.

HOAs must turn around resale certificate request in 5 days rather than 7. The penalties for late resale certificates have increased from \$500 to \$5,000.

Section 8. Mandatory HOA websites (n/a to condos). All HOAs over 60 lots or HOAs of any size that are professionally managed must have websites maintained by the HOA or its management and must keep all dedicatory instruments on them available to the members.

Action item: if your HOA does not have a website that meets these requirements it needs to create one.

Section 9-10. Management certificate changes (applicable to HOAs only; n/a to condos.) Management certificates must now have the HOA website, phone number and email for the manager, and description of transfer fees on them. All HOAs will have to refile management certificates. HOAs must update all filings within 30 days of any change (for example any change in management or transfer fees requires a re-filing of the certificate in both places.). In addition to filing them with the official public records of the county, HOAs must also file their management certificate with TREC (the Texas Real Estate Commission.) **All HOAs need to get a revised management certificate filed with the County Clerk Official Public records by September 1, 2021 and get the management certificate filed with TREC by June 1, 2022. HOAs need to update both as appropriate – with any change of information.** If you haven’t filed your management certificate with TREC or the county clerk you cannot collect attorneys fees for any delinquencies. Meaning that some HOAs will not realize errors in filings, collect, and potentially get sued for repayment of attorneys fees. It means that attorneys who know what they are doing will increase fees because they will require a review of management certificate filings before undertaking collection action.

If ANY of this information changes, HOAs must re-file the management certificate with the county clerk within 30 days of the change, and must re-file the TREC certificate within 7 days of re-filing with the County Clerk. Here is the information that now must be in the management certificate (bolded language is new):

- 1) *Name of the subdivision*
- 2) *Name of the HOA*
- 3) *Recording data for the subdivision (plat)*

- 4) *Recording data for the declaration and all amendments to it*
- 5) *Name and mailing address of the HOA*
- 6) *Name, mailing address, phone number and email address of the management representative*
- 7) *Website address of any HOA website on which the HOA's restrictions are posted*
- 8) *Amount and description of any fees charged by the HOA related to transfers (transfer fees)*

Section 11. ACC restrictions. This section is applicable to HOAs with more than 40 lots, only after the development period; it is n/a to condos. In any HOA with more than 40 lots, you cannot serve on the ACC if you are a board member or a spouse of a board member or living in the household with a board member. All ACC decisions may be appealed to the board. **All ACC denials must be sent certified mail, hand delivery or email. The denial must describe the basis for the denial and the changes to the application that would allow approval. The denial must inform the owner that he has a right to a hearing within 30 days. The board must hold a hearing within 30 days of the request and must provide the owner 10 days notice of the hearing.**

Either party may require a 10-day postponement. Either party may audio-record the hearing. There is nothing to prevent one or more non-voting liaisons from being appointed to facilitate communications between the board and ACC (for example the board could appoint a board liaison to the ACC who could sit in on ACC meetings, but would not be a committee member or have a vote on the ACC.) *I recommend that associations, especially those with a large volume of ACC submittals, consider a liaison appointment.*

Section 12. Board meeting notice (HOAs only; n/a to condos). **For all regular board meetings, instead of 72 hours notice – there must be 144 hours notice. Notice of 72 hours is required for special board meetings.** Any adoption of annual budget (not just an increase) must be done in an open board meeting.

Section 13. Large contracts (HOAs only; n/a to condos). If any contract contemplates more than \$50,000 in expenditure the HOA must solicit bids using a bid protocol. **Meaning the board must adopt a bid protocol.**

Sections 14-17. Credit Bureau reporting of delinquencies (HOAs only; n/a to condos). HOAs cannot report any amounts to a credit bureau without sending certain additional notices (I don't recommend credit bureau reporting anyway, little upside, much downside.)

Section 16. Extended time period for 209.0064 letter. (HOAs only; n/a to condos). Under current law before an association can charge an owner attorneys' fees for a collection, it must send a "last chance" letter, giving owners 30 days to pay and avoid the collection process and charges, and noting a payment plan option. Now this "209.0064" letter must provide the owner 45 days rather than 30 days to cure. **Your HOA's form 209.0064 letter needs to be updated.**

Section 15. "Reasonable" fees (HOAs only, n/a to condos). HOAs can only now collect "reasonable" attorneys' fees and "reasonable" fines - opening the door to frivolous class action lawsuits over most any fine or legal charge.

Section 18. "Evidence packets" in HOA violation hearings (HOA only; n/a to condos). **Before any violation hearing the HOA must give the owner, 10 days in advance, an "evidence packet" of all documents, photographs and other items the HOA intends to introduce at the hearing.** If the HOA doesn't do this the owner gets to postpone the hearing for 15 days. During the hearing the board must first "present its case against the owner." Then the owner must "present the owner's information." Basically now instead of a neighborly eyeball to eyeball meeting, it is a mini-trial. *I recommend that you consider simply bringing nothing to the hearing, no violation paperwork, thus avoiding the adversarial "evidence packet".* Hearings are a venue primarily to allow homeowners to present additional information to the board for consideration. If an owner wants further documentation the owner has a right to ask for it through an HOA record request. There is nothing that requires the HOA to compile and present paper evidence at the hearing, but if you do want to have violation documentation to reference and present at the hearing, you must compile and present it via an evidence packet and provide this packet to the homeowner at least 10 days in advance. Consult your HOA attorney before compiling any evidence packet.

Section 19-20. HOA leasing (n/a to condos). This new law gives HOAs a statutory right to require certain information regarding owners who are leasing: contact info for tenants, email, and commencement date and term of the lease.

Section 21. New cause of action against HOAs (n/a to condos.) There is now a new cause of action that allows owners in an HOA to bring an action for violation of Ch. 209 (the Property Code Section that deals with HOAs) against the HOA in Justice (aka small claims) Court. Prior to this there was no express cause of action for violation. There is no prohibition against suing board members, so as long as an owner is “at it” no doubt in many cases they will sue all board members individually as well. This has the potential to be very bad for volunteerism and very bad for HOA insurance rates/frivolous suits. **I suggest that all HOAs review their board member and committee member indemnification provisions in their dedicatory instruments, as there is likely to be an uptick in suits against board members and committee members. If indemnification provisions are lacking (for example if indemnification is not mandatory) I suggest amending your documents.**

HB 1281. Golf carts – license plate requirement repealed. As of June 4th this bill has not yet been signed by the governor but it is anticipated that it will be signed and become law.

This new law is effective immediately and removes the requirement that golf carts be issued license plates as long as they are driven on streets for which the speed limit does not exceed 35 mph (but they can cross intersections where the intersected street’s speed limit is over 35 mph). It allows golf carts to be operated in any HOA governed by Ch. 209 of the Property Code. (It clarifies the description of “master planned communities” in which golf carts may be driven. The bill allows certain restrictions by governmental bodies in the name of safety.

HB 1659. HOA declaration amendments affecting commercial property or condos. As of June 4th this bill has not yet been signed by the governor but it is anticipated that it will be signed and become law.

This is a rather cryptic bill that applies only to HOAs, n/a to condos. It says that Ch. 209’s statutory declaration amendment protocol, 67% owner vote requirement for amending a declaration, does not apply if the amendment would affect a commercial structure, apartment complex or condo. Presumably in these settings then, you would solely defer to the dedicatory instruments for amendment protocol. This bill takes effect immediately.

SB 318. Condominium Records. As of June 4th this bill has not yet been signed by the governor but it is anticipated that it will be signed and become law.

This bill applies only to condos. The new law makes clear that with limited exceptions, attorney files are not HOA records subject to inspection. To request condo association records, owners must send a certified letter to the address on the management certificate. The owner must elect to inspect or to get copies. If inspection is requested, the HOA must respond within 10 business days with dates available for inspection. If copies are requested, the HOA must provide copies within 10 days. If the HOA can’t produce the records in 10 days, then within 10 days after receiving the request the HOA must give the owner notice that it can’t compile the documents within 10 days and will be provided within the next 15 days.

Any inspection must take place at a “mutually agreed time.” **All condo associations must adopt a record production and copying policy. Condo associations with eight or more units must also adopt a document retention policy. This law is effective September 1, 2021. This new law for the most part mirrors existing HOA law related to document production.**

Senate Bill 30. Discriminatory provisions in deeds. As of June 4th this bill has not yet been signed by the governor but it is anticipated that it will be signed and become law.

This is n/a to HOAs and HOA restrictions but does allow owners who have a discriminatory provision in a “conveyance instrument” like a deed to take steps to remove that provision.

SUMMARY OF RECOMMENDED ACTION ITEMS.
OUR FIRM IS READY AND HAPPY TO HELP ALL OF OUR CLIENTS WITH ALL OF THESE DRAFTING NEEDS.

Applicable to Condominium Associations Only:

Your HOA attorney should examine all condo declarations to determine if assessment authority is expressly referenced. If it is not, amend the restrictions.

Applicable to HOAs Only (n/a to Condos):

If your HOA is professionally managed or has over 60 lots, you must have a website with all dedicatory instruments available to the members on it by September 1, 2021.

All HOAs must get a revised management certificate filed with the County Clerk Official Public records by September 1, 2021 and get the management certificate filed with TREC by June 1, 2022. HOAs need to update both as appropriate – with **any** change of information.

Adopt a bid protocol prior to September 1, 2021 to be used for all contracts that contemplate more than \$50,000 in expenditures. (There is no burning need to adopt a protocol if you don't have any contemplated expenditures over \$50,000. However if you don't adopt a protocol now, you must adopt one down the road and follow it if you ever have a contemplated expenditure of more than \$50,000.)

Your HOA's form 209.0064 letter needs to be updated by September 1, 2021. (Under current law before an association can charge an owner attorneys' fees for a collection, it must send a "last chance" letter, giving owners 30 days to pay and avoid the collection process, and noting a payment plan option. Now this "209.0064" letter must provide the owner 45 days rather than 30 days to cure.)

I suggest that all HOAs review their board member and committee member indemnification provisions in their dedicatory instruments, as there is likely to be an uptick in suits against board members and committee members. If indemnification provisions are lacking (for example if indemnification is not mandatory) I suggest amending your documents

Prior to September 1, 2021, all HOA boards need to determine, in consultation with management and legal counsel, either on a case-by-case basis or as a global protocol, whether they wish to reference any violation documentation at violation hearings. If so, evidence packets must be compiled and provided to owners at least 10 days before the hearing. I recommend they be compiled in consultation with HOA legal counsel.

Update your ACC approval/denial forms by September 1, 2021. As of that date all ACC denials must be sent certified mail, hand delivery or email. The denial must describe the basis for the denial and the changes to the application that would allow approval. HOAs would be well-advised to consult an attorney regarding more complex denials to help word the "changes" language. The denial must inform the owner that he has a right to a hearing within 30 days. The board must hold a hearing within 30 days of the request and must provide the owner 10 days notice of the hearing.

As of September 1, 2021, for all regular board meetings, instead of 72 hours notice – give 144 hours notice. Notice of 72 hours is required for special board meetings

Applicable to both Condominium Associations and HOAs:

Adopt *restrictions* on religious displays (location and size for example), and *prohibitions* as allowed (prohibiting installations on common areas for example.) The timeframe for this is asap as this religious display language is already effective.

All HOAs and condos by September 1, 2021 should adopt a swimming pool fencing rule that is as restrictive as allowed, in order to be able to control aesthetics of this fencing to the extent possible. In associations where it is not legal/feasible for owners to put in their own pools (for example in most condominium associations this is the case) this is a non-issue.

NIEMANN & HEYER LLP. Our firm was founded over 40 years ago and has since its inception specialized in real estate law, representing numerous real estate trade organizations and specializing in property owners' association (POA) representation. Our lawyers have lobbied the Texas Legislature for more than 20 years on behalf of the Texas Legislative Action Committee for the Community Associations Institute, a nation-wide trade organization representing the interests of property owners associations (POAs) and their members, as well as Texas Community Association Advocates. Our lawyers have been instrumental in drafting all major POA statutes in the last 20 years, including the Texas Uniform Condominium Act and the Texas Real Property Owners Protection Act. Currently, our firm represents over 400 POAs in central Texas, ranging in size from an eight-unit condominium development to a subdivision with over 7,000 residences.

Services include deed restriction enforcement, deed restriction drafting, litigation, and full-service collections. Our state-of-the art web-based collection software enables all board members and managers remote access to a secure system showing real-time status of all collection activity on their association's accounts.

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AMENITIES AGREEMENT

**CIRCLE C HOMEOWNERS ASSOCIATION, INC
and
COVE at CIRCLE C OWNERS' ASSOCIATION, INC.**

This Amenities Agreement (this "Agreement") is made by and between **Cove at Circle C Owners' Association, Inc.**, a Texas non-profit corporation ("Cove at Circle C OA"), and **Circle C Homeowners Association, Inc.**, a Texas non-profit corporation ("CCHOA"). Each of CCHOA and Cove at Circle C OA are herein sometimes individually referred to as a "Party" and collectively referred to as "Parties".

RECITALS

- A. CCHOA is a non-profit corporation created to administer the Declaration of Covenants, Conditions, Conditions and Restrictions for Circle C Ranch Subdivision, recorded at Vol. 10585, Page 0110, in the Official Public Records of Travis County, Texas as the same may be amended from time to time (the "CCHOA Declaration"). The property subject to the CCHOA Declaration is referred to herein as "Circle C".
- B. Cove at Circle C OA is a non-profit corporation created to administer the Development Area Declaration and Declaration of Condominium for Avi LaCrosse Condominiums (later renamed Cove at Circle C), recorded under Document No. 2018119519 of the Official Public Records of Travis County, Texas (as the same may be amended from time to time, the "Cove at Circle C Declaration").
- C. The land subject to the Cove at Circle C Declaration is described in Exhibit A of said document, being Lot 2, Block A, Resubdivision of Lot 1, Block Y, Circle C Ranch Phase B Section Nineteen, according to the map or plat thereof, recorded in Document No 201400288, Official Public Records, Travis County, Texas (the "Cove at Circle C Tract"). The Cove at Circle C Tract is not subject to the CCHOA Declaration.
- D. Collectively, Circle C and the Cove at Circle C Tract are referred to in this Agreement as the "Property".
- E. SDC LaCrosse, LLC, a Texas limited liability company, is the "Declarant" under the Cove at Circle C Declaration, and executes this Agreement solely for the limited purpose of fulfilling the terms of section 2 below and to bind, to the maximum extent of Declarants authority, the Cove at Circle C Tract to the terms of this Agreement.
- F. The Parties have entered into this Agreement for the purpose of specifying the terms, condition, and provisions pursuant to which (i) CCHOA will allow access to all CCHOA owned and/or operated amenities, amenity improvements and common areas (the "Shared Common Areas") by Cove at Circle C OA and its members; (ii) CCHOA will own, operate, and maintain the Shared Common Areas; and (iii) Cove at Circle C OA will pay certain amounts to CCHOA associated with the operation, maintenance, use and repair of the Shared Common Areas.

NOW THEREFORE, for and in consideration of the mutual covenants and obligations set forth herein, CCHOA and Cove at Circle C OA hereby agree as follows:

1. Shared Common Areas. CCHOA shall grant to Cove at Circle C OA, for the benefit of its members, a non-exclusive, non-revocable license (the "License") through the term of this Agreement, for access to and use of the Shared Common Areas. The License will be subject to the CCHOA Use Rules, hereinafter defined, and the right of CCHOA to suspend use of the Shared Common Areas by any member of Cove at Circle C OA, or resident of property within the Cove at Circle C Tract, for violation of such Use Rules in the same manner that CCHOA can suspend use of the Shared Common Areas by any member or resident of CCHOA.
2. Cove at Circle C Declaration. The Cove at Circle C Declaration will be promptly amended after execution and recordation of this Agreement against the Cove at Circle C Tract to include the following provision: "Each Owner, by acquiring all or any portion of the property encumbered by this Declaration, shall be obligated to comply with the terms and provisions of that certain Amenities Agreement, entered into by and among Declarant, Cove at Circle C Owners' Association, Inc., and Circle C Homeowners Association, Inc., recorded as document (insert recording information for this Agreement) in the Official Public Records of Travis County, Texas (the "Amenities Agreement"). Pursuant to the terms and provisions of the Amenities Agreement, each Owner/member of Cove at Circle C Owners' Association, Inc. shall be permitted access to the Shared Common Areas, as defined therein, on the same terms as members of CCHOA. In addition, the Amenities Agreement includes provisions which require Cove at Circle C Owners' Association, Inc. to pay certain costs associated with the operation, maintenance, repair, and replacement of the Shared Common Areas, which cost participation will be discharged through assessments levied by the Association upon its members."
3. Use Rules. CCHOA will adopt reasonable rules and regulations concerning the use of the Shared Common Areas (the "Use Rules"). In no event will the Use Rules treat Cove at Circle C OA members differently from members of CCHOA, it being understood and agreed that the Use Rules will apply uniformly against the members of CCHOA and Cove at Circle C OA without exception. CCHOA may suspend use of the Shared Common Areas by any member of CCHOA or Cove at Circle C OA for violating the Use Rules. In addition, the Board of Directors of Cove at Circle C OA will adopt the Use Rules and will inform Cove at Circle C OA members that any use of the Shared Common Areas by any such members is subject to compliance at all times by such members with the Use Rules. The Board of Directors of CCHOA and Cove at Circle C OA shall each be obligated to address violations of the Use Rules by their respective members and collect and fines associated therewith in the same manner and utilizing the same procedures used to address violation of other rules and regulations adopted by each association. In the event a fine is collected by Cove at Circle C OA due to a violation of the Use Rules

by any member of Cove at Circle C OA, such fine must be remitted to CCHOA, excluding collection costs and attorney's fees incurred by Cove at Circle C OA associated with such violation.

4. Amenity Fee. No later than thirty (30) days after each Unit in the Cove at Circle C Tract closes under a sale to a third-party purchaser, Cove at Circle C OA will begin paying CCHOA a fixed sum per year as compensation for use of the Shared Common Areas. In the first year, starting with May 1, 2021, Cove at Circle C OA will pay to CCHOA \$703.00 per year for each Unit subject to Cove at Circle C Declaration (the "Amenity Fee"), to be paid in equal semi-annual installments on May 1 and Oct 1st of each year. Notwithstanding the forgoing provision, Cove at Circle C OA will not be required to pay the Amenity Fee for developed residential Units subject to the Cove at Circle C Declaration which are, as of 30 days before each due date, then owned by (i) Cove at Circle C OA, (ii) Cove at Circle C Declarant (or any of its affiliates), or (iii) any owner who is in the business of constructing a Unit for resale to third parties. The Amenity Fee may be increased by CCHOA each year that the CCHOA Board of Directors increases the assessment for CCHOA members pursuant to the CCHOA Declaration. The amount of the increase shall be the same percentage increase as the percentage increase for CCHOA members. If Cove at Circle C OA fails to timely pay the Amenity Fee, CCHOA may deny access to the Shared Common Areas to all members of Cove at Circle C OA (including tenants and guests) until the Amenity Fee due, as well as all reasonable collection costs incurred with respect thereto and interest at 6% per annum accruing from the applicable due date, are paid to CCHOA.
5. Term. This Agreement (a) will run with and bind the Cove at Circle C Tract once the amendment of the Cove at Circle C Declaration described in Section 2 above has been validly adopted and recorded against the Cove at Circle C Tract in the Official Public Records of Travis County, Texas, and (b) inures to the benefit of and enforceable by each of the Parties, and their respective legal representatives, heirs, successors, and assigns, for an initial term of thirty (30) years. Such term shall roll over for additional ten (10) year periods each unless either party provides written notice to the other of intent not to renew no earlier than one (1) year before the expiration of the then existing term and no later than directly before the expiration of such term.
6. Default and Termination. If a Party fails to comply with any term or provision of this Agreement (the "Defaulting Party") and such failure or alleged failure is not cured within sixty (60) days after written notice of default has been provided to the Defaulting Party, the other association (the "non-Defaulting Party") shall have the right to (a) terminate this Agreement by providing written notice thereof to the Defaulting Party, and/or (b) enforce any or all rights hereunder. On termination, (i) CCHOA and Cove at Circle C OA shall each have the right to file a statement

of termination against the Cove at Circle C Tract specifying that this Agreement is of no further force and effect; and (ii) Cove at Circle C OA and its members shall have no further claim to, right or interest in the Shared Common Area; provided that such termination shall not diminish or affect CCHOA's right to collect the Amenity Fee accrued and prorated as of the date of termination, which Amenity Fee shall be payable within 30 days after the date of termination.

7. Insurance. CCHOA shall, at all times during the term of this Agreement, keep or cause to be kept in force a policy or policies of comprehensive general liability insurance for the Shared Common Areas protecting against claims and liabilities arising out of injuries to or the death of any persons or property damage through use of the Shared Common Areas. The policy limits shall be as determined in the sole discretion of CCHOA. Said policy or policies shall name Cove at Circle C OA as an additional insured with respect to claims arising out of the use or operation of the Shared Common Areas by its members, but not otherwise. Upon request, CCHOA shall deliver to Cove at Circle C OA a copy of the policy or policies, or other proof of insurance satisfactory to Cove at Circle C OA. Each of these policies shall provide that such insurance shall not be cancelled unless fifteen (15) days prior written notice of such cancellation is given to any additional insured named on such policy. CCHOA and Cove at Circle C OA shall waive and release any and all right of recovery against the other, including employees and agents, arising during the term of this Agreement for any and all loss or damage to any property or person, which loss or damage arises from any peril which is covered by such insurance.
8. Indemnification.
 - (a) Indemnification by CCHOA. CCHOA shall hold Cove of Circle C OA, its officers, directors, agents, employees, members and each of their respective successors and assigns, harmless from and against and indemnify and defend them against any and all injury, loss, damage, liability (or any claims in respect of the foregoing), costs or expenses (including, without limitation, reasonable attorney's fees), of whatever nature, to any person or property caused or claimed to be caused or resulting from the negligence or willful acts of CCHOA, its officers, directors, agents, employees, successors and assigns, while acting in their capacity as such, provided nothing contained herein shall require CCHOA to indemnify Cove at Circle C OA against matters resulting in whole or in part from Cove at Circle C OA's negligence or willful wrongful acts.
 - (b) Indemnification by Cove at Circle C OA. Cove of Circle C OA shall hold CCHOA, its officers, directors, agents, employees, members and each of their respective successors and assigns, harmless from and against and

indemnify and defend them against any and all injury, loss, damage, liability (or any claims in respect of the foregoing), costs or expenses (including, without limitation, reasonable attorney's fees), of whatever nature, to any person or property caused or claimed to be caused or resulting from the negligence or willful acts of Cove at Circle C OA, its officers, directors, agents, employees, successors and assigns, while acting in their capacity as such, provided nothing contained herein shall require Cove at Circle C OA to indemnify CCHOA against matters resulting in whole or in part from CCHOA's negligence or willful wrongful acts.

9. Notice. All notices required or permitted to be given by this Agreement must be in writing and delivered to the recipient;
- (a) By depositing the same in the United States Mail, certified, with return receipt requested, addressed to the Party to be notified, and with all charges prepaid; or
 - (b) By depositing the same with Federal Express or another service guaranteeing "next day delivery," addressed to the Party to be notified and with all charges prepaid; or
 - (c) By delivering the same to such Party or an authorized agent of such Party by hand delivery.
 - (d) Notice deposited in the United States mail shall be deemed effective from and after the earlier of the date of actual receipt or three (3) days after the date of such deposit. Notice given to any other manner shall be effective on the date of receipt.
 - (e) For the purposes of notice, the addresses of the Parties shall, until changed as provided below, be the respective address shown below for the applicable Party.

CCHOA:

Circle C Homeowners Association Inc.
7817 La Crosse Avenue
Austin, Texas 78739
Attn: Karen Hibpshman
E-mail: info@circlecranch.info
Coves at Circle C OA

COVE AT CIRCLE C OA:

Cove at Circle C Owners' Association, Inc.
2300 South Lamar, #106
Austin, TX 78704
Attn: Tara Hamilton
admin@symcoxdev.com

A Party may change its address by written notice to the other Party.

- (f) If any date or any period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period shall be extended to the first business day following such Saturday, Sunday or legal holiday,
10. Mediation: In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement or the breach thereof, the Parties shall act in good faith and use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, at least one (1) representative selected by each Party shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to all parties to the dispute. When feasible, the parties should submit disputes to mediation prior to initiating litigation; provided that nothing herein shall prevent initiation of a lawsuit to prevent running of the statute of limitations, restrain actions that may or will result in imminent harm or damage, or for other legally viable reason.
11. Attorney's Fees. In the event a dispute cannot be resolved by mediation, the Party who substantially prevails in any litigation concerning this Agreement or the rights and obligations arising hereunder shall be entitled to recover reasonable attorney's fees, process server and subpoena fees, and taxable court costs.
12. No CCHOA Membership Status. This Agreement does not confer upon Cove at Circle C OA or its members any rights of membership in CCHOA (such as, without limitation: voting privileges, meeting attendance, document inspection, etc.), and no such rights are intended, either by express provision or implication.
13. Additional Documents. Each of the Parties shall execute and deliver any and all documents and instruments and perform such additional acts reasonable requested by the other Party to implement the terms of the Agreement.
14. Counterpart Execution. This Agreement may be executed in any number of counterparts, with the same effect as if all Parties had signed the same document,

and all counterparts will constitute one and the same agreement. A Party may record a counterpart in the Official Public Records of Travis County, Texas.

15. Binding Effect. The obligations under This Agreement will be binding on the respective successors and assigns of the Parties, and the member of each Party.
16. Governing Law. This Agreement will be governed by and construed in accordance with the Laws of the State of Texas and will be enforceable in Travis County, Texas. The County Courts at Law and District Courts of Travis County, Texas shall be the exclusive forum for any action relating to this Agreement, and the Parties expressly consent to personal jurisdiction in Travis County, Texas.
17. Entire Agreement. This Agreement sets forth the entire understanding of the Parties and supersedes all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof. No amendments or modifications hereto will be valid unless made in writing and signed by all Parties. To the extent of any conflict or inconsistency between this Agreement and the Common Area Agreement concerning the Cove at Circle C Tract and signed by CCHOA and Cove at Circle C OA on the dates set forth hereinbelow, respectively, this Agreement shall control.

[SIGNATURE PAGES FOLLOW]

COVE AT CIRCLE C OA:

COVE AT CIRCLE C OWNERS' ASSOCIATION, INC,
a Texas non-profit corporation

By: _____

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Before me, the undersigned authority, on this day personally appeared _____, _____ of Cove at Circle C Owners' Association, Inc., a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that [s]he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 2021.

Notary Public - State of Texas

CCHOA:

CIRCLE C HOMEOWNERS ASSOCIATION, INC.,
a Texas non-profit corporation

By: _____

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Before me, the undersigned authority, on this day personally appeared _____, _____ of Circle C Homeowners Association, Inc., a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that [s]he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this ____ day of _____, 2021.

Notary Public - State of Texas



Groundbreaking Since 1908.

Circle C HOA Landscaping – To Be Completed

Proposal includes the following scope or work items:

- Clean, remove, grading and replacement of 72” strip of drip irrigation and zoysia sod along the west side of Escarpment Boulevard between Trissino Drive and Bernia.
- Replacement of (4) red oak trees and irrigation bubblers near the sidewalk crossing.
- Repair of damaged drip irrigation control wiring on west side of Escarpment Boulevard between Trissino Drive and Bernia.
- Soil depth of 4” at repaired turf and planting areas.
- Clean and replace river rock at the southwest corner of the roundabout.
- Mulch in plant beds
- Clean swale and re-use existing large rocks.
- Replacement Planting Include:
 - (21) – Mexican Brush Sage 5G
 - (21) – Bug Muhly 5G
 - (30) – Mexican Feather Grass
- Temporary Irrigation form water supplied by AISD, piping to be routed from the school through the roadway sleeves.

Audit

Auditor request - board minutes, new contracts or amendments. Look at past tax returns if they didn't do the taxes.

If they are starting out with a new HOA

1. Planning
 - a. Learn about the HOA
 - b. Meet with a board member and property manager for expectations
 - c. Request to see financial statements and books
 - d. How are the financial statements produced? Internal controls.

Balance Sheet

2. Assets
 - a. Review cash accounts
 - b. Review investments
 - c. Review Account Receivables
 - d. Reconciliations
 1. Test the receivables. Aging accounts, are they two old?
 2. Look at individual accounts.
 3. Record allowances on bad accounts
 4. Calculations for any pre-paid accounts.
3. Liability
 - a. Accounts payable
 1. Will accrue any item that needs to be accrued. Usually if an invoice is paid in January but it should be showing in December of the previous year.
 2. Pull a list of checks for at least a month.
 3. Review pre-paid assessments to ensure that all is accounted for correctly.

Income Statement

1. Assessments – will run a test
 - a. Assessment amount per lot (this varies since the way the CC&R's are written, it is usually 1 - 1 ½ years on a new home before an owner starts paying full assessments).
 - b. Do the calculations add up to what income should be?
 - c. Did the HOA do a Special Assessment? A footnote is required on the audit concerning Special Assessments.

Expenses

1. Read the financial statements
2. Look at the actual's vs budget. Are there overages or items under budget?
3. List of all checks and transfers. Set a dollar amount and pull all invoices to ensure proper coding. This also ensures that bills are being paid from an invoice and not a statement of account.
4. Review cancelled checks. Verifying signatures and payee's.

STEPHEN M. TILSON, PC

PO Box 342665, Austin, Texas 78734-2665
Phone 512.659-7535 steve@tilsoncpa.com

May 13, 2021

Circle C Homeowners' Association, Inc.
c/o Terri Giles
PO Box 163541
Austin, Texas 78716-9901

Dear Board Members:

We are pleased to confirm our understanding of the services we are to provide Circle C Homeowners' Association, Inc. for the year ended December 31, 2020.

We will audit the financial statements of Circle C Homeowners' Association, Inc., which comprise the balance sheet as of December 31, 2020, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the December 31, 2020 then ended, and the related notes to the financial statements. The document we submit to you will include supplementary information about future major repairs and replacements required by the Financial Accounting Standards Board (FASB). Although we will apply certain limited procedures with respect to the required supplementary information, we will not audit the information and will not express an opinion on it.

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our audit of Circle C Homeowners' Association, Inc. financial statements. Our report will be addressed to the Association's Board of Directors of Circle C Homeowners' Association, Inc. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of certain assets and liabilities by correspondence with selected owners, creditors, and financial institutions. Our procedures will not determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because such a determination is outside the scope of the engagement. We will also request written representations from your attorneys as part of the engagement. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Association or to acts by management or employees acting on behalf of the Association.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the Association and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event, that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Other Services

We will also prepare or assist in preparing the financial statements and related notes, and maintain the depreciation schedule, if applicable, of Circle C Homeowners' Association, Inc. in conformity with U.S. generally accepted accounting principles based on the information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements and related notes, and depreciation schedule previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

You are responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the association from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Association involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Association received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Association complies with applicable laws and regulations. You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

You agree to assume all management responsibilities for the tax services, financial statement preparation services, and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

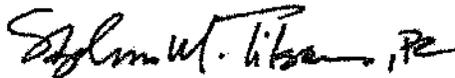
Engagement Administration, Fees, and Other

Stephen M. Tilson, CPA is the engagement partner and is responsible for supervising the engagement and signing the report.

We estimate that our fees for the audit and other services will be \$7,800. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our fees will be payable upon issuance of report.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Stephen M. Tilson PC

This letter correctly sets forth the understanding of Circle C Homeowners' Association, Inc.:

Officer / Agent signature: _____

Title: _____

Date: _____

LEASE

Basic Terms

Date: June 21, 2021

Landlord: Circle C Homeowners Association, Inc.

Landlord's Address: 7817 La Crosse Ave
Austin, Texas 78739

Tenant: Giles & Shea, Inc

Tenant's Address: 7817 La Crosse Avenue, Suite 200
Austin, Texas 78739

Premises: CCHOA Community Center Building, 7817 La Crosse, Avenue;
approximately 180 square feet

Term (months): 12, with a one (1) year renewal option

Commencement Date: August 1, 2021

Termination Date: July 31, 2022

Base Rent (quarterly): \$33.50 per square foot for the interior space of 219 square feet
totaling \$1834.11 quarter.

Permitted Use: Financial Office

Tenant's Insurance: Commercial General Liability of \$1,000,000 per occurrence,
\$1,000,000 aggregate, \$500,000 property damage, and
property/casualty coverage insurance on Tenant's equipment on or
in the Premises at replacement cost.

Definitions

“Essential Services” means natural gas, potable water, electricity, residential type trash, and sewage utility services reasonably necessary for occupancy of the Premises for the Permitted Use. “Essential Services” does not include telephone service or disposal of grease or other waste peculiar to a restaurant facility.

“Injury” means (a) harm to or impairment or loss of property or its use, (b) harm to or death of a person, or (c) “personal and advertising injury” as defined in the form of liability insurance Tenant is required to maintain.

“Landlord” means Landlord and its agents, employees, invitees, licensees, or visitors.

“Rent” means Base Rent plus any other amounts of money payable by Tenant to Landlord.

“Tenant” means Tenant and its agents, contractors, employees, invitees, licensees, or visitors.

Clauses and Covenants

A. Tenant agrees to—

1. Lease the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.
2. Accept the Premises in their present condition “AS IS,” the Premises being currently suitable for the Permitted Use.
3. Obey (a) all applicable laws relating to the use, condition, and occupancy of the Premises and Building and (b) any requirements imposed by utility companies serving or insurance companies covering the Premises.
4. Pay quarterly, Aug 15, Nov 15, Feb 15 and May 15 the Base Rent to Landlord at Landlord’s Address.
5. Pay a late charge of 5 percent of any Rent not received by Landlord by the tenth day after it is due.
6. Allow Landlord to enter the Premises to perform Landlord’s obligations, inspect the Premises, and show the Premises to prospective tenants.
7. Repair, replace, and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, normal wear excepted, such Tenant maintenance to include interior cleaning, pest control, and air-conditioning filter and light bulb replacement.
8. Report to Landlord within 24 hours all major repair/maintenance problems, and

submit in writing to Landlord any request for repairs, replacement, and maintenance that are the obligations of Landlord.

9. Keep the area around the Premises and the Storage Space free of trash and debris at all times.
10. No storage of flammable or hazardous materials will be allowed in the Office Space. Cylinders of non-hazardous gases must be secured to prevent accidental rupture.
11. Vacate the Premises on the last day of the Term.
12. INDEMNIFY, DEFEND, AND HOLD LANDLORD AND LIENHOLDER HARMLESS FROM ANY INJURY (AND ANY RESULTING OR RELATED CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY'S FEES AND OTHER FEES AND COURT AND OTHER COSTS) OCCURRING IN ANY PORTION OF THE PREMISES. **THE INDEMNITY CONTAINED IN THIS PARAGRAPH (a) IS INDEPENDENT OF TENANT'S INSURANCE, (b) WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES OR DAMAGES PAID UNDER THE WORKERS' COMPENSATION ACT OR SIMILAR EMPLOYEE BENEFIT ACTS, (c) WILL SURVIVE THE END OF THE TERM, AND (d) WILL APPLY EVEN IF AN INJURY IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF LANDLORD BUT WILL NOT APPLY TO THE EXTENT AN INJURY IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD.**

B. Tenant agrees not to—

1. Use the Premises for any purpose other than the Permitted Use.
2. Create a nuisance.
3. Permit any waste.
4. Use the Premises in any way that would increase insurance premiums or void insurance on the Premises.
5. Change Landlord's lock system.
6. Alter the Premises without Landlord's written permission.
7. Allow a lien to be placed on the Premises.
8. Assign this lease or sublease any portion of the Premises without Landlord's written consent.

C. Landlord agrees to—

1. Lease to Tenant the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.
2. Provide the Essential Services.
3. Repair, replace, and maintain the (a) roof, (b) foundation, (c) structural soundness of the exterior walls, excluding windows and doors, and (d) replace the air-conditioning/heating system when needed.

D. Landlord agrees not to—

1. Interfere with Tenant's possession of the Premises as long as Tenant is not in default.
2. Unreasonably withhold consent to a proposed assignment or sublease.

E. Landlord and Tenant agree to the following:

1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at the end of the Term and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted.

2. *Abatement.* Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.

3. *Default by Landlord/Events.* Defaults by Landlord are failing to comply with any provision of this lease within thirty days after written notice and failing to provide Essential Services to Tenant within ten days after written notice.

4. *Default by Landlord/Tenant's Remedies.* Tenant's remedies for Landlord's default are to sue for damages and, if Landlord does not provide an Essential Service for thirty days after default, terminate this lease.

5. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely Rent, (b) abandoning or vacating a substantial portion of the Premises, and (c) failing to comply within ten days after written notice with any provision of this lease other than the defaults set forth in (a) and (b) above.

6. *Default by Tenant/Landlord's Remedies.* Landlord's remedies for Tenant's default are to (a) enter and take possession of the Premises, after which Landlord may relet the Premises on behalf of Tenant and receive the rent directly by reason of the reletting, and Tenant agrees to reimburse Landlord for any expenditures made in order to relet; (b) enter the Premises and perform Tenant's obligations; and (c) terminate this lease by written notice and sue for damages. Landlord may enter and take possession of the Premises by self-help, by picking or changing locks if necessary, and may lock out Tenant or any other person who may be occupying the

Premises, until the default is cured, without being liable for damages.

7. *Default/Waiver/Mitigation.* It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by applicable law. Landlord and Tenant have a duty to mitigate damages.

8. *Alternative Dispute Resolution.* Landlord and Tenant agree to mediate in good faith before filing a suit for damages.

9. *Attorney's Fees.* If either party retains an attorney to enforce this lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court costs.

10. *Entire Agreement.* This lease is the entire agreement of the parties, and there are no oral representations, warranties, agreements, or promises pertaining to this lease or to any expressly mentioned exhibits and riders not incorporated in writing in this lease.

11. *Amendment of Lease.* This lease may be amended only by an instrument in writing signed by Landlord and Tenant.

12. *Limitation of Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

13. *Notices.* Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

14. *Abandoned Property.* Landlord may retain, destroy, or dispose of any property left on the Premises at the end of the Term.

CIRCLE C HOMEOWNERS ASSOCIATION, INC.

By: _____

Printed name: Russ Hodes

Title: CCHOA President

Date: _____

Giles & Shea, Inc.

By: _____

Printed Name: Terri Giles

Title: Giles & Shea, Inc. Owner

Date: _____

Smaller Tree removal – 31 tree's so far

3 on Via Grande (one is hanging over the sidewalk)

South side of Spruce Canyon between Via Grande and Farrier

North side of Spruce Canyon (across from the above)

South side of Spruce Canyon just west of Brea

South side of Spruce Canyon @ Tanaqua (closest to CCCC)

Escarpment (Avana) 1st median – 2 trees

Escarpment (Avana, across from Golf course) – 2 trees

GreyRock – 2 trees

Escarpment (going North) – median before Aden – 2 trees

East side of Escarpment past Back Bay – 1 tree

Larger tree removal

South Bay/Escarpment (East side) – 1 tree (permit application submitted)

Spruce Canyon/SH45 (NW corner) – 2 dead trees behind wrought iron fence

Spruce Canyon/Brea – Remove damaged limb, remove 1 dead on North side

Spruce Canyon/Via Grande – remove low and broken limbs

Slaughter Lane near Gorzycki – remove 1 tree

Escarpment North of La Crosse – remove 1 dead tree

Escarpment/SH45 – remove 1 dead tree

Escarpment/Padua – remove 6 trees

La Crosse/Fox Creek – remove 1 dead tree

Greenbelt behind Lafitte – remove 1 dead tree

Slaughter Lane – several trees have dead branches that are hanging over the street/sidewalks that need to be removed.

We Love Tree's
Tree Services, Arborist

DATE: June 30, 2021

CUSTOMER:

Name:	Circle C HOA
Address:	7817 La Crosse Ave
City:	Austin, TX 78739
Fax:	(512)288-8663

Description	Cost
Removal, trimming and stump grinding of trees that died due to freeze Approx 9-10 days of work	\$ 7,000.00
TOTAL	\$ 7,000.00

325A FM 2325, Wimberley, TX 78676