



**Canterwood Division 12  
STEP Homeowners Association  
Annual Meeting**

November 13, 2018



# Meeting Agenda

- **Call to Order, Introductions**
- **Verify Quorum/Approve Minutes: 2017 Annual Meeting**
- **Recap 2018 Priorities/Accomplishments**
- **2018 Budget Review / 2019 Budget Preview**
- **Reserve Account Update**
- **Ratify 2019 Budget/Election Results**
- **2019 Priorities**
- **Q&A/Website tour**



# Call to Order/Introductions

- **Board of Directors**
  - **Lynn Singleton. President**
  - **John Soukup, Vice-President/Secretary**
  - **Rick Meeder, Treasurer**
- **Diamond Community Management**
  - **Lisa Dillon**
- **Homeowners present**



# **Verify Quorum/Approve Minutes**

- **Verify Quorum of members represented**
- **Approve Minutes of 2017 Annual Meeting**



# 2018 Priorities / Accomplishments

- Welcomed and briefed new Board members
- Completed infrastructure repairs and security improvements identified in 2017 / 2018
- Established business rhythms for record management; organized and posted STEP records
- Routinely updated <http://Canterwooddiv12step.org>.

**Thanks to volunteer webmaster Steve Muretta!**



# 2018 Priorities / Accomplishments

- **Posted information about Inflow & Infiltration program and Hydrogen Sulfide Treatment and Control program (see web site FAQs)**
- **Initiated sewer system inspection & maintenance program (Advanced Septic contract)**
- **Fully participated in engineering audit of Canterwood STEP systems to evaluate treatment, wastewater quality and infrastructure integrity**

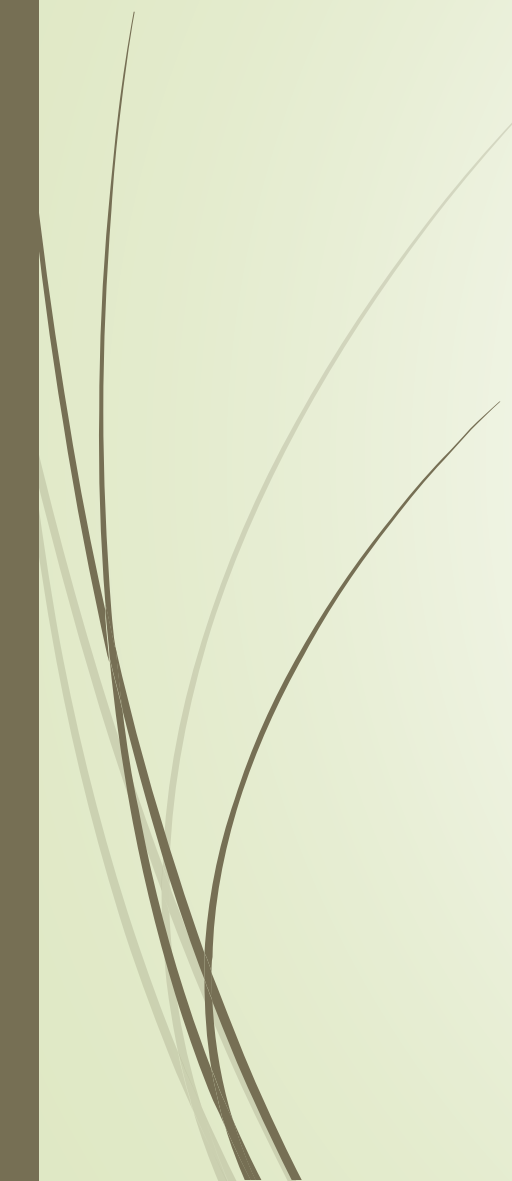


# Other 2018 Accomplishments

- **Obtained special service rates from Aadvanced Septic for our community members – saving Division 12 homeowners \$\$\$**
- **Conducted community educational outreach for septic tank lid condition – sponsored by Aadvanced Septic**
- **Installed signage on STEP system infrastructure and established an emergency call protocol with Canterwood Security**



# Other 2018 Accomplishments

- **Updated Reserve Study for 2019 with WUCIOA compliance**
  - **Responded to the Canterwood Emergency Planning and Preparedness Committee (EPPC) about our readiness**
  - **Obtained tools to shut down sections in the event of an emergency**
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# 2018 Budget Review / 2019 Preview

<b>INCOME</b>	<b>2018 YTD (9/30/18)</b>	<b>2018 EOY (Projected)</b>	<b>2018 BUDGET</b>	<b>2019 BUDGET</b>
<b>Monthly Dues</b>	<b>62,900</b>	<b>84,400</b>	<b>84,840</b>	<b>84,840</b>
<b>Late Charges</b>	<b>515</b>	<b>515</b>	<b>0</b>	<b>0</b>
<b>Interest Income</b>	<b>172</b>	<b>250</b>	<b>0</b>	<b>0</b>
<b>TOTAL INCOME</b>	<b>63,587</b>	<b>85,165</b>	<b>84,840</b>	<b>84,840</b>

<b>EXPENSES</b>	<b>2018 YTD (9/30/18)</b>	<b>2018 EOY (Projected)</b>	<b>2018 BUDGET</b>	<b>2019 BUDGET</b>
Annual Registration	10	10	10	10
Management Fees	4,500	6,000	6,000	6,000
Postage	24	62	60	50
Administrative Expense	0	96	225	225
System Repair & Maintenance	4,371	10,476	9,269	8,860
Grounds Maintenance	0	0	250	250
Electricity	323	343	350	350
Gig Harbor Sewer Fees	53,481	63,981	66,326	66,500
Tax Preparation	175	175	180	195
Insurance	1,742	1,742	2,000	2,000
Reserve Study	655	655	0	0
Web site	0	100	170	400
Reserve Fund Transfer	0	0	0	0
<b>TOTAL EXPENSES</b>	<b>65,281</b>	<b>83,640</b>	<b>84,840</b>	<b>84,840</b>
Net Income	(1,693)	1,525		

# Monthly Dues Allocation/Homeowner

<b>MONTHLY DUES ALLOCATION</b>	<b>2018</b>	<b>2019</b>
<b>Sewer Fees</b>	<b>\$78.96</b>	<b>\$80.31</b>
<b>Management Fees</b>	<b>\$7.15</b>	<b>\$7.15</b>
<b>Home Sewer Inspection</b>	<b>0</b>	<b>0</b>
<b>System Maintenance and Repair</b>	<b>\$11.03</b>	<b>\$10.70</b>
<b>Legal</b>	<b>0</b>	<b>0</b>
<b>Insurance</b>	<b>\$2.38</b>	<b>\$2.38</b>
<b>Reserve Study</b>	<b>0</b>	<b>0</b>
<b>Allocation to Reserves</b>	<b>0</b>	<b>0</b>
<b>Other</b>	<b>\$1.48</b>	<b>\$.46</b>
<b>Total Monthly Dues Per Home</b>	<b>\$101.00</b>	<b>\$101.00</b>

# Reserve Account Update

➤ 2017 Account Balance (EOY)	\$62,814.38
➤ 2018 Contributions (Interest)	\$ 386.94
➤ 2018 Expenses	\$ 0.00
➤ 2018 Account Balance (Projected)	\$63,201.32

## 2018 Projections and Balances (\*from 2014 Reserve Study)

Recommended Full Funding Amount*	Actual Funding (% Funded)	Total Account Deficiency	Deficiency/Lot (Year/Month)	Comment
\$66,338	\$63,201 (95%)	\$3,137	\$44 / \$4	Deficiency does not meet new WUCOIA** requirements

\*\*Washington Uniform Common Ownership Interest Act, RCW 64.90

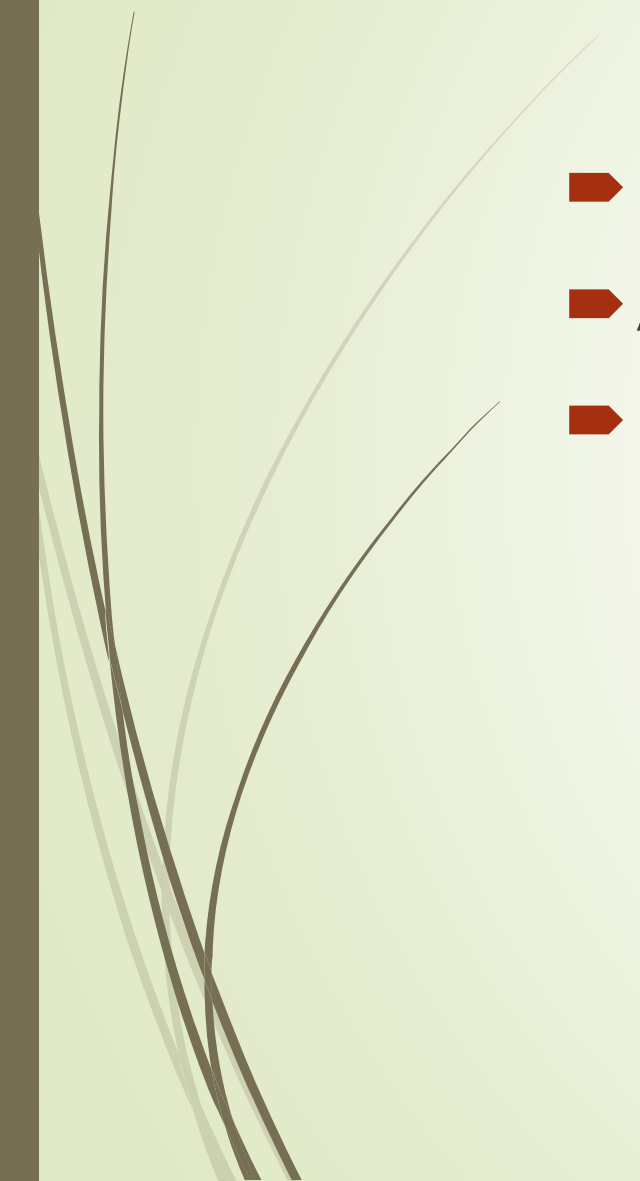
# Reserve Account Update

2019 Projections (*from 2018 Reserve Study)					
Recommended Full Funding Amount*		Actual Funding (% Funded)	Total Account Deficiency	Deficiency/Lot (Year/Month)	Comment
<b>2019</b>	<b>\$73,351</b>	<b>\$63,201 (86%)</b>	<b>\$10,150</b>	<b>\$143 / \$12</b>	<b>BOD will transfer 2018 surplus to mitigate shortfall</b>
<b>2020</b>	<b>\$79,338</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	
<b>2021</b>	<b>\$47,976<sup>1</sup></b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	
<b>2022</b>	<b>\$57,856</b>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>	

<sup>1</sup>The Reserve Study projects replacement of flowmeter (\$4,000) and sump grate (\$577) in 2019. The Study projects pipe replacement (\$40,186) in 2020-21. It is highly unlikely pipe replacement will be necessary (pipe life should exceed 30 years); we have had no problems to date. If pipe is not replaced in 2020, the funds reserved for replacement will continue to be held in reserve.



# Ratify Budget/Election Results

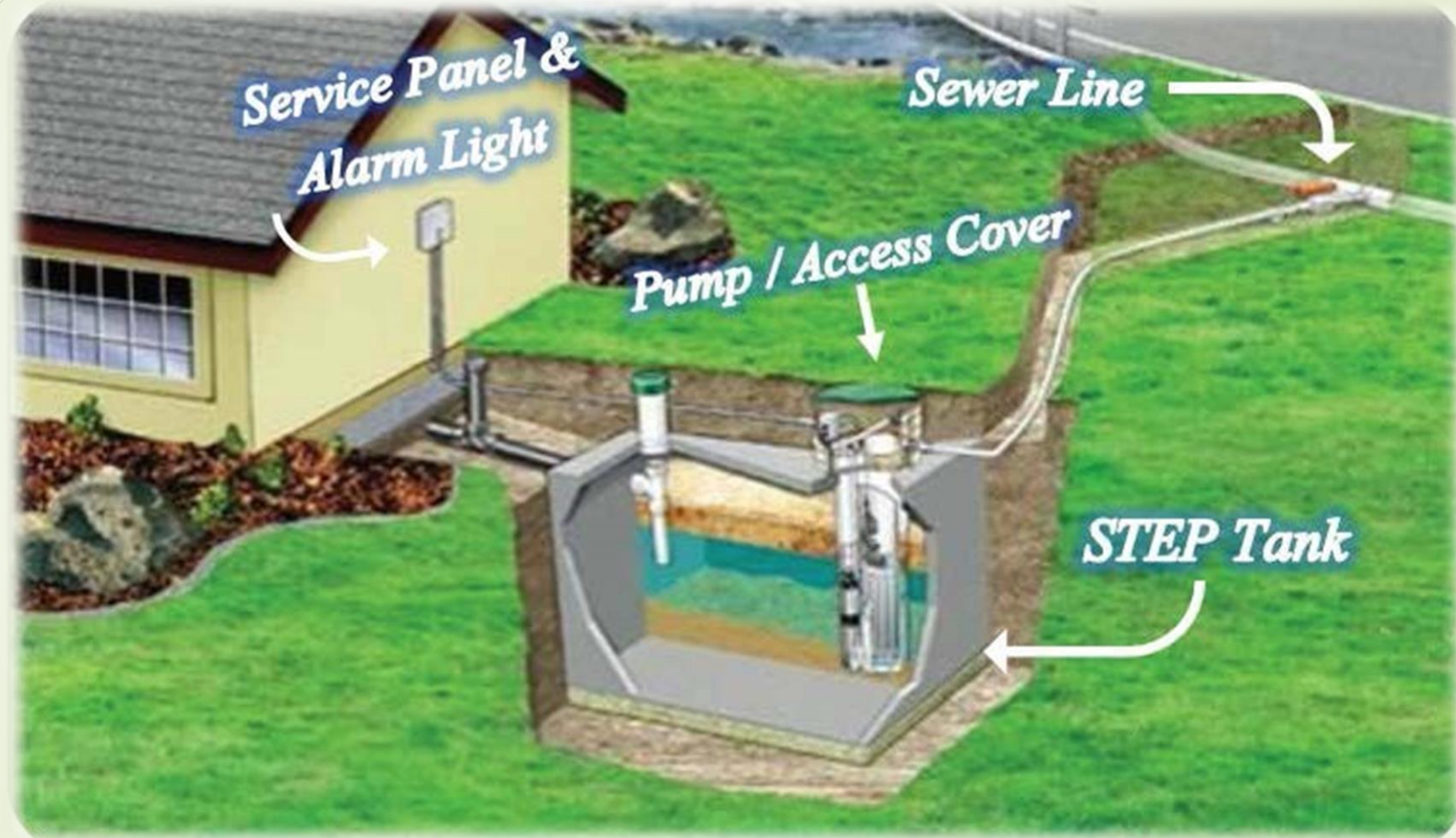
- Ratify 2019 Budget
  - Announce election results
  - Introduce new (old?) Board members
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# 2019 Priorities

- **Purchase and install a new flow meter to replace non- functioning unit – implement flow-paced treatment per City agreement**
- **Replace chlorine tank valves**
- **Continue infrastructure identification and preventative maintenance; bring selected valves to the surface**
- **Evaluate service contract with Aadvanced Septic**
- **Increase the 2019 Reserve Account levels**

# Questions & Answers





# Div12 STEP Association Website Tour

## Canterwood Division 12 STEP Association

Welcome /

Welcome

Home Owner Area

FAQ's

Directors Page

**Note:** Residents of Canterwood Divisions 4-11, please click this [CANTERWOOD STEP](#) link and you will be taken to your STEP Website

**Division 12**  
**Board of Directors**

[Lynn Singleton](#)  
- President

Welcome to Division 12 STEP Home Owners Association (HOA)

