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Canterwood Division 12 STEP Association Informational Meeting

November 4, 2021

Meeting Agenda

- **Call to Order, Introductions**
- **Discuss 2021 Annual Meeting Process**
- **Review 2020 Annual Meeting Minutes**
- **Recap 2021 Accomplishments**
- **2021 Budget Review/2022 Budget Preview**
- **Reserve Account Update**
- **2022 Priorities**
- **Q&A**

Call to Order/Introductions

- **Board of Directors**
 - **Lynn Singleton, President**
 - **Megan Amherst, Vice-President**
 - **Randy Young, Treasurer**
 - **Frank Addison, Secretary**
 - **Rick Meeder, Director**
- **Diamond Community Management**
- **Homeowners Present**

2021 Annual Meeting Process

- **COVID-19-Related Meeting Rules from State**
- **Informational Meeting — 11/4/2021**
- **Ballot Process — email, fax, or mail**
- **Quorum of 24 lots required**
- **Ballot Due Date — 11/12/2021 5:00PM**
- **2021 Meeting Minutes — will announce ballot results in mid December**

2020 Annual Meeting Minutes

➤ Discussion/Comments

2021 Accomplishments

- **No monthly fee increases in 2021 (4th year in a row)**
- **Obtained and installed a new, no cost Seametrics flow meter with data logger, saving \$2600 by participating in a beta test program; saved more thanks to volunteers Lynn Singleton and Steve Tyson**
- **Implemented flow-paced chlorination, bringing STEP into full compliance with the Gig Harbor sewage treatment agreement**

2021 Accomplishments (cont.)

- Refreshed equipment: primary and back-up pumps, new valves and piping for the 2 bleach tanks, new shelving, and enhanced electrical safety and system per Reserve Account planning
- Reconfigured treatment house plumbing to facilitate future repairs by replacing fixed plumbing with modular components
- Recompeted and awarded the 2021-22 service contract
- Obtained special rates from Aadvanced Services for our community members — saving Division 12 homeowners \$\$
- Transparency--Routinely updated <http://Canterwooddiv12step.org>.
- Prepared annual newsletter and instructions if an alarm goes off

Many thanks to volunteer webmaster Steve Muretta!

2022 Budget Highlights

- Sewer fees in 2022 are projected to increase by 2.5%.
- No equipment updates planned for 2022
- Increased repair & maintenance contract costs also include contingency
- 2020 sewer fee one-time savings from Gig Harbor offset some 2021 costs and balance carried to 2022
- Round-up projected dues to the next whole dollar
- Net result is 5% increase in fees to \$106 per month

Budgets: 2021 and 2022

INCOME	2021 BUDGET	2021 EOY* (Projected)	2022 BUDGET
	(71 Lots)	(71 Lots)	(71 Lots)
Monthly Dues	\$ 86,052	\$ 86,052	\$ 90,312
Late Charges	0	0	0
TOTAL INCOME	86,052	86,052	90,312
Carry Over From Previous Year	5,474	5,474	2,451
TOTAL RESOURCES	91,526	91,526	92,763

*End of Year

EXPENSES	2021 BUDGET	2021 EOY (Projected)	2022 BUDGET
Annual Registration	\$ 10	\$ 10	\$ 10
Management Fees	6,000	6,000	6,000
Printing/Copying	0	0	250
Postage	50	195	225
System Repair & Maintenance	10,100	6,958	8,652
Electricity	350	503	515
Gig Harbor Sewer Fees	71,665	73,474	75,311
Tax Preparation	195	185	200
Insurance	1,200	1,200	1,300
Reserve Study	0	0	0
Web site	250	250	300
Contingency	1,706	300	0
Allocation to Reserves	0	0	0
TOTAL EXPENSES	91,526	89,075	92,763
Net Income	0	2,451	0

Monthly Dues Allocation/Homeowner

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MONTHLY DUES ALLOCATION	2021	2022
Sewer Fees	\$ 84.11	\$ 88.39
Management Fees	7.04	7.04
System Maintenance and Repair	11.85	10.15
Insurance	1.40	1.53
Reserve Study	0	0
Allocation to Reserves	0	0
Other	3.00	1.77
Total Monthly Dues Per Home	107.40	108.88
Carry Over From Previous Year	-6.40	-2.88
Net Monthly Dues Per Home	101.00	106.00

Reserve Fund

2020 Account Balance (EOY)	\$76,772.60
2021 Contributions (interest)	\$ 136.10
2021 Expenses	\$ 3,707.52
2021 Account Balance (Projected)	\$73,201.18

Reserve Fund

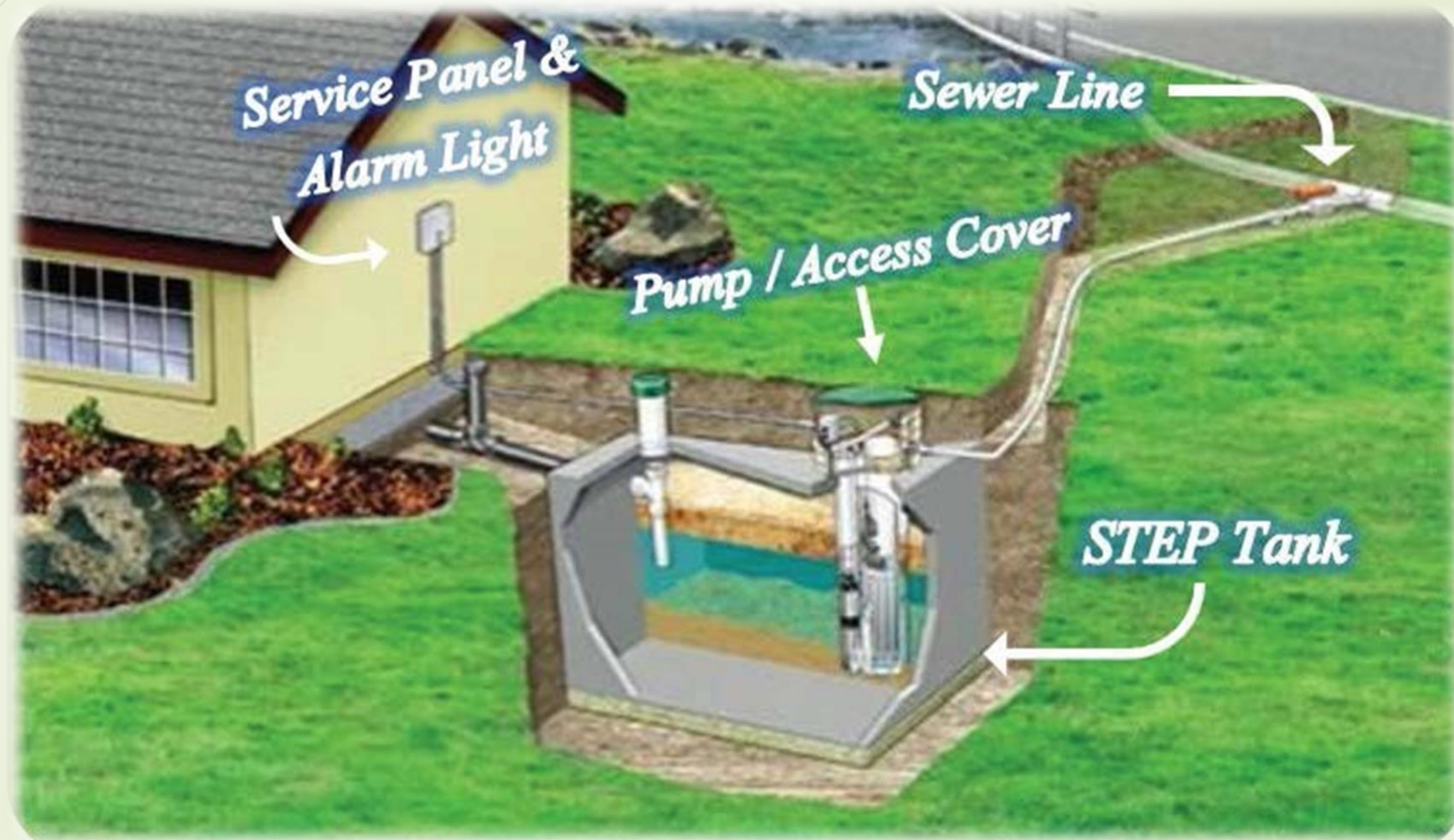
2022 Reserve Study Projections					
	100% Funded Amount¹	Total EOY (% Funded)	Total Fund Deficiency	Deficiency/Lot (Year/Month)	Comment
2019	\$73,351	\$73,692 (100%)	\$0.00	\$0 / \$0	100% funded per 2019 Reserve Study Projections
2020	\$79,387	\$75,835 (96%)	\$3,552	\$50 / \$4	Added CD interest (\$302) and one hook-up fee (\$1,500)
2021	\$92,739	\$73,201 (79%)	\$19,538	\$275 / \$23	Added CD interest (\$136)
2022	\$102,619	TBD	TBD	TBD	

¹The "100% Funded Amounts" are the total accumulated depreciation calculated in the 2019 Reserve Study. However, many components have not deteriorated at the rate used in the 2019 study. State law gives the Div. 12 STEP Board discretion to establish actual funding less than 100%, and to adjust the depreciation rates in subsequent updates of the Reserve Study.

2022 Priorities

- **Evaluate terminal flow meter status, research replacement options**
- **Evaluate flow and infiltration/inflow patterns**
- **Promptly address any infrastructure issues**
- **Recompete the annual service contract**

Questions & Answers



Div12 STEP Association Website

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)

