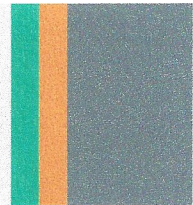


## Canterwood Division 12 STEP Association

c/o Diamond Community Management  
7512 Stanich Lane, Suite 6  
Gig Harbor WA 98335  
253-514-6638



Date: 10/26/2020

### **IMPORTANT NOTICE ABOUT THE ANNUAL MEETING FOR**

### **CANTERWOOD DIVISION 12 STEP ASSOCIATION OWNERS:**

Due to the current global health pandemic, the State of Washington's limits on meetings in person, and the State's authorization of meetings via other methods, your Board Members have chosen to conduct the 2020 Annual Meeting in two parts:

**The first part of the annual meeting** will be an informational meeting on Zoom that will be held November 12, 2020 at 6:00 PM. During this meeting you can ask questions or make comments about the items that are enclosed with this notice, including the Draft Minutes of the 2019 Annual Meeting, 2021 Budget, and your Ballot.

Information on joining the Zoom meeting can be found below. If you are unable to join the Zoom Meeting you can email comments or questions to [carol@diamonddcm.net](mailto:carol@diamonddcm.net).

Votes will not be taken during the Zoom meeting. Voting will be done via the enclosed Ballot which will be submitted to Diamond Community Management.

**The second part of the annual meeting** will be the submittal of ballots in order to vote and establish a quorum for the annual elections. You need to send your **signed** ballot to be received no later than 5pm, **November 20, 2020** at Diamond Community Management. There are 3 ways you can send your signed ballot:

1. **Email:** scan or photograph your signed ballot and e-mail it to [carol@diamonddcm.net](mailto:carol@diamonddcm.net)
2. **Mail:** Enclosed Addressed Envelope provided
3. **Fax:** DCM office at 253-514-6639.

The results of the vote will be sent to all owners by e-mail as soon as possible after the votes are counted. The full Draft Minutes of the 2020 Annual Meeting including the election results will be distributed to all owners no later than January 19, 2021 (60 days after the return date for ballots).

On behalf of the Board Members and Diamond Community Mgmt Team, thank you for your patience and understanding. We have received legal guidance assuring the validity of proceeding with annual meetings via video conference and mail in this unprecedented National Emergency.

**THANK YOU**

## Canterwood Division 12 STEP Association

### ZOOM MEETING INSTRUCTIONS

**DATE: November 12, 2020**

**TIME: 6:00 PM**

The Canterwood Division 12 STEP Association and Diamond Community Management are inviting you to a scheduled Zoom meeting.

Topic: Canterwood Division 12 STEP Association Annual Meeting Owner Comments and Questions

If you have not used Zoom before, it is an easy process. Go to <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting> for information on how to ensure you can participate.

#### Join Zoom Meeting via Computer

Go to website: <https://zoom.us>

Click "Join a Meeting"

Meeting ID: 886 6198 4427

Passcode: 589521

#### Join Zoom Meeting via Phone

Dial: (253) 215-8782

Meeting ID: 886 6198 4427

Passcode: 589521

If you have trouble logging in, please call Diamond Community Management at 253-514-6638 for assistance.

**CANTERWOOD DIVISION 12 STEP ASSOCIATION**  
**2020 Budget, 2020 Estimated and 2021 Budget**

GL#	Description	Budget 2020	Estimated EOY 2020	Budget 2021	2021 Explanations
		(71 Lots)		(71 Lots)	
	<b>REVENUE</b>			<b>5,474</b>	2020 Carried Over
4000	Monthly Dues	86,052	86,052	<b>86,052</b>	\$101 per Lot
4100	Late Charge	-	330	-	Due on the 1st
	<b>Total Income</b>	86,052	86,382	<b>86,052</b>	
	<b>EXPENSES</b>				
5005	Annual Registration	10	10	<b>10</b>	
5010	Management Fees	6,000	6,000	<b>6,000</b>	
5130	Postage	75	75	<b>50</b>	
5200	STEP System Rpr & Maint	8,800	7,937	<b>10,100</b>	Incl O & M
5300	Electricity	350	334	<b>350</b>	
5315	Gig Harbor Sewer Fee	68,350	64,760	<b>71,665</b>	2% Increase
5441	Tax Preparation	195	185	<b>195</b>	
5520	Insurance	1,800	1,357	<b>1,200</b>	New Policy
5525	Reserve Study	0	0	<b>0</b>	
5570	Website	300	250	<b>250</b>	
8002	Contingency			<b>1,706</b>	
8010	Reserve Fund Transfers	0	0	<b>0</b>	
	<b>Total Expenses</b>	85,880	80,908	<b>91,526</b>	
	<b>Excess/(Shortfall)*</b>	172	5,474	-	

\*2021 Includes Carry Over From 2020

## CANTERWOOD DIVISION 12 STEP ASSOCIATION

### 2020 AND 2021 Budget Allocation Per Home By Category

<b>MONTHLY DUES ALLOCATION CATEGORY</b>	<b>PER MONTH COST PER HOME, 2020</b>	<b>PER MONTH COST PER HOME, 2021</b>
Sewer Fees	80.22	84.11
Management Fee	7.04	7.04
STEP System Maintenance & Repairs	10.33	11.85
Insurance	2.11	1.40
Reserve Study	0	0
Allocation to Reserves	0	0
Other	1.30	3.00
Applied Carry-Over	0	(6.40)
<b>Total Monthly Dues Cost Per Home</b>	<b>\$101.00</b>	<b>\$101.00</b>

**CANTERWOOD DIVISION 12 STEP ASSOCIATION  
RESERVE FUND SUMMARY AND PROJECTIONS**

**2020 Summary Values Based on 2019 Reserve Study\***

**2021 Projections Based on 2019 Reserve Study**

Balance as of 12/31/19	\$ 74,032.73
2020 Contributions (interest + transfer from OP)	\$ 1,802.68
2020 Expenses	\$ 0.00
<b>Projected Reserve Fund Total EOY 2020</b>	<b>\$ 75,835.41</b>

<b>2021 Reserve Study Projections</b>				
<b>100% Funded Amount*</b>	<b>Total EOY % Funded</b>	<b>Total Fund Deficiency</b>	<b>Deficiency/Lot /Year /Month</b>	<b>Comment</b>
2019: \$73,351	\$73,692 / 100%	\$0.00	\$0 / \$0	Funded 100% per 2019 Reserve Study Projections
2020: \$79,387	\$75,835 / 96%	\$3,552	\$50 / \$4	Contributions: CD interest 1 lot hook-up fee (\$1,500)
2021: \$88,739	\$75,960 / 86%	\$12,779	\$180 / \$15	** Contribution: CD Interest
2022-\$98,619	TBD	TBD	TBD	

\* The 2019 Study update meets the requirements of WUCIOA (RCW.64.90.525) enacted on July 1, 2018. Reserve Study Reports are available at [www.canterwooddiv12step.org](http://www.canterwooddiv12step.org).

\*\* The Reserve Study projected replacement of the sump grate (\$577) in 2018 and flow meter (\$4,000) in 2019. The expenditure of \$40,763 was projected in 2020 for pipe replacement. The pipe replacement will not be necessary; pipe life should exceed 30 years and we have not had any problems to date. The above Components were not replaced in 2018, 2019 or 2020. The funds reserved for these replacements will continue to be held in Reserves until replacement is needed.

**Proposed homeowner monthly charges for 2021 will not include contributions to the Reserve Fund.**

**Canterwood Division 12 STEP Association**  
**Annual Meeting via Zoom & Mail In**  
**Return Date, November 20, 2020**

**BALLOT**

**ONLY ONE VOTE PER LOT**

I, the undersigned Owner of address \_\_\_\_\_, Gig Harbor, WA  
hereby vote for the following:

**2019 Annual Meeting Minutes - Enclosed**

- Approve  
 Do not Approve – Correction: \_\_\_\_\_

**Board Members Terms remaining: Megan Amherst (1 Year), Frank Addison (1 Year) & Randy Young (1 Year)**  
**Terms expiring: Lynn Singleton & Rick Meeder**  
**Vote for Two (2) Board Members**

- Lynn Singleton ( 2 Year)  
 Rick Meeder ( 2 Year)  
 Write-In Candidate (2 Year) - name: \_\_\_\_\_

**2021 Budget - Enclosed**

- Yes, I vote to ratify the 2021 Budget  
 No, I do not ratify the Budget

<b>Your Name Print</b>	
<b>Your Signature</b>	

**(MUST be SIGNED to be VALID. A signed ballot counts toward the quorum of 24 Owners)**

**Ballots must be received NO LATER THAN 5 p.m. NOVEMBER 20, 2020.**

**There are 3 ways to submit your SIGNED ballot:**

- 1. Email: scan or photograph your signed ballot and e-mail it to [carol@diamonddcm.net](mailto:carol@diamonddcm.net)**
- 2. Mail: in the enclosed envelope addressed to: Diamond Community Management,  
7512 Stanich Lane, Suite 6; Gig Harbor, WA 98335**
- 3. Fax: Diamond Community Management office at 253-514-6639.**

**CANTERWOOD DIVISION 12 STEP ASSOCIATION**  
**ANNUAL MEETING**  
**THURSDAY, NOVEMBER 14, 2019**  
**6:00 pm, Canterwood Association Office**

The annual meeting of the Canterwood Division 12 STEP Association was held on November 14, 2019 at the Canterwood Association office. The meeting was called to order by President Lynn Singleton at 6:00 pm. In attendance at the meeting were Board members Lynn Singleton, Rick Meeder and John Soukup, Diamond Community Management (DCM) representatives Lisa Dillon and Carol Burton as well as members of 14 homes. The homeowners present introduced themselves. Considering members present and received proxies, a quorum was represented.

President Singleton presented the meeting agenda and introduced the Board members.

A motion was made, seconded and unanimously approved to approve the minutes from the 2018 annual meeting of the Association.

President Singleton summarized the priorities for the Association Board and reviewed the major accomplishments during 2019. The major accomplishments included:

- Replaced both chlorine tank valves.
- Locating, exposing and raising 18 system isolation valves (2 valves shown on as-builts were not located) and restoring disrupted landscape caused by valve work.
- Exercising valves and noting areas for future evaluation.
- The Reserve Account was fully funded at 2019 levels.
- 80% of the Reserve Account was transferred to 3 short term ladder CDs to maximize interest earnings.
- Special service rates were obtained from Aadvanced Septic for our community members.
- The Community Contact List was updated.

Also, the Association's website (<http://Canterwooddiv12step.org>) was regularly updated by volunteer Steve Muretta.

Treasurer Meeder presented the financial status for the Association. Mr. Meeder reported that the 2019 expenditures are projected to be slightly under budget. The financials projected for 2020 will be about the same as the 2019 expenditures. The 2020 budget includes a 3.5% increase in the cost for the discharge of wastewater into the Gig Harbor City sewage collection system. This increase will be offset by savings in other expense categories and the fees arising from the addition of one connection to the system.

Mr. Meeder presented the results of the Reserve Fund Study and the status of the Association's reserves. The new Reserve Study projects full funding at \$79,387 for 2020. At present the Association has \$73,692 in the reserve fund, which is 100% of the recommended amount for 2019.

President Singleton reported that director Meeder is up for re-election to a one-year term as director and that Randy Young, Megan Amherst and Frank Addison are seeking election to the board of directors.

After counting ballots. DCM representative Lisa Dillon reported that Rick Meeder, Randy Young, Megan Amherst and Frank Addison had been elected to serve as directors. She also reported that the 2020 budget was ratified by the homeowners.

President Singleton discussed the major Board plans for 2020. They include:

- Purchase and install a new flow meter to replace a non-functioning unit.
- Continue infrastructure preventative maintenance.
- Evaluate the service contract with Aadvanced Septic.

President Singleton then presented the Association's website and gave a tour of the site to those present.

President Singleton invited questions by the homeowners. The Directors responded to the various questions to the satisfaction of the members.

There being no further business, the meeting was adjourned at 7:08 pm.

Respectfully submitted:

John Soukup, Secretary