

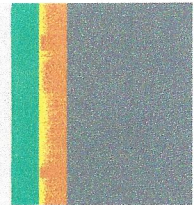
## Canterwood Division 12 STEP Association

c/o Diamond Community Management

7512 Stanich Lane, Suite 6

Gig Harbor WA 98335

253-514-6638



Date: 10/15/2021

### **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 again chosen to conduct the 2021 Annual Meeting in two parts:

**The first part of the annual meeting** will be an informational meeting on Zoom that will be held November 4, 2021 at 5:00 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 2020 Annual Meeting, 2022 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 12, 2021** 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 2021 Annual Meeting including the election results will be distributed to all owners no later than January 11, 2022 (60 days after the return date for ballots).

On behalf of the Board Members and Diamond Community Management 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 4, 2021**

**TIME: 5:00 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: 843 7357 5339

Passcode: 014158

Join Zoom Meeting via Phone

Dial: (253) 215-8782

Meeting ID: 843 7357 5339

Passcode: 014158

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



## **2021 CANTERWOOD DIVISION 12 STEP ASSOCIATION ANNUAL REPORT**

2021 Board Members: Lynn Singleton, President; Megan Amherst, Vice President; Randy Young, Treasurer; Frank Addison, Secretary; and Rick Meeder, Director

2020 Annual Meeting Minutes: Enclosed, please review and vote on the ballot.

2021 Financial Report: Enclosed

2022 Budget: Enclosed, please review and vote on the ballot.

Board Member Election: Enclosed, please review and vote on ballot by November 12.

### 2021 Accomplishments

- Obtained and installed a new flow meter and data logger (free of charge--\$2600 savings) by participating in the Seametrics beta test program
- Significantly reduced community costs with volunteers, Steve Muretta—website support, Steve Tyson—flow meter installation, computer support and donation, and Lynn Singleton—pilot participation, flow meter installation, treatment house upgrades, and infrastructure repairs
- Refreshed/replaced most equipment in the treatment house
- Implemented flow-paced chlorination in keeping with our Gig Harbor treatment agreement—a first in the history of the STEP System
- Recompeted and selected Aadvanced Services for our operation and maintenance work
- Expanded the Aadvanced Services scope of work to monitor a wider range of STEP equipment
- Obtained special rates from Aadvanced Services for our community members
- Maintained transparency—a core value, by routinely updating our website: <http://Canterwooddiv12step.org>.

### 2022 Planned Priorities

- Monitor the status of our terminus flow meter, coordinate with Gig Harbor about replacement requirements, research options—replacement likely needed in 2023
- Promptly address any infrastructure issues
- Recompete the annual service contract
- Evaluate wastewater flow patterns for seasonality and inflow and infiltration

Please forward questions or comments to any board member. See [www.canterwooddiv12step.org](http://www.canterwooddiv12step.org) for contact information.

**CW Division 12 STEP Association  
2022 Proposed Budget**

**Canterwood Division 12 STEP Association  
2021 Estimated and 2022 Budget**

GL#		BUDGET	ESTIMATED	BUDGET	2022
		2021	EOY 2021	2022	Explanation
		(71 Lots)		(71 Lots)	
	Carry Over	5,474	5,474	<b>2,451</b>	from previous year
	<b>REVENUE</b>				
4000	Monthly Dues	86,052	86,052	<b>90,312</b>	5% increase = \$106 per Lot (1st increase since 2018)
4100	Late Charge	-	-	-	Due on the 1st
	<b>Total Revenue + Carry Over</b>	91,526	91,526	<b>92,763</b>	
	<b>EXPENSES</b>				
5005	Annual Registration	10	10	<b>10</b>	
5010	Management Fees	6,000	6,000	<b>6,000</b>	
5106	Printing/Copying	-	-	<b>250</b>	Newsletter/Annual Meeting
5130	Postage	50	195	<b>225</b>	
5200	STEP System Repair & Maint	10,100	6,958	<b>8,652</b>	Includes 10% O&M contract increase for qtrs 3 & 4; supplies and contingency are \$922 of total
5300	Electricity	350	503	<b>515</b>	2.4% Increase
5315	Gig Harbor Sewer Fee	71,665	73,474	<b>75,311</b>	2.5% increase
5441	Tax Preparation	195	185	<b>200</b>	
5520	Insurance	1,200	1,200	<b>1,300</b>	
5525	Reserve Study	0	0	<b>0</b>	
5570	Website	250	250	<b>300</b>	
8002	Contingency	1,706	300	<b>0</b>	in Repair & Maint for 2022
8010	Reserve Fund Transfers	0	0	<b>0</b>	
	<b>Total Expenses</b>	91,526	89,075	<b>92,763</b>	
	<b>Excess/(Shortfall)</b>	-	2,451	-	

**CANTERWOOD DIVISION 12 STEP ASSOCIATION**

**2021/2022 BUDGET ALLOCATION  
PER MONTH/PER HOME BY CATEGORY**

<b>MONTHLY DUES ALLOCATION CATEGORY</b>	<b>PER MONTH PER HOME 2022</b>	<b>PER MONTH PER HOME 2021</b>
Sewer Fees	88.39	84.11
Management Fee	7.04	7.04
Home Sewer Inspection	0	0
STEP System Maintenance & Repairs	10.15	11.85
Legal	0	0
Insurance	1.53	1.40
Reserve Study	0	0
Allocation to Reserves	0	0
Other	1.77	3.00
<b>Total Monthly Dues Per Home</b>	<b>\$108.88</b>	<b>\$107.40</b>
<b>Carry Over Credit 2021</b>	<b>(2.88)</b>	<b>(6.40)</b>
<b>Net Monthly Dues Per Home</b>	<b>\$106.00</b>	<b>\$101.00</b>



**CANTERWOOD DIVISION 12 STEP ASSOCIATION  
RESERVE FUND SUMMARY AND PROJECTIONS  
2021 Summary Values Based on 2019 Reserve Study\*  
2022 Projections Based on 2019 Reserve Study**

Balance as of 12/31/20	\$ 76,772.60
2021 Contributions (Projected interest)	\$ 136.10
2021 Expenses	\$ 3,707.52
<b>Projected Reserve Fund Total EOY 2021</b>	<b>\$ 73,201.18</b>

<b>2022 Reserve Study Projections</b>				
100% Funded Amount*	Total EOY % Funded	Total Fund Deficiency	Deficiency/Lot /Year /Month	Comment
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: \$92,739	\$73,201 / 79%	\$19,538	\$275 / \$23	** Contribution: CD Interest
2022-\$102,619	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 "100% Funded Amounts" are the total accumulated depreciation calculated in the 2019 Reserve Study. However, as noted below, many components have not deteriorated at the rate used in the Study, therefore the 100% amounts are overstated. State law gives the Board discretion to establish actual funding less than 100%. The Board intends to have the Reserve Study updated every 5 years. The next update will be in 2024, and will correct the depreciation rate to reflect our experience. This will result in adjustments to the 100% Funded Amounts.

\*\* The Reserve Study projected replacement of the sump grate (\$577) in 2018 and pipe replacement (\$40,186) in 2020. The sump gate and pipes were not replaced because their useful life exceeds the estimate in the Reserve Study and we have not had any problems to date. The funds reserved for these 2018 and 2020 replacements will continue to be held in Reserves until replacement is needed. The Reserve Study projected replacement of the flow meter in 2019. It was replaced in 2021 (\$3,707.52) and included pump, pump house flow meter installation, and required plumbing and electrical work.

**Proposed homeowner monthly charges for 2022 will not include contributions to the Reserve Fund.**

**CANTERWOOD DIVISION 12 STEP ASSOCIATION**  
**ZOOM MEETING MINUTES, NOVEMBER 12, 2020**

Called to order at 6:05 pm by President Lynn Singleton

Board Members participating: Lynn Singleton, Megan Amherst, Randy Young, and Rick Meeder

Diamond Community Management participating: Carol Burton and Lisa Dillon

Owners participating: Dan and Paula Riley

Lynn Singleton opened the meeting by introducing the Board Members and thanking everyone for their time and efforts in putting together the information for this Zoom meeting presentation and the Annual Meeting documents. He reviewed the format for the two part annual meeting—the Zoom Meeting and the receipt of the homeowner ballots. A valid election requires a quorum of 24 ballots and Carol reported that as of November 12<sup>th</sup>, 34 ballots have been received, ensuring a valid election. The final due date for ballots is November 20, 2020 by 5:00 pm.

During the PowerPoint presentation, Lynn went over some of the accomplishments this year which included: changing insurance carriers resulting in reducing the cost and improving the coverage; obtaining special service rates for residents within Division 12 from Aadvanced Septic Services; initiating routine O&M inspections; and enhanced HOA transparency by routinely posting materials to the Division 12 website. Lynn and the Board gave special recognition and thanks to Steve Muretta for all his volunteered time, work and expertise maintaining our website: [HTTP://canterwooddiv12step.org](http://canterwooddiv12step.org)

Treasurer Randy Young reviewed the 2021 Budget highlights which included the savings on the new insurance policy premium and the effect of the carry-over from City of Gig Harbor sewer fee savings in 2020 on the 2021 budget. Those savings allowed the Board to keep the monthly assessments at the 2020 level after the city had increased their 2021 fees. Additionally, Randy reported that the Reserve Account is in good shape considering the condition of the infrastructure and the Reserve Study projections. No resource additions are planned for 2021.

The “2021 To Do” list includes a new flow meter and implementation, addressing of any infrastructure issues and a new annual agreement for our operation and maintenance services. A question was asked about the status the stormwater drains in Division 12 and Lynn explained they are not part of the STEP system.

Meeting was adjourned at 6:30 pm.

**NOVEMBER 20, 2020 5:00 PM REPORT:**  
**FINAL BALLOT RESULTS FOR THE 2020 ANNUAL MEETING:**

- A total of 46 ballots were received.
- The 2019 Annual Meeting Minutes were approved as presented.
- Board Members Lynn Singleton and Rick Meeder were re-elected.
- The 2021 Budget was ratified by owners.
- There were no questions or comments added to any of the received ballots.



**Canterwood Division 12 STEP Association**  
**Annual Meeting via Zoom & Mail In**  
**Return Date, November 12, 2021**

**BALLOT**

**ONLY ONE VOTE PER LOT**

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

**2020 Annual Meeting Minutes - Enclosed**

Approve

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

**Board Members terms remaining: Lynn Singleton (1 Year) & Rick Meeder (1 Year)**

**Terms expiring: Megan Amherst, Frank Addison & Randy Young**

**Vote for Three (3) Board Members**

Megan Amherst (2 Year)

Scott Lane (2 Year)

Chad Scialabba (2 Year)

Write-In Candidate (2 Year) name: \_\_\_\_\_

**2022 Budget - Enclosed**

Yes, I vote to ratify the 2022 Budget

No, I vote to not ratify the 2022 Budget

<b>Your Printed Name</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 12, 2021.**

**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.**