

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

2019 -2023 Summary Values Based on 2019 Reserve Study

2025 Projections Based on 2024 Reserve Study and EOY Estimates

Balance as of 12/31/24	\$ 75,090.57
2025 Contributions (Projected interest with CD's)	\$ 2,932.60
2025 Expenses -Reimbursed	\$ 0.00
2025 Reserve Fund Contribution	\$ 13,715
Projected Reserve Fund Total EOY 2025	\$ 91,738.17

2024 Reserve Study Projections

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	\$1,628 / \$23	** Contribution: CD Interest
2022-\$102,619	\$73,461 / 72%	\$29,158	\$2,430 / \$34	** Contribution: CD Interest
2023-\$103,012	\$74,877 / 73%	\$28,135	\$2,345 / \$33	** Contribution: CD Interest
2024-\$ 78,959	\$75,091 / 95%	\$ 0.00	\$0 / \$0	*** See Summary Above
2025-\$ 86,746	\$91,738 / 106%	\$ 0.00	\$0 / \$0	*** See Summary Above

* The 2019 & 2024 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.

** The Reserve Study projected replacement of the sump grate (\$577) in 2018 and pump house flow meter (\$4,000) in 2019. The expenditure of (\$40,186) 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 2018 and 2020 replacements will continue to be held in Reserves until replacement is needed. The flow meter was replaced in 2021. The 2021 Reserve expenses of (\$3,707.52) include pump, pump house flow meter installation, plumbing and electrical work. The 2022 Reserve expense was projected to be (\$393.00) Treatment building

Heater. The 2023 Reserve expense was projected to be (\$5,374.00) for replacement of the terminal vault flow meter.

*** 2024 updated Reserve Study resulted in a decrease of our 100% funding level from that projected in 2024 from our 2019 study. This update included a full reconciliation of all components actually installed in the system along with an updated evaluation of their remaining useful life, pragmatic probabilities of component failure, and detailed estimates of current cost for repair/replacement of components. Due to engagement of the reserve study practitioner with the Board, it is expected that the quality and accuracy of the update will provide confidence in future reserve fund contributions to ensure our Association can cover future obligations with limited risk for a special assessment. Proposed 2026 annual budget includes a contribution to the Reserve Fund in accordance with the 2024 Reserve Study recommended full funding level. Note that our current reserve funding is above 100% due to higher than anticipated interest income. The 2024 reserve contribution did not occur until February 2025 resulting in both the 2024 and 2025 contribution occurring in fiscal year 2025 accounting for the difference in reserve funding from the prior year.