

Ms. Wendy Otterstadt asked for the Description of Professional Financial Management Services described in the CBTB Survey be posted on the CBTB website:

Professional Financial Management Services include the following: Obtaining and maintaining certification credentials that they meet the Virginia Common Interest Community Board Professional Certification Standards, as well as obtaining and maintaining the fidelity bond required by Section 55-514.2 of the Virginia Property Owners Act (VA POA). Management and monthly reporting of CBTB Financial records and activities, (to include monthly backup and archival of Association financial records), maintaining owner billing and contact information, annual assessments and meeting announcements, voting (including preparation, mailing and tabulation of ballots and certification of election results), for 675 lots belonging to 296 owners, accounts receivable and payable, balancing of all accounts and providing documentation to support an audit of the association's records and preparing and distributing disclosure packages as required by the Governing documents and Section 55-514.2 of the VA POA,. In addition, provide guidance regarding compliance with the VA POA and Virginia Non-stock Corporation Act that may affect the association as well as training for Board members. Ensure vendors are licensed and insured prior to being issued contracts, administer all employee paperwork required by the State and Federal tax entities, (if contracted for by the community), and responsible for the issuance of 1099 tax forms for vendors. Provide required financial records and documentation to the Association's CPA for assistance in filing of association's state and federal tax returns and support delinquency collections to comply with the Governing documents and applicable law.

Questions Submitted for Board Response at 14 November Board Meeting

(sans Royer Question and answer to be addressed individually)

1. From: **mike stevens**
Date: Sat, Nov 7, 2020 at 10:40 AM
Subject: illegal structures
To: <CBTBay@gmail.com>

My question for the board is why do board members get special consideration?

Response: Members of the CBTB Board of Directors (BOD) do not get special treatment for Land Use Applications or any other CBTB BOD controlled processes. If a board member is on the committee receiving the application, that BOD member recuses themselves from the decision-making process. This was the case for the Gallegly's carport and the shed applications. These were approved by other members of the Architecture Control Committee. Even though the last is across the street it was considered adjacent and part of their parcel for land use, as has been the historical precedent set with previous requests of that type.

From: **carl failmezger**
Date: Sun, Nov 8, 2020 at 12:59 PM
Subject: Re: Board Meeting agenda and Q&As
To: CBTB Assoc <cbtbay@gmail.com>

I wish to be appointed to the CBTB board and serve as Treasurer.

Response: Article VII, Section 3 of the CBTB By Laws states a vacancy on such a Board of Directors may be filled by the remaining directors. As such, at the October 31, 2020 CBTB Board Meeting, Executive Session, Lea was appointed to the vacant Board position and appointed in writing as Treasurer. There is currently no vacancy on the Board. Normal preparations for the election to be held at the 2021 Annual Meeting are appropriate beginning next Spring. Thank you for your interest in the CBTB Board of Directors and we encourage you to provide an updated resume to the Nominations Committee when nominations are requested.

2. From: **Maria Merkowitz** Date: Sun, Nov 8, 2020 at 10:32 AM
Subject: Question for next meeting
To: CBTB Assoc <CBTBay@gmail.com>

Is there any chance that a sofa/arm chair will ever be put back in the clubhouse? While the bar stools and chairs are very attractive - they're difficult to sit on for

people of a certain age - or even short people - legs dangle. Sofa and armchair were comfortable and often used for a group to gather around.

Response: Thank you for your interest in the furnishing of the CBTB Clubhouse. While there is always a chance. There currently is no budget for a sofa or set of armchairs for the clubhouse. We did dispose of the sofa due to deterioration and wear from use. Once a plan is developed and approved for gradual reopening of the clubhouse during the National Pandemic, the Clubhouse Advisor may request a budget for additional furnishings based on what is recommended in the Capital Reserve Study or additional fund raisers could be planned for procurement if the CBTB survey identifies a sofa or armchairs as a highly desired item.

3. From: **Michael Stevens**

Date: Wed, Nov 11, 2020 at 5:08 PM

Subject: Questions

To: <CBTBBay@gmail.com>

I would like a breakdown of costs for each professional service we payed out to. Specifically how much did we pay for Sentry and what percentage of our budget did it account for. I would like the same information about legal as well as bookkeeping/accounting, and any other professional services we utilized. I would also like to discuss the Gogoloys (sorry if it spelled correctly) new shed. Given there was objection to the carport why was this allowed without input from the community. I would also like to discuss the ramifications of these decisions.

Response: A breakdown of the estimated expenses for this year is contained in the annual budget. You can locate the costs for the current management firm in the copy of the FY20-21 Budget which was mailed to you with your annual assessment and is also located on our CBTB website. The monthly fee for Sentry is similar to the historical costs for the previous professional firm and they are completing all tasks required as opposed to the previous firm. At the current time it is difficult to provide the specific percentages you requested as the financial records turned over to the Association were in such a poor state, we literally have to reconstruct financial forensics for the last five years. With the new transparency and fiduciary controls we anticipate the ability to be better able to prepare realistic future budgets and prepare more accurate analysis of historical expenses. Thankfully, our financial records are in a much better state presently, and we are preparing to have an independent professional Auditor review the last five years of records in accordance with the requirement in Article VIII, Section 4 of the By Laws.



As far as your question about the Architecture committee, see response above to the question you submitted on 7 November 2020, above.

4. From: **carl failmezger**

Date: Wed, Nov 11, 2020 at 2:30 PM

Subject: Re: Next Saturday's Board Meeting and Zoom Link

To: CBTB Assoc <cbtbay@gmail.com>

May I ask about the Sentry contract :

How much have we paid this company ?

How much is the increase in their fees?

Did we agree to this fee increase?

Thanks

Carl F

Response: You can locate the costs for the current management firm in the copy of the FY20-21 Budget which was mailed to you with your annual assessment and is also located on our CBTB website. The fees will increase \$100.00 per month effective with the second year of the contract effective 1 November 2020. All nine members that were on the Board on 5 October 2019 when the decision was made to transition to a Professional HOA Financial Services company were provided copies of the proposed contract for review. The contract did indicate a modest annual increase in fees which was approved with the vote – therefore no further annual vote is required to maintain our contractual agreement for services with Sentry Management. As previously identified in questions answered for the 31 October Board Meeting:

“Several financial anomalies were discovered in July 2019 by the CBTB Board members concerning CBTB’s previous Accounting Service. Those anomalies included failure to execute all tasks as written in the previous Engagement letter, failure to submit CBTB taxes for the last five years and lack of maintaining the required financial documentation in support of future realistic budget development process, Capital Reserve Studies and lack of an audit trail.

The Board of Directors approved the decision to transition from the previous Accounting Service that had been supporting CBTB to a Professional Financial Management Firm at the 5 October 2019 Board Meeting with 8 members in favor and 1 abstention. **The minutes can be viewed on the CBTB Website.** The monthly fee for Sentry is similar to the historical costs for the previous firm. In addition, the fact that having resident HOA expertise and knowledge available to provide training and advice in support of the Board had the potential to greatly reduce the huge legal expenses executed by previous Boards.”

5. From: **Linda Howe**
Date: Wed, Nov 11, 2020 at 8:52 AM
Subject: HOA
To: CBTBay@gmail.com <CBTBay@gmail.com>

Morning...

I'm trying to gain info on Sentry.

Can you tell me about our contract with them and are we governed by Roberts Rules of Order?

Thanks

Doug Howe

Sandy Lane

Info on Sentry is provided in the above response. Yes we are governed by Roberts Rules of Order.

6. From: **Maria Merkowitz**
Date: Tue, Nov 10, 2020 at 4:31 PM
Subject: Question for Board
To: CBTB Assoc <CBTBay@gmail.com>

What 5 years did CBTB not pay taxes? Which taxes were they - to which entity? Who was Treasurer at CBTB at time? Any reason that the taxes were not paid?

Maria Merkowitz

Response: Great question Maria, considering you were a Board member the first year that our taxes were not paid. Ironically there was difficulty keeping up with the Treasurer's duties and required reports and documentation with a Volunteer Treasurer and so in 2015 the CBTB BOARD decided it was time to hire a Professional Accounting Service and CPA to provide "Financial Services" to CBTB. The minutes of the 8 August 2015 Board Meeting note the Board Approval a decision to transition to a professional financial services firm. The Engagement Agreement with said firm, included the preparation and filing of annual taxes. This was but one of the many tasks not being correctly completed by the "professional Accounting" firm over the course of five years.

As to why the taxes were not prepared or submitted correctly would be pure speculation. There were multiple treasurers over the course of 2012-2019 during which the local accounting firm(s) were tasked with the preparation of taxes.

Corrotoman By the Bay (CBTB) paid Federal and State taxes over the last five years. The issue was with the submittal and acceptance of the tax forms. CBTB re- submitted both Federal and State Taxes for the following years. 2015, 2016, 2017 and 2018. In addition, the state of Virginia notified CBTB that taxes were not on file for 2012. These taxes were also researched, prepared and submitted. Taxes for 2019 were professionally prepared and submitted timely. Thankfully, our financial records are in a much better state and we are preparing to have an independent professional Auditor review the last five years of records in accordance with the requirement in Article VIII, Section 4 of the By Laws.

CBTB Member Questions submitted to 31 October 2020 Board Meeting

1. From: Tom Price

Date: Wed, Oct 21, 2020 at 11:27 AM

What is the extended project?

The Corrotoman Extended Project is an effort to work with affected homeowners on the CBTB owned portion of Corrotoman Drive where significant erosion has been identified and there is a requirement to remediate the erosion that could potentially damage the Association owned portion of Corrotoman Drive. A copy of the pre-decisional Board Resolution on Corrotoman Extended will be discussed and reviewed at the meeting and will be discussed by the Corrotoman Extended Chair. It will be made available in hard copy in a notebook for residents to review.

2. From: Tom Price

Date: Wed, Oct 21, 2020 at 11:25 AM

What is our HOA fees for if we can't swim, use the exercise equipment, play on a golf course that is unplayable? What did our HOA fees go for?

The Corrotoman By the Bay (CBTB) budget is posted on the CBTB website Corrotomanbythebay.org. It is listed under "documents" and entitled 2021 Budget. There are two columns reflected, the first is the Sentry Management proposal for the budget and the second is the approved CBTB budget that the community has been using for this years income and expenses. The question at hand is what does my assessment go towards since the Pool and the Clubhouse have been closed due to COVID19 and the VA Governors guidance. As previously noted in your question, the pool did not open this year therefore monies were not collected from Members and with the exception of minor chemical upkeep funding has not been expended for this amenity. The Clubhouse although not being "open" at this time still requires electricity, water, maintenance contracts (generator/HVAC) and general upkeep. Our assessment dollars also continue to maintain the roads, grounds maintenance, and general overall appearance of the community. In addition and in accordance with VA State law, a monthly contribution is made to the Capital Reserve (CR) fund and for the second year in a row is being funded at the recommended amount. This year the CR funding repaired a number of roads, replaced the HVAC unit at the club house (over 17 years old), and will be repairing the boat launch area bulkhead and dredging the channel and the pier area. This is the first time since the installation of the tennis courts that this community has utilized the CR funding in a manner in which it was originally intended.

Everyone of us that choose to make CBTB our home were aware of the existence of the Home/Property Owners Association (HOA/POA) and agreed to abide by the rules and requirements of the HOA/POA to include annual assessments to maintain the amenities.

Unfortunately, the funding collected from the annual assessments is far from being sufficient to adequately maintain this community to the standards most people are expecting. It is difficult and places an added burden on everyone when we have property owners within the Community that believe they do not have to pay their assessments because they don't believe

they receive benefit. These owners detract service from us all, especially when we must take legal action against them. It takes everyone's contribution in order to develop and maintain the community that supports our property values and provides us the kind of place in which we want to live.

3. From: Maria Merkowitz

Date: 21 October 2020

Is there any place to find the documents which describe the topics to be discussed?

Draft documents and minutes are normally not posted to the website until they are approved. Unfortunately, when meeting virtually, there are added challenges. However, in accordance with the Virginia Property Owners Act Section § 55.1-1816. Meetings of the board of directors, at least one copy of all agenda packets and materials furnished to members of an association's board of directors or subcommittee or other committee of the board of directors for a meeting shall be made available for inspection by the membership of the association at the same time such documents are furnished to the members of the board of directors. We will ensure that there is at least one hard copy notebook with the final agenda and all reports placed in the Pavilion area for review at the same time that I send the final agenda and documents to the Board members prior to the meeting! Very analog but, meets spirit and intent!

4. From: Joe Dickens

Date: Tue, Oct 20, 2020 at 4:24 PM

I see nothing about the most important issue! What is being done to insure the pool will be ready to open Memorial Day?

Pool Chair (Lisa Adler) will discuss the current planning effort to ensure that the input for the FY21-22 Budget will support execution and maintenance of the CDC and VA Governor's Executive Order Cleanliness guidelines in response to the National Pandemic. In addition, the Survey instrument will ask CBTB members how many will be willing to purchase a family pool membership, if we are still in a National Pandemic status.

5. From: Mark Hill

Date: Tue, Oct 20, 2020 at 4:49 PM

I'm asking about minimal immediate use of clubhouse. If use was limited to one household at a time, and use was first come first served, can't we design some simple method? Like an occupied sign On the front door means use by one household in progress. Users would be responsible for wiping down with antiseptic wipe anything touched before and after use. Upon leaving Turn the sign to unoccupied. A clock with mobile hands might be used to show how long users might stay. I will try to attend the meeting and explain the idea.

Architecture Committee Chair (Kevin McNair) will address Mr. Hill's questions and comments in the Architecture Committee report to the Board to include the budget and policy to gradually reopen the clubhouse.

6. From: Carl Failmetzger

Date: 22 October 2020

Is there a reason why the appointment of a replacement CBTB Board member and replacement treasurer is not on the agenda for Saturday's meeting?

Regarding the Treasurer's position, that is filled by Board vote from among elected Board Members. Lea Gallogly resigned as Treasurer, that was not acted on, she quickly reconsidered and will again be appointed Treasurer. Her position as a member of the Board was never open. We do however have a Board opening and are continuing to look for interested candidates. Request resumes be submitted to fill a vacancy of a Board member who terms ends in May 2022 NLT 10 November for review at the 14 November planned meeting.

7. From: James Kelly

Date: Thu, Oct 22, 2020 at 4:22 PM

Will there be an in person venue for us computer illiterate folks?

Unfortunately, with Governor Northam's signing of House Bill 5093 and Senate Bill 5117 last week which will allow a \$500 civil penalty for violations of a Governor's Executive Order instead of a class 1 misdemeanor for failing to wear a mask in public and the recent increase in COVID numbers, the meeting will remain virtual.

Dial-in: 1(301) 715-8592 Meeting ID: 831 2198 2812 Passcode: 22503

8. From: Various Members

Why and When and Who made the decision made to transition financial Management Services to Sentry Management?

Several financial anomalies were discovered in July 2019 by the CBTB Board members concerning CBTB's previous Accounting Service. Those anomalies included failure to execute all tasks as written in the previous Engagement letter, failure to submit CBTB taxes for the last five years and lack of maintaining the required financial documentation in support of future realistic budget development process, Capital Reserve Studies and lack of an audit trail.

The Board of Directors approved the decision to transition from the previous Accounting Service that had been supporting CBTB to a Professional Financial Management Firm at the 5 October 2019 Board Meeting with 8 members in favor and 1 abstention. The minutes can be viewed on the CBTB Website. The monthly fee for Sentry is similar to the historical costs for the previous firm. In addition, the fact that having resident HOA expertise and knowledge available to provide training and advice in support of the Board had the potential to greatly reduce the huge legal expenses executed by previous Boards.

Lastly a pre-approved copy of the presentation made at the 15 August CBTB Annual Meeting, “President’s Report to the Annual Meeting” is available on the CBTB website.

Questions Submitted for Board Response at 13 February 2021 Board Meeting

1. From: Tom Price

Date: Tue, Feb 9, 2021 at 9:22 AM

Subject: Re: Updated Amenities Form and Traffic Study

To: CBTB Assoc <cbtbay@gmail.com>

My name is Tom Price. What is up with the giant increase in boat dock fees? This seems to be quite a jump.

Response: Great question concerning the increase in Boat dock fees. When the Board was trying to make the fiscal year 21-22 Budget work we had to look seriously at the cost of operations of all amenities and we looked at those that had not had an increase to accommodate an inflation adjustment in a long time. That fact, combined with the fact that we are spending almost \$25,000.00 this Spring to restore the Bulkhead and dredge around the boat ramp and docks is what prompted the increase.

2. From: Don Smith

Date: Tue, Feb 9, 2021 at 8:30 AM

Subject: Re: Updated Amenities Form and Traffic Study

To: CBTB Assoc <cbtbay@gmail.com>

How does the whole community know that there is a Special Meeting this Saturday when there are people in this community that do not own a computer? It was my understanding that originally we were going to send out letters notifying of this meeting.

Response: The special meeting is not until Saturday 13 March 2021 NOT this Saturday 13 February 2021. In accordance with the By Laws we must provide 30 days notice of a special meeting, that is the Board's intent. There will be signage in up in and around the neighborhood, at Community center, notices on website, via Facebook, email and we will be either sending out post card notices of subject special meeting that we do not have an valid email address for or postponing the Special Meeting to coincide with the Annual Meeting so we can bundle the announcement of the Special Meeting with the Annual Meeting Announcement and Ballot mailing, since we are trying to be good stewards of limited resources and not waste money in additional postage!

3. On Feb 9, 2021, at 9:17 AM, Tom Price wrote:

Hi my name is Tom Price and I live at 25 Corrotoman Dr. I am in favor of reducing the speed limit to 25 the entire length of Corrotoman Dr. People also ignore the stop sign on the corner leaving Corrotoman Dr.

Response: Thanks and we appreciate the comments and concerns! We may circulate another petition to acquire signatures for forwarding to VDOT requesting another Traffic Study! In the recent Board communications with VDOT, we tried to emphasize that the traffic study performed in 2014, which VDOT continues to reference as the gold standard, is outdated for numerous reasons particularly the increased number of full-time residents in CBTB since the Pandemic began, increase in

construction and the increase in delivery vehicle traffic. Several Board members and other community members have experienced situations when they were almost been run off the road on the Corrotoman Drive curve by large trucks exceeding the posted speed limit!

4. From: carl failmezger
Date: Fri, Jan 8, 2021 at 7:15 PM
Subject: Re: Board Meeting Reminder, Call for Candidates . . .
To: CBTB Assoc <cbtbay@gmail.com>

Dear CBTB Board,

Attached please find a letter signed by over 25 members in good standing to request a special meeting.

Do you wish to see the original letters?

If so, please state the time and place of delivery desired.

Sincerely, Carl F

Response: On 9 January 2021: Thank you for your correspondence! Our communications chair was out of town so unfortunately, we did not see your note until after we had adjourned today's meeting! Please send the original letter and original signature sheets to the CBTB mailing address:

CBTB Board of Directors

P.O. Box 99

Mollusk, VA 22517

After we receive it, the Board will review and address accordingly at a future meeting.

5. From: carl failmezger
Date: Wed, Feb 10, 2021 at 3:23 PM
Subject: Re: Upcoming Board Meetings and A Special Meeting
To: CBTB Assoc <cbtbay@gmail.com>
CC: carl failmezger <carlfailmezger@gmail.com>

Article VI, Section 7 of the By Laws states " The form of the Proxy shall be determined by the Board of Directors" Is there a proxy form that the board has decided upon ?

Sincerely, Carl F

Response: This Petition cites Article VI, Section 4 of the Bylaws which relates to the Annual Meeting, a mistaken reference. The following section on Special Meetings of the Membership should have been referred to. Assuming the signatures of 25 Members, a Special Meeting should be called. It could be held right after a regular Board Meeting with appropriate notice. That is the current Board Plan, and we had planned for the Special Meeting to be held on 13 March immediately following the Board Meeting but, will discuss postponing the Special Meeting in order to combine it with the Annual Meeting and Election of Board Members, that will allow us to combine mailing the notice of special meeting with the Annual Meeting Announcement and Ballots.

However, it is important to point out that the authorities of the Board of Directors does not change simply because a Special Meeting of Members has been called. The By Laws authorized such a meeting to "discuss" identified matters. The By Laws do not give the Members any additional authority, such as the authority to overturn a Board decision on the Sentry contract, or negate the powers of the Board of Directors to authorize the making and execution on behalf of the corporation of any lawful contracts...and generally to control all the affairs of the corporation. The evident purpose of a Special Meeting is to call the Board's attention to a subject and provide an opportunity to Member's for to communicate their concerns, views and issues regarding a specific subject, nothing more. It is not an opportunity for the Members present to remove or modify authorities vested on the Board of Directors by the Governing Documents which include the Corrotoman By The Bay Articles of Incorporation, Declaration and By Laws, as well as the Virginia Property Owners Act and the Virginia Non-Stock Corporation Act. Therefore, there is no requirement for a Proxy nor a vote in support of the requested Special Meeting.

6. On Jan 23, 2021, at 11:02 AM, carl failmezger wrote:

Attached please find a sample memo of liens form that needs to be prepared by a CBTB board member (may be required to be treasurer or president) or a licensed Virginia attorney for each delinquent owner.

CBTB's failure to file these liens for the last several years probably made collecting our delinquent dues unlikely or at least not cost effective.

Rather than lose another \$9,000 this year, please prepare and file these forms and file them on or before February 26, 2021.

My company Lawmart, LC remains willing to prepare these forms for a fee of \$25 per form.

Thanks

Carl Failmezger

Virginia Attorney

Response: 23 January 2021 Mr. Failmezger, Thank you once again for offering your services to the Corrotoman By the Bay (CBTB) Collections Committee. While we appreciate your interest in assisting with the collections, please be advised the Board based upon the Collections Committee recommendation and a competitive proposal have secured the services of Gordon Rees Scully Mansukhani, a professional firm with Home Owners Association (HOA) experience for our collections activities. We have forwarded your concerns for their situational awareness. We thank you for your interest. Corrotoman By the Bay Collections Committee

7. From: carl failmezger

Date: February 10, 2021 at 3:11:50 PM EST

To: CBTB Assoc <CBTBay@gmail.com>

Subject: Re: memo of liens form

FYI: I looked in Lancaster Land records yesterday: no liens filed.

Does this Gordon Rees Scully Mansukhan firm realize that our filing deadline is February 29 ?

Response: Mr. Failmezger, Thank you once again for offering your services to the Corrotoman By the Bay (CBTB) Collections Committee. While we appreciate your interest in assisting with the collections, please be advised the Board based upon the Collections Committee recommendation and a competitive proposal have secured the services of Gordon Rees Scully Mansukhani, a professional firm with Home Owners Association (HOA) experience for our collections activities. We have forwarded your concerns for their situational awareness. We thank you for your interest.
Corrotoman By the Bay Collections Committee

Questions from Maria Merkowitz after the Special Meeting

1. Question: why not use a local accountant or member of the community?

Answer: The accounting function is an important part of the services of an association manager, but many additional services are now required as is the rather sophisticated technology and special training needed to perform these functions. A local community member simply does not have that capability. There is no “extra amount” being paid to. Please see the monthly Finance reports (which are all included in meeting minutes and posted to the website). Your assumptions regarding the cost of Sentry services are incorrect.

2. Question: how was the Sentry contract negotiated and approved?

Answer: Please see the minutes of the following listed Board Meetings:

Minutes of the 5 October 2019 CBTB Board Meeting

President’s Annual Report for the 15 August 2020 Annual Meeting

Minutes of the 31 October 2020 CBTB Board Meeting

Some of this assessment was done in executive session. As you recall, there was a special Saturday morning meeting to explain and discuss the arrangement with Sentry. All minutes of the CBTB Board Meetings are published on our website and include a record of all Board actions. Please take the time to review those records before making further inquiries regarding Board actions.

3. Question: The services of Sentry “cost way too much” and they have made a lot of mistakes.

Answer: The services of Sentry cost about the same as the previous arrangement with a local accounting company and the services are considerably more extensive and comply with law. The Board based its selection of Sentry on a search for a competent and experienced comprehensive HOA/POA financial management services firm and based its decision on many factors, including the fact that Sentry successfully provides such services to a number of home other owner associations.

The mistakes you refer to are trivial and part of the normal transition process. Other, far more serious failures of the previous service provider have consumed an inordinate amount of time and effort and have largely been corrected. Additionally, the records received from the previous service provider were incomplete, inaccurate and inadequately formatted and account for the majority of the mistakes you refer to. These are being corrected.

Thank you for your comments

V/R Deb Beutel

President, Corrotoman By The Bay Association

Below is the text from the 13 February CBTB Board of Directors Members At Large Questions and Answers

From: carl failmezger
Date: Wed, Feb 10, 2021 at 3:23 PM
Subject: Re: Upcoming Board Meetings and A Special Meeting
To: CBTB Assoc <cbtbay@gmail.com>
CC: carl failmezger

Article VI, Section 7 of the By Laws states " The form of the Proxy shall be determined by the Board of Directors" Is there a proxy form that the board has decided upon ?

Sincerely, Carl F

Response: This Petition cites Article VI, Section 4 of the Bylaws which relates to the Annual Meeting, a mistaken reference. The following section on Special Meetings of the Membership should have been referred to. Assuming the signatures of 25 Members, a Special Meeting should be called. It could be held right after a regular Board Meeting with appropriate notice. That is the current Board Plan, and we had planned for the Special Meeting to be held on 13 March immediately following the Board Meeting but, will discuss postponing the Special Meeting in order to combine it with the Annual Meeting and Election of Board Members, that will allow us to combine mailing the notice of special meeting with the Annual Meeting Announcement and Ballots.

However, it is important to point out that the authorities of the Board of Directors does not change simply because a Special Meeting of Members has been called. The By Laws authorized such a meeting to "discuss" identified matters. The By Laws do not give the Members any additional authority, such as the authority to overturn a Board decision on the Sentry contract, or negate the powers of the Board of Directors to authorize the making and execution on behalf of the corporation of any lawful contracts...and generally to control all the affairs of the corporation. The evident purpose of a Special Meeting is to call the Board's attention to a subject and provide an opportunity to Member's for to communicate their concerns, views and issues regarding a specific subject, nothing more. It is not an opportunity for the Members present to remove or modify authorities vested on the Board of Directors by the Governing Documents which include the Corrotoman By The Bay Articles of Incorporation, Declaration and By Laws, as well as the Virginia Property Owners Act and the Virginia Non-Stock Corporation Act. Therefore, there is no requirement for a Proxy nor a vote in support of the requested Special Meeting.

V/R Deb Beutel, President, Corrotoman By The Bay Association"

----- Forwarded message -----

From: carl failmezger
Date: Wed, Mar 24, 2021 at 3:08 PM
Subject: Re: Special Meeting and Annual Meeting Notices
To: CBTB Assoc <cbtbay@gmail.com>, Maria Merkwitz ,

Article VI Section 10 of the by laws states that the presence of 25 votes in person or by proxy shall constitute a quorum to transact business.

That Section does not seem to limit the meeting merely to discussion.

carl F

On Wednesday, March 24, 2021, 11:28:20 AM EDT, CBTB Assoc <cbtbay@gmail.com> wrote:

Carl,

There will not be a Proxy form as there will be no vote during the "Special" meeting. The authority of the Board does not change simply because a Special Meeting of Members has been called. The By Laws authorized such a meeting to "discuss" identified matters. The By Laws do not give the Members any additional authority, such as to overturn a Board decision on the Sentry contract or the ability to vote on removing authorities granted to the Board by the Governing Documents, VA Property Owners Act or VA Non-stock Corporation Act to execute the business operations of the Board. The evident purpose of a Special Meeting is to call the Board's attention to a subject and provide an opportunity for Member input on a subject, nothing more. The meeting is very timely, as the Board will use comments collected to inform the effort to re-compete the current CBTB Professional Financial Services Contract.

V/R Deb Beutel

President, Corrotoman By The Bay

On Wed, Mar 24, 2021 at 9:41 AM carl failmezger wrote:

Great.

Is there a proxy form ?

Thanks

Carl F

On Monday, March 22, 2021, 08:21:18 PM EDT, CBTB Assoc <cbtbay@gmail.com> wrote:

Special Meeting of Property Owners

A special meeting of CBTB property owners will be held immediately following the **9 a.m. April 24th regular Board Meeting** to offer property owners an opportunity to express concerns with the CBTB Association contracting Professional Financial Services Providers.

Annual Meeting and Election of Board Members:

The annual CBTB Property Owners' Meeting and Election of CBTB Board Members will be at 9 a.m. on June 12th. Announcements and Ballots for the Annual Meeting will be mailed out in early April.

CBTB Online Member Survey - Let the Board Know What is Important to You:

If you haven't taken it yet, be sure to fill out and provide feedback to the Board of Directors online survey. This survey gives you the opportunity to provide feedback to the Board. The results will be used to help make plans and recommendations for maintenance and upgrades to CBTB amenities. You can complete the survey here: <https://www.surveymonkey.com/r/JDWJYZX>

From: carl failmezger
Date: Wed, Feb 10, 2021 at 3:23 PM
Subject: Re: Upcoming Board Meetings and A Special Meeting
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CC: carl failmezger

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Sincerely, Carl F

Response: This Petition cites Article VI, Section 4 of the Bylaws which relates to the Annual Meeting, a mistaken reference. The following section on Special Meetings of the Membership should have been referred to. Assuming the signatures of 25 Members, a Special Meeting should be called. It could be held right after a regular Board Meeting with appropriate notice. That is the current Board Plan, and we had planned for the Special Meeting to be held on 13 March immediately following the Board Meeting but, will discuss postponing the Special Meeting in order to combine it with the Annual Meeting and Election of Board Members, that will allow us to combine mailing the notice of special meeting with the Annual Meeting Announcement and Ballots.

However, it is important to point out that the authorities of the Board of Directors does not change simply because a Special Meeting of Members has been called. The By Laws authorized such a meeting to "discuss" identified matters. The By Laws do not give the Members any additional authority, such as the authority to overturn a Board decision on the Sentry contract, or negate the powers of the Board of Directors to authorize the making and execution on behalf of the corporation of any lawful contracts...and generally to control all the affairs of the corporation. The evident purpose of a Special Meeting is to call the Board's attention to a subject and provide an opportunity to Member's for to communicate their concerns, views and issues regarding a specific subject, nothing more. It is not an opportunity for the Members present to remove or modify authorities vested on the Board of Directors by the Governing Documents which include the Corrotoman By The Bay Articles of Incorporation, Declaration and By Laws, as well as the Virginia Property Owners Act and the Virginia Non-Stock Corporation Act. Therefore, there is no requirement for a Proxy nor a vote in support of the requested Special Meeting.

V/R Deb Beutel, President, Corrotoman By The Bay Association"