

CBTB

Board Meeting

New Pool Funding

Agenda

12/14/2024

Cost to build

Pool Funding Assumptions

Loan Documents Required

Reserves - Current & Forecast

Fundraising

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Pool Build September 2025 - Funding

Financing Assumptions

- Finance Committee has been in touch with Tom Richardson since Dec 2021, Chesapeake Bank, VP of Commercial Lending
- Finance Committee has been in touch with William Smith since Dec 2021, Blue Ridge Bank, VP Commercial Loan Officer
- Assumed project price to be \$480,000 (consistent with our 2022 community-wide briefing)
- Funding of pool will be first from CBTB capital reserves with maximum use (\$300k) without comprising the needs of other forecasted CBTB capital reserve items
- Funding of pool will be second from a bank loan (\$180k) with shortest terms possible without comprising the needs of other forecasted CBTB capital reserve items
- Other than the year of the pool build in Fall 2025, the reserve balance will not fall below \$48,000. In the year of the pool build it will be a low of \$35k
- Loan value will be in the range of 35%-40% of total project value, which is conservative for the bank (\$180k/\$480k) & helpful for the interest rate
- Will need standard commercial security (pool, clubhouse, etc)
- Approximate terms today (10/21/24)
- 15 yrs, 8.5% (prime @ 9/19/24 BofA = 8%, + .5 or .25) rate adjusts every 5 years. A 10 year loan would be a fixed interest rate - assumed 8.5%. Banks have quoted 7.5%-8.5%
- For reserves forecast purposes, we assumed a 10 yr fixed rate loan at 8.5% (rate should be conservative)
- Existing cash reserves at 8/31/24: \$258,033
- Construction begins Sept 8, 2025 and is complete March 31, 2026
- Milestone payments to be made first from CBTB capital reserve funds
- Loan payments to begin April 1, 2026
- Private fundraising - assumption is zero, other than for possible options and playground

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Pool Build September 2025 - Funding

Loan Documents Required

Articles of Incorporation of the HOA

A copy of the minutes from the Board Meeting where it was voted on to seek the financing and to borrow the funds and who has been designated to sign on behalf of CBTB

A list of current Board Officers

Copies of 2022, 2023 & 2024 tax returns

If 2025 has not been completed , please provide a current Internal Profit/Loss for CBTB

An up to date Balance Sheet

We will need copies of drivers licenses and ss#s for all designated signers

A copy of the tax assessment and the plat/deed for the property where the pool is going to be constructed

A copy of the executed construction contract

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Friends of CBTB

Fundraising for new pool - options

Objectives

raise \$50,000 to help fund construction of the new pool options
will help fund sliding board, shades, bubblers & new playground