



October 11, 2016

Dear Corrotoman By The Bay Property Owners,

Since 1967, Corrotoman By The Bay (CBTB) property owners have enjoyed the many amenities in our unique and protected waterfront community. As a property owner in CBTB, you are a member of the CBTB Association, Inc. All CBTB members are required to pay annual dues to maintain community-owned assets such as common grounds, non-state roads, the clubhouse, pool, tennis/pickleball courts, par 3 nine hole golf course, playground equipment, pavilion, basketball court, shuffleboard, horse shoes, ping pong, along with boat slips, kayak rack, and boat ramp. These assets may have influenced your own decision to purchase or own property here. In addition to enjoying these assets now, they add value when selling your CBTB property later.

- *A Finance Committee of CBTB non-board member property owners analyzed income along with current and future expenses before discussing their recommendations with Ex-Officio board members to create a final report which was presented to the Board of Directors and community on October 8, 2016.*
- *The Finance Committee recommends increasing the annual dues to \$180 per lot. This is only \$15 per month per lot, AND is less than the combined current annual dues plus recent capital reserve special assessments.*

It is important that you return the enclosed ballot with your vote by November 16, 2016.

This letter, the ballot, and Finance committee report are available on www.corrotomanbythebay.org. If you have questions or would like to receive a print out of the finance report, please contact any Board Member, email: [cibtbay@gmail.com](mailto:cbtbay@gmail.com) or call Robert Bennett, President, telephone: 804-761-7647.

*A special meeting will be held on November 19, 2016
to answer questions, receive ballots, and determine the results of the vote.*

Please read on regarding the increase before you make your decision how to vote.

About the Finance Committee

At the August 13, 2016 Board Meeting, the CBTB Board of Directors established a Finance Committee of property owners to analyze and make recommendations regarding finances needed for the operations and capital replacement reserves of the community. Committee members are Bill Ehlman as chairman, Craig Adler, Neal Garner, Rebecca Nelson, and CBTB accountant Vicki Bartlett, CPA. Ex-Officio members are CBTB Treasurer Sam Longstreet and CBTB Board member Cristian Shirilla.

Following is a summary of the final CBTB Finance Committee Report, which is available on the CBTB website at: www.corrotomanbythebay.org.

History of CBTB's annual dues

1967	\$20.00/lot
1970	\$28.50/lot
1973	\$40.00/lot
1981	\$50.00/lot
1985	\$60.00/lot
1997 to present	\$80.00/lot

CBTB Fees Compared To Other Local Communities

Local community assessments per year per lot are

Hills Quarter \$2,640	Mallard Bay \$450	Heritage Point \$315
River's Bend \$250	Bay Quarter Shores \$225	CBTB \$80

We challenge you to find any community in the region that offers what we do at CBTB for the low price of \$6.67 per month per lot (\$80 per year per lot).

Fantastic Community Volunteers Help S—T—R—E—T—C—H Our Budget

Throughout our nearly 50 year history, our community is fortunate to have outstanding and wonderful volunteers continue to donate hundreds of hours of time and talent to our community. We want to take a moment to thank each and every one of you because our community would not be as wonderful without you and your commitment. Bravo!

Not only does volunteering your time, talent, ideas and energy save us money, but it also builds friendship and a sense of ownership in the community. With volunteer leadership and hard work, we have been able to frugally manage and maintain our community property and meet responsibilities. The Finance Committee factored *strong volunteer involvement* into their analysis of future needs to maintain our community assets.

What Influenced The Report?

- Virginia Code (Law) – Chapter 26, Property Owners’ Association Act, Section 55-514.1 requires a capital reserve study and funding for capital expenses.
- The ability to cover current operating and maintenance costs and save for future repairs and replacements. Nobody likes surprise expenses and bills!
- The desire to reduce the need for special assessments.
- The goal to maintain our community resources that contribute to real estate values.

Capital Reserve Replacement Report

- The Finance Committee analyzed CBTB’s Capital Reserve Replacement Report (available on our website) to ensure we are being reasonable and fiscally prudent in our overall assessment for future expenditures and long-term obligations.
- The Capital Reserve Replacement Report indicates we will need \$1,565,000 over the next 40 years. The Finance Committee’s report outlines decreasing this amount to \$1,042,000 based on specific reductions.

Determination of Annual Assessment Required

Annual operating budget is:	\$65,000
Annual Capital Replacement Reserve requires:	<u>\$41,380</u>
Total annual required:	\$106,380 (Assumes all pay)

Total annual required income of \$106,380 divided by CBTB’s 591 lots is \$180.00

***The Finance Committee’s recommendation is a new annual assessment of \$180.00 per lot.
This equates to \$15 per month.***

Special Thanks to Finance Committee Members For Their Work and Report

Motion to Increase Annual Assessment

The Board of Directors passed the following motion at the October 8, 2016 Board Meeting:
To increase the annual assessment to \$180 per lot due March 1, 2017.

Your Vote Is Important! Please Return the Enclosed Ballot by November 16, 2016.

Enclosed with this letter is your Proxy to vote.

Your vote must be received by Rivers Accounting by November 16, 2016 to be counted.

Mail: **Rivers Accounting, P.O. Box 406, White Stone, VA 22578**

Email: vicki.bartlett9@gmail.com

Fax: 804-436-9010

OR bring your Proxy to the Special Meeting being held at 9 AM, November 19, 2016 at the CBTB Association Clubhouse at 1187 Corrotoman Drive, Lancaster, VA 22503.

For More Information or to Volunteer

If you have any questions, would like to receive a print out of the finance report, or would like to volunteer for a committee or as a board member, please contact any Board Member, email: cbtbay@gmail.com or call Robert Bennett, President, telephone: 804-761-7647.

Thank You

Thank you for helping to make the Corrotoman By The Bay community the extraordinary place it is today, and has been for the past 49 years.

Together, we will provide for the preservation of our values and amenities

- for the maintenance of the roads, parks, playgrounds, open spaces and other common facilities, and
- for the protection of plant and wildlife in the common properties and in and about the subdivision, to the benefit and enjoyment of each and every owner.

Together, we will use our community's resources in a more efficient and financially responsible way.

We look forward to receiving your vote!

Sincerely,

CBTB Board of Directors

James Allen

Robert Bennett

Rocky Boykin

Jean Ehlman

Roger Failmezger

Sam Longstreet

Susie Pierce

Cristian Shirilla