



Fishing Creek Farm

Board Recommendation Final CAPEX Committee Report

September 20, 2021

“We envision Fishing Creek Farm to be a community of friendly, caring and respectful neighbors who work together to achieve a higher quality of life, to increase property values and to grow friendships.

We envision a neighborhood that residents and non-residents consider to be a desirable place in which to live and enjoy the benefits of family, friends and community.”



Thank you for the conversations!

Focus Groups

Surveys

Conversations

CapEx 2.0 Committee

Colleen Clark
Chauncey Brooks
Kristan Dix
Eamonn McGeady
Jim Shaffer
Dave Stadler

Board

Deborah Brafford
Chris Caine
Others

Town Halls

Newsletter
Feedback

Letters and
emails



FCF By the Numbers

120 Permitted Residential Lots

2 formally Zoned Recreation Areas

17 distinct Storm Water Management structures

40-plus acres of dedicated environmental area in 19 formally Zoned Open Space parcels (including paths and beaches)

2.4 miles of South River, Fishing Creek / Chesapeake Bay shoreline

Over 100 shared assets which must be maintained



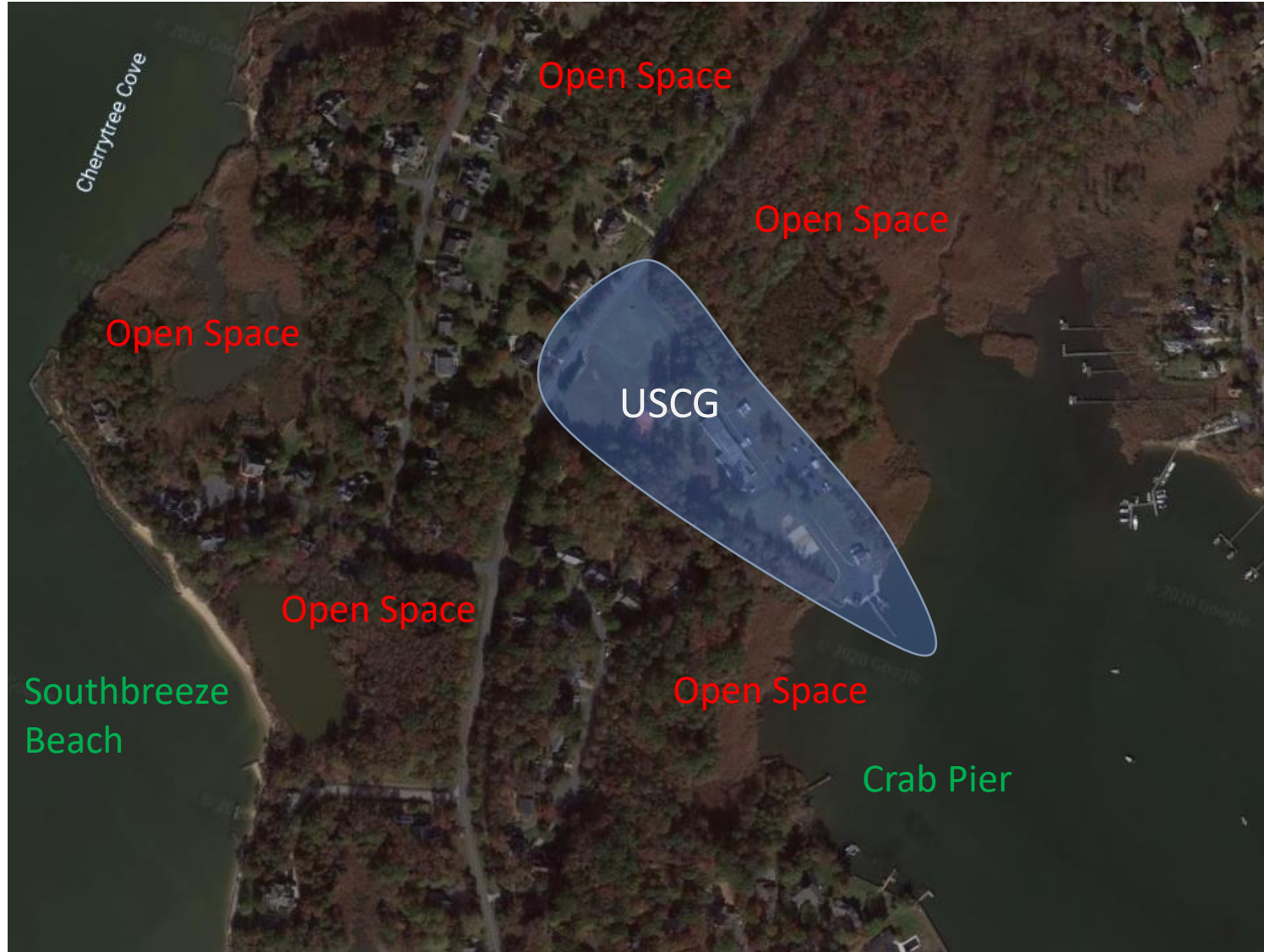


Key Terms





Key Terms





... Almost 40 Years Later

- ✓ One of the best, if not the best, waterfront community in proximity to Annapolis
- ✓ Far more amenities per homeowner than other neighborhoods.
- ✓ Appreciated even more by current and prospective homeowners after almost two years of isolation. Property values steadily appreciating
- ✓ Aside from the Special Assessment to the Clubhouse and other improvements made possible through the existing dues there are a number of priority assets and projects that need repair/maintenance:

- Boat ramp
- Pool deck
- Parking lot
- Tennis court

- Fish Hook Bulkhead
- CTL Bulkhead
- Sandspit Access
- Trails

- Crab Pier and Access
- Storm Water Management
- South Breeze Beach



By way of review ... three broad options considered

Option	Description	Factors
Option 1 “Status Quo”	<ul style="list-style-type: none">• Raise annual dues to \$1911.20 (10%) in 2022, continue increase of 10%/year until 2027, 5% annual increase through 2029• Special assessments whenever required to meet capital asset needs	Board can raise 10% per year without vote. However, several special assessments* will be required
Option 2 “Hybrid”	<ul style="list-style-type: none">• Raise annual dues to \$2041.50 in 2022, with a goal of a 3% increase annually through 2029• Special assessment of \$800/lot in 2022, no special assessment planned again until 2030	One special assessment* in 2022 and then not anticipated again until 2030
Option 3 “Fully Funded”	<ul style="list-style-type: none">• Raise annual dues to \$2606.18 in 2022, no annual dues increases projected until 2032	No special assessments* anticipated until at least 2032

* Special Assessments require approval of 51% attending lot owners



The Bottom Line

- The survey lot owner response was 63%. The Board wanted to hear from more owners so we sent additional personal emails and delivered personal letters to mailboxes
- Still have not made contact with everyone but for the most part non-respondents didn't do so because they were new owners, owned multiple lots, trusted others to make the decision, etc.
- Of those we contacted personally after the survey, 8 favored Option 3 and 2 favored Option 2. In total we heard from 70% of the lot owners. 3 expressed no preference.
- The majority of those who favor either Option 2 or 3 would choose the other as their second choice over Option 1
- The difference between a 10% dues increase and Option 3 is \$695 per year or \$58 per month
- So most lot owners favored Option 3, plus the Board saw a number of advantages beyond those from the perspective of individual lot owners

	People
Option 1	18
Option 2	28
Option 3	34
	80



Board Unanimously Recommends Option 3

- ✓ Critical assets are protected for their intended use across many years and Board leadership changes
 - ✓ Planning for asset preservation and improvement becomes an integrated part of the standard process by which we manage our community's finances
 - ✓ Retains flexibility in future years if we are underspending what we expect to need
 - ✓ Most equitable to homeowners across years and changes (e.g., does not put a burden on people selling and buying in the years of special assessments)
 - ✓ Most predictable and avoids surprising homeowners and provides financial certainty, particularly for young families
 - ✓ Enables action when needed without waiting for special assessments
 - ✓ Represents emerging best practice. There is an increasing trend among state and local governments to require HOAs to have independent assessments of reserves by consultants and show proof of fully funded reserves – being considered by Maryland General Assembly
 - ✓ Maximizes volunteer efforts by allowing them to target time toward making improvements versus raising funds via special assessments. More targeted and efficient use of scarce resources.
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Finishing Strong in 2021

- Community vote on Board recommendation no later than early November
 - Continuation of CAPEX projects already underway
 - Replacement of transformer, pool pump and filter, clubhouse fan and garbage disposal and miscellaneous painting
 - Tennis court resurfacing
 - Coordination with AACo to repair drainage issues on TPC, CTL and HRV
 - Crab pier restoration
 - South Breeze Beach shoreline protection design and permitting
 - Discussions with AACo regarding FCF responsibility for bulkhead replacement at the Cherry Tree Lane “neck”
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Rolling into 2022 with funding approved

- Progress on crab pier restoration
 - Continued progress on South Breeze Beach shoreline
 - Investigate options to improve walkway/access to crab pier, sand spit and South Breeze Beach
 - Trail improvements along common area behind tennis courts
 - Planning for clubhouse/marina parking lot improvement
 - Boat ramp replacement
 - Unforeseen?
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