

# The Shoreline

*Sylvan Shores Community News and Events*



## CALENDAR

**Upcoming Board Meetings:  
October 21**

**November 18**

**December 16 (Stockholders Meeting)  
7:00 PM Clubhouse**

### **SYLVAN SHORES SERVICES 2013 BOARD OF DIRECTORS**

President: Cathy Izzi

410-279-3611 / gc.izzi@comcast.net

Vice President: Kim Cover

410-956-0105 / kcover123@gmail.com

Treasurer: Bryan Jackson

410-956-2454 / bryan@rivamarket.com

Secretary: Linda Barker

410-952-9696 / brkrlinda@yahoo.com

Dan Anthony

410-956-3350 / dsa1944@aol.com

Marguerite Farnan

410-956-6968 / margefarnan@comcast.net

Robert Jorden

rnjorden@hotmail.com

Barbara Loya

410-919-7931 / shorerresident@gmail.com

Margaret Palyo

410-956-8677

### **OTHER CONTACTS**

#### **Billing**

Tidewater Management, 443-548-0191

#### **Boat Pier Slips**

Bill Buser

410-353-1533 / bbuser23@yahoo.com

#### **Waterfront Committee**

Linda Barker

410-952-9696 / brkrlinda@yahoo.com

#### **Grounds & Parkways**

Barbara Loya

410-919-7931 / shorerresident@gmail.com

#### **Clubhouse Rental & Boat Ramp Keys**

Dan Anthony

410-956-3350 / dsa1944@aol.com

#### **Newsletter**

June Moriarty

junemoriarty@hotmail.com

#### **Storm Water Management Liaison**

#### **County Water & Sewer Project Liaison**

Patrick Jameson

443-786-1774 / jp2468@comcast.net

**or contact us through**

**www.sylvanshoresriva.com**

**September 2013**

**\*\*\* SPECIAL EDITION \*\*\***

## **SPECIAL COMMUNITY BENEFIT DISTRICTS**

On July 15<sup>th</sup>, the Board held a community meeting to discuss Special Community Benefit Districts (SCBD) and the need to petition the County for this designation. About 40 residents attended the meeting. Below is a review of the presentation for the benefit of those who were unable to attend. In addition, please see the **Frequently Asked Questions** insert – which answers many of the questions presented at the July meeting and during Board meetings. As you review this information, please send any further questions you might have to Cathy Izzi, gc.izzi@comcast.net.

### **Why Are We Here?**

Sylvan Shores Services Company began as a waterworks company 75 years ago. As it sheds the waterworks activity, the organization is transitioning to a community-focused organization. The Board is seeking ways to continue to fund the grounds and facilities maintenance and improvement for community use and enjoyment, and related administrative expenses. The current method of funding and non-payment of assessments is not adequate to meet these needs.

### **How Did We Fund This in the Past?**

Assessments have historically included costs for administrative and maintenance services. The average budget since 1993 is \$238,289, with a high in 2011 of \$382,233 and low in 2013 of \$112,000 (reflecting the reduction in water & sewer utility costs). Below is an outline of the prior, current and anticipated future budgets and outstanding assessments.

### **Prior Budget**

Water & Sewer Related	60-74% of budgeted expense
General Operations (Admin/Acct)	8-20%
Grounds & Facilities Maintenance	13-21%
Replacement Reserve Fund	3.5-6%
<b>Unpaid Assessments</b>	<b>\$65,390</b> (as of 12/31/2012)

### **Current Budget**

Water & Sewer Related	40% of budgeted expense
General Operations (Admin/Acct)	33%
Grounds & Facilities Maintenance	21%
Replacement Reserve Fund	6%

### **Unpaid Assessments** (as of 6/30/2013)

Prior Assessments = **\$61,072 (43 accounts)**

Community Assessments = **\$4,560 (88 accounts)**

### **Future Budget**

*Future budgets will eliminate any water & sewer maintenance, and will include:*

General Operations (Admin/Acct) approx 30%

Grounds & Facilities Maintenance approx 45%

Capital Replacement Reserve Fund approx 25%

Projects – new assets *If not otherwise funded through grants or other fundraising.*

*Funded projects depend upon community needs, desires and approval.*

### What Can We Expect for a Budget Amount in the Future?

The estimated future budget expense is expected to be in the range of \$70,000-\$80,000 annually.

### How Can We Assure Funding for Ongoing Financial Obligations?

In September 2012, the Board agreed to pursue becoming a SCBD, though it had been discussed as early as 2010. Since that time, we have included articles in *The Shoreline* as well as on the website. Also, the SCBD has been a topic of discussion at the Board meetings. Several individuals have devoted significant time to research the process and have been working with the County through the process.

### Why We Need This

Here are just a few reasons why this funding method is necessary:

- Assure collection of funds to meet financial obligations
- Maintain an attractive community
- Maintain and improve amenities for all
- Improve value of your property, your community, and your quality of life
- Keep annual assessments as low as possible by assuring 100% participation
- Fair and equitable sharing of financial responsibility
- Share in the value of benefits

### What is a Special Community Benefit District?

*“A District established by legislation to provide public benefits which the community may not otherwise receive.”*

The County takes on the task of collecting the community assessments, as determined by the annual budget. Community members no longer pay an assessment directly to the SSSC, but pay through the county, as part of their annual real estate tax.

### For What Purpose?

Generally, SCBDs are established to provide a mechanism for a community to collect monies for the purposes of maintaining and improving common areas and facilities, and related administrative expenses.

### How?

A community petitions the County to establish the district:

- A petition is prepared, circulated and validated.
- Legislation is adopted by the County Council and signed by the County Executive.

### The Petition Process

- Board drafts petition, defining: Properties to be included, purposes for which the district is established; method of assessment: Uniform/equal assessment per tax account ; and organization to administer expenditure: SSSC
- Office of Law reviews petition for content, and legal sufficiency.
- County provides SSSC a listing of property owners and the approved petition.
- SSSC distributes petitions to property owners for vote.
- When more than 50% of property owners sign the petition, vote YES, and return the petition, the petitions go to County with request to prepare legislation to create district. The petition remains open until the affirmative percentage is obtained.

- County reviews petitions, validates signatures, and prepares and introduces legislation to County Council.
- Public hearing is scheduled and advertised for four consecutive weeks in local newspaper.
- Public hearing is held for community comment, and County votes on legislation to establish district.

**PETITION TO ESTABLISH  
SYLVAN SHORES SPECIAL COMMUNITY BENEFIT DISTRICT**

I (We), the undersigned, property owner(s) of Sylvan Shores hereby petition the County Council of Anne Arundel County to establish the Sylvan Shores Special Community Benefit District, in accordance with the Anne Arundel County Code, Article 4, Title 7, Subtitle 202. The limits of the proposed Sylvan Shores Special Community Benefit District are those lands within the Revised Sylvan Shores Sanitary Subdistrict as described in Bill Nos. 75-11 and 9-13.

The purposes of the district are:

- Acquiring, maintaining, improving, and operating real property, facilities, and personal property owned or to be owned by Sylvan Shores Services Company, Inc. for the common use and enjoyment of the owners and residents of the community;
- Providing recreational events and gatherings directly related to the community;
- Community-wide insect and pest control;
- providing security for the protection of real property, facilities, and personal property owned or to be owned by Sylvan Shores Services Company, Inc. for the common use and enjoyment of the owners and residents of the community;
- Providing for the administrative expenses necessary to accomplish these purposes.

It is requested that the method of taxation be a uniform assessment per tax account.

Sylvan Shores Services Company, Inc., an organization that meets the criteria set forth in § 4-7-101 of the Anne Arundel County Code, shall be responsible for administering the special community benefit district assessments in furtherance of the purposes of the Sylvan Shores Special Community Benefit District.

I (We), the undersigned, affirm under penalties of perjury that I am (we are) the owner(s) of the property whose address is \_\_\_\_\_ within the proposed Sylvan Shores Special Community Benefit District.

**PLEASE SIGN YOUR NAME AS IT APPEARS ON YOUR DEED  
IF YOU ARE UNSURE, SPELL OUT YOUR FIRST MIDDLE AND LAST NAMES  
ALL OWNERS OF RECORD MUST SIGN**

**If an owner of record is deceased, you must enclose a Death Certificate**

\_\_\_\_\_ I vote YES \_\_\_\_\_ I vote NO

\_\_\_\_\_  
Signature and Printed Name Date

\_\_\_\_\_ I vote YES \_\_\_\_\_ I vote NO

\_\_\_\_\_  
Signature and Printed Name Date

Return by \_\_\_\_\_ to: SSSC, P.O. Box 208, Riva, MD 21140

*Above: Draft currently under final review at County Office of Law*

### How to Sign the Petition

Signature names must be the same as property owners of record, or sign full name (First, Middle, Last) if uncertain.

Property Ownership	Signatures Required	# of Votes
Husband & Wife	2	1
Partnership	2	1
Legal Entity: Individual Firm, Association, Corporation, Trustee	1 Legal Representative	1
Multiple Ownership	1 Legal Representative or All if no legal representative	1

**The SCBD Budget**

- It is the duty of the Board to prepare, adopt, and submit a final budget to the County in accordance with the association’s by-laws.
- The SCBD budget must be presented to property owners for comment by December 31st and submitted to the County by January 31st for the upcoming fiscal year.
- SCBD budget is included in County budget and presented to the County Council in May.
- Two public hearings are held on the County Operating budget – SCBD budgets are open to discussion and comment by the public at that time.
- Assessments are enacted by the County in May, and are included on July property tax bills.

**Budget Components:**

**Grounds & Facilities Maintenance/Improvements:**

Beaches, piers, roads (non-County), parks/parkways, stairways, utilities, storm water management, boat launches, clubhouse, piers, kayak/canoe racks

**Community Recreation:** Annual Picnic  
*unless otherwise funded*

**Mosquito & Pest Control:** Mosquito control is generally provided by the State of Maryland, other pest control may be required in the future.

**Security:** Safety lighting, gates to prevent non-resident/non-guest access

**Administrative/General Operations:**

Accounting/Management, Office Expense, Postage, Newsletter, Insurance

**Funds for Future Use:** Capital Replacement Reserve Fund – *Established in 2010 to assure funds for future asset replacement. When an asset is ready for replacement, these funds will be available for use.*

**County Administrative Fee:** 5% of revenue needed or \$2,000 maximum

**SCBD Fund Balance at end of fiscal year:** In subsequent years – any unencumbered/unexpended surplus used to offset expense.

**Examples of Revenue:** Interest Income, Clubhouse Rentals, Boat Pier Rentals, Boat ramp keys

**Tax Revenue Needed:** Budget Total (Expenses) *less* Estimated Funds Available (Revenue + surplus)

**Tax Rate Requested:** Tax Revenue Needed *divided by* # Tax Accounts

****SAMPLE Format****	
FY2015	
SPECIAL COMMUNITY BENEFIT DISTRICT	
BUDGET REQUEST	
A. Sylvan Shores Special Community Benefit District	
B. Sylvan Shores Services Company Inc.	
C. P.O. Box 208, Riva, MD 21140	
D. Contact: TBD	
Description	Amount
<b>E. PURPOSES</b>	
Maintain & Improve Community Property	
Community Recreation	
Pest Control	
Security	
Administrative	
Funds for Future Use (Reserve Replacement Fund)	
<b>F. BUDGET SUBTOTAL</b>	
<b>G. COUNTY ADMINISTRATIVE FEE</b>	
<b>H. BUDGET TOTAL</b>	
	F+G
<b>REVENUE</b>	
<b>I. Estimated Funds Available FY__</b>	
<b>J. Fund Balance as of 6/30/__</b>	
<b>K. Investment Income / Other Revenue</b>	
<b>L. Estimated Funds Available Subtotal</b>	I+J+K
<b>M. Tax Revenues Needed for FY__</b>	Q x P
<b>N. REVENUE TOTAL</b>	
	L+M
<b>O. Tax Revenues Needed for FY__</b>	
	M
<b>P. Number of Tax Accounts</b>	
	#
<b>Q. Requested Tax Rate</b>	
	O / P

**SCBD Finances & Requirements**

- County collects assessments with the property tax bill.
- Funds are typically disbursed to the community organization (SSSC) in November, February, and June.
- Expenditures must be consistent with line items approved in the budget adopted by the County Council.
- SCBDs may only expend amounts as appropriated in their approved budgets.
- Bond required for SSSC Treasurer or other fiscal officer.
- Financial reporting requirements.
- Audits and non-Board audit committee report required.

**How Can You Help?**

You may also wish to participate in the process by assisting in reviewing returned petitions and following up with owners. Please contact Marge Farnan if you can help in this regard.

For the future, consider participating on the Board or other committees which monitor and arrange for maintenance or administrative needs. Research into available grants and other funding options are always desired.

**Your Role**

**When you receive the petition and proposed budget, please review it and any other information provided immediately and cast your vote. Be sure to sign the petition as required and return the petition by the requested date.**

**FREQUENTLY ASKED QUESTIONS ABOUT THE PROPOSED  
SYLVAN SHORES SPECIAL COMMUNITY BENEFIT DISTRICT**

**September 2013**

**Q1. Why is Sylvan Shores (SS) pursuing a Special Community Benefit District (SCBD)?**

A. Without the water and sewer utility operations and collections of those fees, Sylvan Shores Services Co., Inc. (SSSC) is transitioning to a community-focused organization. Funding is required for the grounds and facilities maintenance and related administrative expenses. An SCBD can assure that the community produces funding for these ongoing financial obligations in a way that's fair and equitable for all owners. The County collects the fees through the SCBD and returns them to SSSC for its stated (budgeted) purposes.

**Q2. Is it accurate to say that, historically, approximately 20-25% of our SSSC "water/sewer assessment" was to maintain services and facilities for the benefit of all property owners?**

A. Yes, that's the approximate percentage.

**Q3. How did the Board choose the SCBD method of taxation for the district?**

A. The County provides a choice of 3 methods:

1. Uniform assessment for each tax account=Equal payment for each tax account.
2. Uniform assessment for each lot = Equal payment for each lot owned.
3. Uniform rate of assessment = Rate based on taxable assessment of property.

Sylvan Shores property owners have always paid an equal amount for services, so #1 was the choice of payment for the SCBD. In addition, it is not reasonable to assume that your tax assessment dictates the level, value, or use of community amenities.

**Q4. How does the County bill owners for the SCBD?**

A. The County bills the SCBD fee for each tax account annually on your property tax bill, which the owner can pay in two installments...September and December.

**Q5. How does SS get the money back from the County?**

A. The County typically disburses the SCBD funds it has collected by the property tax bills in November, February and June.

**Q6. Aside from the usual administrative costs of SSSC, what are the community amenities and services for which we are assessed?**

- A. Amenities for owners, residents and guests include: Access to the waterfront, boat ramp, small craft launch, two boat piers, two kayak/canoe racks, recreational pier, playground, Clubhouse, parks and parkways. Services include: mowing and maintaining parks and parkways; maintaining clubhouse, play equipment, stairways, piers, and non-County roads; tree trimming and removal; and plantings.

**Q7. I don't use these amenities so why should I pay for them?**

A. These amenities add to your property value and quality of life for the community and its residents. Many of the amenities are fee-for-use, such as the Clubhouse, access to launch, and boat slips; the fees are used to offset maintenance expense. As a waterfront community, it is important to provide such amenities so that the waterfront remains open to owners and guests for their use and enjoyment.

**Q8. Would the Board consider placing a percentage cap on assessments?**

A. It is the responsibility of the Board to adopt a realistic and conservative budget. A cap on increases should be considered after it is determined that the budget for the first year of the SCBD is adequate.

**Q9. What is the benefit to me?**

A. Because the County takes on the task of collecting the community assessment via the property tax bill, the County provides a means of assuring the community that all members pay their fair share of common community expenses, and assessment can be kept to a minimum when everyone pays their share. Because the community members must review the budget each year, the community maintains some control over the amount assessed.

## Frequently Asked Questions, page 2

- Q10. If an owner doesn't pay the County tax bill which includes the SCBD fee, do they reduce the funds they return to us by that amount? Do we ever get it?**
- A. If the property tax bill is not paid, it will go to Tax Sale. The County will get the SCBD fee assessment through settlement of the tax sale, whether the owner pays or the investor, and the fees are then distributed to the district. Tax sales occur annually in May or June.
- Q11. When will the property owners vote on the SCBD?**
- A. First, the County must approve the petition that will be mailed to all property tax account owners. The County provides SSSC a list of all property owners and tax accounts. It is anticipated that this mailing could take place by the end of this year.
- Q12. How will the property owners know what's being budgeted for the SCBD?**
- A. Property owners will be mailed a copy of the proposed budget with their petition.
- Q13. How long does the voting process last?**
- A. The voting timeline will be extended until over 50% of owners (tax accounts) sign and affirmatively vote for the SCBD. The County establishes NO time limit to reach this goal and it may take longer than we anticipate. But we will pursue the 51% affirmative vote until it is accomplished.
- Q14. So the votes are counted by SSSC before going to the County?**
- A. Yes. We do not submit the votes to the County for validation until we have over 50% of owners sign and affirmatively vote for the SCBD.
- Q15. Who signs the petition?**
- A. There is one vote per tax account and you will receive a petition for each tax account you have. You must sign each petition exactly the same as the names on the Deed for that property's tax account. Husband and Wife - two signatures required = one vote. If one votes yes and one votes no, then they cancel each other out but you submit the petition anyway, as it will count in the total to reach 51% of owners voting.
- If there is multiple ownership, all owners must sign or the legal representative or officer of a corporation signs. This equals one vote. If one of the owners is deceased but still on the deed, then a death certificate must be included with the signed petition.
- Q16. What if my property sells mid-vote and I've already voted? Does the new owner get any say, or to take back my vote and get their own vote?**
- A. When the County certifies the petition vote count, they use the latest property listing available. At that time, depending on the majority count, they will decide if any action is appropriate. If SSSC knows of any changes in ownership, we can provide the petition to the new owner and turn it in when signed.
- Q17. If the SCBD is voted on and approved, how do I give my opinion or vote on the annual proposed budgets?**
- A. Per the SSSC Bylaws, the Board approves the annual budget. Per the SCBD requirements, a budget must be presented to owners for comment.
- Q18. Why don't we get rid of the stockholder provision in the Bylaws so that everyone in the community can be a member of SSSC as they will be of the SCBD?**
- A. The Board plans to amend the SSSC Bylaws after the SCBD is established and present it to the stockholders to vote to remove the stockholder provision, and have the Bylaws more accurately reflect the new community-focused organization we have become.
- Q19. Will there be a need for a management service after the SCBD is established?**
- A. Yes, SSSC will still require bills to be paid, receive payments from the County and use of Clubhouse, etc., have collections activity from prior assessments, and be responsible for financial reporting. Having a professional service to perform these services and maintain the financial records is important.

Sylvan Shores Services Company  
P.O. Box 208  
Riva, MD 21140

**COUNTY NUMBERS TO NOTE**

Emergency 911  
South County Roads District  
410-222-1933 or 410-222-1276  
Pothole Hotline – 410-222-7045  
Animal Control – 410-222-8900  
Dept. of Aging Transportation – 410-222-4826  
For more contact numbers, go to  
[www.aacounty.org](http://www.aacounty.org)  
Sylvan Shores Water & Sewer Capital Project  
Inspector – Jim Higgins 443-988-8560  
Finances – Leslie Campbell 410-222-7519

**TRASH, RECYCLING & YARD WASTE PICK-UP**

**Thursday Mornings Only**

Mark your bags with an “X” for yard waste and put out with recycling and trash Wednesday evenings or before 6:30 AM Thursday mornings

**Please bag leaves and yard debris.  
Keep storm drains clear.**

**HOW TO PAY YOUR MONTHLY ASSESSMENT**

Monthly payments should be made to  
Sylvan Shores Services Company  
and mailed to  
PMB/Box #134  
211 E. Lombard Street  
Baltimore, MD 21202-6102  
For electronic bill payers, have your account number and property address referenced on your payment.  
For automated bill payments, visit [www.tidewaterproperty.com](http://www.tidewaterproperty.com) to download the application or contact Tidewater directly at 443-548-0191.

**WWW.SYLVANSHORESIVA.COM**

**NEW CONSTRUCTION UPDATE!**

SSSC Bylaws and Rules & Regulations

Clubhouse Rental Contact Information

Neighborhood Watch Information

The Shoreline Newsletters

**Contact us** through [www.sylvanshoresriva.com](http://www.sylvanshoresriva.com) with change of address, questions, comments, suggestions, complaints... plus many other useful links.