

Hershey's Mill Homeowners Association

1389 East Boot Road * West Chester, Pennsylvania 19380 – 5988

(610) 436-8900 Telephone

(610) 436-5162 Facsimile

DRAFT – FINAL MA APPROVAL PENDING Minutes of the Monthly Master Association Meeting

May 1, 2014

Attendees: P. Termine (A); B. Fitzgerald (B); Bill Judkins (C); P. Burt (D); Joe Jorda (E); Jay Harter (F); J. McCombs (G); J. Schuerger (H/L/N); B. Mackleer (I); B.K. Roberts (K); A. Ruth (M); John Poling (O); E. Laufenberg (P); J. Bové (Q); H. Staller (R); G. Gannon (S); P. Erickson (T); B. Greco (U); F. Simone (V); B. Cotner (W); George Earle (Y); B. Bronner; (Z) and E. McFalls.

President Bob Greco called the meeting to order at 3:00 PM. The minutes of the April 3, 2014 Master Association meeting were accepted as submitted. Alternate representatives were asked to introduce themselves.

Bob Greco then introduced the main topic for the day's meeting – the proposal to institute a Capital Improvement Fee for the Master Association on each resale of a home in Hershey's Mill. He reviewed the material included in the packet and the history of the reasoning for proposing a CIF – most importantly the support of Vision Quest projects some of which may include an elevator in the CC, a new pool house and/or recreational facility, additional walking paths on the eastern side of the community and permanent pickleball courts. A CIF would essentially double the funds being contributed for Vision Quest on an annual basis. Bob addressed some of the questions that have been raised by several presidents in his discussions with them over the last month – most commonly – whether a CIF should be instituted now, or after some of the planning has been done to bring more detail to the planning process.

Bob Bronner then read the motion which had been included in the agenda packet:

I move that the Master Association adopt a Capital Improvement Fee (CIF) equal to twelve times the monthly assessment fee which is currently \$141.33 for a total fee of \$1695 for 2014. This CIF fee would apply to all homes sold and transferred to new buyers in Hershey's Mill beginning July 1, 2014. The Management Company representing each village within Hershey's Mill would be responsible to transfer this CIF fee to the Master Association after closing.

Per the Uniformed Planned Community Act of PA, no Capital Improvement Fee shall be imposed on any gratuitous transfer of a unit between any of the following family members: spouses, parent and child, siblings, grandparent and grandchild; nor on any transfer of a unit by foreclosure sale or deed in lieu of foreclosure to a secured lending institution.

Capital Improvement Fees allocated by an association must be maintained in a separate capital account and may be expended only for new capital improvements or replacements of existing common elements and may not be expended for operation, maintenance or other purposes.

There was then a round table discussion that lasted approximately one hour. Major issues or points made included the following:

- Revenue stream could not be assured
- Specific plans and budgets should be established before adopting CIF
- While intended for the buyer, a CIF could become a negotiated issue in each sales agreement
- Waiting for plans and budgets simply means the MA would forego the collection of available funds in the interim
- CIF would lead to improved amenities and that is generally good for entire community
- CIF would not impact current residents who are staying in Hershey's Mill
- Several members noted that their village CIFs had not been an issue in resales
- CIF should be separated from any discussion on Vision Quest – the MA will need the funds for capital repairs or improvements regardless of Vision Quest

After the hour long discussion, a motion to “call the question” was made seconded and approved by a vote of 14 yes to 7 no.

The vote on the original motion to adopt a CIF was then made with 13 voting in favor and 7 voting in opposition (Brighton, Glenwood, HLN, Kennett, Springton and Vassar requested their negative votes be recorded) and one member abstained (Chatham).

George Gannon asked about a pending sale in Springton Village and whether the CIF should be collected. After discussion, the original motion stood which would mean that if the sale is closed on July 1 or later, the CIF should be collected.

Harry Staller then updated the members on the BOD's decision to re-institute traffic enforcement stops by the Security Department. Violators will be issued a warning. These will be conducted initially by the Security Director Marc Fraser who will judge and report to the BOD on the effectiveness of these efforts in influencing all to obey the traffic regulations.

A member asked if there would be an accumulation of data from the traffic enforcement stops, and if it indicated a serious situation, might some kind of penalty be imposed on violators? Yes, data will be collected and reported, and further penalties can be considered if deemed appropriate. Members asked that there might be a report furnished on a monthly basis about stops and Harry reported that there would be. Some suggested focusing on delivery drivers (Fed Ex, UPS, newspapers, etc) first.

Harry briefly updated the members on the Vision Quest process which has been initiated with Daley & Jalboot. Plenty of time must be permitted to allow for full consideration of the concepts which might be advanced through the process.

Bob Greco commented on the summary of the meeting that the BOD held with the Sullivan House Committee. Priscilla, as liaison to the Committee, reported on the progress being made on the business plan for increasing the resident/village use of the SH as well as promoting more rental of the House residents and non-residents alike.

Bob Greco then reported on the reorganization of the Finance Committee stating that Bob Bronner has agreed to Chair the committee. Joe Bové as Treasurer will be the BOD liaison to the Committee, and two other presidents will be appointed by the BOD to serve.

The Sunoco Logistics application has been withdrawn, and they will be applying directly to the PUC for public utility status which will take the application out of local townships' purview.

Priscilla Burt, Harry Staller and BK Roberts are serving as the Nominating Committee for the next BOD election to be held in July. Candidate Information Forms are due to the managing agent by May 28th for inclusion in the June meeting packet.

A member questioned why there is a fee to have a visitor at the pool, but there is no fee collected for having a guest at the tennis courts? Priscilla commented that they are very different amenities – with the pool having operational costs of personnel and maintenance.

John Poling asked about the change in the voting for School Board members. The School Board has voted to initiate a plan to provide for 3 board members to be elected from each of 3 voting districts to be determined across the West Chester Area School District. The plan must then be submitted back to the School Board and then submitted to the Chester County Court of Common Pleas.

Joe Bové reminded everyone that this Sunday, May 4th, is Open Community Day from 1:00 to 4:00 pm. If you see people with visitor passes in their car, be friendly and wave.

There being no additional business the meeting was adjourned at 4:45 pm. The next meeting will be conducted on Thursday, June 5, 2014 at 3:00 pm.

Respectfully Submitted,

Ed McFalls
Secretary Pro Tem