



Kimberly Garland-Klopp
kgarland@esqmanagement.com

February 6, 2020

Dear Crossgates South Homeowners:

I hope this letter finds you well!

On behalf of the Crossgates South Homeowners Association Executive Board of Directors, attached is a resolution that was adopted for capital reserve funding. Please place this resolution with your community documents (Covenants, By-Laws, etc.) as it is necessary to provide this information upon the resale of your home.

In your association capital reserve (also known as road reserve) are monies set aside for the future maintenance of the roads. This maintenance is Crossgates South Association's responsibility. Currently a annual budgeted amount of \$472 in total for all 155 homes is contributed to this capital reserve account (roads) from your dues assessment.

Taking into consideration the aging of these roads, the Executive Board of Directors unanimously approved adopting this resolution at the meeting held February 6, 2020. Effective May 1, 2020, any NEW owner will need to contribute this one-time fee of \$370 at closing. If your home is currently on the market, please pass this information along to your realtor.

As always, if you have any questions regarding this letter, please do you not hesitate to call us at (717) 824-3071 or email me at kgarland@esqmanagement.com.

Sincerely,

A handwritten signature in black ink that reads "Kimberly Garland-Klopp".

Kimberly Garland-Klopp
Community Manager

**RESOLUTION OF THE EXECUTIVE BOARD OF DIRECTORS
CROSSGATES SOUTH HOMEOWNERS ASSOCIATION
ESTABLISHING A CAPITAL RESERVE FEE**

BACKGROUND

- A. The Crossgates South Homeowners Association does not presently collect a Capital Reserve Fee from incoming purchasers of homes. The Association's Executive Board of Directors, by unanimous vote, has determined that it is in the best interest of the financial future of the Association to impose a Capital Reserve Fee on resale or transfer of units in Crossgates South Homeowners Association in order to fund the capital reserve, for maintenance of private roads.
- B. Article IV, Section 1(a)(1) The Association shall provide the following services: Maintenance, repair and replacement of the private streets located on the property and the overflow parking areas within Lots 103 and 104.
- C. Article IV, Section 2 authorizes the Executive Board of Directors to exercise all powers, duties necessary for the administration of the affairs of the Association.
- D. Section 5302(A)(2) of the Act authorizes community associations to adopt & amend budgets for revenues, expenditures and reserves and collect assessments for common expenses. ("capital reserve")

NOW THEREFORE, IT IS HEREBY RESOLVED by the Executive Board of Directors of Crossgates South Homeowners Association as follows:

- 1. **A Capital Reserve Fee of Three Hundred Seventy Dollars (\$370.00) is hereby imposed on the resale or transfer of a unit in the Crossgates South Homeowners Association.**
- 2. Notice of the amount of the Capital Reserve Fee shall be given in the "5407 Certificate" to be collected at the time of settlement.
- 3. In the event that the Association does not receive notice of a sale or transfer and the Capital Reserve Fee is not collected at the time of such transfer, the Capital Reserve Fee shall be a lien on said unit, enforced in the same manner as liens for assessments.
- 4. Capital Reserve Fees shall be maintained in a separate capital account ("road reserves") and shall be expended only for private road maintenance, repairs and replacement.
- 5. Notice of the adoption of this Resolution establishing a Capital Reserve Fee and the amount thereof shall be given to unit owners in the Crossgates South Homeowners Association upon adoption of this resolution.
- 6. **This Resolution is effective as of MAY 1, 2020.**

RESOLVED AND ADOPTED BY UNANIMIOUS VOTE OF THE EXECUTIVE BOARD OF DIRECTORS OF CROSSGATES SOUTH HOMEOWNERS ASSOCIATION THIS 6th DAY OF FEB., 2020.


ATTEST:



President



Vice President



Treasurer/Secretary