

Having achieved quorum through receipt of 13 Ballots and with 3 Directors, April Denton, Joe Frank & Ian Swanstrom and 3 Members present via Zoom, the meeting was called to order at 6pm. Also present was Gil Pierce of Rockwood Property Management.

Election of Directors

A final call for candidates was made from the floor. Being none, the candidates present were offered an opportunity to introduce themselves. A link to the Online Ballot was added to the Zoom chat and Gil confirmed that Ballots would be accepted until 7pm tonight. The election outcome is as follows:

Joe Frank is elected to serve a two (2) year term.

Ian Swanstrom is elected to serve a two (2) year term.

Budget Ratification: Pursuant to CCR Article 6.2, a copy of the proposed 2026 Budget was distributed to the members along with an invitation to the Ratification Meeting, which is included as an agenda item at this Annual Membership Meeting. The Budget is automatically ratified unless two-thirds of the Allocated Interests of all the Owners disapprove the budget. As such, an option to reject the proposed 2026 Budget was included on the Annual Meeting Ballot. Having received only 1 rejection, the 2026 Budget is hereby ratified.

IRS Ruling 70-604: upon a motion duly made and seconded, the Members present adopted the attached resolution for the year ending December 31, 2025.

Annual Meeting Minutes: upon a motion duly made and seconded, the Members present adopted the 2024 Annual Meeting Minutes with no opposition.

Financial Review & Discussion

The current budget is posted on the website along with monthly financial reports. Beginning January 1, 2026, the assessment will increase by .50 to \$265.50/month. The following information was provided by RPM on behalf of the Board:

Income and expenses were on target for the year, which indicates a well-balanced budget.
2026 Budget - Standard utility & garbage increases by the City, 5% landscaping increase.

Community Update

The community is built out so we don't have any community updates that at this time.

Owner Forum

Question - What are the plans for the Greenstone signage currently on Hanley Lofts land that says Coeur D Alene Place?

Joe responded that he will look into this, as he's not sure what signs are being referenced.



Question - There is a Hanley Lofts sign that's currently on the property entrance off of Atlas. That is not Hanley Lofts land. It is land that is owned by the city of Coeur D Alene. Is that being moved and who will pay for it?

Per Joe, if it is in the wrong spot the developer will move it and pay for it.

Question - Board member, April Denton said she has been receiving some verbal complaints about people speeding through the "driveway" between Hanley Lofts and the fire station. She asked if it would be possible to put up a private property sign and if there was money in the budget for that.

Gil responded and said that it would need to be discussed in the next Board meeting.

Another owner spoke in regards to the "driveway" and said that the garbage trucks are also coming around that corner quickly. She also suggested signage to address the issue.

Another owner spoke in regards to the "driveway" and mentioned speed bumps as an inexpensive option to address the speeding issue.

With no other business rightfully come before the Membership, the meeting was adjourned at 6:18pm.

Respectfully submitted,
Rockwood Property Management

**Hanley Lofts Condo Association
ANNUAL ELECTION: IRS REVENUE RULING 70-604
Excess Income Applied to Future Obligations**

EXPLANATION: Tax experts recommend that all HOA hold an annual vote on elective IRS Ruling 70-604, which allows the HOA to file Form 1120 (vs 1120H) thus only net non-membership income would be taxed. If the election is not made, any excess membership income would be subject to higher taxation. Essentially, this election gives the Association's CPA the opportunity to file the tax form (1120 or 1120H) that's most advantageous for the HOA (whichever form provides the lowest tax liability). Most CPAs make this election on behalf of their clients when filing the HOA's annual return; this election documents the CPA's authority to make such a determination. The Association has always applied excess income (if/when it exists) to future obligations, this election resolution formalizes its decision to do so.

WHEREAS the Hanley Lofts Condo Association is a not for profit, mutual benefit corporation duly organized and existing under the laws of the State of Idaho; and

WHEREAS the members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service;

NOW THEREFORE be it RESOLVED that any excess of membership income over membership expenses for the year ending 2025 shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

The Members hereby adopt this resolution by and on behalf of the Hanley Lofts Condo Association, which will be made a part of the minutes of the Annual Membership Meeting that took place on Wednesday, December 2, 2025.

Attested by: _____ on date: _____