



North Place Master Association
2021 Annual Meeting Minutes
April 28, 2021 at 6pm
zoom.us/j/94730545643

The Annual Meeting was called to order at 6:03pm via Zoom. Twenty-one members were present in person (via Zoom) as were Kevin Schneidmiller of Greenstone (representing the Declarant) and the management team comprised of Gil Pierce, Dory Bush and Melissa Owens.

DEVELOPMENT REPORT

There are 89 lots left to develop. On May 11st we're requesting a zone change from R1 to mixed use, which is a new zone in the city of Post Falls, to allow for greater variety in home development such as townhomes and single family detached homes with age restrictions (55+). We'll take care to ensure the new home varieties fit the current aesthetic represented throughout the community. The zone change will provide the option for rental property development but there are none planned at this time. Small neighborhood commercial space (5-10k sqft) is planned with the exact location to be determined. This space will^[KS1] cater to small businesses like doughnut shops, coffee shops, ice cream parlors, etc. New trails will connect to established trail systems. Eventually Penrose will head north then curl back down to the southeast toward the freeway. Land may be donated for the installation of a public park^[KS2], which may include facilities such as a splash pad but that will be up to the City planning dept.

The addition of new lots will not impact HOA dues. Any facilities reserved for specific parts of the community (IE the 55+ community) are entirely funded by separate assessments paid by owners within that part of the community, the master HOA does not bear the financial burden of facilities not available to all owners.

BUDGET REVIEW

- The landscape budget is mostly unchanged. Expenses went down slightly over last year because pricing is based on actual costs rather than projected estimates.
- Community events were cancelled last year due to covid thus resulting in a positive variance. We hope they'll return this year. As the membership increases, this expense will increase proportionately.

- There's no assessment increase predicted in the near future. Current rates were established to maintain the current level of service for several years. The Declarant endeavors to provide a healthy and high functioning Association at turnover; this budget delivers on that goal.
- Reserve contributions will start funding in several years when it makes financial sense to do so to ensure current owners aren't overburdened by assessments disproportionate to the current level of development. Once established, the Association's reserve fund will be invested in an interest bearing account such as a CD or MMA.

IRS Resolution 70-604

A copy of the signed resolution is attached to these minutes.

HOMEOWNER FORUM

Question: The original street tree installed in front of my home is rather pathetic; can I replace it?

Answer: Yes, owners are welcome to replace street trees but they must be replaced with the exact same variety.

Question: What area does the HOA snow plow?

Answer: Snow removal covers the common area sidewalks only. Owners are responsible for their driveway and the sidewalks adjacent to their homes.

Question: How will the forthcoming development impact assessments?

Answer: As more homes are built and become responsible for assessments, the current budget will be shared with more owners. While assessments aren't expected to go down as a result of more contributing owners, we expect the current budget to be sustainable for several years.

Question: Will the developer consider installing something other than grass in the common areas? There seems to be a lot of open grassy space compared to the number of homes.

Answer: The HOA is required by the City to set aside 10% as open space. There's currently much more than that but as development concludes the open grassy areas will balance out as will the expense to maintain them because there will be more members to share the cost.

With no other business rightfully brought before the membership, the Annual Meeting was adjourned at 7:10pm.

Respectfully submitted by:

Melissa Owens, CMCA®

Association Admin, Rockwood Property Management

**North Place Master 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 North Place Master 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, the members hereby adopt the following resolution by and on behalf of the North Place Master Association:

RESOLVED, that any excess of membership income over membership expenses for the year ending 12/31/2021 and all years prior shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

This resolution is adopted and made a part of the minutes of the meeting of April 28, 2021.

RATIFICATION: I hereby attest that the resolution made herein was conducted by the Members at a duly called Annual Membership Meeting and ratified by my signature below.

DocuSigned by:

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Kevin Schneidmiller, Director

4/28/2021

Date