



TELEGRAPH LANDING NORTH ASSOCIATION
SAN FRANCISCO

DRAFT

**MINUTES OF MEETING
ANNUAL MEETING OF THE MEMBERS**

TUESDAY, APRIL 4, 2006

Directors present –

Nancy Spero	President
Morton Beebe	Vice President
Barbara Charlton	Treasurer
Marilyn Nichols	Secretary
Barry Shiller	Director

CitiScape Property Management Group, LLC present –

Edward Dale	Vice President & Principal
Chris Corey	Senior Property Manager

Condominium Financial Management, Inc. present –

Linnea Juarez	President
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- 1. CALL TO ORDER & ESTABLISHMENT OF QUORUM**
Ms. Spero called the meeting to order at 7:00 P.M. Ms. Juarez, serving as Inspector of Elections, confirmed a valid quorum of 112 members represented by proxy or personal attendance.
- 2. APPROVAL OF MINUTES OF PREVIOUS MEETINGS**
A member moved to approve the minutes of the April 4, 2005 annual meeting, and the October 19, 2005 special meeting. Another member seconded the motion and the minutes were approved by the membership.
- 3. INTRODUCTION OF BOARD MEMBERS AND MANAGING AGENTS**
Ms. Spero introduced the 2005-2006 Board of Directors: Morton Beebe, Vice President, Barbara Charlton, Treasurer, Marilyn Nichols, Secretary, Barry Shiller, Director, and Nancy Spero, President; followed by managers from CitiScape Property Management, Chris Corey, Property Manager, and Ed Dale, principal of CitiScape Property Management Group, LLC; and Linnea Juarez, the association's Financial Manager of Condominium Financial Management, Inc.
- 4. FINANCIAL REPORT**
Ms. Juarez reported that all homeowners would receive the final 2005 financial report by the end of April. She reviewed the budget for the first two months of 2006, which she noted was under budget by \$73,157. She also explained the full accrual accounting and internal control procedures used for the financial management of Telegraph Landing.

5. **ELECTION**

a. Election of Three Directors: Representing the Nominating Committee, Ms. Charlton asked for nominations from the floor for election to the Board of Directors. There being no further nominations, a member moved to close nominations. The motion was seconded and approved by the membership. A member moved to elect the three announced nominees by a vote of acclamation. Another member seconded the motion and it was approved by the membership. The newly elected directors, Nancy Spero, Morton Beebe, and Barry Shiller each made brief statements.

b. Consideration of Internal Revenue Service Resolution: Ms. Juarez briefly explained to the members that Federal tax regulations require that, as a non-profit entity, the association's members must vote each year to transfer any year-end excess operating income to its reserve fund, in order to maintain its no-tax status. A member moved to approve a proposed resolution to transfer any excess income as of December 31, 2006, to the association's reserve account. Another member seconded the motion and the motion was approved by the membership.

6. **REPORTS**

a. President's Report: Ms. Spero highlighted some of the accomplishments by the Board of Directors over the past year:

- Comprehensive HOA meetings which generated informed support by the Association for the special assessment to repair and maintain TL and protect homeowner investment for the next six years which was passed by more than 60% of all homeowners;
- After an unexpected resignation, transition to a new property management company with the broader capabilities for addressing the needs of the Association;
- Approval of new governing documents, CC&Rs and By-Laws;
- Commitment to transparency in all Board actions and decision-making;
- Improved TL communication; timely noticing and distribution of all-inclusive meeting minutes as well as posting of other Association issues;
- Oversight of TL major projects;
- Increased opportunity for member comment and input especially at meetings but also via phone, email and the online website;
- Revitalization of member committees to advise the board and participate in running the Association;
- Creation of an ad hoc committee of members with engineering and architectural backgrounds to investigate plaza membrane issues and make recommendations to the Board.

Ms. Spero encouraged members to be involved in the community by volunteering for the various committees. Ms. Spero acknowledged and thanked all members who participated over the past year.

b. Treasurer's Report: Ms. Charlton noted as recently as 2005, there had been deficit budgets. Although the 2005 operating budget was initially approved as a deficit budget while reductions were sought, an automatic trigger for increased monthly assessments in April, and expenditures below those budgeted resulted in a positive balance at the end of the year. Ms. Charlton also discussed the Reserve budget. Reserve funds available for 2005 totaled almost \$3.2 million. These funds consisted of \$2.45 million carried over from 2005, \$450,000 from the July special assessment and \$275,000 transferred from operations. Two major projects were approved by the Board during 2005: 1) Building 3 and 2) Building 1. Both buildings were to be sealed, caulked and repainted. Building 3 had roof and deck repairs completed and the Building 1 contract also included repair and replacement of windows on the top 2 floors that had been leaking for several years. The work contracted for was not completed for Building 1, hence, for 2006, there is approximately \$1.5 million in continuing contractual commitments, leaving about \$2 million for future work. She also noted that she

had received excellent support from CFM in working out improved tracking of expenditures for major projects. This should assist planning for use of Reserve Funds during the year. A member asked if the amount left in Reserve Funds at the end of the coming year would be less than \$400,000 if all the work were completed. Ms. Charlton replied affirmatively. A member who participated in the major projects committee thanked Barbara for her many hours of hard work.

c. Property Manager's Report: Mr. Corey commented that he has spent the past few months at Telegraph Landing getting to know residents and working with the vendors working on the property. He noted homeowners might notice changes of some providers in the coming months in an effort to improve services. Mr. Corey thanked the members for their input and encouraged ongoing feedback. To improve communications, Mr. Corey advised that the association's office space currently used as a staging area, would be set-up as a functional management office shortly. He expects to hold regular office hours to improve communications with and service to residents.

7. MEMBER QUESTIONS AND STATEMENTS

A homeowner inquired concerning expected inconveniences during the 152 Lombard building project. Mr. Shiller advised that a meeting with homeowners would be scheduled before the work begins to inform affected residents and to address any member concerns. Another member noted his support for the Board, and expressed disappointment concerning miscommunications with property management.

8. NEXT BOARD OF DIRECTORS MEETING

The next meeting of the Board of Directors will be held on Wednesday, April 19, 2006 in the Club Room at 150 Lombard Street, San Francisco, CA.

9. Adjournment

There being no further business to come before the Board of Directors, the meeting was adjourned at 8:40 P.M.