

# *Eastern Gardens*

3045 Eastern Avenue \* Sacramento, CA 95821 \* 916-489-1604 \* Fax 916-489-1627

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Date: August 7, 2007

To: Members of Eastern Gardens Cooperative, Inc.

Subject: Discussions on Proposed Amendments to the Bylaws

Dear Members:

This is to advise all Members that the board of directors will be holding a special meeting to discuss proposed amendment(s) to Eastern Garden's Bylaws. All members are welcome to attend and listen to the discussions; comments by the general membership will be heard at the appropriate time of the agenda. For your convenience and understanding, a summary of actions is provided:

**First** - A special meeting by the board. The meeting will consist of the following:

- a. What to change (identify Article, Section...etc)
- b. Why and Purpose for the revision
- c. Impact of revision (Advantages/Disadvantages)
- d. When will it be necessary

**Secondly** – Upon the conclusion of the meeting the board will call a special general membership meeting for their review of the proposed changes, at which time comments will be heard.

**Thirdly** – The proposed completed amendment(s) will be distributed to the general membership along with a ballot listing each proposal. Members will have the opportunity to vote for the proposed amendment with a simple **YES** (to accept) or **NO** (to reject). Voting procedures will be in accordance with Eastern Garden's bylaws, policies and rules.

**Fourthly** – All approved changes/amendments by the general membership will be forwarded unto HUD for their final review and approval.

Topics currently being considered are:

1. Article VI, "Officers"; Sections 1, 4, 5, 6, & 7
2. Article X, "Fiscal Management", Sections 2, 4, & 5

The next special board meeting is scheduled for August 8, 2007 at 6:30 pm in the clubhouse.

Sincerely,

EASTERN GARDENS COOPERATIVE, INC.

Board of Directors

BOD: emh

SEE REVERSE SIDE

**Eastern Gardens Cooperative, Inc.**  
**Special Meeting of the Board of Directors**  
**August 8, 2007 Agenda**

President/Board Director – Blair McLeod  
Joan Wood, Vice President/Board Director      Ed Healy, Secretary/Board Director  
Shirley Brown, Board Director                      John Stofanik, Board Director  
Richard Crockett, Alternate Board Director      Merritt Miller, Alternate Board Director

*Members desiring to address the Board of Directors may submit a written request via the business office, 10 days prior to the meeting date, or may choose to present their concerns at any board/membership meeting.*

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**CALL TO ORDER – 6:30 P.M.**

**ROLL CALL**

**SPECIAL ORDER OF BUSINESS**

1. AMENDMENTS - Review and discuss amendments to the bylaws:

a) Article VI "Officers" Sections 1, 4, 5, 6, & 7

b) Article X "Fiscal Management" Sections 2, 4, & 5

2. MEMBERSHIP COMMENTS

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*The meeting will be held at Eastern Garden's Clubhouse, 3045 Eastern Avenue, Sacramento, CA 95821. Special meetings of the Board of Directors shall be in accordance with (IAW) EG By Laws Article V, Section 9. Order of business shall be IAW EG By Laws Article IV, Section 8.*

*Copies of the Agenda/Minutes of meetings are available at Eastern Garden's business office, 3045 Eastern Avenue, Sacramento, CA 95821*

## Italics = Proposed Amendments (Revisions):

### Article VI, "OFFICERS", Section 1

Section 1. Designation. The principal officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary. ~~(In the case of a corporation of one hundred members or less the offices of Treasurer and Secretary may be filled by the same person).~~

*(a) NOTE: Exceptions to the officer's duties and responsibilities; if the Board of Directors make a decision by a majority vote of the board, provided that a quorum is present, to delegate or outsource the management of the activities of the corporation to any management company, (i.e., the day-to-day operations; for example, collection of rents, deposits, disbursements and purchases, bookkeeping, inspections, daily and preventative maintenance, apartment turnover, safety...etc), provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the board. Officers duties affected by such a decision, per the terms of the management agreement, shall have minimal roles or otherwise noted by the Board of Directors, and at their discretion, may or may not choose to elect officers for those duties delegated to the management company, (e.g., Treasurer).*

### Article X, "FISCAL MANAGEMENT", Sections 2, 4, & 5

Section 2. Books and Accounts. Books and accounts of the Corporation shall be kept under the direction of the Treasurer and in accordance with the Uniform System of Accounts prescribed by the FHA Commissioner. That amount of the Carrying Charges required for payment on the principle of the mortgage of the Corporation or any other capital expenditures shall be credited upon the books of the Corporation to the "Paid-in Surplus" account as a capital contribution by the members.

*(a) NOTE: Exceptions to the books and accounts of the Corporation shall be kept under the direction of Treasurer; refer to Article VI, Section 1(a)*

Section 4. Inspection of Books. Financial reports such as are required to be furnished to the Administration and the membership. ~~Financial statements records~~ of the Corporation shall be available at the principle office of the Corporation for inspection ~~during regular business hours at reasonable times~~ by any members.

Section 5. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts, including Occupancy Agreements, shall be executed on behalf of the Corporation by either the President or the Vice President, and all checks shall be executed on behalf of the Corporation by (1) either the President or the Vice President, and countersigned (2) by either the Secretary or the Treasurer.

*(a) NOTE: Exceptions to the executing of checks and signing on behalf of the Corporation; refer to Article VI, Section 1(a)*

Source: (California Corporations Code, Title 1, Division 3, Part 2, Chapter 2 "Directors & Management", Article 1 "General Provisions", Section 12350).