

**Eastern Gardens Cooperative, Inc.  
Regular Meeting of the Board of Directors  
March 23, 2011 Minutes**

*Members desiring to address the Board of Directors may submit a written request via the business office, president or secretary, 10 days prior to the meeting date.*

**EXECUTIVE SESSION**

5:30 p.m. The Executive Session of the Board was closed to the general membership which involved privileged information or matters of a private nature, (e.g. Legal & Personal issues, Contract Formation, Disciplinary Hearings). **Civic Code §1363.05(b)**

1. The Board held discussions with the Social Committee on the subject of EG's 40<sup>th</sup> year celebration party, (e.g. date, time, menu, volunteers... etc.).
2. Board discussed/reviewed letter(s) from members/management that are matters of a private nature.

There being no further business, the meeting was adjourned at 6:57 PM.

The Board of Director's meeting was called to order at 7:00 p.m. by President Mr. James Patrick. Roll call showed the following officers, board directors, and management personnel present:

James Patrick, President/Board Director  
Donna Schmelz, Treasurer/Board Director  
Chris Manning, Board Director  
Gary Haugstad, Portfolio Mgr., FPI

Kathy Slotterback, V.P./Board Director  
Ed Healy, Secretary/Board Director  
Diane McKee, Alternate Board Director  
Theresa Williams, Community Director, FPI

Nine (9) members from the general membership were in attendance

No minutes were read or discussed.

**REPORT OF OFFICERS**

- 1) Treasurer – Mrs. Schmelz reported that our current financial status is excellent, i.e., all payment for invoices is current with a surplus in the checking account. Copies of the financials are made available to members at their request and can be obtained at the business office.
- 2) Secretary – No report
- 3) Vice President – No report
- 4) President – Mr. Patrick reported the recent changes to the officers, (i.e. Mr. Chris Manning resigned as secretary due to personal reasons and will become a Board Member/Director. Mr. Ed Healy was asked to take the officer position as Secretary, Mr. Healy accepted and was voted on and was unanimously approved (5 Yeas – 0 Nays) by the Board.

**CONSENT MATTERS**

- 5) Proposed to re-instate Transfer Fee

**COMMITTEES REPORTS**

- 6) Ms. Ardeth Andrews, Social Committee, reported that the committee had met with the board and that further details will be forth coming in reference to EG's 40<sup>th</sup> year celebration.

**MANAGEMENT REPORTS**

- 7) Portfolio Manager
  - a. Mr. Haugstad reported on some upcoming projects that will take place later in the year, i) Repairs to EG's main sign, and ii) REAC inspection.

8) Community Director – See attached report

**UNFINISHED BUSINESS**

9) None

**NEW BUSINESS**

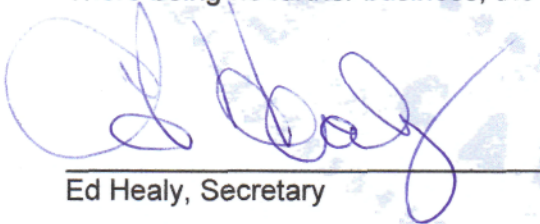
10) Proposed Transfer Fee (Members relocating from one apartment to another). In an effort to recover rent loss from members who at the last minute change their minds or fail to inform management as to transferring to another unit after agreeing that they would, the Board in accordance with EG Bylaws Article III Section 8 and good business practice has exercised the option to re-instate a transfer fee. The amount of the fee shall be the same price as the apartment unit for which they've agreed and accepted to transfer into, (e.g. one bedroom \$367, two bedroom \$439 or the most current rate for each unit). The transfer fee may be refundable providing that the member honors the agreement to move in during the allotted time and if the member decides not to transfer the member will give written and/or verbal notice to management with the 3 day time limit when the apartment unit is offered. **Board Action:** Motion by V.P. Ms. Kathy Slotterback, second by President Mr. James Patrick and carried (5 Yeas – 0 Nays) approving to re-instate the transfer fee as described.

11) Proposed bylaw amendment (Article III Section 8 (a) (b). "Death of a Member", there is a serious legal and potential risky flaw with this paragraph. The verbiage in this paragraph does not provided any protection for Eastern Gardens, (e.g. there are no provisions for background checks, such as credit or criminal; and it does not provide for board or management approval). In short, it allows the instant move-in of the family member, qualified or not, thus, leaving EG without any kind of a say. On the advice of the attorney the board will be drafting new verbiage for an amendment that will be reasonable and fair to both parties and present it to the membership for a vote. **Board Action:** By consensus of the board an executive meeting was scheduled for April 6, 2011 at 6pm in the clubhouse to discuss changes and the editing to this article, and then present it to the general membership for comment.

**MEMBERSHIP Q&A/COMMENTS**


The Board opened the floor for questions and comments.

There being no further business, the meeting was adjourned at 8:15 PM.



Ed Healy, Secretary

MINUTES APPROVED AS PRESENTED BY A  
MAJORITY VOTE OF THE BOARD OF DIRECTORS



SIGNATURE

4-6-2011

DATE

*The meeting was held at Eastern Garden's Clubhouse, 3045 Eastern Avenue, Sacramento, CA 95821. Regular meeting of the Board of Directors shall be in accordance with EG Bylaws Article V, Section 8. Order of business was in accordance with Eastern Gardens By Laws, Article IV, Section 8. Executive Sessions of the Board of Directors shall be in accordance with Civil Code §1363.05(b)(h) & Corp. Code §8320(b)*

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

**COMMUNITY DIRECTOR'S REPORT  
REGULAR BOARD MEETING 3/23/2011**

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**I. COMMUNITY PROJECTS**

1. M/O – M/I process for six (6) apartments included in this total are two (2) transfers from January, 2011 through April, 2011.
2. On March 9, 2011 Eastern Garden's insurance carrier inspected the ground and buildings for safety violations. No discrepancies or safety violations were reported, with a minor comment concerning excess grease to a few carports.
3. County assessors office requirement for property tax exemption have been completed. If the general membership, (i.e. new members and any member who has not already filled one out), completes the property tax form will lessen Eastern Garden's property tax bill.
4. Applicant interview and administrative process for M/I's and M/O's.
5. Annual recertification process for Section 8 members/shareholders.
6. Outside waiting list closed on March 3, 2011. Thirty-three (33) applications were received for a total of forty-two (42) applications on EG's outside waiting list.
7. Management administrative training classes ongoing throughout the year including HUD seminar in March 2011.

**II. WORK ORDERS REQUIRING SPECIAL ATTENTION**

1. Total work orders performed between 1/3/11 and 3/18/2011 were (60).
2. Apartment renovations for six (6) apartments between January and April 2011.
3. Cleaning of gutters to all buildings on property has been completed.
4. Replacement of tube bundles to south boiler room has been completed.
5. Roof repairs to flashing and loose shingles are now in process of being completed by D7 Roofing Company.
6. i) Asphalt maintenance consisting of cracks, re-stripping; ii) cleaning of excess grease, iii) non compliance of unacceptable items in breezeways per Eastern Gardens rules and regulations that have been observed by management during property inspections. NOTE: Breezeways, both upper and lower, are the responsibility of members to maintain and observe the rules. Management will address this issue by disseminating advisory notices to those members who are in violation for compliance.

Thank you,  
Theresa Williams, FPI  
Community Director  
Eastern Gardens Cooperative, Incorporated