

Eastern Gardens Cooperative, Inc.
Regular Meeting of the Board of Directors
July 25, 2007 Minutes

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

Blair McLeod, President	Joan Wood, Vice President
Ed Healy, Secretary	John Stofanick, Board Director
Shirley Brown, Board Director	Dick Crockett, Alternate Board Director
Merritt Miller, Alternate Board Director	Theresa Williams, Community Director

It was moved by Secretary Ed Healy, second by V.P. Joan Wood, and carried, to approve the meeting minutes of the June 23, 2007 as printed.

CORRESPONDENCE

- 1) Letter(s) from Members:
 - a) Letter from member dated 6/23/07, submitted to the Board of Directors requesting carpet replacement for their apartment unit. The Board determined that until it has had an opportunity to review the recommendations of the Carpet Committee, replacement of carpet for members who have not recently moved in, will be on hold. **Action Taken:** Motion by V.P. Joan Wood, second by Acting Board Director Merritt Miller, and carried to deny member's request at this time.
 - b) Letter from Election Committee dated 7/10/07, submitted to the Board requesting the use of the Clubhouse on Monday, November 19, 2007, for the express purpose of holding a "Question and Answer" session for the 2008 board candidates. **Action Taken:** Motion by Secretary Ed Healy, second by Acting Director Merritt Miller, and carried to approve the Election Committee's request.

REPORTS

- 2) Treasurer: No report.
- 3) Secretary: The following information was distributed to the board for their review.
 - a) CalComp Insurance Services provided commercial costs for Directors & Officers policy through United States Liability Insurance Company, an A++ rated company. Additional fees of \$175.00 and a broker fee of \$225.00 will be added unto the annual premium.

Limit	Annual Premium
\$ 500,000	\$1,200.00
\$1,000,000	\$1,500.00
\$2,000,000	\$2,500.00
\$3,000,000	\$3,500.00
\$4,000,000	\$4,500.00
\$5,000,000	\$5,500.00
- 4) Vice President: No report
- 5) President: No report
- 6) COMMITTEES – No report
- 7) SR. REGIONAL PROPERTY MANAGER – Not present, no report
- 8) COMMUNITY DIRECTOR – (See attachment)

UNFINISHED BUSINESS

- 9) Amendments/Revisions/Additions of By-Laws/Occupancy Agreement/Rules & Regulations.
 - a) Animal/Pet Policy - **Action Taken:** Motion by V.P. Joan Wood, second by Secretary Ed Healy, and carried to accept the proposed revisions of Eastern Gardens "No Pet Policy". Animal policy is to be disseminated to the general membership; final comments from the general membership on this will be heard at the next regularly scheduled board meeting, to be held on August 22, 2007.
 - b) Transfer of Membership – TABLED. Special meeting will be scheduled at boards discretion.
 - c) Occupancy Agreement – TABLED. Special meeting will be scheduled at boards discretion.
 - d) Quarterly Membership Meetings – TABLED. Special meeting will be scheduled at boards discretion.

NEW BUSINESS

- 10) Proposed amendment to bylaws on officer duties. **Action taken:** Motion by V.P. Ms. Joan Wood, second by Secretary Mr. Ed Healy, and carried to schedule a special meeting to discuss officers duties. Meeting scheduled for August 8, 2007 at 6:30 PM in Clubhouse.

MEMBERSHIP COMMENTS

General discussions and questions by the members

REPORT OF PRE-MEETING SESSION

The closed session was called to order by President Blair McLeod, at 6:00 PM. There were no members from the general membership present. Roll call showed the following officers, board directors and management personnel present:

Blair McLeod, President
Ed Healy, Secretary
Merritt Miller Alternate Board Director

Joan Wood, Vice President
Dick Crockett, Alternate Board Director

DISCUSSIONS:

- 11) Board discussion/review on Treasurer's recent correspondence with Portfolio Manager Mr. Gary Haugstad (FPI). President Blair McLeod again reminded the board that all correspondence and/or inquiries of the board in regards to Eastern Gardens business practices, financial statements queries, equity payouts, policies, procedures, officer's duties and responsibilities, qualifications of our managing agent and community director are to be first presented to the Board of Directors and not with our managing agent. Board Members/Officers should present their concerns at any duly called board meeting in order that all board members/officers are aware and present to the questions being presented; this is to ensure that other board members may have the opportunity to respond accordingly. **Action Taken:** Motion by Secretary Ed Healy, second by V.P. Joan Wood, and carried to remove Ms. Shirley Brown as Treasurer for her continual failure to comply with the statement mentioned above. Ms. Brown will continue to remain on the board through the remainder of her term as Director.


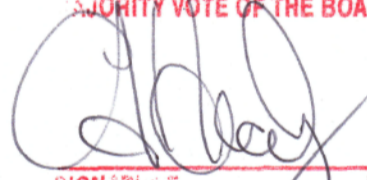
- 12) Letters from the Membership – See Correspondence

The Board concluded by thanking Mr. Rainer for his presentation and advice.

The pre-meeting closed session meeting adjourned at 6:55 PM.

There being no further business, the regular meeting of the board of directors was adjourned at 8:25 P.M.

MAJORITY VOTE OF THE BOARD OF DIRECTORS


Ed Healy, EG Co-op., Inc., Secretary
8/22/07
SIGNATURE DATE

The meeting was held at Eastern Garden's Clubhouse, 3045 Eastern Avenue, Sacramento, CA 95821. Order of business was in accordance with Eastern Gardens 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

COMMUNITY DIRECTOR'S REPORT
BOARD MEETING 7/25/07

I. **MOVE-OUT'S MOVE-IN'S** – No activity to report at this time.

II. **WORK ORDERS** – From 6/25/07 – 7/20/07 = 59 total

A. Brief summary of maintenance repairs to the following areas resulting from normal wear and tear, extended usage due to old age, and vandalism.

1. Apartment Units: Plumbing repairs; aerators, angle stops, toilet valves, toilet bolts, toilet seats, toilet flappers, shower heads and garbage disposals. Carpentry repairs; cabinet hinges and drawer guide, door stops, bi fold door alignment and touch - up paint. Electrical repairs; bathroom exhaust fans, phone lines, and light switch and outlets, and light fixtures.
2. Common Areas/Buildings: Pool light replacement, removing and disposing of hazardous chemicals from maintenance shops, removal of wasp nest to clubhouse eaves, replacement of sprinkler heads, replacement of burned out light bulbs to carports, building breezeways and light poles, leak repair to Southside boiler room due to calcium deposits on pump connection to boiler, replacement of weir gate to pool skimmers due to vandalism for the 2nd time this month. *
3. Appliances: Dishwasher, Stove, Refrigerator, Range hood.
4. HVAC Repairs: Bad compressor, contact circuit, Freon recharge, clogged condensation lines.

III. **COMMUNITY PROJECTS**

A. Buildings and Grounds:

1. Roof replacements are now in progress with continuous updates to membership on work details.
2. Bid proposal acceptance submitted from (4) contractors. Copies attached.
3. Proposal from Arreola's Complete Landscape Service consisting of their recommendation of a (5) year Lawn Care Plan as requested by the Landscape committee is attached for Board's review.

B. Administrative:

1. New accounting system is now in affect and inline with creating a much more efficient financial program.
2. On line management classes are currently being taken by your Community Director and throughout the year as required to provide constant updated policy information that is specific to federal, state and city law and FPI Management, Inc. practices.
3. Section 8 recertification to meet the 120 day deadline.

IV. **LETTERS FOR THE BOARD**

Letter that was first submitted on May 20, 2007 that has not yet been addressed on the replacement of shrubs.