

Eastern Gardens Cooperative, Inc.
Annual General Meeting of the Membership
December 9, 2014 Agenda

President/Board Director – Jerry Ontiveros

Alina Chekrijeva, V.P./Board Director
Lynette Haley, Secretary/Board Director
Ed Healy, Alternate Board Director

Janis Hoberg, Treasurer/Board Director
Shirley Brown, Board Director

<i>Members desiring to address the Board of Directors may submit a written request via the business office, 10 days prior to the meeting date.</i>
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Notice is hereby given that in compliance with Eastern Gardens By-Laws, the Annual General Meeting of the Membership will be held on Tuesday December 9, 2014 at 7:00 pm inside the Clubhouse. **Final voting by secret ballot for the election of directors will be held from 6:00-7:00pm.** All ballots will be tallied by the Election Committee and announced during the AGM. Other business at the meeting is limited to noticed items only; no other business may be transacted.

I. EXECUTIVE SESSION 6:00 pm @ Business Office (Board Members/Management Only)
A. Boards review/approve executive meeting minutes of 11/20/2014.

II. CALL TO ORDER 7:00 pm @ Clubhouse

III. ROLL CALL

IV. READING OF MINUTES

V. REPORT OF OFFICERS

- A. Treasurer
- B. Secretary
- C. Vice President
- D. President

VI. COMMITTEE REPORTS

- A. Social Committee
- B. Movie Coordinator, Mrs. Kathy Kent
- C. Activities Coordinator, Ms. Jetta Ostrofsky
- D. Coffee Coordinator

VII. INSPECTORS OF ELECTION

- A. Ms. Janet Lumberg, EG Elections Committee Chairperson: Final results of election will be announced by the Election Committee representative(s) when all ballots have been tallied.

VIII. MANAGEMENT REPORTS

- A. EG Portfolio Manager, FPI Management Mr. Gary Haugstad
- B. EG Community Director/Manager, FPI Management Ms. Theresa Williams

IX. UNFINISHED BUSINESS

- A. None

X. NEW BUSINESS

- A. The new Board is required to meet within 10 days after elections, (i.e., NLT December 19th) to elect the officers of the corporation. See EG Membership Handbook page 28.

XI. OPEN FORUM: During open forum, each attending member may address the board for up to three minutes. A director or management may briefly respond to statements made or questions posed. Speakers must observe rules of decorum and not engage in obscene gestures, shouting, profanity or other disruptive behavior. If a speaker is in the middle of a sentence when time is called, he/she may finish their thought before sitting down. The time guidelines ensure that others will have an opportunity to speak. Speakers may not allot their time to others. All persons must follow the Meeting Rules listed below.

MEETING RULES: No audio or video recording allowed by attendees. As provided in the "Open Meeting Act," members may observe the meeting but do not have the right to participate in the Board's deliberations or votes. Members may address issues during the Open Forum portion of the meeting. Attendees may not engage in obscene gestures, shouting, profanity or other disruptive behavior. If an attending member becomes disruptive, they may be, (i) expelled from the meeting, (ii) the meeting will be adjourned to a new location, or (iii) possibly the authorities will be called.

ADJOURNMENT

BOARD OF DIRECTORS ANNUAL SUMMARY REPORT

In an effort to provide the membership with an added awareness of some of those challenges and business affairs of the corporation, such as, safety, security, energy conservation, interviews, disciplinary actions, letters of notice, amendments, financial status, inspections, litigations, just to name a few, the Board is providing the membership with a 2014 annual summary report concerning various issues and events addressed by the board and management.

Membership Interviews Conducted

- 8 total for 2014

Meetings Held

- Fiscal Planning - 1 (Board of Directors)
- Regular – 4 (Board of Directors)
- Budget – 2 (Board of Directors)
- Executive – 17 (Board of Directors)
- Membership - 1 (AGM)

Financial

- One (1) withdrawal from our Reserve accounts for Painting of Complex/Fence
- A balanced budget approved for 2015
- No Increase to monthly carrying charges for 2015.

Board Actions/Correspondence

- The Board responded to fifteen (15) membership letters of request/concerns
- Disciplinary actions:
 - 3 Members - Rules Violation
 - 1 Board Mbr. - EG Ethics Violation

Repair/Replacement Projects

- Painting of Complex & Rod Iron Fence

- Dry rot repairs conducted/completed
- Tree Trimming
- On-going landscaping projects

Administration & Operating Rules

- 2013 financial audit approved. No weaknesses or discrepancies found
- OneCall Now Telephone System in place
- New Designation Beneficiary Form
- Property Tax Assessment-Completion of Form Board of Equalization-266
- Membership Fee/Equity Buy-In "Frozen at 1%
- New accounting system by FPI
- Sacramento County inspects EG swimming pool. EG passes
- Sacramento Fire inspects EG grounds and fire extinguishers/laundry vents. EG passes
- EG insurance company inspects for safety. EG passes
- EG annual in-house inspections
- SSWD rebate for "Water Conservation Plan"
- We currently have 35 applicants on the outside waiting list to move in.

DISCLOSURE OF APPROVED EXECUTIVE SESSION MEETING MINUTES

- A. Executive Session convened on July 31, 2014 to discuss the following:
1. The board interviewed new candidate(s) for membership. **Board Action:** The board voted (5 yeas-0 nays) motion carried in favor to accept EG's newest member(s).
 2. The board met with EG member to hear and discuss their concerns as to why they believed they should not pay for the oil clean up fee. **Board Action:** The board voted (4 yeas-1 nay) motion carried denying members request to waive the fee. Member will be charged the \$25.00 fee.
 3. Letter(s) received from members.
 - a) Letter received from member requesting a waiver on (i) water damages costing \$275.00, and (ii) oil clean-up fee costing \$25.00. **Board Action:** The board voted (5 yeas-0 nays) motion carried denying the members request. It was determined that the member was negligent and therefore must pay all water damages and the cost of the oil clean-up.
 - b) Letter received from member inquiring about dead trees and tree stumps. **Board Action:** See boards response listed on #5 below.
 - c) Letter received from member requesting permission to replace all existing windows and frames with new energy efficient windows/frames at members expense. **Board Action:** The board voted (5 yeas-0 nays) approving members request, with the understanding and condition that a qualified licensed contractor (C-17) who is bonded and insured can do the work.
 4. The board discussed additional options for water conservation. **Board Action:** The board voted (5 yeas-0 nays) motion carried to have all hoses on property to have shut-off nozzles and have management list an article in EG's newsletter informing/reminding the membership on efforts for water conservation.
 5. The board reviewed/discussed/voted on proposal from Majestic Landscaping for multiple tree and stump removal and the clearing of tree branches near buildings for painting purposes. **Board Action:** The board voted (5 yeas-0 nays) approving only the trimming of tree branches adjacent to buildings for painting reasons, cost \$1,300. Other proposal for trees and stumps removal/replacement will be considered at a later time.
 6. The board voted (5 yeas-0 nays) approving both the regular/executive meeting minutes of 6.26.2014.
- B. Executive Session convened on August 21, 2014 to discuss the following:
1. Mr. Alex Gutierrez, Majestic Landscaping, spoke on issues concerning the property, specifically trees and irrigation pipe leaks and duration (time limits). **Board Action:** None
 2. Purchase of new U.S. Flag for flag pole located north of clubhouse. **Board Action:** Board voted (4 yeas-0 nays) to approve the purchase of a new flag.
 3. Mr. Gary Haugstad presented the proposed budget for 2015. **Board Action:** The board will review and then reschedule another meeting for discussion/approval.
 4. The board met with member to discuss their guest staying past the 3 week visiting allowance. **Board Action:** Board voted (4 yeas-0 nays) approving member's guest to stay longer than the 3 week allowance.
 5. The board reviewed/discussed/voted upon the executive meeting minutes of 7.31.2014. **Board Action:** Board voted (3 yeas-1 nay) motion carried to approve the meeting minutes.
- C. Executive Session convened on September 11, 2014 to discuss the following:
1. The board reviewed/discussed/voted upon the 2015 budget. **Board Action:** The board voted (4 yeas - 1 nay) motion carried to accept the 2015 budget with no carrying charge increase. The board was polled following the voting of the budget, they are: President Mr. Jerry Ontiveros (Yea); V.P. Mrs. Alina Chekrijeva (Yea); Secretary Ms. Alize Grant (Yea); Acting Director Mr. Ed Healy (Yea); Director Ms. Shirley Brown (Nay).
 2. The board reviewed/discussed/voted upon 3 letters received from members.
 - a) Letter from member requesting a financial waiver/leniency from the board for their negligence concerning the flooding of their apartment and the apartment downstairs, and for the cost of cleaning the members parking stall.

Board Action: The board denied their request for a waiver and reemphasized a payment plan for the member, until the entire debt is paid.

- b) Letter from member concerning safety issues regarding the stair banister, (i.e. grasping of stair hand rails) on the property. **Board Action:** In response, the board voted (5 yeas - 0 nays) to allow management and the board to do further research on this issue with a practical and cost effective solution.
- c) Letter from member with concerns on their financial move-out responsibilities. **Board Action:** Tabled for later discussions.

D. Executive Session convened on September 25, 2014 to discuss the following:

1. The board discussed/voted to fill the officer's position of Secretary vacated by Ms. Alize Grant earlier in the month of September. **Board Action:** The board voted (4 yeas-0 nays) to have alternate Ms. Lynette Haley replace and fill the vacated position of Secretary for the remaining duration of the year.
2. The board reviewed/discussed/voted upon the executive meeting minutes of 8.21.2014 & 9.11.2014. **Board Action:** Board voted (4 yeas-0 nays 8.21.2014) and (3 yeas-1 nays 9.11.2014) motion carried to approve both executive meeting minutes.
3. The board reviewed/discussed the importance of EG's Code of Ethics for each board member. **Board Action:** Tabled and rescheduled for 10.2.2014 executive meeting.
4. The board reviewed/discussed/voted upon letters received from members/management.
 - a) Third letter from member requesting a financial waiver/leniency from the board for their negligence concerning the flooding of their apartment and the apartment downstairs, and for the cost of cleaning the members parking stall. **Board Action:** The board has again denied their request for a waiver and reemphasized a payment plan for the member, until the entire debt is paid. This issue is closed.
 - b) Letter from member requesting EG to paint the interior of their apartment unit. **Board Action:** The board voted (4 yeas - 0 nays) motion carried allowing member to schedule with management for the interior painting of their apartment unit.
 - c) Email from management informing the board that despite managements attempt to resolve an issue concerning the feeding of a stray cat; the member refusing to comply. Before any further action taken by management, management has requested the boards action/advice. **Board Action:** Consensus of the board is EG Secretary will draft response letter that is to be sent to the member emphasizing EG's pet policy if the member wishes to keep the animal, (e.g. the animal cannot be kept or cared for outdoors).

E. Executive Session convened on October 2, 2014 to discuss the following:

1. The Board discussed the actions of a Director and their conduct in reference to EG's Directors Code of Ethics, and previous discussions earlier in the year reminding board members on EG's Ethics. The Board received from both the board and the membership, specifically, the painting project of EG apartment complex and the Director's, (i) interference with management operations, (ii) their non-support of board approved projects, (iii) their fiduciary responsibility, and confidentiality, (iv) their abilities of not carrying out their duties as a Director in good faith, and (v) their attempts to stop the project despite the board's approval during the executive meeting of 6.26.2014 allowing Wild West Painting to paint the complex in accordance with EG's specifications. **Board action:** The board voted (5 yeas - 0 nays) in favor to reprimand the Director with a letter of "Censorship" indicating the purpose and reasons as stated.
2. In accordance with EG's bylaws, Article V Section 3, The Board discussed the issue of those board members who are eligible and interested in carrying over for one additional year. **Board action:** The board voted (4 yeas - 1 abstaining) approving the carry-over of Director Ms. Lynette Haley for the 2015 board of directors.

F. Executive Session convened on November 10, 2014 to discuss the following:

1. The Board interviewed new candidates for membership. **Board Action:** The board voted (5 yeas-0 nays) motion carried in favor to accept EG's newest member(s).