

RECORD OF PROCEEDINGS
Brightwater POA – Board Meeting
April 16, 2010

The meeting was held via conference call and meeting called to order at 2 p.m. by President D Janklow. Members announcing themselves present were: R Burns, L Janklow, D Wenniger, J Nelson, R Melun, P Parker, S Boothby and M Budd.

The general purpose of the meeting was to seek input from the members about general business matters and decide how POA money should be spent.

S Boothby suggested that the board create sub-committees which would report to the board; committees for lawsuit and investigate where the golf membership money went. Ms. Boothby also asked how money was spent when CDI was in charge of the board and also asked if there was any possibility of collecting money from the insurance carrier under the D&O insurance policy.

D Wenniger stated that while he was on the board there was no favoritism shown to the developer and it was his opinion that work done by the board was done in correct manner.

J Nelson stated, based on her examination of the existing records, that it appeared that while CDI was in charge of the board they were wrongly billing the HOA for certain expenses and they were over-paying for services performed.

C Luppens stated that CDI, while directing the board did not pay assessments and did not disclose that fact to the owners. Luppens also stated that CDI appeared to owe the association over \$500,000.

D Janklow stated that he had contacted IPM, a previous management company, and requested assistance in completing the audit.

M Budd stated that the security being performed for the POA is being paid for by the Metro District.

There was a discussion of progress on issues to date. D Janklow said he is spending about 15 hours a week on Brightwater issues, unpaid, and this is why he would support sub-committees for specific projects.

D Janklow will prepare a formal letter demanding that the developer complete the requested turn-over audit, letter to be sent by April 19, 2010.

Motion made by J Nelson to allocate \$20,000 to legal fees for purpose of obtaining forensic accounting assistance in generating an accurate accounting of past funds. Motion passed unanimously.

There was a general discussion of grounds maintenance activities. It was the consensus of the group that there will be no grounds maintenance activity until the accounting is corrected and acceptable and the turn-over audit is complete.

R Melun stated that there has been no communication with CDI in past few weeks. D Janklow and Melun stated that they would try to contact R Hatle who is scheduled to be in town for a Metro District meeting.

Meeting adjourned at 4:10 p.m.