

**MINUTES OF THE MEETING  
OF THE GAINNEY RANCH COMMUNITY ASSOCIATION  
BOARD OF DIRECTORS  
September 17, 2008**

A Board of Directors meeting of the Gainey Ranch Community Association was held Wednesday, September 17, 2008, at 2:00 pm. at the Gainey Ranch Community Association Administration Building, Scottsdale, Arizona.

**Members Present**

Preston Miller  
Fran Goldberg  
Patrick Collins

Fred Thielen, Burt Cohen and Monika Goodwin were present by invitation.

Homeowners Roy Thompson, Jim Mercer, John Day and Patricia Schwab, were present for all but the closed portion of the meeting.

Chairman Preston Miller called the meeting to order at 2:27 pm and excused the homeowners and Monika Goodwin. The Board held a closed meeting to consult with Burt Cohen, the GRCA attorney.

Chairman Miller reconvened the meeting at 2:59 pm. The Board and homeowners moved to the Estate Club, in order to accommodate all present. Monika Goodwin was asked for the Affidavit to verify that proper notice of the meeting had been duly given to all association members. Chairman Miller directed that it be attached to and made part of the minutes.

Miller stated that the Courts Board issues are (1) the legitimacy of the two claimed Courts Boards as a result of the special Courts members meeting called by John Day to remove two directors, which has been declared invalid by GRCA's legal council; (2) the activities and behavior of Mr. Day concerning the GRCA Maintenance Department operation; and (3) the interaction between Mr. Day and the GRCA employees.

Miller said the GRCA Board has been contemplating creative ways to help resolve the issues. Regarding the issue of Day's new claimed Courts Board (Day, McClintic and Stokely) and the previous Courts Board (Mercer, Fromkes and Day), one suggestion was for all five directors to resign and allow the Courts owners to elect a new board within 30 days, more or less. Another possible solution was to amend the Courts Bylaws to increase the board to five members from the current three and allow all five to be members of the Courts Board.

Chairman Miller invited the homeowners to speak. The Board heard comments from Patricia Schwab, Roy Thompson, John Day and Jim Mercer. John Day also stated that he would not interfere with GRCA employees working in the Courts or annoy the Estate Club employees. GRCA's attorney, Burt Cohen, said he would talk to Mr. Day's attorney to work out any such agreement in conjunction with the outstanding litigation regarding this matter

After some discussion it was mutually agreed by the Board, John Day and Jim Mercer that all five Courts directors would resign and an election to select a new board of directors would be

held no later than November 1, 2008. The resignation form would be prepared by attorney, Burt Cohen.

The meeting was adjourned at 3:41 pm.

Respectfully submitted,

Monika S. Goodwin  
Administrator