

Exhibit A

Water Work Out Class

10 people who have expressed interest so far. We'd like to start the class the first week of June so need to firm up some details.

Things to discuss and decide would include:

1, Class time when we can use the pool -
Hopeful time would be T/Th from 10-11am.
Do we share the pool with Michelle's lessons or get a separate hour for just this class. I spoke with Michelle and she is OK about sharing. She is also willing to stay on as lifeguard during the class since the teacher is not lifeguard certified if we have our own hour.

2. Cost of the class and shares to the teacher versus PWIA.
We are thinking \$65 for a 4 week class (2x a week) for swim members. Not sure the cost for non-swim members?
Teachers to make at least \$50 for the class hour at minimum and more if they grow the class. The fee structure could go something like this if the class is \$65 per person per session.

Amounts per session:

with 10 people

Teacher \$400	PWIA \$175 (25%)	Lifeguard \$80
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With 12 people

Teacher \$450	PWIA \$200 (25%)	Lifeguard \$80
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With 14 people

Teacher \$555	PWIA \$275 (30%)	Lifeguard \$80
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With 16 people

Teacher \$610	PWIA \$350 (33%)	Lifeguard \$80
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Over 16 we can go to a 2 class structure.

Equipment needed includes a flotation belt and resistant weights. Cost of equipment can be purchased at wholesale with our non-profit status from a company in California. Cost would be \$23 per person for the belt and weights (wholesale price) plus tax and shipping. We would have each person taking the class pay PWIA for the equipment so we could get it for them at cost plus tax and shipping.

Exhibit B

Instructor Qualifications:

Amy Mardock:

Teaching Credential and Special Ed Credential. Has taught general physical education, aerobics, dance, cheerleading and numerous other subjects. Never taught water aerobics, but can easily transfer her skills. Has already studied up on water aerobics through observation and taking different classes in preparation for teaching this class. She has formulated a lesson plan for how she would teach the class and the elements she would include. Amy, is very qualified when it comes to understanding the stress and strain on the body when working out. She knows how to accommodate the program to the various needs of differing age people. She is upbeat, energetic and loves people.

Does not have lifeguard or current CPR certification, willing to get CPR certification for this year and lifeguard for next year.

Days and hours are flexible. Can do whatever days we need.

Candice Wright:

Referred from Ruth Reed.

Certified aerobics instructor and water aerobics instructor. Does have experience teaching water aerobics. Teaches at the Elks club. Have not observed her only taking Ruth Reed's knowledge. She sounds very qualified and experienced in this area. She has built a small business around her aerobics classes so carries her own insurance and business license.

Does not have lifeguard certification, but does have CPR certification. She was a lifeguard when she was younger, but is not currently certified.

Can only do Tuesday and Thursday mornings. Or evenings.

Both Instructors would gear the class so that people of all levels get a good work out. They are able to vary the exercises to increase or reduce levels of difficulty within the same class. Both would teach it to be a complete work out including warm-up, cardio level, strengthening with weights, and a balance component.

Candice prefers no music and uses only the shallow end with gloves and weights, but no belts.

Amy likes to use music. She would use both the shallow and deep end with belts for the deep end and weights for both shallow and deep.

MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
PARK WILSHIRE IMPROVEMENT ASSOCIATION

June 4, 2004

A meeting of the Board of Directors of Park Wilshire Improvement Association, a California non-profit membership corporation (the "Association"), was held on the above date at the home of Brad McKay located at 2562 Hill Park Drive, San Jose, California 95124, pursuant to notice duly given to all of the directors.

The following directors were present:

- Susie Fleming
- Bill Kaplan
- Brad McKay
- Barry Mangan
- Nick Tsolis
- Sally Van Der Wey
- Al Williams

Also present was:

- Shawnie Lauer
- Jason Hatakayama

Mr. Mangan called the meeting to order. Mr. Kaplan recorded the minutes.

- Restroom Issues. A discussion was held concerning recent fecal accidents and problems related to the cleaning the restrooms. Questions were asked of senior lifeguard Mr. Hatakayama regarding the lifeguards' responsibilities for cleaning and maintaining the restrooms, the willingness of the lifeguards to undertake the responsibility for cleaning fecal accidents, interest of the lifeguards in additional compensation for cleaning fecal accidents, and the need for an additional lifeguard during certain periods. The Board of Directors thanked Mr. Hatakayama for his input and Mr. Hatakayama left the meeting. A variety of proposals were discussed to address the problem. Following further discussion, upon a motion duly made and seconded, the Board of Directors unanimously adopted the following resolutions:

RESOLVED, that for fecal accidents occurring at the pool facility other than those in the swimming pool, any lifeguard who voluntarily, thoroughly cleans the accident and completes and signs an incident report, will be paid an additional \$20 as an incentive to voluntarily undertake such work;

RESOLVED FURTHER, that the officers of the Association, and each of them, is authorized and directed, for and on behalf of the Association, to take such action and execute such documents as they deem necessary or advisable in order to carry out and perform the purposes of the foregoing resolution.

Related Action Items:

Mr. Williams - To remind the lifeguards of their responsibilities to check the restrooms every hour, pick up trash, and flush the toilets as needed, and to take any further action required to insure the lifeguards carry out these responsibilities.

Ms. Fleming - To prepare emergency fecal cleaning kits for the lifeguards to use, with Mr. McKay's assistance.

- Toilets. A discussion was held concerning the condition of the toilets in the pool facility restrooms.

Action Item:

Mr. McKay - To investigate alternative means of repairing or replacing the toilets, obtain proposals and bids, and report back to the Board of Directors.

- Grounds Maintenance and Security. A discussion was held concerning the opening lifeguards reporting to work at 11:30 a.m. A further discussion was held concerning trashcan placement, the need for additional trash cans, the need for the lifeguards to check each person at the gate for an '04 membership card or guest pass (or collect \$5.00), the need for the lifeguards to undertake daily, general cleanup prior to opening the pool facility, pick up trash, check and replace trash can liners, and straighten the lounges. Following further discussion, upon a motion duly made and seconded, the Board of Directors unanimously adopted the following resolutions:

RESOLVED, that commencing immediately both of the first shift lifeguards shall report to work at 11:30 a.m.

RESOLVED FURTHER, that the officers of the Association, and each of them, is authorized and directed, for and on behalf of the Association, to take such action and execute such documents as they deem necessary or advisable in order to carry out and perform the purposes of the foregoing resolution.

Related Action Items:


Mr. Williams - To remind the lifeguards of their responsibilities to carry out each of the above tasks, and to take any further action required to insure the lifeguards carry out these responsibilities.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Bill Kaplan
Secretary



Barry Mangan
Chairman of the Meeting

MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
PARK WILSHIRE IMPROVEMENT ASSOCIATION

June 8, 2004

A meeting of the Board of Directors of Park Wilshire Improvement Association, a California non-profit membership corporation (the "Association"), was held on the above date at the Association's office located at 2575 Park Wilshire Drive, San Jose, California 95124, pursuant to notice duly given to all of the directors.

The following directors were present: Susie Fleming
 Bill Kaplan
 Brad McKay
 Barry Mangan
 Sally Van Der Wey
 Al Williams

The following director was not present: Nick Tsohis

Also present was: Shawnie Lauer

Mr. Mangan called the meeting to order. Mr. Kaplan recorded the minutes.

- Approval of Minutes. Upon a motion duly made and seconded, the minutes of the meetings of the Board of Directors occurring on May 5 and June 4, 2004 were unanimously approved.
- July 4 Parade and Party. A discussion was held concerning the appropriate date on which to hold the holiday parade and party. The Board of Directors decided that the event will take place on Saturday, July 3.
- Restroom. A discussion was held concerning how best to advise members through the Association newsletter of the restroom problems and the need to supervise children using the restroom facilities.
- Garage Sale. Following a discussion, the Board of Directors approved the announcement of a neighborhood garage sale in the newsletter, to be held July 24, 2004.
- Water Workout Course. Ms. Lauer provided an update on the water workout course and further promotion of the class. A discussion was held concerning the lower-than-expected enrollment in the current course and consequent reduction in revenue received.
- Maintenance Company. Mr. McKay provided an update on the performance of the maintenance company recently retained by the Association to address exigent sanitary requirements. A discussion ensued.

Action Item: Mr. McKay to request the maintenance company to (i) replace garbage can liners when emptying the garbage cans and (ii) leave the cabana club door open after cleanings.

- Facilities. Mr. McKay provided an update on his efforts to explore alternatives concerning the replacement of toilets and clubhouse flooring, and planting and irrigating the arid section of ground near the filter building. Mr. McKay further reported the progress of repairing and replacing the underwater pool lights.
- Membership. Ms. Fleming provided a summary of proprietary and swim memberships and withdrawals from the Association, including the following. Of 292 properties, there are presently:

Members in Good Standing	217
Residents with Overdue Balance	16
Absentee Members with Overdue Balance	6
Dropped Due to Nonpayment	19
Withdrawn Proactively	34

Swim memberships presently consist of 228 families and include:

Nonresidents	139
Residents	89

A discussion followed.

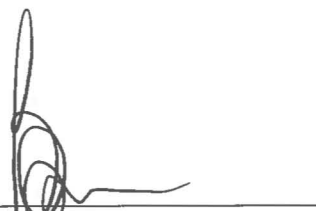
- Waiting List. Ms. Van Der Wey reported that eight families remain on the waiting list who have not been informed of whether a membership will be issued. Following a lengthy discussion, the Board of Directors decided no further memberships will be issued.
- Temporary Members. Ms. Van Der Wey provided an overview of the temporary membership rule and its application to various situations. A discussion followed.
- Pool Parties. A discussion was held concerning the garbage left by attendees of private parties.

Action Item: Mr. Williams to advise lifeguards to insure private party attendees clean up and take garbage with them.

There being no further business, the meeting was adjourned.

Respectfully submitted,


 Bill Kaplan
 Secretary


 Barry Mangan
 Chairman of the Meeting

MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
PARK WILSHIRE IMPROVEMENT ASSOCIATION

July 7, 2004

A meeting of the Board of Directors of Park Wilshire Improvement Association, a California non-profit membership corporation (the "Association"), was held on the above date at the Association's office located at 2575 Park Wilshire Drive, San Jose, California 95124, pursuant to notice duly given to all of the directors.

The following directors were present: Susie Fleming
 Bill Kaplan
 Brad McKay
 Barry Mangan
 Sally Van Der Wey
 Al Williams

The following director was not present: Nick Tsohis

Also present was: Shawnie Lauer
 Lorna MacIntosh

Mr. Mangan called the meeting to order. Mr. Kaplan recorded the minutes.

- Approval of Minutes. Upon a motion duly made and seconded, the minutes of the meetings of the Board of Directors occurring on March 3, April 7, and June 8, 2004 were unanimously approved.
- Pool Structure. Mr. Mangan reported the efforts to repair the damaged posts and footings of the pool structure, and the discovery of significant, additional damage in the process of the repair. Mr. Mangan further reported the purchase of a carpet for the clubhouse, consistent with discussions among the Board members since the last formal meeting. Following a discussion, upon a motion duly made and seconded, the Board of Directors unanimously adopted the following resolutions.

RESOLVED, that Mr. Mangan is authorized to expend up to \$1,900.00 of Association funds to perform repairs to the swimming pool structure as described.

RESOLVED FURTHER, that Mr. Mangan is authorized to expend up to \$650.00 of Association funds to purchase a carpet for the Association clubhouse, as described.

RESOLVED FURTHER, that the officers of the Association, and each of them, is authorized and directed, for and on behalf of the Association, to take such action as they deem necessary or advisable in order to carry out and perform the purposes of the foregoing resolutions.

- Other Maintenance and Repair Issues. Mr. McKay reported on a variety of repair, maintenance, and improvement issues, and proposed the installation of a gated fence to enclose the DE tanks, and the laying of topsoil and sod, and the installation of an irrigation system, in the arid section of ground near the filter building. Following a discussion, upon a motion duly made and seconded, the Board of Directors unanimously adopted the following resolutions.

RESOLVED, that Mr. McKay is authorized to expend up to \$1,400.00 of Association funds to carry out the improvements as described.

RESOLVED FURTHER, that the officers of the Association, and each of them, is authorized and directed, for and on behalf of the Association, to take such action as they deem necessary or advisable in order to carry out and perform the purposes of the foregoing resolution.

- Garbage Cans. Mr. McKay reported various issues related to garbage disposal and suggested purchasing additional extra bag authorization tags. Mr. McKay further reported the need to dispose of large concrete remains. Following a brief discussion, the Board of Directors agreed to the purchase of the tags and removal of the concrete.
- Budget and Insurance. Ms. Fleming presented the current balance sheet and profit and loss budget vs. actual. A lengthy discussion ensued concerning various aspects of the documents.
- Certificates of Ownership. Mr. Kaplan presented a draft of the provision to be included in the certificates of ownership to be issued to proprietary members of the Association in good standing.

Action Items: Mr. Kaplan to provide final provision to Mr. Williams.

Ms. Fleming to provide address information needed for certificates to Mr. Williams.

Mr. Williams to investigate alternative styles and methods of producing the certificates and bring draft to the next meeting.

- Lifeguards. An extensive discussion was held concerning the lifeguards and whether changes to the existing guidance provided the lifeguards are merited. The Board of Directors agreed upon the following:
 - At least one lifeguard must be on active duty during adult swim sessions.
 - At least two lifeguards must be on active duty at all other times that any person is using the pool.
 - Lifeguards may not engage in reading or similar activities while on gate duty.

Action Item: Mr. Williams to communicate and implement the foregoing.

- Soda Vending Machine. The Board discussed the broken vending machine.

Action Item: Mr. McKay to determine cost of repair and report to Board.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Bill Kaplan
Secretary



Barry Mangan
Chairman of the Meeting

MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
PARK WILSHIRE IMPROVEMENT ASSOCIATION

August 5, 2004

A meeting of the Board of Directors of Park Wilshire Improvement Association, a California non-profit membership corporation (the "Association"), was held on the above date at the Association's office located at 2575 Park Wilshire Drive, San Jose, California 95124, pursuant to notice duly given to all of the directors.

The following directors were present:

- Susie Fleming
- Bill Kaplan
- Barry Mangan
- Brad McKay
- Nick Tsohis
- Sally Van Der Wey
- Al Williams

Also present was:

- Shawnie Lauer

Lifeguards:

- Sherry Ceolla
- Kyle Dreyer
- Ryan Ferrell
- Jason Hatakeyama
- Joshua Lawler
- Kevin O'Neil
- Carlie Peck
- Marissa Peck
- Eric Sitterle
- Aimee Sprague
- Kristen Yu

Mr. Mangan called the meeting to order. Mr. Kaplan recorded the minutes.

- Oktoberfest Party. A planning session was held concerning the Oktoberfest party. It was agreed the party will be held on October 2, 2004.
- Water Workout Classes. Ms. Lauer noted that attendance of the water workout classes has fallen to five students and is likely to rise if children of attendees are permitted to remain, supervised, in the area during the class. Following a discussion, the Board agreed that such a policy would be appropriate.

- Issues Raised by Lifeguard Staff. The Association's lifeguard staff presented to the Board of Directors a variety of issues related to appropriate staffing for different use conditions (such as, e.g., maximum use, minimum use, and adult swim), location of the center lifeguard station, communications with the Board, empowerment of the lifeguards to enforce rules, safety, hygiene, and appropriate activities of the lifeguards during shifts. The lifeguards provided a formal presentation and other material, including the summary of concerns attached to these minutes as Exhibit A. A lengthy and robust discussion was held concerning all of the foregoing issues. The Board of Directors agreed that the following changes are appropriate and may be undertaken under the supervision of the Director of Lifeguard Administration:

- The center lifeguard position may be moved to enable the guard at this position to access the middle area of the pool where the bottom begins to deepen, and the guard tower position may be moved to the end of the deep end. The purpose of these changes is to eliminate a blind spot under the guard tower as well as an area of high glare.
- Trash may be cleaned before and after pool hours.

Following further discussion, the Board also recommended the following, for the purpose of facilitating communication between the lifeguards and the Board, to be adopted next season subject to action by the Board in place at that time:

- The head lifeguard and one assistant should be invited to attend appropriate sections of meetings of the Board of Directors.
- A bulletin board or journal should be available to the lifeguard staff and Director of Lifeguard Administration in order to enable communication with the Board concerning daily matters.
- Occasional meetings between the full lifeguard staff and the Board should be held where circumstances indicate or when the Director of Lifeguard Administration requests.

It was noted that, at the Board of Directors meeting held on July 7, 2004, the Board agreed upon the following guidelines:

- At least one lifeguard must be on active duty during adult swim sessions;
- At least two lifeguards must be on active duty at all other times that any person is using the pool; and
- Lifeguards may not engage in reading or similar activities while on gate duty; and

Following further discussion, upon a motion duly made and seconded, the Board of Directors adopted the following resolutions, all members in attendance voting in favor of the resolutions and Mr. Mangan voting against the resolutions.

WHEREAS, in view of matters addressed in the extensive discussion at this meeting regarding safety, rest and alertness of the lifeguards, and related matters, the Board believes it is in the best interest of the Association that the following resolutions be adopted:

RESOLVED, that during any period in which the pool is being used by only one or a few people and the head lifeguard determines that the pool can safely be watched by a single lifeguard taking into consideration all existing conditions, a single lifeguard may undertake the responsibility of guarding the entire pool, the purpose of the same being to enable the other lifeguards on duty to gain additional rest prior to resuming active duty.

RESOLVED FURTHER, that to the extent the foregoing resolution conflicts with the requirement adopted at the Board meeting of July 7, 2004 that two lifeguards must be on duty at all times other than during swim lessons, the resolution will take precedence.

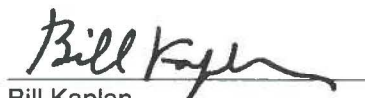
RESOLVED FURTHER, that the lifeguard stationed at the entry table responsible for admitting people into the pool area (and not responsible for guarding the pool) may engage in reading activity, provided this activity does not interfere with other responsibilities of the station.

RESOLVED FURTHER, that each of the foregoing resolutions are to apply for the balance of the current season only, their purpose being to enable the Board and the Director of Lifeguard Administration to further evaluate the results and effectiveness.

RESOLVED FURTHER, that the officers of the Association, and each of them, is authorized and directed, for and on behalf of the Association, to take such action as they deem necessary or advisable in order to carry out and perform the purposes of the foregoing resolutions.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Bill Kaplan
Secretary



Barry Mangan
Chairman of the Meeting

Exhibit A

IMMEDIATE SAFETY CONCERNS

1. First aid kit
2. Red Rescue Tubes (already ordered)
3. Powder-less polyurethane gloves (old ones are weak and break)
4. Chlorine bleach
5. Fire extinguisher/blanket
6. Labeled biohazard bags
7. Fix broken lawn furniture
8. Incident book that meets requirements
9. ON SITE TRAINING
10. Toy box is dangerous (get rid of the thing)
11. Ban Colors/Sharks & Minnows Games

OTHER CONCERNS

1. Rules PROHIBIT glass bottles, alcohol, no boxed wine in fridge
2. Lifeguards only should turn on water facet and monitor water level
3. Persistent complaints that pool toys are left out when the lifeguards clean the deck
4. Can the rope stay in pool? (get new one?)
5. Everyone needs to show and leave yellow cards regardless of status at pool
6. Board members (and families) don't show cards, don't properly fill out guest passes, bring in too many guests, bring in dog. The lifeguards were never introduced to the board members so we don't know all of the families.
7. Specific rule listing (none in existence)
8. Pool toys
9. Mark life guarding chairs
10. Handout on joining pool for people inquiring about membership
11. Full rule list for yellow cards to read and to send home with next newsletter

MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
PARK WILSHIRE IMPROVEMENT ASSOCIATION

September 15, 2004

A meeting of the Board of Directors of Park Wilshire Improvement Association, a California non-profit membership corporation (the "Association"), was held on the above date at the Association's office located at 2575 Park Wilshire Drive, San Jose, California 95124, pursuant to notice duly given to all of the directors.

The following directors were present: Susie Fleming
Barry Mangan
Brad McKay
Nick Tsois
Sally Vanderwey
Al Williams

The following director was not present: Bill Kaplan

Also present was Friend of the Board: Shawnie Lauer

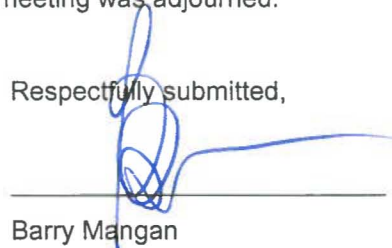
Mr. Mangan called the meeting to order and recorded the minutes.

- Approval of Minutes. Minutes of the previous meeting were not available due to the absence of Mr. Kaplan.
- Report of Treasurer. Ms. Fleming reviewed the Balance Sheet and Profit & Loss as of September 15, 2004. Questions were asked and discussion followed.
- A question was raised regarding whether the Board should provide a membership as a prize to Bagby Elementary School as a part of fundraising for the school. The board discussed the proposal but did not agree to support the proposal.
- Shawnie Lauer and Nick Tsois discussed plans for the upcoming Octoberfest event. The board also briefly discussed the Open Home Tour scheduled for November 5th being organized by Mr. Steve Kelley and the board's peripheral support of that event.

- The subject of Directors' intentions to be available to return to the Board for the 2005 year was raised in the context of the Bylaw providing for two-year terms to the board in order to determine how many vacancies would be available for the 2005 Annual Meeting. Mrs. Fleming and Mrs. Vanderwey indicated they would not be returning to the board for the 2005 year. It was also reported that Mr. Kaplan might not be returning to the Board. According to the Bylaws, three positions are to be elected in the year 2005.
- Mr. McKay raised a proposal to have the deteriorating entrance ramp to the cabana room replaced as a project by the Boy Scouts. The Boys Scouts proposed building two ramps instead of one at a projected cost of \$300 over the cost of the supplies. The proposal was discussed in light of the upcoming November General elections scheduled at the site. Upon a vote, the Board approved the proposal.

There being no further business to discuss, the meeting was adjourned.

Respectfully submitted,



Barry Mangan
Chairman of Meeting
And Acting Secretary

of the facility, impact on the proportion of Proprietary vs. Associate swim membership, and the impact on level of and manner in which the facility is used. Following the discussion, upon a motion duly made and seconded, the Board of Directors adopted the following resolutions, all members in attendance voting in favor of the resolutions and Mr. Kaplan voting against the resolutions.

WHEREAS, the By-laws of the Association, pursuant to Article II, provide that the Board of Directors may adopt dues, assessments, and penalties for, among other things, the use of the Association premises by Members and guests;

RESOLVED, that the annual dues for a single, Proprietary Membership is hereby increased to \$99.

RESOLVED FURTHER, that the seasonal fee for each Proprietary Membership for use of the Association pool and related premises will remain at the current amount of \$400.

RESOLVED FURTHER, that the seasonal fee for each Associate Membership for use of the Association pool and related premises is increased to \$520.

RESOLVED FURTHER, that the foregoing increases will take effect at the time the next annual dues and seasonal fees are to be billed.

RESOLVED FURTHER, that the officers of the Association, and each of them, is authorized and directed, for and on behalf of the Association, to take such action as they deem necessary or advisable in order to carry out and perform the purposes of the foregoing resolutions.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Bill Kaplan
Secretary



Barry Mangan
Chairman of the Meeting

MINUTES OF MEETING
OF THE BOARD OF DIRECTORS OF
PARK WILSHIRE IMPROVEMENT ASSOCIATION

November 3, 2004

A meeting of the Board of Directors of Park Wilshire Improvement Association, a California non-profit membership corporation (the "Association"), was held on the above date at the home of Susie Fleming located at 1829 Comstock Avenue, San Jose, California 95124, pursuant to notice duly given to all of the directors.

The following directors were present:

- Susie Fleming
- Bill Kaplan
- Barry Mangan
- Brad McKay
- Nick Tsolis
- Sally Van Der Wey
- Al Williams

Also present was: Shawnie Lauer

Mr. Mangan called the meeting to order. Mr. Kaplan recorded the minutes.

- Approval of Minutes. Upon a motion duly made and seconded, the minutes of the meetings of the Board of Directors occurring on August 5 and October 6, 2004, were unanimously approved.
- Maintenance and Repair. Mr. McKay reviewed various maintenance and repair issues related to the condition of the restroom and pump house doors, trash disposal, and the work on the ramps to the clubhouse recently completed by the local Boy Scout troop under the supervision of Mr. McKay. Following a discussion, upon a motion duly made and seconded, the Board of Directors unanimously adopted the following resolutions.

RESOLVED, that a donation of \$300 will be made by the Association to Troop 318, Boy Scouts of America.

RESOLVED FURTHER, that the officers of the Association, and each of them, is authorized and directed, for and on behalf of the Association, to take such action as they deem necessary or advisable in order to carry out and perform the purposes of the foregoing resolution.

- Home Tour. Ms. Lauer asked for volunteers to distribute home tour fliers announcing the details of an upcoming tour of remodeled homes in the neighborhood.

- Certificates of Ownership. Mr. Kaplan distributed various styles of the prospective Certificates of Ownership and asked the Board for its comments and preferences relative to the styles.
- Tax Exempt Status. Ms. Fleming provided to the Board of Directors copies of regulations and other material related to the Association's exemption from federal income tax and provided an overview of activities in which the Association is permitted to engage without jeopardizing its tax exempt status, as well as percentage limitations on certain sources of income. A discussion followed.
- Dues and Swim Fee. Mr. Mangan noted the decision of the Board of Directors in its meeting of October 6, 2004 to increase the annual dues for Proprietary Memberships and the seasonal fee for Associate Memberships, and expressed his views concerning the fee structure. An extensive discussion ensued in which the Board explored a variety of possible changes in the fee structure, and discussed various options, goals, and potential ramifications of the changes. The Board took no action to further modify the decision at its October 6, 2004 meeting relative to dues and fees.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Bill Kaplan
Secretary



Barry Mangan
Chairman of the Meeting