

**BY-LAWS OF THE COLONY SWIM CLUB, INC.**

*Revised 2020*

**ARTICLE I.**

**NAME**

The name of this corporation shall be the Colony Swim Club, Inc., a Michigan non-profit corporation, hereinafter referred to as the "Club".

**ARTICLE II.**

**PURPOSE**

The purpose of the Club is to operate, and maintain a private, non-profit swimming pool organization for the use of its membership to rent, lease, or own real estate therefore.

**ARTICLE III.**

**BOARD OF DIRECTORS**

Section 1. The management of the Club shall be vested in a nine-member Board of Directors, with three new Directors elected each year. Each Director shall own their Membership Certificate.

Section 2. The Board of Directors shall continue in office until the annual meeting at which time an annual election will be held to replace the three retiring Directors.

Section 3.

- A. Any member of the Board of Directors who shall cease to hold a membership, as defined in Article V, automatically cease to be a Director.
- B. In the event of the death, resignation, dismissal or incapacity of a Director, the Board of Directors shall select a successor, to complete the term of office.

Section 4. The Board of Directors shall:

- A. Transact all Club business, make and amend rules for the regulation of the use of Club property. It shall have the power to impose or remit penalties for violations of the By-Laws and or The Rules and Regulations of the Club which are identified in the Operations Manual of the club.
- B. Select a President, Vice-President, Secretary and Treasurer as officers of the Club, leaving five Directors to chair the standing committees of the Club.
- C. Direct a Certified Public Accountant, selected by the Board, who shall not be a member of the Board of Directors, to prepare an Annual Federal Form 990, which shall be available to Club members.
- D. Meet as they deem appropriate:
  - 1) Special meetings may be called by the President or a representative in the President's absence.
  - 2) By written petition of not less than five Directors.
- E. Be compensated for duties performed
- F. Shall be trained annually in the policies and procedures of the pool.

Section 5. Five Directors shall constitute a quorum. A quorum is required to conduct a Board of Directors meeting.

Section 6. A majority of Directors present at a properly constituted meeting shall be required to pass a resolution or motion.

Section 7. Directors may not designate any other Director or any other person to cast votes either by proxy, voting trust, or in any other manner.

Section 8. Each person who serves on the Board of Directors of the Club shall be indemnified by the Club against expenses actually and necessarily incurred by them in connection with the defense of any action, lawsuit or proceeding in which they are made a party by reason of their being or having been an officer or director of the Club, except in relation to matters as to which they shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of their duties.

#### **ARTICLE IV. OFFICERS**

Section 1. The President shall:

- A. Be the chief officer of the Club.
- B. Be required to preside at all meetings of the Club, Board of Directors, but not committee meetings.
- C. Appoint all standing committees and special committees subject to confirmation by the Board of Directors.

Section 2. The Vice-President shall:

- A. Assume the responsibilities of the President due to the absence or temporary disability of the President.
- B. Assume duties and responsibilities as designated by the President or Board of Directors.

Section 3. The Recording Secretary shall:

- A. Keep all minutes of the meetings of the Board of Directors.
- B. Maintain corporate records and permanent files of all documents relating to the history of the affairs of the Club.
- C. Be responsible for posting notice of upcoming election by July 1st current season. This notice will allow those interested in running for a position on the Board a place to indicate their intentions.

Section 4. The Treasurer shall:

- A. Be responsible for maintaining the financial books and records of the Club.
- B. Pay all bills, invoices, vouchers and other obligations.
- C. Maintain records and receipts of all moneys or assets.
- D. Assist in the preparation of the annual statement of the Club's financial position.

Section 5. The officers shall be selected annually by the Board of Directors at the first meeting after the annual meeting of the membership. Such officers duly selected shall hold office until their successors take office unless sooner removed by the Board of Directors.

Section 6. Any Director may be removed from office for cause by a quorum of the Board of Directors excluding the vote of the Director sought to be removed. The Director to be removed shall:

- A. Be served at least five days before any meeting scheduled for discussion of removal, with written reason for removal.
- B. Be entitled to a hearing before the entire Board of Directors.
- C. In the event of removal, the Director shall have the right to appeal to the entire membership to review the reason for removal at a special meeting notice of which will be given to membership at least one week prior to the special meeting. A majority of the members at said meeting must vote to review the decision of the Board of Directors. A vote of two-thirds of the members present at the special meeting shall be required to reinstate the Director.
- D. Cause of suspension or expulsion shall consist of a breach of the By-Laws, The Rules and Regulations of the Club or conduct unbecoming to a lady or gentleman.

**ARTICLE V.  
MEMBERSHIP**

Section 1. Requirements:

- A. Class A membership shall be one in which a family (defined as a married couple, or a single parent/legal guardian, and legal dependents), holds a Membership Certificate.
- B. Class B membership shall be one in which a family (defined as a married couple, or a single parent/legal guardian, and legal dependents), is on a payment plan toward purchase of a Membership Certificate. Class B has no equity in the Club.
- C. Couple membership shall be defined as a married couple only and have voting rights and board eligibility after full payment towards a membership certificate.
- D. Single membership shall be one in which one adult 18 years of age or older has voting rights and board eligibility after full payment towards a membership certificate.
- E. Special memberships may be extended to persons not qualifying under any other membership category, as the Board of Directors shall determine.
- F. New applicants for any membership type must go through the wait list process if a wait list exists. Couple, single and special memberships will not be included in the 340 Class A and B memberships. Existing Class A family memberships may be converted immediately to a couple or single membership with no waiting on the wait list.
- G. Inactive membership is defined in Article VII, Section 8.

Section 2. Suspension or Expulsion

- A. Any member may be suspended or expelled from the Club for cause by a quorum of the Board of Directors.
- B. The member shall be served at least five days before any meeting scheduled for discussion of expulsion, with written reason for expulsion.
- C. The member shall be entitled to a hearing before the entire Board of Directors. In the event of expulsion, the member shall have the right to appeal to the entire membership to review the reason for expulsion at a special meeting, notice of which will be given to membership at least one week prior to the special meeting. A majority of the members present at said meeting must vote to review the decision of the Board of Directors. A vote of two-thirds of those members present at the special meeting shall be required to reinstate the member.
- D. Cause of suspension or expulsion shall consist of a breach of the By-laws, The Rules and Regulations of the Club or conduct unbecoming to a lady or gentleman.

Section 3. All applications for membership shall be in writing on a form as prescribed by the Board of Directors.

Section 4. All classes of members of the Club shall be accorded the facilities of the Club, subject to the pool Rules and Regulations which shall be posted at all times on the Clubs bulletin board.

Section 5. All members who own their Membership Certificate are entitled to one vote per membership.

Section 6. The membership shall be restricted to a maximum of 340 Class A and Class B memberships, plus Couple, Single and Special memberships, which will not be included in the 340 Class A and Class B count.

Section 7. Limited time pool privileges may be granted by the Board of Directors to certain persons or groups.

**ARTICLE VI.  
MEETINGS**

- Section 1. The annual meeting of the Club shall be held within 30 days prior to the Saturday of Labor Day weekend, at such place and time as the Board of Directors may determine.
- A. Formal Notice (written and/or electronic) of the annual meeting must be made to all members a minimum of fifteen days-prior to the date of the meeting.
  - B. The annual meeting shall be for the purpose of electing directors, presenting committee reports and for the transaction of such other business as may be indicated in the notice or may be brought before it.
  - C. A quorum of the Board and the membership shall be required to conduct an annual meeting.
- Section 2. A quorum at all club meetings shall be represented by ten percent of the members who own their Membership Certificate attending in person and/or casting a valid ballot.
- Section 3. Ballots shall be counted by three members at large as named by the Board of Directors at the annual meeting.
- Section 4. Special meetings of the entire membership may be called by the Board of Directors upon fifteen days written and/or electronic notice to all of the membership. Also upon written and/or electronic request of twenty-five members to the Board of Directors, stating the purpose therefore, the President shall direct a special meeting to be called.
- Section 5. Robert's Rules of Order shall prevail at all meetings of the Club and Board of Directors.

**ARTICLE VII.  
DUES, INITIATION FEE, MEMBERSHIP CERTIFICATE AND OTHER FEES**

- Section 1. All persons desiring membership shall:
- A. Agree to pay the initiation fee, Membership Certificate, dues and other charges as may be set by the Board of Directors.
  - B. After payment of the initiation fee, current year dues and other charges, the member is entitled to use of all the facilities of the Club.
- Section 2. Initiation Fee
- A. Each applicant is required to pay a non-refundable initiation fee to obtain membership and use of Club facilities.
  - B. The amount of the initiation fee shall be set by the Board of Directors.
- Section 3. Membership Certificate
- A. The cost of the Membership Certificate is determined by the Board of Directors.
  - B. Payment terms may be set by the Board of Directors for a maximum period of four years from the beginning of the swim season in which an applicant obtains membership.
  - C. Upon payment in full of the Membership Certificate, the member shall be noted in club records of a non-transferable Membership Certificate.
- Section 4. Annual Dues
- A. Membership dues shall be determined by the Board of Directors in amount sufficient to provide for the proper operation and maintenance of the Club.
  - B. Annual dues must be paid in full on or before March 15th of each year.
  - C. Annual dues will be assessed to each member, unless resignation notice has been given on or before March 15th of the current year.
- Section 5. Other Charges
- A. The Board of Directors may establish reasonable other charges as deemed necessary.

- B. A maintenance fee may be charged to each member at the beginning of each year's operation of the Club.
  - 1) This fee may be refunded for those members who participate in the years maintenance work, opening, maintaining and closing the Club.
  - 2) The maintenance fee is due and payable on or before March 15th of each year.
- C. A late fee will be assessed to any member whose dues are transmitted in an envelope postmarked after March 15th of any year.
- D. Special assessments may be levied only with the approval of a majority of members owning their Membership Certificates present at an annual or special meeting. All proposed special assessments shall be included in the notice of the meeting.

#### Section 6. Delinquent Accounts

- A. Member accounts that are unpaid as of March 15th shall be considered delinquent and subject to late fee penalty and ultimately suspension as determined by the Board of Directors.
- B. During the existence of such delinquency, the membership shall not have the rights and privileges of the Club.
- C. All delinquent accounts not fully paid on or before April 15th of that season will result in the automatic cancellation of the membership. A delinquency fee will be charged against the member's Membership Certificate, or any portion that has been paid to the Club, with the balance paid to the terminated member, in accordance with Article X.

#### Section 7. Special Memberships

- A. The Board of Directors may authorize special memberships for promotional or other valid purposes.
- B. Special memberships shall be limited in number and scope to insure appropriate enjoyment of the Club by regular members. This membership is limited to one season only.
- C. The dues and other charges for special memberships shall be established by the Board of Directors and shall be due and payable prior to any use of the Club.
- D. Rights and privileges may be limited for special memberships, no Membership Certificate will be issued and there shall be no voting rights.

#### Section 8. Inactive Membership

- A. The Board of Directors may establish an inactive membership for any member that has paid all or a portion of the Membership Certificate, if the member has moved permanent residence out of the community served by the Club.
- B. Inactive membership is intended for members who expect to relocate their permanent residence back to the community served by the Club.
- C. The Board of Directors may establish a fee to be paid for inactive membership status. If the fee is assessed and not paid, the membership may be cancelled.

Section 9. At the discretion of the Board of Directors, dues may be pro-rated for the members who apply for membership during the swim season.

Section 10. Members shall be responsible for the payment of all charges, debts or damages charged to or incurred by any member of the family included in such membership and all guests under such membership.

Section 11. Upon dissolution of the Club, members who have paid all or a portion of the Membership Certificate shall be entitled to share in the distribution of the net assets proportionate to the amount of the Membership Certificate paid. Net assets are the assets of the Club after payment of all debts and obligations of all kinds.

Section 12. All dues, assessments and charges shall be exclusive of any taxes, excise or otherwise, imposed by Federal, State or local governments which shall be the responsibility of each member to pay.

### **ARTICLE VIII. NOMINATIONS**

Section 1. By July 1st of the current season, the Secretary will post a notice of election including a signup sheet for those interested in becoming a Director.

Section 2. There shall be a minimum of three qualified member names on the list. Any adult member 18 years of age or older who owns their Membership Certificate who indicates a willingness to run shall provide the Secretary with a short biography and will be considered a candidate, Nominations may also be made on the day of the election, provided the candidate indicates a willingness to serve.

Section 3. After tabulating the votes, the three candidates with the most votes will be elected to fill the vacancies on the Board of Directors.

### **ARTICLE IX. COMMITTEES**

Section 1. The standing committees of the Club shall be as indicated below. The Chairperson of each committee shall be a member of the Board of Directors.

- A. Personnel
- B. Pool and Equipment C. Building
- D. Grounds
- E. Finance
- F. Membership
- G. By-laws and Rules
- H. Long Range Planning

Section 2. The Personnel Committee shall:

- A. Be responsible for the hiring and managing of the Club's staff.
- B. Handle any personnel problems which may occur during the season.
- C. Recruit members to assist with this committee.

Section 3. The Pool and Equipment Committee shall:

- A. Be responsible for the maintenance and improvement of the pool and related equipment.
- B. Recommend rules and regulations to the By-Laws and Rules Committee as they deem necessary.
- C. Recruit members to assist with this committee.

Section 4. The Building Committee shall:

- A. Be responsible for the maintenance and improvement of the building.
- B. Recommend rules and regulations to the By-Laws and Rules Committee as they deem necessary.
- C. Recruit members to assist with this committee.

Section 5. The Grounds Committee shall:

- A. Be responsible for the maintenance and improvement of the grounds, both in and surrounding the pool area and clubhouse.
- B. Recommend rules and regulations to the By-Laws and Rules Committee as they deem necessary.

C. Recruit members to assist with this committee.

Section 6. The Finance Committee shall:

- A. Assist the Treasurer in reviewing expenses for payment and in preparing the annual report to the membership.
- B. Give other assistance as the Treasurer may require or as the Board of Directors may direct,
- C. Recruit members to assist with this committee.

Section 7. The Membership Committee shall:

- A. Be responsible for the solicitation of new members, the preparation and distribution of information concerning the Club to these new members.
- B. Be responsible for maintaining the waiting list and notifying new members when an opening occurs.
- C. Recommend rules and regulations to the By-Laws and Rules Committee as they deem necessary.
- D. Recruit members to assist with this Committee.

Section 8. The By-Laws and Rules Committee shall:

- A. Periodically review the By-Laws of the Club and recommend changes to the Board of Directors for submission to the membership.
- B. Prepare rules of health and good conduct, consider recommendations of other committees and see that Rules and Regulations of the Club are enforced.
- C. Recruit members to assist with this Committee.

Section 9. The Long Range Planning Committee shall:

- A. Be responsible for the forward planning of the club with regards to implementing and time phasing projects.
- B. Recruit members to assist with this committee.

## **ARTICLE X. REDEMPTION OF MEMBERSHIP CERTIFICATES**

Section 1. Membership Certificates are non-transferable except to a surviving spouse.

Section 2. Redemption of Membership Certificates:

- A. Any holder of a Membership Certificate or any member having paid a portion of the fee to purchase a Membership Certificate desiring to redeem said Membership Certificate to the Club, must do so on or before March 15th of each year.
  - 1) Such offer to the Club must be in accordance with Article VII Section 6d and must be made in writing to the Club's principal mailing address.
  - 2) The Club shall accept or reject the offer within thirty days of receipt.
- B. If the Club accepts the offer, it shall do so in writing to the offering member by mail to the offering members address as shown on the membership records of the Club. The Club shall have thirty days from the time of mailing its acceptance to redeem the Membership Certificate.
- C. If the Club fails to accept the offer to sell within thirty days of receipt of such offer, the members offer shall be kept in order of receipt in a general redemption file.
  - 1) Redemption by the Club shall be on an individual basis at such time as redemption will not cause the membership of the club to fall below three hundred members.
  - 2) Special redemption of Membership Certificates may be approved by a majority vote of members at either a general or special membership meeting.

- 3) The member may have the offer redeemed out of turn by presenting to the Club, an applicant for membership. If the applicant is accepted for membership, the Club shall redeem the Membership Certificate within thirty days of the acceptance of the applicant.

#### **ARTICLE XI. AMENDMENTS**

These By-Laws may be amended by a two-thirds vote of the quorum, at any annual or special meeting, provided fifteen days written notice including the proposed amendment(s) with the reason therefore and any known objections is given to the members owning Membership Certificates.



## **Revision Log:**

### **2009**

- Modified Article VI, Section 1, to include electronic communication in addition / option to written communication.
- Modified Article VII, Section 6C, to change date for automatic cancellation of delinquent accounts from April 30th to April 15th.

### **2015**

- Modified Article V, Section 1D to clarify minimum age requirements - Modified Article VI, Section 2, to include submission of ballots at the clubhouse
- Modified Article VI, Section 4, to include electronic communication in addition / option to written communication
- Modified Article VII, Section 3C, to note that certificates are updated in club records
- Modified Article VIII, Section 2, to specify 18 year age requirement for Board candidates
- Modified Article V, Section 1C, to change age limit from 60 to 55 years of age
- Modified Article V, Section 1F, to clarify wait list requirements for new members

### **2016**

- Modified ARTICLE V, Section 1 A, B, C & D to reflect “married couple” and not man and woman
- Modified ARTICLE VII, Section 6A and ARTICLE X, Section 2A to reflect consistency with dates throughout Colony’s by-laws.

### **2020**

- Moved Bylaws to Google Docs format and cleaned up formatting to simplify document maintenance.
- Modified ARTICLE III, Section 3 B and eliminated Section 4 to remove conflicting language and provide clarity on choosing a successor Director.
- Modified ARTICLE III, Section 4 C to clarify that the Club no longer has an external CPA prepare a financial statement but instead prepares the required Federal Form 990 for non-profit corporations.
- Modified ARTICLE III Section 8 on the advice of the Club’s insurance company, the indemnification clause protects the personal assets of the members of the Board from lawsuits filed against the Club except in cases of a board member’s personal gross negligence or willful misconduct.
- Modified ARTICLE V Section 1 A & B to allow more inclusive language in defining a family.
- Modified ARTICLE 5 Section 1 C to allow for more flexibility in moving those couples with family memberships where both parents are under the age of 55, but whose children are no longer living at home, an option to choose a couple membership and open up a family membership for waitlist families.
- Modified ARTICLE V Section 1 to allow for more flexibility in scheduling the annual meeting and allow for a quorum of Directors and members.