

Burton Hollow Swim & Racquet Club
P.O. BOX 530902, LIVONIA, MI 48153-0902

BY-LAWS
Revised 8-20-2013

BYLAWS OF THE BURTON HOLLOW SWIM AND RACQUET CLUB, INC.

ARTICLE I
NAME

The name of this non-profit corporation shall be the BURTON HOLLOW SWIM AND RACQUET CLUB. Sometimes referred to as the "Club".

ARTICLE II
PURPOSE

The purpose for which the corporation is formed is to construct and operate a swimming pool, and other recreational and social facilities in the City of Livonia, State of Michigan; to first sell memberships in this corporation to bona fide residents of Livonia, then secondly to neighboring communities; to operate said facilities for the benefit of its members; and to operate as non-profit corporation.

ARTICLE III
GOVERNMENT

Section 1. The Club shall be managed by a Board of Directors, consisting of nine (9) active club members on a voluntary basis.

Amended- 2006

ARTICLE III, SECTION 1 - 2006

The Club shall be managed by a Board of Directors, consisting of nine (9) active club members on a voluntary basis. President and Treasurer do not pay dues.

Section 2. At the annual meeting of Active Members of the Club to be held in the year 1999, the three directors with the highest vote totals will be elected for a term of three years and the other two directors will be elected for a term of two years. At the annual meeting of Active Members of the Club to be held in the year 2000, the three directors with the highest vote totals will be elected for a term of three years and one other director will be elected for a term of one year. At the annual meeting of Active Members of the Club to be held in the year 2001 and each subsequent year thereafter, three directors will be elected for a term of three years. All directors shall serve until their successors have been chosen.

Section 3. Any members of the Board of Directors who shall cease to hold Active Membership in the Club automatically shall cease to be a member of the Board of Directors. Vacancies in the Board of Directors shall be filled by the remaining members of the Board, and each person so elected shall serve as director for the remainder of the term.

Amended July 2013

Section 4. No more than one individual from any Active Membership may hold office as a Director or Officer at any given time.

ARTICLE IV BOARD OF DIRECTORS

Section 1. The Board of Directors shall select a President, a Vice President, a Secretary and Treasurer and such other offices as it shall deem appropriate. No one of said officers except the President and Vice President need be a Director.

Section 2. The Board of Directors shall transact all Club business and make and amend rules for the regulation of the use of Club property. It may appoint and remove such officers, clerks, agents, servants or employees as it may deem necessary and may fix their duties and compensation. The Board may constitute and appoint committees and define the powers and duties of same.

Section 3. The Board of Directors shall designate the bank or banks in which the funds of the Club shall be deposited and determine the manner in which checks, drafts and other instruments for the payment of funds of the Club shall be executed. However, the Board of Directors shall always require that at least two officers sign all such checks, drafts or other instruments for the payment of money drawn in the name of the Club. All officers empowered to sign checks shall be bonded in a sum of not less than Ten Thousand (\$10,000.00) Dollars.

Section 4. The Board of Directors shall cause the books of the Club to be reviewed by a Certified Public Accountant every year and audited by a Certified Public Accountant every third year, selected by the Board, who shall neither be a member of the Board of Directors nor an officer of the Club, and the report of the auditor shall be available to the members at all times.

Amended- 2006

ARTICLE IV, SECTION 4 –

The Board of Directors shall cause the books of the Club to be reviewed by a Certified Public Accountant every year, selected by the Board, who shall neither be a club member nor an officer of the Club, and the report of the reviewer shall be available to the members at all times.

Section 5. The Board of Directors shall meet at least once a month during the months of March, April, May, June, July, August and September and at such times and intervals as they may deem appropriate. The Board shall be presided over by the President. In his absence the Board shall be presided over by the Vice President. Five (5) members of the Board shall constitute a quorum. A majority vote of the Board members present at a properly constituted meeting shall be required to carry a resolution of motion. Special meetings may be called by the President and shall be called by the Secretary upon the request of two (2) members of the Board.

Section 6. In the event a question before the Board of Directors results in a tie vote which cannot be resolved, the question may then be submitted to the membership for a decision.

Section 7. The Bylaws shall be constructed so as to permit the Board of Directors to borrow or pledge the credit of the Club up to \$50,000.00 during initial construction and \$3,000.00 thereafter. Any amount greater than \$3,000.00 must be subject to approval at a General Membership meeting.

Section 8. Any member of the Board of Directors may be removed from office by a majority vote of the membership present in person at a Special Meeting called in accordance with these Bylaws.

ARTICLE V OFFICERS

Section 1. The President shall preside at the meeting of the Club and of the Board of Directors. He shall be the administrative officer of the Club. He shall appoint, subject to confirmation by the Board of Directors, all standing committees, designating the Chairman thereof, and all special committees as may be directed. He shall be ex-officio, a member of all committees.

Section 2. The Vice President, in the absence or temporary disability of the President, shall act in his stead. He shall under the direction of the President attend to the business and financial operations of the Club and shall be the Chairman of the Finance Committee. He shall be ex-officio, a member of all committees.

Section 3. The Secretary shall send out all notices of the meetings of the Club and of the Board of Directors; keep the minutes and attend to the correspondence pertaining to such office. He/She shall perform such other duties pertaining to his/her offices as may be asked of him/her by the Board of Directors.

Amended July 2013

Section 3. **The President, Vice President, Secretary or Treasurer** shall send out all notices of the Club and of the Board of Directors. The Secretary shall keep the minutes and attend to the correspondence pertaining to such office. **The Secretary** shall perform such other duties pertaining to his/her office as may be asked of him/her by the Board of Directors.

Section 3a. Each Active Member shall elect whether to receive notice of meetings by standard U.S. mail or by electronic mail. The election shall be made annually with payment of dues. Failure to make an election will result in an automatic election of standard U.S. mail.

Section 4. The Treasurer shall attend to keeping the accounts of the Club, collecting its revenues, and paying its bills as approved by the Board of Directors or other agency authorized by the Board to incur them. He/She shall deposit funds of the Club received by him/her, in the name of the Club in such depository as may be authorized by the Board. He/She shall perform such other duties pertaining to this office as may be asked of him/her by the Board. He/she shall be bonded.

Section 5. In the event of the death, resignation, or incapacity of any of the Club officers, the Board of Directors shall select his successor.

Section 6. Any officer may be removed from office by a majority vote of the Board of Directors present in person at a Special Meeting called in accordance with these Bylaws.

ARTICLE VI MEMBERSHIP

Section 1. The Membership of this Corporation shall be of two (2) classes, Active and Associate. Active membership shall be limited to a maximum of three hundred twenty five (325) families.

Section 2. An Active Members shall consist of those persons not to exceed two (2) hold a Certificate of Membership and their children residing in their home: No Certificate of Membership shall be issued in more than one name except when issued in the joint names of husband and wife. The Certificate shall provide for a right of survivorship.

Section 3. An Associate member is defined a relative who is residing with an Active Member. (Mother, Father, Stepdaughter, Stepson, Nephew, Niece, Grandchild, etc.)

Amended-2012-

Article VI, Section 3

An Associate member is defined **as** a relative who resides with an Active Member and is not a child of the member(s) named on the Certificate of Membership (Mother, Father, Stepdaughter, Stepson, Nephew, Niece, Grandchild, Sibling, etc.).

Amended- 2012

Article VI, **Section 3a -**

A Caregiver is defined as an individual who provides childcare services to children of the Active Member. This individual will be granted access to the club only when in the company of the children of the Active Member and may not bring a guest. An additional fee of \$40 per season for each Caregiver shall be paid with annual dues.

Section 4. Any member of any class may, for cause and after having given opportunity for a hearing, be suspended for a period of not exceeding three months by a two-thirds (2/3) vote of the members of the Board of Directors present at any meeting thereof. Cause for suspension shall, in general, consist of violation of these Bylaws or of the rules of the Club, or of conduct unbecoming a lady or gentleman.

Section 5. The Board of Directors may delegate to the Chairman of the Pool and Building Committee, or the Chairman of the Rules Committee, the power to suspend pool privileges for the violation of the Club Rules and Regulations provided such suspension does not exceed seven (7) days. A written report of such suspension containing reasons thereof, shall be submitted to the President within twenty-four (24) hours. The Board of Directors may delegate to a responsible employee of the Club the power to suspend pool privileges of members under 18 years of age for similar violations provided such suspension does not exceed seven (7) days.

- Section 6. (a) All classes 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.
- a. The Board of Directors, at its discretion, may temporarily extend the privileges of the Club to any person or persons.
 - b. Any property of the Club broken or damaged by a Member of any class, or his guest, shall be promptly paid for by such member. No persons shall take any article belonging to the Club.
 - c. The Board of Directors shall, by rule, fix the terms and conditions upon which guests or members may use the facilities of the Club.
 - d. The Club assumes no responsibility, and members (of any class) or their guests can have no claim against the Club, for the property of members of any class, or any guest, which may be brought into or left in the Club building, or on the grounds.

Amended 8-21-13

Section 7. In the event that the membership certificate is held jointly and the relationship is terminated by divorce or separation, only one individual shall continue the membership and the Board of Directors will issue a new membership certificate in the named agreed to by the parties or as adjudged by a court of law upon receipt of a certified copy of the court order/judgment.

Section 7a. The individual not named on the new certificate shall be eligible for membership and shall immediately be placed at the front of the waitlist if one exists.

Section 7b. In the event that a divorce or separation is final and no determination or agreement is made; the certificate may be terminated on the following May 1 and the certificate may be repurchased by the club. Each party shall be eligible to purchase a new membership and be placed at the front of the waitlist if one exists.

ARTICLE VII DUES AND FEES AND MEMBERSHIP CERTIFICATES

- Section 1. (a) The Board of Directors, prior to the Annual Meeting of the members, shall establish dues for each class of membership for the ensuing year.
- a. Dues shall be sufficient to provide for the necessary running expenses for the Club and the proper maintenance and improvement of its property. All dues and past balances must be paid in full by April 1 of each year. The envelope used to transit the dues, must be postmarked on or before the due date or a late fee will be added in accordance with Article VII Section 7.

- b. In 1997, the annual dues for Active Members shall not exceed \$335.00. The annual dues for an Associate Membership shall not exceed \$30.99. The Board of Directors may not increase the dues in each of subsequent years (1998 and 1999) by more than 5% from the immediately preceding fiscal year without the approval of membership.
- c. No dues, nor part thereof, shall be refunded in the event that pool operations are required to be suspended for any period of time. In the event of a sale or transfer of membership, dues will be refunded on a pro-basis (see Article VII Section 1(e)).
- d. Any person acquiring an Active Membership subsequent to April 1st of any year shall pay dues in accordance with the following schedule:

Membership acquired April 1st through June 15th – 100% of Annual Rate
 Membership acquired June 16th through June 30th – 80% of Annual Rate
 Membership acquired July 1st through July 15th – 60% of Annual Rate
 Membership acquired July 16th through July 31st – 40% of Annual Rate
 Membership acquired August 1st through August 15th – 20% Annual Rate
 Membership acquired August 16th through March 31st of the following year –
 no dues required

Section 2. All candidates for Active Membership in the Club shall be required to pay a non-fundable \$100.00 capital improvement fee.

Section 3. As a condition to Active Membership, a Certificate of Membership shall be transferred to the new member. The par value of such certificate is \$550.00 and is payable only by certified check or money order.

Amended July 2013

Section 3. As a condition to Active Membership, a Certificate of Membership shall be transferred to the new member(s). The par value of such certificate is \$550.00 and is payable only by **check or money order**.

Section 4. (a) If the registered owner(s) of a Certificate of Membership desires to sell, assign, transfer, or in any manner dispose of his Certificate, he must first offer to sell the certificate to the Club for the sum of \$550.00. However, for Livonia residents, a membership may be sold as part of the sale of the member's residence. Such offer must be made in writing to the Club by registered or certified mail to its principle office. The Club shall have thirty (30) days within which to accept or reject such offer.

Amended- 2006

ARTICLE VII, SECTION 4

Registered owner(s) may transfer the Certificate directly to a child and spouse of the owner(s) who meet the qualifications of membership and pursuant to the following limitations: (1) Such transfer will become effective only after the current waiting list, effective September 1, 2001, is either terminated, completed and offers have been extended.

If the Club accepts the offer, it shall do so in writing to the offering member by registered or certified mail. Such acceptance will be sent to the address as shown on the Membership records of the Club. The Club shall have period of thirty (30) days from the time of mailing its acceptance to tender the re-purchase price of \$550.00 and accept surrender of the Certificate of Membership.

If the club fails to accept the offer to sell within thirty (30) days of receipt of such offer, or, if after the Club's acceptance, it fails to tender the re-purchase price within thirty (30) days, then in either such event these restrictions on the sale of that particular Certificate of Membership shall terminate. The holder of such Certificate shall be free to sell or transfer his Certificate upon the open market.

Registered owner(s) may transfer the Certificate directly to a child and spouse of the owner(s) who meet the qualifications of membership and pursuant to the following limitations:

1. Such transfer will become effective only after the current waiting list, effective September 1, 2001, is either terminated, completed, and offers have extended;
2. All such family members accepting direct transfer from the parents must be residents of the City of Livonia, State of Michigan;
3. Only children of active members and spouses are eligible for this family transfer. Proof of the parent-child relationship may be required (i.e., copies of birth certificates, marriage certificates, divorce decrees, etc.);
4. New members under this family transfer must pay the \$100.00 capital improvement fee referred to in Article VII, Section 2;
5. Notice of such transfer must be given to the Club one month prior to the transfer. The Club will then respond with a fixed date for said transfer to occur;
6. Any such family transfer will waive the requirements for initial offering to the Club upon anticipated sale as required herein Article VII, Section 4(a).

(b) All Club fees and dues shall be in addition to the cost of the Certificate of Membership. A \$20.00 fee will be assessed for all returned checks.

Section 5. Membership Certificates shall be transferable only on the books of the Club. All Certificates transferred in accordance with these Bylaws shall be tendered to the Secretary (or designated representative) for cancellation and re-issuance in the name of the transferee. For purposes of establishing an effective date, the transfer is deemed to take effect as of the date the Certificate is delivered to the Secretary.

Section 6. Upon dissolution of the Club, the Active Members shall be entitled to a pro-rata distribution of the assets of the Club after payment of all debts and liquidation of all liabilities. Associate Members shall not share in any distribution of assets.

Section 7. Any member of any class failing to pay dues or indebtedness within thirty (30) days of the date of the statement shall have added to such dues or indebtedness a penalty of 10%. Additional penalties will be based on the chart below:

After April 1	10% Late Charge on unpaid balance.
After May 1	An additional 10% Late Charge on the unpaid balance. Unpaid balance must be paid by certified check or money order.
Opening Day	Membership will be sold if all dues and monies due the Club are not paid in full.

Section 8. All indebtedness owing to the Club by an Active Member shall be a lien upon and charged against his Certificate of Membership. The lien may be enforced by cancellation and sale of the membership at such time as the indebtedness totals at least the sum of \$100.00. In the event the Club is unable to obtain the possession of the Certificate, it may be cancelled upon the books of the Club, the Membership sold, and a new Certificate issued to the purchaser. In the event of the enforcement of a lien as herein provided, neither the signature of the holder nor delivery of the Certificate shall be required to perfect the transfer, and the secretary of the Club (or designated representative) is authorized, as attorney of the holder of the Certificate, to make such transfer. In the event that the lien is satisfied by a cancellation and resale of Membership, the Club shall account to and pay over to the delinquent member, the excess of the resale price over the indebtedness. Every Certificate of Membership issued is expressly subject to the provisions in this section.

Section 9. No assessment shall be levied against the members without their approval by a two-thirds (2/3) vote of the Active Memberships present in person at a special meeting of the members, called for such purpose, after at least five (5) days written notice of such meeting and proposed assessment.

Section 10. All fees and other charges mentioned herein are exclusive of all taxes imposed by the State, Federal and other government bodies and agencies.

Section 11. Each membership shall be required to annually provide a minimum of three adult (18 years or over) working hours for the operation of the Club, or be assessed the equivalent of \$60.00. This special \$60.00 annual assessment is to be paid with annual dues and will be refunded when the required working hours are completed.

Amended- 2006

ARTICLE VII, SECTION 11

Each membership shall be required to annually provide a minimum of four adult (18 years or over) working hours for the operation of the Club, or be assessed the equivalent of \$100.00. This special \$100.00 annual assessment is to be paid with annual dues and will be refunded when the required working hours are completed.

ARTICLE VIII MEETINGS

Section 1. (a) The Annual Meeting of the Club shall be held during the month of August in each year at such place and time as the Board of Directors may determine. The Directors so elected shall assume office on January 1st of the following year.

(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.

Section 2. Special Meetings of the Club may be called by the Board of Directors. Also, upon written request of twenty (20) members to the Secretary, stating the purpose thereof, a Special Meeting shall be called by the Secretary within thirty (30) days.

Section 3. (a) Written notice of the Annual Meeting shall indicate the number of Directors to be elected.

a. Special Meetings of the Club may be held on five (5) days written notice to all members. The notice shall state the purpose for which the Special Meeting is called and no other business shall be transacted thereat.

Section 4. Only Active Members shall be entitled to vote at meetings of the Club. In cases where a Membership is in the name of more than one person, either, but not both, of such persons may vote. All voting shall be in person; proxies will not be recognized. Voting may be via voice, but ten (10) Members shall have the right to demand voting by a roll call.

Amended July 2013

Section 4. Only Active Members **identified on the membership certificate** shall be entitled to vote at meetings of the Club. In cases where the Membership is in the name of more than one person, either, but not both, of such persons may vote. All voting shall be done in person; proxies will not be recognized. Voting for Directors and By-Law Amendments shall be done by written ballot only.

Section 4a. Only Active Members entitled to vote shall have the right to speak at membership meetings or individuals who are recognized by the Chair.

Section 5. The entire number of Directors to be elected shall be balloted for at one time and not separately. Every membership voting shall vote for as many nominees as there are Directors to be elected.

Amended July 2013

Section 5. The entire number of Directors to be elected shall be balloted for at one time and not separately. Every Membership voting shall vote for no more than the number of nominees, as there are Directors to be elected.

Section 6. Ten (10%) percent Active Members, present in person, shall constitute a quorum in all Club Meetings. (33 Members)

Section 7. Roberts Rules of order will prevail at all meetings of the Club.

ARTICLE IX COMMITTEES

Section 1. (a) The standing committees shall be Pool Operation, Grounds, Finance, Bylaws and Rules, and a Planning Committee.

a. The duties and powers assigned in these Bylaws to the standing committees shall be subject to the authority of the Board of Directors. No committee shall expend funds without prior appropriation by the Board of Directors.

Section 2. The Pool and Grounds Committee shall exercise supervision over the Pool and Grounds; shall attend to the improvement and maintenance of the Pool, Buildings, Operating Equipment and Grounds; shall have authority there over; and, in conjunction with the Rules Committee, shall see that the rules and regulations of the Club are enforced.

Section 3. The Finance Committee shall prepare the annual budget for submission to an approval by the Board of Directors, and shall exercise general supervision over the financial transactions of the Club.

Section 4. The Bylaws and Rules Committee shall prepare rules of health and good conduct in connection with the operation of the pool and shall, in conjunction with the Pool and Grounds Committee, see that the rules and regulations of the Club are enforced. It shall periodically review the Bylaws and Club Rules and Regulations and make recommendations relative to changes to the Board of Directors for submission to the Members.

Section 5. Such temporary committees as deemed necessary may be appointed by the Board of Directors and they shall terminate when the purpose for their formation has been fulfilled.

ARTICLE X MISCELLANEOUS

Section 1. (a) Each person who acts as a volunteer Director or officer of the Club shall be indemnified by the Club against expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of his being or having been a volunteer Director or officer of the Club, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct, and accept any sum paid for the Club in settlement of an action, suit or proceeding based on gross negligence or willful misconduct in the performance of his duties.

a. The right of indemnification provided herein shall inure to each Director and Officer referred to in (a), whether or not he is such Director or officer at the time such costs or expenses are imposed or incurred, and in the event of his death shall extend to his legal representatives.

Section 2. Wherever mention is made herein to age of members, it shall be the age attained during the current calendar year.

Section 3. These Bylaws may be amended by two-thirds (2/3) vote of the Active Members present in person at any meeting of the Club provided at least five (5) days written notice of such amendment shall be given to each such member, setting forth the proposed Amendment(s), with the reason therefore and any known objection.

Section 4. Notwithstanding any provisions of these Bylaws to the contrary, no part of the net earnings of this Club shall inure to the benefit of any member. No Active or Associate Members shall be a paid employee of the Club on a continuing basis. However, the purchasing of services for the maintenance and improvement of Club property will be conducted on a bid basis and Club Members, who by vocation qualify, may participate in bidding.

Amended May 2, 2009

ARTICLE X, SECTION 4

Notwithstanding any provisions of these Bylaws to the contrary, no part of the net earnings of this Club shall inure to the benefit of any member. An active or Associate Member may be given consideration if he or she has proper background, training, thorough knowledge and applies for such position(s): (1) Women's Aquatic Instructor; (2) Diving Instructor; (3) Tennis Instructor; or (4) Swim Team Coach. Said position shall not be filled by a Board Member in his/her current term. Each position is considered "contract" not "ongoing". Each position will be reconsidered on an annual basis. Compensation, if any, will be determined by the Board of Directors, collectively, and is to be done so on an annual basis. Compensation will not be greater than the fees collected for each such class/sport and will not go against the net earnings of the Club; except in the case of Swim Team Coaches where the coaches' collective compensation will not exceed the previous year's collective compensation plus 20%. Further, the purchasing of services for the maintenance and improvement of Club property will be conducted on a bid basis and Club Members, who by vocation qualify, may participate in bidding.

AMENDMENTS

ARTICLE III, SECTION 1 - 2006

The Club shall be managed by a Board of Directors, consisting of nine (9) active club members on a voluntary basis. President and Treasurer do not pay dues.