

**BYLAWS OF
THE DOWNERS GROVE SWIM & RACQUET CLUB
Downers Grove, IL
(Revised May 31, 2023)**

Article I: NAME

The corporation was formed as an Illinois not-for-profit corporation on February 19, 1954. The name of the corporation is The Downers Grove Swim and Racquet Club (the "Club").

Article II: OBJECT/PURPOSE

The Club was formed for the purpose of promoting the health and general welfare of the persons comprising its general membership (the "Members"); and to that end, for the purpose of constructing, owning and operating swimming pools, tennis and volleyball courts and other recreational facilities for the use of its Members, together with such incidental objects as are appropriate in the conduct of its activities, in the State of Illinois, County of DuPage.

Article III: GOVERNANCE

Section 1. **Bylaws.** The operations and activities of the Club will be governed by these Bylaws in accordance with **Robert's Rules of Order**. The Bylaws will be posted on the DGSRC website. The Bylaws will be reviewed every five years or as deemed necessary by a Bylaws Committee and, if necessary, revised by such Committee. Such revisions will be presented to the Members for their approval and adoption at an Annual Meeting or Special Meeting called by the Board. The Bylaws may be amended by a 2/3 majority vote of the Members present at any Club meeting for which the requisite meeting notice is given to Members. The Board of Directors may not change the Bylaws without the appropriate approval of the Members, however, the Board of Directors will interpret the meaning of the Bylaws after consulting members of the previous Bylaws Committee wherever possible, and interpretation by the Board is binding on the Club and its Members. Wherever appropriate or required, the singular terms and related pronouns will include the plural, masculine and feminine.

Section 2. **Club Board.** The Club and its operations will be managed by a staggered Board of no less than 12 members consisting of Board Officers and Board Directors (the "Board") elected by the Club Members, and such Officers as the Directors elect, to represent and serve the best interests of the Club and its Members. Each member of the Board will pay dues and assessments by the April 21st due date. In consideration of each Board member, a reduction by 50% for total membership dues including capital assessments ("Discounted Dues") will be issued to Board members who have actively participated in their duties for at least a full year as per Article V, Section I. The Discounted Dues will be applied to the Board member's membership dues the following year of his or her service on the Board. Any Board member who resigns his/her position or is removed from the Board before completion of a full year will receive no membership Discounted Dues.

Section 3. **Club Manager(s).** The Board may hire a salaried Pool Manager(s), Assistant Manager(s) and Facilities and Ground Manager(s), and Office Manager(s) who will serve at the Board's direction and control with duties deemed necessary by the Board. The Board may delegate any or all of its management functions to the Club Manager(s). The Club Manager(s) will supervise and oversee any assistants, subcontractors and employees as hired and/or appointed by him or the Board. A Pool

Manager and Assistant Manager(s) must have active certification in CPR, First Aid, and Automated External Defibrillator (AED). Prior life- guarding experience is required for the Pool Manager.

Article IV: BOARD

Section 1. Election of Board Officers and Board Directors, Terms, Term Limits. At the Annual Meeting of the Club Members, the Club Members will elect members for the Board vacancies from among Club Member candidates nominated (1) by the Nominating Committee, and (2) by Member floor nominations at such Meeting. These positions include the Officers as outlined in Article 5 including President, Vice-President/President Elect, Treasurer and Secretary as well as the Directors as outlined in Section 3 below. Each Board member will serve a two-year term. A Board member may be elected to serve three consecutive two-year terms; however, no Board member may serve longer than six consecutive years. A Board member who has served six consecutive years may be re-elected only after a period of three years has elapsed since the expiration of his/her last term. A Board member who has served more than one-half of a term will be deemed to have served the full term. Any Board member who ceases to be a Member of the Club will automatically be terminated as a Board member. Each nominee for Board member shall have been a member of the DGSRC for one pool season and only one person per membership may serve in a Board member position simultaneously.

Section 2. Duties of Board. Consistent with these Bylaws the Board will:

- a. Elect the Officers of the Club annually,
- b. Prepare the Club's budget annually, in line item form, for submission to the Members,
- c. Constitute and appoint Committee members for positions,
- d. Seek out candidates from outside subcontractors and professionals and solicit competitive bids for their services; hire and dismiss employees and subcontractors as necessary and fix their duties and compensation,
- e. If serving a Director position, submit proposed budget expenditures and revenues, if applicable, to the Treasurer and the Finance Committee,
- f. Make, amend and enforce Club Rules and Policies promoting health, safety and good conduct in the use and operation of the Club facilities; fix and impose penalties for violations of these Bylaws and Club Rules or Policies,
- g. Seek out candidates for Board vacancies and vote on whether or not to ratify the President's appointments for such vacancies,
- h. Train, advise or otherwise facilitate the transition of his or her own successor in any position of Officer or Director to the extent possible and practical, and affect all Club business.

Section 3. Board Director Positions. The Board Directors will each chair a Committee (if formulated) and work in conjunction with the Board Officers as noted in Article V including the President, Vice-President, Treasurer and Secretary. These Board Directors will oversee the following Committees: Membership, Facilities and Grounds, Snack Bar, , Swim Team, Swim Lessons, Dive Team & Lessons, Tennis Programming, Personnel, Long Range Planning, Marketing, Social and Partnership Development. The Directors and their functions are listed below. Each Director will submit annually to the Treasurer a proposed line-item budget of such Committee's revenues (if applicable) and expenditures. At the discretion of the Treasurer, a Finance Committee can be formulated to review these budgets.

- a. The Membership Director will review all applications for membership, give feedback on unique membership situations, and help coordinate membership communication.

The Facilities and Grounds Director will exercise supervision over and will attend to the improvement, maintenance and operation of the Club facilities and grounds, including the pools, tennis courts, volleyball courts, shuffleboard courts, buildings and operating equipment.

- b. The Snack Bar Director will make recommendations for Snack Bar operations. The Club Manager(s) will be responsible for the overall operation of the Snack Bar.
- c. The Swim Lesson Director will help coordinate both group and private swim lessons with the Club Manager(s).
- d. The Swim Team Director will organize the teams including try-outs, practices and meets.
- e. The Dive Team Director will coordinate group dive lessons as well as organize dive team practices and meets.
- f. The Tennis Programming Director will prepare all programs relating to tennis activities and, with the assistance of the Club Manager(s), will exercise supervision over operation of the same.
- g. The Personnel Director will actively assist the Board in filling vacancies. Members will be notified by email so that the job(s) may be filled as a volunteer position. Job post information shall include job responsibilities, qualifications, and instructions for candidate submission. The Personnel Director will oversee the Club Manager(s) in interviewing, hiring and dismissing all Club employees, and will assist in determining their duties, compensation and contractual arrangements.
- h. The Long-Range Planning Director will plan and make recommendations to the Board concerning the overall operation of the Club, its facilities, and the future direction of all Club activities.
- i. The Social Director will prepare all programs of entertainment and social activity, and exercise supervision over the same.
- j. The Marketing Director is responsible for communication strategy outside of the Club including social media, advertising and public relations.
- k. The Partnership Development Director will work with third-party businesses and organizations regarding sponsorship opportunities and rentals for incremental revenue.

Section 4. Club Funds. The President and Treasurer will designate the bank(s) in which the Club funds will be deposited and will be responsible for depositing all Club funds. The Treasurer will draw Club checks and will determine the manner in which funds will be disbursed. All check signatories will be bonded. Any check over \$10,000 must be signed by two Board officers.

Section 5. Club Books. The Directors and the Audit Committee will seek out candidates available for hire as independent, outside accountant(s)/bookkeeper(s) ("accountants"), and the Board will annually approve by simple majority vote the hiring and retention of such accountants, or replacement thereof, at reasonably competitive rates. Such accountants will perform periodic bookkeeping/accounting for the Club; prepare its financial statements, payroll checks, payroll tax

returns, and income tax returns; and review its budget variances and prepare a comparison upon request. The Club books and budget comparison will be reviewed by the Treasurer at least quarterly. The books will be internally audited by the Audit Committee and an audit report will be presented to the Board, and to the Members at the Annual Meeting. The financial statements of the Club will be available to the Board at all Board Meetings. The financial statements and other records of the Club will be available, with sufficient notice to the Club, to Members at all times via email request to current Treasurer.

Section 6. Club Budget. The Board members, including Officers and Directors as needed, will submit to the Treasurer proposed budget expenditures, and, if applicable, proposed revenues. From such proposals the Treasurer will draft a proposed line-item budget, the line-item budget will be submitted to the Board for approval and will be included in the presentation for approval by the Members at the Annual Meeting. The Treasurer will periodically prepare, or have prepared, and then review, the comparison of budgeted amounts to actual revenues and expenditures, and any variances from the budget will be reviewed and analyzed by the Board.

Section 7. Board Meeting Attendance Requirement. The Board will meet at their discretion after the Annual Meeting during the months of February, March, April, May, June and September and at other times and intervals as they deem necessary. Each Officer and Director is required to attend 2/3 of the regular meetings in-person or virtually and failure by any Officer or Director to do so is grounds for removal by a simple majority vote of the remaining Board.

Section 8. Removal of Directors. Any Director may be removed by a 2/3 majority vote of the Club Members present at either an Annual Meeting or a Special Meeting called in accordance with these Bylaws. Or any Director may be removed for cause by a 2/3 majority vote of the remaining Directors. Any Director who resigns or is removed prior to fulfilling the one-year service obligation will not receive the Discounted Dues as per Article III, Section 2.

Section 9. Board Vacancies. In the absence of volunteers or otherwise qualified candidates, the President will appoint candidates to fill Board vacancies, and the Board will vote whether or not to ratify such appointments. Upon ratification, any such appointed Director may serve the remainder of the term of vacancy or until a successor is chosen, whichever occurs first.

Section 10. Club Contracts. All Club contracts shall be obtained and signed by the Board member responsible for the contract. The contract shall then be presented to the President for signature. A contract for a non-budgeted expenditure must additionally be reviewed and approved by the Board.

Article V: OFFICERS AND COMMITTEE CHAIRS

Section 1. Election of Officers and Directors, Terms. At the first Board meeting following the Annual Meeting, and held no later than February 28th, the Board Members, including Officers and Directors, will be elected to serve the Club and its Members. Each Officer and Director will pay dues and assessments by the April 21st due date. Discounted Dues (Article III, Section 2) will be issued to each Officer and Director who has actively participated in their duties for at least a full year. An Officer or Director who has served more than one-half of a term will be considered to have served the full term. Officers will be: a President (to be elected from among the Directors who have served on the Board during the immediate preceding year), a Vice President/President Elect, a Secretary and a Treasurer. Directors are those listed in Article IV, Section 3. Per Article IV, Section 1 Board Officers and Directors of

will serve for a 2-year term.

Section 2. Removal of Officers. Any Officer may be removed for cause by a 2/3 majority vote of the Board.

Section 3. Officer Vacancies. All Officer vacancies shall be communicated to members via email so that volunteer candidates can be sought. Job post information shall include job responsibilities, qualifications, and instructions for candidate submission. In the absence of volunteers or otherwise qualified candidates, the President will appoint candidates to fill Officer vacancies, and the Board will vote whether or not to ratify such appointments. Upon ratification, any such appointed Officer may serve the remainder of the term or until a successor is chosen, whichever occurs first. The Board will elect a Director to fill a vacancy in the Presidency.

Section 4. President. The President will be the general and administrative manager, and an Officer of the Club. He or she will appoint candidates for Board vacancies, subject to approval from the Board. He or She will appoint and staff all special committees as required. He or she will be a member ex officio of all committees. The President will preside at Annual Meetings of the Club and at the Board Meetings. While presiding over Annual Meetings and Board Meetings, the President will oversee discussions in an impartial manner and will cast only a written vote on matters before the Board for vote, and such vote will be counted only in the event of a tie. He or she will serve as the parliamentarian and will interpret **Robert's Rules of Order** as they govern Annual Meetings and Board Meetings.

Section 5. Vice President / President Elect. The Vice President / President Elect will act as general and administrative managers and Officers of the Club under the direction of, and for the purpose of assisting, the President. In the absence of the President, the Vice President will act in his/her stead.

Section 6. Secretary. The Secretary will act as the general record-keeper and correspondent of, and as an Officer of, the Club. The Secretary will record and sign minutes of all meetings and record resolutions adopted, keep the minute book including corporate records, maintain the Bylaws, distribute the notices of all the meetings (Annual Meetings, Special Meetings and Board Meetings), and generally attend to the correspondence pertaining to his/her office and the Club. He or she will perform such other duties pertaining to his/her office as may be required by the Board including sending information or records to Members upon request.

A draft version of Annual Meeting or Special Meeting minutes shall be made available for review by the Board at their next meeting as per Article X, Section 4.

Section 7. Treasurer. The Treasurer will act as an Officer of the Club and will attend to the business and financial matters of the Club. He or she will be responsible for collecting and recording revenues (depositing them in the Club name and in such bank account(s) as authorized by the Board), annually preparing a draft budget and the variances thereto, paying bills as approved by the Board, and preparing and maintaining the financial records or overseeing their preparation and maintenance. An annual internal audit will be conducted by a member(s) and presented at the Annual Meeting.

The Treasurer may formulate and Chair the Finance Committee at his/her discretion composed of at

least three Members from general Membership. In such capacity, he or she will accept from the Finance Committee an initial review of the annual line-item budget draft which he or she provided the Committee. –The Treasurer will prepare the final draft of the annual line-item budget to be presented at the Annual Meeting. He or she will perform such other duties pertaining to his office as may be required by the Board.

Section 8. Non-Board Committees. The Non-Board Committees (those Committees which are chaired by a person who has no vote on the Board) will be the Audit Committee, the Nominating Committee and the Bylaws Committee.

- a. The Audit Committee will be comprised of at least three non- Board Members that volunteer for the position. The Audit Committee will oversee the preparation of, or prepare, as the case may be, the annual audit of the financial statements of the Club and report thereon, and will present an annual audit report to the general membership at each Annual Meeting by way of submission of such audit report for inclusion into the Annual Meeting Notice.
 - Annual duties of the Audit Committee will include:
 - Review all expenditures over \$5,000.
 - Review all expenditures paid to Members and Board Members.
 - Review the annual disbursements ledger for any unusual payments.
 - Review the payroll records for any payments over \$500.
 - Review monthly bank reconciliations.
 - Tie out membership and lesson records to the amounts booked on the income statement.
 - Verify that the loan balance with the bank agrees with the balance sheet each month end.
- b. The Nominating Committee will be comprised of five volunteer Members, one of which may be on the Board. This Committee will be formed after the Annual Meeting but before the completion of the pool season, with the notice for vacancies posted on the DGSRC website and through email. The Nominating Committee will nominate candidates for the Board for the ensuing year.
- c. The Bylaws Committee will not be a standing permanent Committee and will review these Bylaws at least every 5 years or as deemed necessary. They Bylaws are subject to approval by the Members at the Annual Meeting or special membership meeting subject to approval by the Members at the Annual Meeting. The Bylaws Committee shall consist of at least five non-Board Members and will be formed after the Annual Meeting but before the completion of the pool season, the previous Bylaws Committee will advise the Board on matters of interpretation of the Bylaws wherever possible.

Article VI: FIDUCIARY DUTY OF BOARD OF DIRECTORS

Section 1. Assets, Credit, Contracts. Neither the, nor any individual Director or Officer, will borrow or pledge the credit of the Club, purchase real estate for the Club, sell or otherwise dispose of the Club or its real estate or other property, or negotiate or execute a contract for such purchase or sale, without the specific approval of 2/3 majority vote of Members at Special Meeting.

Section 2. Prohibition on Compensation. No Director or Officer will be a paid provider of services

to the Club, nor will otherwise be permitted to receive compensation for any service rendered to, or work performed for, the Club other than the Discounted Dues. However, this provision does not preclude any Director or Officer from receiving reimbursement for any actual out of pocket expenses. Such reimbursements will be made only after receipts for such expenditures are presented (1) to the Treasurer and (2) to either the outside accountant or to the Board.

Section 3. Impartiality. Consequences of Failure to Comply with the Bylaws. All Directors and Officers will impartially serve the Club and will at all times maintain the best interests of the Club, its Members, and the preservation of Club assets. Failure by any Director or Officer to comply with any provisions of these Bylaws, or failure to otherwise act in a manner consistent with the fiduciary duty of a Director or Officer, will be grounds for removal by a 2/3 majority vote of the remaining Directors and Officers.

Article VII: MEMBERSHIPS

Section 1. Types of Membership.

- a. Memberships in the Club will consist of the following classes, and Members will choose and submit dues for the type of Membership that describes the Member(s): Family, Special, Individual, Couple, Established, Honorary, Inactive, and Tennis Only.
- b. Any person holding, or covered by, a membership is deemed a Member, including family members covered by a membership of a Member.
- c. Age of Members is determined by the age attained as of January 1st of the current year.
- d. All classes of memberships are Active memberships, except the Inactive Membership.
- e. The Club will not discriminate in membership selection, personnel selection, personnel employment, or election of Directors and Officers, on the basis of age, race, gender, religion, sexual orientation, or ethnic or national origin.
- f. It is the responsibility of the Member to notify the membership chairman in writing when a change in membership status occurs.

Section 2. Family Membership. A Family Membership will be issued to a married couple or single parent and their dependent children, and any other family member permanently residing in one household, when such other family member provides proof of residency.

Section 3. Special Membership. A Special Membership will be issued to a nanny, foreign exchange student or babysitter, who either resides in the Member household or who cares for children residing in the Member household. A Special Membership may be purchased only by a family holding a Family Membership and, with the exception of the foreign exchange student, may be used only by a Special Member when accompanied by Member child(ren). A Special Membership will be registered in the name of the Family Membership family only. It will be the responsibility of the Family Member family to ensure that the Special Membership is used in accordance with these Bylaws.

Section 4. Individual Membership. An Individual Membership will be issued to a person who has reached 18 years of age.

Section 5. Couple Membership. A Couple Membership will be issued to a couple identified as two individuals 18 and over residing at the same address. Both individuals must show proof of residency in the same household through utility bills, paycheck stubs, driver's licenses, etc. Children under the age of 2 by January 1, 2023 will remain on Couple Membership. A Family Membership must be purchased if the child is over the age of 2. A Nanny pass is only granted with Family Memberships.

Section 6. Established Couple or Established Individual Membership. An Established Membership will be issued to a Couple or Individual who have/has maintained any active Club membership for at least 10 years, where one of the Members persons has reached 55 years of age. A couple is identified as two individuals residing at the same address. Both individuals must show proof of residency in the same household through utility bills, paycheck stubs, driver's licenses, etc.

Section 7. Honorary Membership. An Honorary Membership will be issued to a Member who has maintained an active Club membership for at least 15 consecutive years, where one of the Members has reached 60 years of age. Membership will be issued to the husband and wife, Honorary Members only, but not to any of their children of any age. New Honorary memberships will not be issued after January 1, 2015. Existing honorary memberships will maintain their status until they withdraw from the Club. Honorary memberships will continue to pay capital assessments but no dues.

Section 8. Family or Individual Tennis Only Membership. A Tennis Only Membership will be issued to any Family or Individual who desires to play tennis only. No pool privileges will be granted. The years accumulated as a Tennis Only Member will not count towards the years required for a Established Membership.

Section 9. Inactive Membership. Any Active Member may request that his membership be transferred to Inactive status by providing written notice to the Board by the Club opening day. Inactive Members will not be required to pay dues during Inactive status, and Inactive Members will not be permitted to use Club facilities.. A transfer to Inactive status automatically the following year, if the Inactive Member does not either resume Active status by April 21st.. Upon the receipt by the Membership Committee of written request for transfer to Active status, an Inactive Member will be immediately returned to Active membership status if membership levels permit.

Section 10. Suspension of, Expulsion from, Membership. The Club Manager may suspend Club privileges of any Member as a consequence of such Member's violation of Club Bylaws, Rules, Regulations or Policies. Any member may be suspended for any period of time up to an entire season, or expelled permanently from Membership, by a 2/3 majority vote of the Board. Such suspension or expulsion must be for cause and after an opportunity for a hearing with the suspended or expelled Member. Cause for suspension or expulsion will include, but not be limited to, violation of: (1) these Bylaws, (2) the Rules and Regulations of the Club, (3) any Policies affected by the Club Manager, and (4) inappropriate conduct such as (but not limited to) physical altercations, hateful language, harassment, etc. A detailed record of each suspension and expulsion will be kept by the Club Manager and submitted to the Board.

Section 11. Rights, Duties, Privileges, Obligation of Membership.

- a. All Members and their guests will be permitted to use the facilities of the Club subject to the Club Rules and Regulations, which will be posted at all times on the premises of the Club, and subject to policies in effect promulgated by the Club Manager.
- b. The Board, in its discretion, and for compensation to the Club, may extend the privileges of the Club to non-member groups, taking in consideration the hours of operation of the Club for members.
- c. Any property of the Club damaged or removed from the Club premises by a Member or his/her guests will be paid for by such Member. Club property will not be removed from the grounds without the approval of the Board.
- d. The Club assumes no responsibility for loss of property which may be brought into or left in the Club buildings or on the grounds by Members or guests.
- e. The Club assumes no responsibility, and Members or their guests will have no claim against the Club, for any accident or injury to any person or their property.

Section 12. Membership Limits and Transferability.

- a. The number of Active Family memberships of the Club will not exceed 830. Special, Individual, Couple, Established, Honorary or Tennis Memberships will not be counted towards the maximum.
- b. Memberships are not transferable.

Section 13. Unique Membership Situations. Any former, existing, or future Member who believes that he/she has a unique membership situation or a unique membership request, which is not otherwise addressed in these Bylaws, may present such situation or make such request in writing to the Chair of the Membership Committee and/or to the Board. Such request will be granted only after approval by a simple majority vote of the Board. The Board has the opportunity to evaluate special membership classes and approve membership for unique membership situations on an annual basis.

Article VIII: DUES AND FEES

Section 1. Determination of Membership Dues, Fees and Assessments. Each year the Board will establish Membership dues for the ensuing year, in an amount sufficient to provide for the ordinary and necessary operating expenses of the Club and the proper maintenance and improvement of its property, and to provide funds for interest on and the retirement of indebtedness as determined by the Board.

Membership dues and late fees will be payable as determined by the Board. No dues or part thereof will be refunded in the event that Club operations are suspended for any period. Capital Assessments and Special Assessments as deemed necessary by the Board and approved by the Members will be assessed to all Memberships, including Family, Individual, Couple, Established, Individual, Honorary and

Tennis, but not to Special and Inactive Memberships. Involuntary assessed items, such as tax assessments, will be effective without Member approval. Capital Assessments shall be defined as any expenditure required maintaining or improving the Club beyond the current year operating budget. Special Assessments shall be defined as any expenditure not included in the operating or capital budget necessary to continue the operations of the Club.

Section 2. Initiation Fee. Once membership application is approved, payment of the initiation fee, annual dues, and capital assessments is due. The Board can wave or change the annual initiation fee at their discretion.

Section 3. Refund of Pre-1996 Initiation Fee. Any \$100 refundable Initiation Fee deposited by a Member prior to 1996 is hereby deemed to be a non-interest bearing deposit within the Club for an indefinite period. Upon withdrawal from the Club by any Member who became a Member prior to 1996, such Member will receive a refund of \$100 of the Initiation Fee, less any debt owed by the Member to the Club. In order to receive such a refund, any withdrawing Member must send a "letter of Membership Withdrawal and Refund Request" to the Chair of the Membership Committee. The Club's repayment to a member of all or part of such deposit will be at the discretion of the Board, except upon a Member's withdrawal from the Club. Upon dissolution of the Club, pre-1996 Initiation Fees will be refunded to all pre-1996 Members who have not previously received such refund, to each Member's address in the records of the Club, and without a "Letter of Membership Withdrawal and Refund Request".

Section 4. Club Dissolution Provisions. The Members may vote to dissolve the Club by written consent of a simple majority (51%) of the entire Club Active Memberships as per Article IX, Section 3. Prior to dissolution, all liabilities and obligations of the Club will be paid and all pre-1996 Initiation Fee deposits of \$100 will be refunded to pre-1996 Members. Each pre-1996 Initiation Fee will be refunded in the chronological order in which the memberships became effective, subject to availability of funds. Club property will be sold in order to satisfy all liabilities, obligations and deposits, which liabilities, obligations and deposits will be liens on Club property until paid from the process of any sale of such property. Upon the effective date of the dissolution, which date will be determined by the Board after the winding up is complete, any surplus money or property will be donated to another not-for-profit organization or organizations, which have been selected, and voted upon, by the Members.

Section 5. Membership Termination for Nonpayment of Dues and Assessments. Any Member, failing to pay annual dues by for the membership year will have their membership terminated unless the member requested to be transferred to Inactive status by written notice to the Board prior to the Club opening date per Article VII Section 9. An Inactive Member will not be liable for an additional Initiation Fee if membership is reactivated by the one-year grace period. If the declaration of Inactive states was not made, the Member will be subject to the initiation fee when rejoining. Any Member may reapply for membership after such Member has been terminated and will be placed on the bottom of the waiting list

Article IX: MEMBER MEETINGS

Section 1. Member Meetings

a. **Annual Meetings.** An Annual Meeting of all active Members will be held on a date between

November 1 and February 28 at such place and time as the Board may determine ("the Annual Meeting"). The purposes of the Annual Meeting will be to: (1) approve and elect nominees for Board Officers and the Board Directors, (2) present Director reports, including the annual internal audit report (if conducted), (3) to approve the budget, (4) to approve changes to the Bylaws (if conducted), and (5) to transact such other business as may be indicated in the notice of Annual Meeting or as may be raised orally at the Annual Meeting.

- b. **Special Meetings.** A Special Meeting of the Club may be called by the Board, or by the Members upon written request to the Secretary by 10% of the Active Memberships, with such request stating the purpose of the Special Meeting. Notice of the Special Meeting will be electronically sent to Members at least 14 days prior to the Meeting unless postal notification is requested by Member. No business other than that stated in such notice will be transacted at such meeting.
- c. **Non-Budgeted, Non-Emergency Expenditure Approval by Members.** No expenditure of a non-budgeted, non-emergency item of \$25,000 or more may be made unless it is first approved by a simple majority vote of the Members present at a Special Meeting. The requisite Special Meeting notice will include a statement of the nature and cost of the proposal. Member approval is not required if the time delay involved in giving such notice and holding such Special Meeting is expected to close the pool, hinder its opening, or cause a life/safety issue. Before a Special Meeting is called as to any such expenditure, the Board must first have submitted the proposal to at least two contractors for written competitive bids. A series of expenditures related to the same project will be deemed one expenditure.

Section 2. Notice of Member Meetings; Member Nominations for Board. Notice of the Annual Meeting will be electronically sent to the Members at least 14 days prior to the Meeting unless postal notification is requested by a Member. The notice of the Annual Meeting will include, or provide website reference to, the following information:

- a. The names of the candidates nominated for the Board by the Nominating Committee and nominated in writing by Members.
- b. The proposed budget.
- c. The internal audit report from the previous year (if conducted).
- d. The proposed changes to the Bylaws.
- e. The Meeting Minutes for Approval for Annual Meetings and all Special Meetings held since the previous Annual Meeting.

Independent Board Officer and Director nominations may be made from the floor during the Annual Meeting, subject to the consent of such nominees.

Section 3. Voting Weight; Place of Notice; Meeting Procedure. At each Annual Meeting or Special Meeting where voting takes place, there is one vote allotted per active membership, except Special Membership which is not eligible to vote. Votes may be by voice or the showing of hands (1 vote per

eligible membership); however, 10 Members will have the right to demand a vote by roll call (Members individually standing, giving their name, and their vote).

Whenever in these Bylaws notice to Members is required, notification will be made as per Article IX, Section 2. Meetings will be conducted and questions will be decided by **Robert's Rules of Order**.

Article X: DIRECTORS MEETINGS

Section 1. Regular Meetings. The Board will hold its first meeting no later than March 31st in each year and will establish a schedule of its subsequent meetings. Regular Meetings will be open to the Members of the Club and will serve as an open forum for communication among the Members and the Board. The Board will communicate the schedule of meetings once established via email.

Section 2. Special Meetings. Special Meetings of the Board may be called by the President and will be called by the Secretary upon the request of at least two Directors. Notice of each Regular Meeting and Special Meeting of the Board will be given to each Director at least five days prior to such meeting; however, when, in the judgment of any two Directors, an emergency exists, only 24 hours notice is required. In the event of an emergency, a Directors' discussion may be called via e-mail without prior notice. Discussions may take place and a consensus reached but vote via e-mail can be taken. The motion will be presented and voted on at the next scheduled Board meeting.

Section 3. Meeting Procedure. Meetings will be conducted and questions will be decided by **Robert's Rules of Order**. The Board Meeting subsequent to an Annual Meeting or Special Meeting shall approve a draft of the minutes of such meeting. Minutes will be available upon request and will be adopted at the next Annual Meeting.

Article XI: NOMINATIONS FOR BOARD

Section 1. Committee Nominations for Board. The Board will include a notice of Nominating Committee vacancies and will post such notice on the DGSRC website for vacancies expected to occur in the ensuing year. From candidates volunteering for the Nominating Committee, up to five Members will be inducted to the Nominating Committee at the end of the swim season, one of which may be on the Board and the remainder of which must be from the general membership. The Nominating Committee will nominate candidates for Board vacancies to be filled by election at the next Annual Meeting. Nominating Committee Members are ineligible to be nominated as Director or Officer candidates for the ensuing year.

If an insufficient number of volunteers are available to affect the business of the Committee, the President will appoint Nominating Committee Members in sufficient numbers from the Board and from the general membership, with ratification by the Board. The Nominating Committee Chair (elected by the Nominating Committee from among themselves) will forward written Board nominations to the Club Secretary two weeks before Annual Membership Meeting, if such Board nominations are to be included

on a written ballot in the Annual Report.

Section 2. Qualifications for Board. In order to be nominated for Director:

- a. The candidate must have been a DGSRC Member for one pool season.
- b. The candidate must disclose at the time of nomination if he is an immediate relative of a current board member.

Section 3. Member Nominations for Board. Members may nominate Board candidates in writing to the Secretary seven days prior to the Annual Meeting, if such nominations are to be included on a written ballot in the Annual Report. Members may also orally nominate Board candidates from the floor during the Annual Meeting.

Article XII: INDEMNIFICATION

Each Director, Officer or Manager of the Club will be indemnified by the Club against losses or costs actually incurred by him/her when acting within the scope of his/her authority for the Club, as a result of or in connection with any allegation, litigation or settlement thereof. This right of indemnification will not apply to any Director, Officer or Manager who as acted negligently, fraudulently, or otherwise in bad faith. This right of indemnification will inure to each covered person whether or not he holds such position at the time such losses or costs are imposed or incurred and in the event of his death will extend to his/her heirs and assigns. The Club will purchase a policy of Directors and Officers Insurance with limits of up to \$1,000,000 covering losses and costs described in this Section.

Article XIII: EFFECTIVE DATE OF BYLAWS; GRACE PERIOD

The effective date of these Bylaws will be on the date of the Annual Meeting if adopted by the Members, or on such later date as proposed revisions thereto are finalized.