

Oradell Swim Club
Oradell, New Jersey
Bylaws

(Amendments through 12/1/15)

Article 1
Miscellaneous

Section 1. The title of this corporation is the Oradell Swim Club, hereinafter referred to as the "Club". The Club's principal office shall be located at such place as is designated by the Board of Trustees at its annual meeting; provided, however, that such location be in the Borough Oradell, County of Bergen, State of New Jersey.

Section 2. the fiscal year of the Club shall be November through October 31.

Section 3. These Bylaws may be amended only by vote of a two-thirds majority of the full membership voting at any duly held meeting; provided, however, that no amendment shall be voted upon without a quorum being present, in person or by proxy. Written notice of such meeting and a copy of the proposed amendment shall be served by the Business Manager upon all member households not less than 21 days prior to the meeting. Deposit in the mails of a notice addressed to the member household at the last known address shall constitute full compliance with the notice requirements of this section.

Section 4. The within Bylaws shall take effect on December 1, 2015. They supersede any Bylaws or amendments heretofore adopted.

Article 2
Membership; Rights and Responsibilities; Meetings

Section 1. *Number of Member Households*

The Club shall be comprised of not more than 650 member households. Such number shall include both Full Members and Annual Members, both of which are detailed below.

Section 2. *Qualifications For Full Membership*

- (a) At least one person in a full member household shall be at least 18 years of age and a card-holding member of the Club.
- (b) Have paid \$800 to the Club as a security deposit and as hereinafter provided.
- (c) Have paid all other fees, assessments and dues that the Board of Trustees determines is required for full membership.
- (d) A full member household, upon the prior written request of the Board of Trustees, shall designate a card-holding person in the full member household who shall have the authority to act or otherwise make decisions on behalf of such full member household. Such designation shall be made in writing or on a form provided by the Board of Trustees.

Section 3. *Qualification For Annual Membership & Related Matters*

- (a) At least one person in a member household shall be at least 18 years of age and a card-holding member of the Club.
- (b) Have paid all other fees and dues that the Board of Trustees determines is required for annual membership.
- (c) Annual membership does not require the payment of \$800 to the Club as a security deposit.
- (d) The annual dues for an annual membership shall be an amount that is greater than the annual dues for a full membership. The annual dues shall be determined on a yearly basis by the Board of Trustees.
- (e) An annual member household shall be entitled to full use of the Club facilities provided that such use is in accordance with the Rules and Regulations as adopted from time to time by the Board of Trustees.
- (f) An annual membership shall, upon the prior written request of the Board of Trustees, designate a card-holding person in the member household who shall have the authority to act or otherwise make decisions on behalf of such member household. Such designation shall be made in writing on a form provided by the Board of Trustees.
- (g) Annual membership households shall not have any voting rights on any Club matter.

Section 4. *Rights of Full Member Households*

A full member household has the following rights:

- (a) It is entitled to cast one vote by a designated card-holding member of the household on any matters submitted to the vote of full members.
- (b) It shall have the power to vote for the election of the Board of Trustees.
- (c) It shall have the power to vote for or against any proposed capital assessment that will result in a cost of over \$100 per full and annual member household.
- (d) It shall have the power to vote for or against incurring debt that will take longer than one (1) year to repay.
- (e) It shall be entitled to full use of the Club facilities provided that such use is in accordance with the Rules and Regulations as adopted from time to time by the Board of Trustees.
- (f) It shall be entitled to equal share of Club assets upon dissolution.

Section 5. *Responsibilities of Full and Annual Member Households.*

Each full and annual member household shall be responsible for the following:

- (a) It shall abide by all rules and regulations and shall be responsible for each and every member of its household who uses the Club facilities.
- (b) It shall pay all fees, assessments and dues on or before the due dates.

Section 6. *Termination of Full and Annual Memberships*

- (a) A voluntary resignation in writing shall terminate the membership, subject to the provisions of these Bylaws regarding resigning and/or withdrawing from the Club.
- (b) The nonpayment of any dues or assessments on or before the due dates set forth herein or as may be required by the Board of Trustees may result in the Board of Trustees terminating the membership.
- (c) The continued or habitual failure to abide by rules and regulations, or a single egregious violation, may result in the Board of Trustees terminating the membership.

Section 7. *Annual Meeting of Member Households*

An annual meeting of full and annual member households shall be held in November for the purposes of the election of Trustees by the full member households and for the transaction of any other business which may properly come before the full membership. Only full member households may vote for the election of Trustees and on other matters and only full member households shall count towards any quorum requirements.

Section 8. *Special Meetings of Member Households*

A special meeting of the member households may be called at any time by the President, a majority of the Board of Trustees, or by the written request of not less than 25% of the full member households.

Section 9. *General Provisions for Meetings of Member Households*

- (a) All meetings of the member households of the Oradell Swim Club will be held at a location within the Borough of Oradell, County of Bergen, State of New Jersey.
- (b) Written notice of all meetings (other than those as set forth in Article 1, Section 3) shall be served by the Business Manager not less than 10 nor more than 30 days prior to the day of the meeting. The prescribed notice shall state the place, date and hour of the meeting and shall contain an Agenda listing the matter or matters to be submitted to the full members. No business other than that described in the notice shall be conducted at such meeting. Deposit in the mails of a notice addressed to a member at the last known address shall constitute full compliance with this section.
- (c) Voting may be either in person or by a proxy executed in writing and filed with the Business Manager of the Club who shall execute the proxy vote as directed. All proxies must be filed no later than 24 hours before the meeting. A proxy shall be effective only for the meeting or adjournment thereof as specified therein. A proxy may be rescinded up to the time of its exercise.
- (d) A quorum shall consist of not less than 25% of the full member households whether in person or by proxy.
- (e) All matters voted upon by the full member households shall be decided by a majority vote of the quorum present in person or by proxy, except with respect to the provisions of Article 3, Section 7 below and the provisions of Article 1, Section 3 above regarding the the amendment of these Bylaws,

Article 3
Board of Trustees

Section 1. *Organization; Election; Nominations; Meetings; Powers*

- (a) The Board of Trustees shall be comprised of at least 5 persons, and a maximum of 8 persons, who shall be card-holders of full member households. The number of persons nominated, if any, for the position of Trustee to be voted upon by the full membership at an annual meeting shall be such that if the nominees are elected, the Board of Trustees will be comprised of at least five Trustees. All terms of office shall be for four years. Any newly elected trustees shall take office immediately.
- (b) Vacancies on the Board of Trustees resulting from resignation or any other cause shall be filled by persons elected by the Board of Trustees. Such persons shall serve as a Trustee for the remainder of the term of the individual whom they replace on the Board of Trustees.
- (c) All Trustees and elected officers shall serve without compensation other than reasonable and necessary expenses incurred in the business of the Club.

- (d) A Trustee elected to serve a full four year term may not succeed him or herself in office. After a lapse of 12 months he or she may at any future time be nominated and re-elected as a Trustee. However, and notwithstanding any other provision of this Article 3, Section 1(d), in the event no full member is willing to serve as a nominee to the Board of Trustees in order to replace a Trustee whose four year term is expiring, such a Trustee may be nominated and continue serving as a Trustee, without a lapse of 12 months, for a period of time not to exceed two years

Section 2. *Nominating Committee*

There shall be a Nominating Committee appointed annually. The Nominating Committee shall consist of two or three members as follows:

- (a) The first member shall be the Vice President of Membership who shall be Chairperson of the Committee; and
- (b) The second and third members shall be a member of the Board of Trustees chosen by it.

Section 3. *Duties of Nominating Committee*

Consistent with Article 3, Section 1(a) the Nominating Committee shall select persons (nominees) who are card-holders of full member households. However, the Nominating Committee is obligated to select nominees only if the numbers of Trustees will fall below five as of the annual meeting held each November. The Nominating Committee shall select the names of the nominees on or before October 1 immediately preceding the annual meeting. No member of the Nominating Committee may be selected as a nominee for the office of Trustee. The Secretary shall give full notice of such nomination to all full members entitled to vote at least thirty days before the annual meeting.

Section 4. *Independent Nominations*

Independent nominations for candidates for Trustee may be made by written petition signed by at least 25% of the full member households and delivered to the Business Manager on or before October 1 immediately preceding the annual meeting. If a vacancy for a Trustee exists, an election will be held without regard to whether the Nominating Committee has nominated candidates. The Secretary shall give full notice of such nomination to all members entitled to vote at least thirty days before the annual meeting.

Section 5. *Meetings of Board of Trustees*

- (a) The Board, at its regular meeting immediately following the annual meeting of the membership, shall elect new officers. A majority of the Board of Trustees then present shall elect a Chairman Pro Tem who shall preside at this meeting until the officers are elected who shall then take office immediately.
- (b) Regular meetings shall be held at least every 90 days. Nothing shall prevent the Board of trustees however from meeting as frequently as they may deem necessary for the operation of the Club.
- (c) Special meetings may be called at any time by the President or any officer on 48 hours written notice to the remaining Trustees with said notice being given by the Business Manager or any Officer.
- (d) A quorum shall consist of a majority of the Board of Trustees.
- (e) All matters voted upon by the Board shall be decided by the majority of the quorum of Trustees present.

Section 6. *Powers of the Board of Trustees*

The Board of Trustees shall have the following powers which are in addition to the other powers set forth in these Bylaws:

- (a) To manage the business, property and affairs of the Club.
- (b) To establish and amend all Rules and Regulations of the Club for the sale and orderly use of the facilities.

- (c) To remove any Trustee for cause by a two-thirds vote of all Trustees.
- (d) To fill a vacancy occurring in an office.
- (e) To determine the amount of annual dues.
- (f) To impose supplemental annual dues.
- (g) To determine the amount of dues for part-time membership.
- (h) To impose a capital assessment not to exceed \$100 per member.
- (i) To determine member guest privileges and fees for same.
- (j) To suspend or expel a member for habitual violation of the Rules and Regulations, or a single egregious violation. Any proposed suspension or expulsion of a member shall be decided by the full Board.
- (l) To appoint all committees.
- (m) To designate officers to execute legal instruments including checks, drafts and orders for payment of money on behalf of the Club.
- (n) To designate banks in which the cash funds of the Club shall be deposited.
- (o) To hire and fire any employees of the Club or independent contractors who may provide services for the Club.
- (p) To adopt, readopt, amend and supplement job descriptions, terms of employment and salaries for any employees hired by it.

Section 7. *Power of the Board of Trustees with Respect to Leases*

Notwithstanding anything contained to the contrary herein, the Board of Trustees shall have the power to amend, alter or in any manner change the terms and conditions of any existing lease agreement, or to enter into a new agreement with the Borough of Oradell relative to the lands upon which the Club facilities are located.

Article 4

Officers

Section 1. *Elected Officers*

The Officers of the Club shall consist of a President, and four (4) Vice-Presidents, two (2) of which shall also act as Secretary and Treasurer respectively. All Officers shall be Trustees chosen by vote of the Trustees.

Section 2. *The President shall:*

- (a) Be the principal executive officer.
- (b) Preside at all meetings of the membership and Board of Trustees.
- (c) Be ex-officio member of all committees.
- (d) Supervise and control the business affairs of the Club.
- (e) See that all orders and resolutions of the Board are executed.
- (f) Have all the powers vested in the office of the President by the Bylaws and custom.
- (g) Have authority to make any emergent decisions consistent with the best interests of the Club.

Section 3. *Vice Presidents:*

- (a) There shall be Vice Presidents in charge of Administration, Maintenance, Membership-Recreation and Finance.
- (b) The Vice-President in charge of Administration shall be responsible for personnel and for such other matters as shall be determined by the Board from time to time. The Vice President in charge of Administration shall act in place of the President in the event of his or her absence or disability.

- (c) The Vice President in charge of Maintenance shall be responsible for the physical plant of the Club and such other matters as may be determined by the Board from time to time. The Vice President in charge of Maintenance shall act in the place of the President in the event of his or her absence or disability and in the event of the absence or disability of the Vice President in charge of Administration. The Vice President in charge of Maintenance shall, with the assistance of the Pool Manager, provide a written report to the Board of Trustees on a yearly basis as to the long term maintenance of the Club along with recommendations for remedial actions, proposed time tables and costs.
- (d) The Vice President in charge of Membership/Recreation shall also be the corporate Secretary whose responsibilities are described in Section 4 below.
- (e) The Vice President in charge of Finance shall also be the Treasurer whose responsibilities are described in Section 5 below.

Section 4. *The Secretary shall:*

- (a) Act in the place of the President or Vice Presidents of Administration and Maintenance in the event of their absence or disability.
- (b) Be Vice President of Membership/Recreation.
- (c) Be Chairman of the Nominating Committee.
- (d) Affix his or her signature along with the corporate seal to any documents wherein the signature of the President must be attested.

Section 5. *The Treasurer shall:*

- (a) Be Vice President of Finance.
- (b) Be responsible for all corporate funds and securities.
- (c) Review the deposit of all receipts and the disbursement of funds.
- (d) Review records of all accounts as prepared by the Business Manager in accordance with established accounting procedures.
- (e) Have a compilation report setting forth the financial data of the Club reviewed by an accountant and presented to the Board of Trustees on an annual basis.
- (f) Report to the Board of Trustees on an annual basis as to the status of the Sinking Fund, required annual payment pursuant to Article 8, and overall investment policies for the Club.

Article 5

Management

Section 1. *Business Manager:*

There is hereby created the position of Business Manager. The Business Manager shall be a person appointed by the Board of Trustees. He or she shall serve at the pleasure of the Board, at such compensation and upon such terms as the Board of Trustees may from time to time provide.

Section 2. *Duties of Business Manager*

The Business Manager shall have such duties and responsibilities as the Board shall set forth by written Resolution which may be amended from time to time as the circumstances dictate.

Section 3. *Pool Manager*

There is hereby created the position of Pool Manager. The Pool Manager shall be a person appointed by the Board of Trustees. He or she shall serve at the pleasure of the Board, at such compensation and upon such terms as the Board of Trustees may from time to time provide.

Section 4. *Duties of Pool Manager*

The Pool Manager shall have such duties and responsibilities as the Board shall set forth by written Resolution which may be amended from time to time as the circumstances dictate.

Section 5. *Assistant Pool Manager(s)*

There is hereby created the position of Assistant Pool Manager(s). The Assistant Pool Manager(s) shall be a person appointed by the Board of Trustees who shall act in the absence of the Pool Manager. He or she (or they) shall serve at the pleasure of the Board, at such compensation and upon such terms as the Board of Trustees may from time to time provide.

Section 6. *Duties of Assistant Pool Manager(s)*

The Assistant Pool Manager(s) shall have such duties and responsibilities as the Board shall set forth by written Resolution which may be amended from time to time as the circumstances dictate.

Article 6

Dues, Assessments & Waiting List

Section 1. *Annual Dues*

Annual dues shall be assessed by the Board of Trustees to cover all reasonable and necessary operating expenses. Reasonable and necessary operating expenses shall include funds sufficient to maintain the facilities in excellent operating condition.

Section 2. *Supplemental Dues*

Supplemental dues may be assessed if necessary to provide current operating funds. No debt may be incurred for a period to exceed one year without the consent of a majority of the full members voting in accordance with Article 2, Section 3 (d). Failure to pay supplemental dues on or before the due date may result in the automatic termination of a full or annual membership and the refund of the security deposit to a full member.

Section 3. *Due Dates*

Notice of annual dues will be sent to members no later than February 15 of each year and must be paid not later than March 15 of each year.

Section 4. *Non-Payment; Forfeiture of Membership; Withdrawal from Club*

Failure to pay dues or assessments on or before March 15 may result in a late charge as determined by the Board of Trustees. Failure to pay the dues, assessments or late charge on or before May 1 may result in the automatic forfeiture of membership.

Section 5. *Capital Assessments*

Funds for the improvement or enlargement of Club facilities as determined by the Board of Trustees shall be assessed equally upon all full and annual members in the form of a capital assessment in an amount not to exceed One Hundred (\$100) Dollars in any calendar year; or in an amount in excess of One Hundred (\$100) Dollars only upon approval by a majority of the full membership voting in accordance with Article 2, Section 4 (c).

Section 6. *Non-Refund of Dues*

Suspension of pool operations for any length of time for any reason will not entitle members to a refund of any part of dues.

Article 7

Security Deposit

Historical Note: The Club was originally financed by the issuance of six hundred fifty (650) non-interest bearing bonds, one to each member household. No bond holder had the right to sell or transfer his/her bond except as expressly provided in the Bylaws originally adopted by the membership and amended through November 1984. Beginning with an effective date of July 1, 1975, a Sinking Fund was established and funded so that over the remaining term of the leases of the Club facilities an amount would be provided to allow for the redemption of all outstanding bonds, upon the expiration of said leases, at an amount of five hundred fifty (\$550) per bond.

In light of the changes in society since the inception of the Club, the changing membership base, the change in the composition of the family unit and the continuing problem of lost or misplaced bonds, the membership hereby elects to adopt a new manner of evidencing the \$550 amount paid by existing members as well as the amount to be paid in the future by new members. As such, the return of a previously issued Bond shall no longer be a prerequisite to the refund of the Security Deposit.

On November 20, 1995, the Membership voted to amend the Security Deposit Amount by raising same to \$700. This change was used to fund the cost of major maintenance projects that had to be undertaken at the Club. The principle reason for funding the maintenance by increasing the Security Deposit was to allow all then current members as well as future members to share equally in the cost.) Subsequently, the Membership voted to increase the Security Deposit Amount to \$800.

Section 1. *Security Deposit*

Any person requesting full membership in the Club, who has been found by the Board of Trustees to be in full compliance with the provisions of Article 2, Section 2, shall pay to the Club the sum of Eight Hundred (\$800) Dollars as a Security Deposit. The payment of said Security Deposit alone shall not entitle any person to membership in the Club and all memberships are subject to the requirements as set forth in other applicable parts of these Bylaws and in the Resolutions adopted by the Board of Trustees.

Section 2. *Refund of Security Deposit on Termination*

- (a) The Club will issue returns of the \$800 security deposit to full members only once each calendar year and the return will be made between November 1 and December 31 of a calendar year.
- (b) Effective December 1, 2015, any full membership which is properly terminated pursuant to these Bylaws and which termination occurs prior to dissolution of the Club, shall be eligible to have its Security Deposit refunded after execution of a Release in favor of the Club by an individual authorized to do so by the membership households. The amount of Security Deposit refunded shall be subject to the set-off of all debts, dues and obligations owed by the member household in accordance with Article 6, Section 3. A letter sent by U.S. Mail stating the full member's decision to withdraw from the Club must be received by the Club before September 1 of any calendar year in order for the full member to be eligible for the return of the security deposit that will be made by December 31 of that calendar year. Further, if in any calendar year a full member fails to pay the annual dues for that year by August 1, that full member will be deemed to have withdrawn from the Club and to have forfeited its security deposit, which will not be refunded to the full member even if that full member subsequently advises the Club in writing of its intent to withdraw from the Club.

- (c) Former members who are on the waiting list established by the Club for a security deposit refund as of December 1, 2015 because (i) they have properly resigned from the Club and (ii) a new member has not assumed the membership of the former member and the requisite \$800 security deposit requirement, shall be immediately eligible for a return of their \$800 security deposit. The return of such deposit will be made on or before December 31, 2015.
- (d) Any full member who properly withdraws may join the Club the following year as an annual member or as a full member.

Section 3. *Refund of Security Deposit on Dissolution*

In the event of the dissolution of the Club in any manner or for any cause, and in no other event upon the effective date of said dissolution, the security deposits shall be a lien upon the proceeds of the sale of the property of the Club after the payment of all its just debts and obligations to the extent of the stated value of \$800 per member household, subject to the set-off of all debts, dues and obligations owed by the member household. After the payment of all security deposits outstanding upon the effective date of the dissolution of the Club, the surplus remaining shall be paid and distributed on a pro rata basis among the then current full membership of the Club.

Article 8
Sinking Fund

Section 1. *Sinking Fund; Responsibilities; Current Interest Rate*

The entire Board of Trustees shall be responsible for the Sinking Fund that was established effective July 1, 1975. The Board, based upon the recommendations of the Vice President of Finance given pursuant to Article 4, Section 5, shall by majority vote:

- (a) Determine an appropriate rate of interest (herein called the “Current Interest Rate”), based on prevailing money market conditions, to be used in the Sinking Fund calculations herein set forth; and,
- (b) Determine appropriate investment policies for the funds in the Sinking Fund for the ensuing year. All investments shall be limited to:
 - i. Deposits in federally insured Savings Banks or Savings and Loan Associations authorized to do business in the States of New Jersey or New York, within the insured limits at any one institution;
 - ii. Certificates of deposit of federally insured Commercial Banks authorized to do business in the States of New Jersey or New York;
 - iii. Commercial paper having a Standard & Poor’s rating of A- or better; or
 - iv. Direct obligations of the United States Government.

Section 2. *Annual Valuation of Sinking Fund*

The Board of Trustees, based upon their determination of the “Current Interest Rate”, shall:

- (a) Compute the value, as of December 31, 2020, of the balance in the Sinking Fund, if any, existing at the October 31st next preceding such computation, applying the Current Interest Rate compounded quarterly;
- (b) Determine the difference between the product of \$800.00 times the number of members in the Club less the amount determined pursuant to sub-paragraph (a) above;
- (c) Determine the level of payment which would be required to be made to the Sinking Fund annually from the year such computation is made through the year 2020 which, if invested at the Current Interest Rate, compounded quarterly, would at December 31, 2020 provide the amount of the difference computed pursuant to sub-paragraph (b) above.

Section 3. *Annual Payments to Sinking Fund & Withdrawal Adjustments*

The Board of Trustees shall, upon determining the annual payment pursuant to Section 2 (c) of this Article, include said amount in the annual Budget of the Club for the current year and said amount shall be paid in cash each year to the Sinking Fund. In the event the Sinking Fund is overfunded in that the amount in it exceeds the amount required by these Bylaws, any such excess funding shall be transferred by the Board of Trustees to a separate account and used for the operation of the Club, including, but not limited to, refunds of member security deposits.

Section 4. *Investments of The Sinking Fund*

The Board of Trustees shall adopt such Resolutions from time to time as may be necessary and appropriate to establish bank accounts and brokerage accounts in order to carry out the functions of the Sinking Fund as herein provided. The amounts in the Sinking Fund shall be invested from time to time by vote of a majority of the said Board.

Section 5. *Commingling of Funds Prohibited*

At no time and under no circumstances shall the funds in the Sinking Fund be commingled with other funds of the Club or used for any purpose other than for the purpose of the Sinking Fund.