

Photo Credit: Ken Harmon



**Regular Board Meeting**  
**DECC Board of Directors**

Thursday, June 27, 2024



## DECC AUTHORITY BOARD OF DIRECTORS | AGENDA Regular Meeting

Senator Sam Solon Board Room | Thursday, June 27, 2024 | 12:00 PM to 1:30 PM

### Mission

We host events, create experiences, and drive our regional economy

### Values

Hospitality | Entertainment | Community | Visionary | Stewardship

#### I. CALL TO ORDER

#### II. PUBLIC OPEN COMMENT PERIOD

*Members of the public sign in and each receive 3 minutes to speak*

#### III. APPROVAL OF CONSENT AGENDA

- a. Agenda
- b. Regular Board Meeting Minutes - May 30, 2024
- c. April 2024 Financials

#### IV. EXECUTIVE DIRECTOR REPORT

- a. Update

#### V. COMMITTEE REPORTS

- a. Strategy
  - i. Update
- b. Finance
  - i. Update
- c. Governance
  - i. Update

#### VI. OLD BUSINESS

- a. DECC Authority Board Bylaws

#### VII. NEW BUSINESS

- a. AMSOIL Arena Scoreboard & Equipment Lease Purchase Agreement Proposal (RFP)
- b. AMSOIL Arena Scoreboard Proposal (RFP)

#### VIII. OTHER

- a. No Other Business

**IX. ADJOURNMENT**

**DECC AUTHORITY BOARD OF DIRECTORS | AGENDA**  
**Strategic Planning Session**

Senator Sam Solon Board Room | Thursday, June 27, 2024 | 1:30 PM to 2:30 PM

**Mission**

We host events, create experiences, and drive our regional economy

**Values**

Hospitality | Entertainment | Community | Visionary | Stewardship

**I. CALL TO ORDER**

**II. OLD BUSINESS**

- a. No Old Business

**III. NEW BUSINESS**

- a. Strategic Plan

**IV. OTHER**

- a. No Other Business

**V. ADJOURNMENT**

**UPCOMING MEETINGS**

The next regular business meeting is scheduled for Thursday, July 25, 2024, location to be determined.



## DECC AUTHORITY BOARD OF DIRECTORS REGULAR MEETING

May 30, 2024, Meeting Minutes

### CALL TO ORDER

A Regular Board Meeting was held Thursday, May 30, 2024, in the Harbor Side Convention Center. Chair Peter Singler called the meeting to order at 12:00 PM. A quorum of directors was present.

### BOARD MEMBERS PRESENT

Chair Peter Singler  
Vice Chair Laura Mullen  
Treasurer Tony Sertich  
Secretary Jason Vincent  
Bill Nelson  
Zack Filipovich  
Carli Amatuzio  
Shane Peterson  
Pat Mullen  
Martha Bremer  
Mary Finnegan

### BOARD MEMBERS ABSENT

None

### DECC STAFF PRESENT

Dan Hartman  
Amanda Denton  
Ronni Murphy

### OTHERS PRESENT

Duluth City Council Liaison Tomanek  
Media

### OTHERS ABSENT

None

### PUBLIC OPEN COMMENT PERIOD

Chair Singler asked for a review of the public open comment period sign-up sheet. No members of the public signed up for comment.

## APPROVAL OF CONSENT AGENDA

Chair Singler reviewed the consent agenda. The consent agenda included the meeting agenda, meeting minutes from the Regular Board Meeting on April 25, 2024, and finance statements for March 2024. MOTION to approve the consent agenda requested by Chair Singler; motion made by Filipovich and seconded by Bremer. Motion unanimously carried.

## OLD BUSINESS

Chair Singler introduced the redlined DECC Authority Board Bylaws with minor updates (highlighted in yellow) as included in the board packet. The Board discussed the Bylaws and no additional changes were suggested. The Bylaws will be included on the June board meeting agenda for a vote regarding the proposed updates.

## NEW BUSINESS

Executive Director Hartman shared his plan related to strategic planning at the June board meeting. The June meeting has been extended to allow for additional time for strategic planning. Hartman will bring a draft plan with proposed timelines and action items for the Board and staff. The Board discussed strategic planning ideas for June.

## EXECUTIVE DIRECTOR REPORT

Hartman shared that the RFP process for the AMSOIL Arena scoreboard is under way. The DECC received three bid submissions and is currently evaluating proposals in partnership with UMD. Hartman will bring a recommended proposal to the Board in June. Hartman noted that the DECC is likely to have the best scoreboard resolution in Minnesota hockey after the upgrade is complete.

*Peterson arrived at 12:06 PM.*

Hartman shared that the overall bonding bill was not passed for 2024, and there likely will not be a special session. However, Hartman will keep the Board apprised as bonding-related updates occur. Of note, state agencies have approved and designated the DECC's 2023 appropriation as "fully funded". Hartman summarized the planned projects in the 2023 appropriation for the Board. The DECC is currently working on an RFP for a construction manager at risk for the bonding project. Hartman noted the DECC does not have staff experienced in RFP development, particularly related to construction projects, and that has complicated this process for the DECC.

*Council Liaison Tomanek arrived at 12:10 PM.*

Hartman provided a written board report for the Board to review (Past Month Activities 05.30.2024). The report summarized recent activities at the DECC and key takeaways. Topics included Duluth Homegrown Music Festival, Harbor Monsters, Graduation and Prom Season, the William A. Irvin, and conventions. Hartman discussed key takeaways and improvements for future Harbor Monsters games including a separate entrance for ticketholders and box ticketholders. The Board discussed recent activities at the DECC. Chair Singler noted that it would be helpful to see the economic impact calculation for events when included on future written board reports. P. Mullen asked for an update related to the Seawall project. Hartman noted the project is progressing and there are currently discussions regarding the loading

dock. As planned, trucks would not be able to “jack-knife” to unload at Symphony Hall, and this is preferred for entertainment groups. The DECC is working with the City to look into alternative plans related to the loading dock. Amatuzio asked if the DECC would be making changes related to line management for tickets and concessions at future Harbor Monsters games. Hartman summarized some of the planned updates for the next game at the DECC.

## COMMITTEE REPORTS

### Strategy

Chair Singler provided an update on behalf of the Strategy Committee.

1. The Committee discussed items included in the DECC’s draft strategic plan and how to best utilize the additional June meeting time for strategic planning.
2. The Committee discussed the Regular Board Meeting Agenda including the addition of a tour of the Skywalk and potential art/display options.
3. The Committee discussed the status of the DES agreement discussions and the data DES and the DECC have collected regarding heating options.
4. Hartman reached out to the Mayor’s Office regarding the submission of a recommendation for candidates/skills/experience for DECC Authority Board Appointments. The Mayor’s Office asked the DECC to submit a recommendation for sought candidates/skills/experience.

### Finance

1. Treasurer Sertich shared that the Finance Committee met and discussed updates related to the audit and reviewed March 2024 financials.
2. Finance Director Denton provided a summary of the March 2024 financials. The balance sheet shows that the city-pooled account was adjusted to \$700,000 to keep funds steady. Funds will only be transferred if needed during the months of decreased cashflow going forward. When referencing the accounts receivable tourism taxes, Denton noted the City did transfer funds to the DECC in April and those will be reflected in April finance statements. Denton noted current liabilities of \$2,797,211 and current retained earnings of \$61,197. Denton directed Board Members to the consolidated management summary sheet noting property maintenance had a variance of \$129,000 due to less snow removal and warmer winter months for utilities. Catering and concessions had a favorable variance due to increased revenues from entertainment events including Jason Isbell, Motorhead Madness, UMD Men’s Hockey, etc. Of note, the Sam Hunt concert brought in an estimated \$73,000 of liquor sales. The entertainment noted above also positively impacted the entertainment budget, and as a result, revenues were up. Parking also had increased revenues compared to budget. Overall, there was a change in retained earnings of \$211,000.
3. Hartman shared some additional comments related to the March financials. Building Services and Property Maintenance have worked hard to manage payroll. Positive influences impacting the budget include less snow and warmer weather during winter 2023/spring 2024. Additionally, there have been less significant equipment

breaks/repairs in 2024 thus far. The DECC plans to create a plant fund to plan for large equipment repairs/replacements. Hartman closed by noting that Denton would be sharing the newly created rolling forecast, and that the draft April financial statements are looking positive.

*Finnegan arrived at 12:26 PM.*

4. Denton introduced the draft rolling forecast. Denton reviewed the document with the group. The Board discussed and noted appreciation for Denton and the finance team's work on this long-awaited document. Council Liaison Tomanek asked if the DECC receives monthly updates from the City regarding tourism taxes. Denton confirmed the DECC receives monthly updates. Finnegan asked what is included in the conventions budget. Denton explained items typically included in conventions such as building rent and marketing for conventions. Filipovich asked if the forecast could be updated to roll on a 12-month basis. Treasurer Sertich noted that the Finance Committee could discuss the forecast and additional data points such as a 12 month roll.

### **Governance**

1. Vincent provided an update on behalf of the Governance Committee. The Committee did not meet in May, but a letter of recommendation for Appointments was sent to the Mayor's Office on behalf of the DECC.

### **OTHER**

The Board departed to complete a tour of the Skywalk. Hartman shared ideas to activate the space with local art, etc. The Board discussed Hartman's ideas and plans to further activate the space.

*Nelson departed at 12:59 PM.*

*Vice Chair L. Mullen and Treasurer Sertich departed at 1:00 PM.*

### **ADJOURNMENT**

Chair Singler requested a motion to adjourn. The meeting adjourned at 1:03 PM.

### **UPCOMING MEETINGS**

The next regular meeting will be held June 27, 2024, location to be determined.

Submitted by:

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Peter Singler, Chair

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Jason Vincent, Secretary

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Date

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Date



DULUTH ENTERTAINMENT AND CONVENTION CENTER AUTHORITY  
BALANCE SHEET

April 30, 2024  
\*\*\*\*2023 YEAR END ADJUSTMENTS IN PROCESS\*\*\*\*

<u>Assets</u>		<u>Liabilities and Fund Equity</u>	
<b>Current Assets</b>		<b>Current Liabilities (payable from current assets)</b>	
Operating cash	\$ 1,774,013	Accounts payable	\$ 797,763
City pooled account	700,000	Lease purchase payable	464,501
Accounts receivable	1,683,833	Bond interest payable	0
Accts Rec-Tourism Taxes	678,732	Bonds payable	0
Inventory	162,471	Accrued salaries payable	207,785
Prepaid items	100,157	Accrued vacation payable	316,529
		Deferred revenue	914,493
<b>Total Current Assets</b>	<b>\$ 5,099,207</b>	<b>Total Current Liabilities (payable from current assets)</b>	<b>\$ 2,701,071</b>
<b>Noncurrent Assets</b>		<b>Current Liabilities (payable from restricted assets)</b>	
Leases Receivable	8,985,337	Ticket Office deposits	\$ 450,669
Subscription Assets less Accum Amortization	89,415	Employee flexible benefits plan	660
		<b>Total Current Liabilities (payable from restricted assets)</b>	<b>\$ 451,329</b>
<b>Total Noncurrent Assets</b>	<b>\$ 9,074,752</b>	<b>Long-Term Liabilities</b>	
<b>Restricted Assets</b>		Capital Lease	\$ 501,709
Ticket Office deposits	\$ 1,316,257	Net pension liability	3,587,775
Cash and cash equivalents	16,916	Net other postemployment benefits	1,356,924
Employee flexible benefits plan	0	Subscription liability	87,227
Cash and cash equivalents		Accrued Interest Payable	681
Debt reserve		<b>Total Long Term Liabilities</b>	<b>\$ 5,534,315</b>
		<b>Total Liabilities</b>	<b>\$ 8,686,715</b>
<b>Total Restricted Assets</b>	<b>\$ 1,333,173</b>	<b>Deferred Inflow</b>	
<b>Fixed Assets</b>		Deferred inflow of leases	\$ 8,469,446
Fixed assets	\$ 153,159,633	Deferred inflow of other employ benefits	493,391
Less allowance for depreciation	(86,475,056)	Deferred inflow of pension	1,124,897
<b>Fixed assets (net)</b>	<b>\$ 66,684,577</b>	<b>Total Deferred Inflow</b>	<b>\$ 10,087,734</b>
<b>Deferred Outflow</b>		<b>Fund Equity</b>	
Deferred outflow of pension	\$ 2,406,406	Contributions (net of accumulated amortization)	\$ 53,260,478
Deferred other postemployment benefits	425,406	Prior period retained earnings	12,601,864
<b>Total Deferred Outflow</b>	<b>\$ 2,831,812</b>	Current period retained earnings	386,729
<b>Other Assets</b>		<b>Total Fund Equity</b>	<b>\$ 66,249,071</b>
Bond issue costs	\$ 0	<b>Total Liabilities and Fund Equity</b>	<b>\$ 85,023,521</b>
<b>Total Assets</b>	<b>\$ 85,023,521</b>		

**DULUTH ENTERTAINMENT AND CONVENTION CENTER AUTHORITY**

**CONSOLIDATED MANAGEMENT SUMMARY**

April-2024

(Summary)

**CURRENT MONTH**

**YEAR TO DATE**

**DEPARTMENT PROFIT / (LOSS):**

	BUDGET	ACTUAL	VARIANCE	VAR %	2023	BUDGET	ACTUAL	VARIANCE	VAR %	2023
BUILDING SERVICES	180,716	261,058	80,342	44%	95,008	327,519	440,159	112,640	34%	(50,754)
PROPERTY MTNC	(336,736)	(286,966)	49,770	15%	(223,596)	(1,456,273)	(1,016,258)	440,015	30%	(987,366)
CONVENTIONS	(48,690)	(23,544)	25,146	52%	(42,659)	(210,353)	(122,452)	87,901	42%	(212,355)
CATERING	184,223	254,977	70,754	38%	214,229	424,322	468,844	44,522	10%	379,215
CONCESSIONS	13,908	23,224	9,316	67%	3,795	163,614	275,958	112,344	69%	129,620
ADMINISTRATIVE	(86,609)	(118,636)	(32,027)	-37%	(220,767)	(327,786)	(378,678)	(50,892)	-16%	(639,693)
IRVIN	(44,469)	(15,544)	28,921	65%	(42,028)	(87,124)	(57,880)	29,244	34%	(85,013)
ENTERTAINMENT	(803)	5,844	6,647	828%	40,201	(90,592)	76,697	167,289	185%	92,655
PARKING	81,485	174,165	92,680	114%	52,190	389,191	493,408	104,217	27%	294,865
CRUISES	(8,825)	(3,604)	5,221	59%	638	(41,344)	(11,317)	30,027	73%	1,462
<b>TOTAL OPERATING PROFIT / (LOSS):</b>	<b>(65,800)</b>	<b>270,970</b>	<b>336,770</b>	<b>512%</b>	<b>(122,989)</b>	<b>(908,826)</b>	<b>168,481</b>	<b>1,077,307</b>	<b>119%</b>	<b>(1,077,366)</b>

**NON-OPERATING REVENUES/(EXPENSES):**

CITY TOURISM TAXES	169,683	169,683	0	0%	153,142	678,732	678,732	0	0%	612,568
AMSOIL ARENA NAMING RIGHTS	16,667	16,667	0	0%	16,667	66,668	66,668	0	0%	66,668
AMSOIL ARENA BOND PAYMENTS	(95,788)	(95,788)	0	0%	(94,116)	(383,152)	(383,152)	0	0%	(376,464)
<b>SUBTOTAL OPERATING PROFIT / (LOSS)</b>	<b>24,762</b>	<b>361,532</b>	<b>336,770</b>	<b>1360%</b>	<b>(47,296)</b>	<b>(546,578)</b>	<b>530,729</b>	<b>1,077,307</b>	<b>197%</b>	<b>(774,594)</b>

**LESS: DEPRECIATION**

DEPRECIATION (NET)	(36,000)	(36,000)	0	0%	(36,000)	(144,000)	(144,000)	0	0%	(144,000)
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**NET CHANGE IN RETAINED EARNINGS**

<b>NET CHANGE IN RETAINED EARNINGS</b>	<b>(11,238)</b>	<b>325,532</b>	<b>336,770</b>	<b>2997%</b>	<b>(83,296)</b>	<b>(690,578)</b>	<b>386,729</b>	<b>1,077,307</b>	<b>156%</b>	<b>(918,594)</b>
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**DULUTH ENTERTAINMENT AND CONVENTION CENTER AUTHORITY**

**CONSOLIDATED MANAGEMENT SUMMARY**

April-2024

(Detail)

	CURRENT MONTH			YEAR TO DATE						
	BUDGET	ACTUAL	VARIANCE	VAR %	2023	BUDGET	ACTUAL	VARIANCE	VAR %	2023
<b>REVENUES:</b>										
BUILDING SERVICES	336,500	427,170	(90,670)	-27%	396,403	961,500	1,054,715	93,215	10%	1,217,049
CONVENTIONS	0	7,878	(7,878)	0%	0	0	31,891	31,891		0
CATERING	528,650	518,288	10,362	2%	438,517	1,357,550	1,303,195	(54,355)	-4%	1,127,596
CONCESSIONS	76,400	110,706	(34,306)	-45%	80,665	569,300	678,335	109,035	19%	566,770
ADMINISTRATIVE	122,596	94,869	27,728	23%	38,121	512,787	489,237	(23,550)	-5%	247,002
IRVIN	0	0	0	0%	0	0	0	0		0
ENTERTAINMENT	73,400	89,619	(16,219)	-22%	56,857	243,800	454,477	210,677	86%	230,811
PARKING	111,000	195,639	(84,639)	-76%	112,863	515,000	584,751	69,751	14%	518,563
CRUISES	0	0	0	0%	638	0	0	0		1,649
<b>TOTAL OPERATING REVENUES</b>	<b>1,248,546</b>	<b>1,444,168</b>	<b>195,622</b>	<b>16%</b>	<b>1,124,065</b>	<b>4,159,937</b>	<b>4,596,601</b>	<b>436,664</b>	<b>10%</b>	<b>3,909,440</b>
<b>OPERATING EXPENSES:</b>										
BUILDING SERVICES	155,784	166,112	(10,328)	-7%	301,395	633,981	614,556	19,425	3%	1,267,803
PROPERTY MTNC	336,736	286,966	49,770	15%	223,596	1,456,273	1,016,258	440,015	30%	987,366
CONVENTIONS	48,690	31,422	17,268	35%	42,659	210,353	154,344	56,009	27%	212,355
CATERING	344,427	263,310	81,117	24%	224,288	933,228	834,351	98,877	11%	748,381
CONCESSIONS	62,492	87,482	(24,990)	-40%	76,871	405,686	402,378	3,308	1%	437,151
ADMINISTRATIVE	209,205	213,505	(4,300)	-2%	258,888	840,573	867,915	(27,342)	-3%	886,695
IRVIN	44,469	15,548	28,921	65%	42,028	87,124	57,880	29,244	34%	85,013
ENTERTAINMENT	74,203	83,775	(9,572)	-13%	16,657	334,392	377,780	(43,388)	-13%	138,156
PARKING	29,515	21,474	8,041	27%	60,673	125,809	91,343	34,466	27%	223,699
CRUISES	8,825	3,604	5,221	59%	0	41,344	11,317	30,027	73%	187
<b>TOTAL OPERATING EXPENSES</b>	<b>1,314,346</b>	<b>1,173,199</b>	<b>141,147</b>	<b>11%</b>	<b>1,247,054</b>	<b>5,068,763</b>	<b>4,428,120</b>	<b>640,643</b>	<b>13%</b>	<b>4,986,806</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>(65,800)</b>	<b>270,970</b>	<b>(122,989)</b>		<b>(122,989)</b>	<b>(908,826)</b>	<b>168,481</b>			<b>(1,077,366)</b>

Duluth Entertainment Convention Center													
Departmental Net Profit/(Loss) Forecast with April YTD Actual Results and Remaining Budget													
Month	1571 Building Services	1572 Property Maint.	1573 Conventions	1574 Catering	1575 Concessions	1577 Admin	1578 Irvin	1579 Entertain.	1580 Parking	1581 Cruises	Non- Operating	Depreciation	Total
April YTD Actual	440,159	(1,016,258)	(122,452)	468,844	275,958	(378,678)	(57,880)	76,697	493,408	(11,317)	362,248	(144,000)	386,729
May Budget	12,961	(313,768)	(50,314)	56,309	3,395	(89,331)	(43,725)	(36,024)	78,617	(5,868)	90,562	(36,000)	(333,186)
June Budget	6,736	(309,866)	(55,689)	92,615	5,203	(92,008)	38,125	67,948	134,126	45,175	90,562	(36,000)	(13,073)
July Budget	83,843	(309,268)	(50,584)	99,273	(5,934)	(97,184)	148,445	48,334	117,567	34,122	90,562	(36,000)	123,176
August Budget	51,043	(338,108)	(71,444)	(20,192)	(18,659)	(91,284)	113,825	95,684	97,527	19,122	90,562	(36,000)	(107,924)
September Budget	156,578	(369,216)	(64,029)	150,698	(14,451)	(88,030)	(11,855)	83,406	89,676	45,164	90,562	(36,000)	32,503
October Budget	146,303	(335,058)	(49,484)	175,888	47,242	(89,534)	512,955	(44,846)	118,227	(5,868)	90,562	(36,000)	530,387
November Budget	187,568	(329,986)	(47,229)	43,753	13,020	(115,030)	(40,578)	38,356	97,586	(1,325)	90,562	(36,000)	(99,313)
December Budget	118,323	(377,938)	(48,384)	109,333	57,572	(80,684)	(10,508)	(38,336)	168,227	(1,368)	90,562	(36,000)	(49,201)
<b>Roll</b>	<b>1,203,504</b>	<b>(3,699,466)</b>	<b>(559,609)</b>	<b>1,176,521</b>	<b>363,346</b>	<b>(1,121,763)</b>	<b>648,804</b>	<b>291,219</b>	<b>1,394,961</b>	<b>117,837</b>	<b>1,086,744</b>	<b>(432,000)</b>	<b>470,098</b>

Projected Excess Tourism Tax Collections: 285,067  
 Projected Unbudgeted Items: (273,000)

**Total w/ Projections: 482,165**

## BYLAWS

### DULUTH ENTERTAINMENT AND CONVENTION CENTER AUTHORITY DULUTH, MINNESOTA ~~2023~~2024

#### ARTICLE I. NAME AND PURPOSE

##### 1.01 NAME

The Duluth Entertainment and Convention Center Authority (DECC).

Laws of Minnesota, 1963, Chapter 305 created the Duluth Arena-Auditorium Board. Section 5, Subdivision 2 conferred the power and duty to contract for and superintend the erection, construction, equipping, and furnishing of such arena-auditorium as a municipal facility. The board consisted of seven directors.

Laws of Minnesota, 1985, Chapter 15, Section 36 renamed the Board the Duluth State Convention Center Administrative Board. The legislation added four members to be appointed by the Governor.

Laws of Minnesota, 1998, Chapter 364 changed the name to the Duluth Entertainment and Convention Center(DECC) Authority.

SF 2029 or HF 1947 as adapted via the 92<sup>nd</sup> Legislature (2021 - 2022) provided clarification to several sections of the Enabling Legislation.

##### 1.02 PURPOSE AND MISSION

The DECC Authority's mission statement, as defined by the Board of Directors: We host events, create experiences, and drive our regional economy.

The DECC is committed to providing a multi-dimensional entertainment and convention facility with high quality integrated support services that will maximize the economic and social benefit to our business community, our investors, our clients and our customers. The method used to accomplish the mission will revolve around: providing a consistently high level of customer service; operating in a fiscally responsible manner; recognizing our obligation as public entity; providing a well-maintained facility that is a source of pride to our community; insisting on excellence in all aspects of Duluth Entertainment and Convention Center operations, including safety of the public and employees; providing broad public access to facility and events; and engaging in partnership with community businesses.

#### ARTICLE II. MEMBERSHIP

The members of the DECC Authority shall be known as Board of Directors and shall be those persons who have been duly appointed and qualified in accordance with the enabling legislation. The board is an eleven-person body composed of seven (7) ~~Mayor-appointed~~~~Mayoral-appointed~~~~Board Members~~directors, appointed by the Mayor of Duluth with approval by the City Council for a three-year

term, and four (4) Governor-appointed ~~Board Members~~ directors, appointed by the Governor of the State of Minnesota for a four-year term. Each ~~Board Member~~ director shall serve until a successor is appointed at the discretion of the appointing authority and takes office.

## ARTICLE III. BOARD OF DIRECTORS

### 3.01 POWERS AND DUTIES OF THE BOARD

The powers and duties of the Board of Directors are as set forth in the enabling legislation.

The Board of Directors shall oversee management of the business, property and affairs of the organization, and may exercise and delegate any and all of the powers of the organization as it sees fit, subject only to restrictions imposed by statute and these bylaws. The Board of Directors shall appoint, direct, and evaluate the Executive Director. The Board shall also establish governance level policies; oversee operational goals and objectives; emphasize overall planning; adopt the budget; establish board committees; and authorize meetings.

### 3.02 ATTENDANCE

All ~~directors~~ Board Members shall be expected to attend all regular meetings of the board. If a ~~director~~ Board Member cannot attend the regular meeting, they shall notify the Chair and/or staff proxy to be excused from the meeting. A ~~director~~ Board Member who is absent for six excused or three unexcused meetings within a twelve month period shall be considered to have failed to fulfill their responsibilities. Excessive absences may be forwarded to the appointing authority for a review of appointment, and notice of shall be forward to the appointing authority.

### 3.03 ELECTRONIC MEETING ATTENDANCE

~~Directors of the board or any committee designated by the board~~ Board Members may participate as a voting member in a meeting of such board or committee meeting by means of conference telephone, video conference, or similar communications equipment by which all persons participating in the meeting can communicate with one another. Participation in a meeting pursuant to this section shall constitute presence at such meeting.

### 3.04 RESIGNATIONS ~~AND TERMINATIONS, TERMINATIONS, ABSENCES~~

Any Board Member may resign at any time. Resignation from the ~~DECC Authority B~~ board must be in writing and received by the Board Chair, staff proxy, and appointing authority.

~~Directors may be excused from attendance upon notification to the Board Chair prior to the scheduled meeting. Directors are expected to attend Board of Director and committee meetings. Excessive absences may be forwarded to appointing authority for a review of appointment.~~

### 3.05 COMPENSATION

~~The directors~~ Board Members shall serve without compensation but may be reimbursed for out-of-pocket expenses required in the fulfillment of their duties in accordance with procedures established by resolution of the board.

### 3.06 QUORUM

A quorum will consist of six (6) participating members of the Board of Directors. A quorum of the Board of Directors must be present to conduct official business but a less number may adjourn from time to time.



### **3.07 RESOLUTIONS**

No resolution of the board shall be deemed lawfully adopted unless it shall have received the majority vote of the Board of Directors present at the meeting. ~~affirmative vote of not less than six (6) directors present and voting.~~

### **3.08 MEETING SCHEDULE**

An annual schedule of meetings shall be distributed to Board Members for the following year and adopted by a majority vote of the Board of Directors present at the meeting.

### **3.09 NOTICE OF MEETINGS**

Written notice stating the place, date, and hour of any regular meeting of the Board of Directors shall be delivered personally, electronically, or by mail to each Board Member with advanced notice pursuant to Minnesota Open Meeting Law.

### **3.1007 MEETINGS**

The DECC Authority ~~board~~ shall hold a regular meeting at least eight times per year each month with at least five (5) days advance notice of date, time, and place to all ~~directors~~ Board Members and the City Clerk and notice consistent with pursuant to the State of Minnesota Open Meeting Law (M.S., Chapter 13D.04, Subd. 1, Minnesota Open Meeting Law). Records of proceedings are governed under M.S., Chapter 13, Government Data Practices Act. An annual schedule of meetings shall be distributed to the board for the following year at or before the December meeting.

The DECC Authority shall keep minutes of its Board of Director meetings, which shall be a public record. Special meetings of the board may be called by the Chair or upon request of any six (6) Board Members ~~directors~~. Advanced Three (3) days written notice of all special meetings shall be given and such notice shall specify the time and place of such meeting and the business to be transacted there at pursuant to M.S., Chapter 13D.04, Subd. 2, Minnesota Open Meeting Law. Only such business as is designated in the notice of a special meeting shall be transacted at such a meeting. Records of proceedings are governed under M.S., Chapter 13, Government Data Practices Act.

The Board shall schedule an annual meeting or reserve a regular meeting at least once per calendar year for the purpose of reviewing the organizational strategic plan and adopting an annual plan outlining measurable goals for the year ahead. The regular August board meeting, or another meeting around August, shall be the annual meeting of the board with the purpose of reviewing the organizational strategic plan and adopting an annual plan outlining measurable goals for the year ahead.

### **3.1108 AGENDAS**

The Board Chair shall set the agenda in consultation with the Executive Director. Any B ~~board~~ M ~~member~~ may submit items for consideration to the Board Chair. Amendments to the proposed agenda may be passed by a majority vote of the Board of Directors in attendance at the meeting.

### **3.120 VACANCIES**

Vacancies on the Board of Directors are filled by an appointing authority (Mayor of Duluth or Governor of Minnesota) as set forth in the enabling legislation. The Governance Committee may submit a letter of recommendation request to the appointing authority recommending a specific candidate (i.e., specific sector experience, skill sets, etc.) for consideration of specific sector

~~experience or skill sets that may enhance DECC business.~~

## ARTICLE IV. OFFICERS

### 4.01 GENERAL

The Officers of the DECC Authority Board of Directors shall be the Board Chair, ~~Board~~ Vice-Chair, ~~Board~~ Treasurer, and an optional ~~Board~~ Secretary. Each officer of this authority shall be a member of the Strategy Committee of the Board of Directors.

### 4.02 ELECTION AND TERMS OF OFFICE

The Board Chair shall be elected for a one-year term and not serve more than two (2) consecutive full one-year terms. ~~No one person may hold more than one office at the same time.~~ Election of the Board of Directors' ~~O~~officers shall take place in December.

### 4.03 OFFICER RESIGNATION AND REMOVAL

Whenever, in the judgment of the Board of ~~D~~irectors, the best interests of the organization will be served, any ~~O~~fficer may be removed from their ~~O~~fficer position by the affirmative vote of two-thirds of the Board of Directors. Any officer may resign at any time by delivering a written resignation to the Chair or the ~~B~~oard Secretary.

### 4.04 OFFICER VACANCIES

In the event a vacancy occurs in any ~~O~~fficer's position, it shall be filled in the following manner until the next annual election:

1. Chair ~~vacancy,~~ ~~T~~he Vice-Chair shall assume the office.
2. In case of vacancy in the office of both Chair and Vice-Chair, the duties of the Chair shall be performed by the Treasurer; until replacements are elected by the ~~B~~oard of Directors.
3. The Board of Directors shall elect replacements for all other vacancies.

### 4.05 DUTIES AND RESPONSIBILITIES OF OFFICERS

The officers shall possess such powers and perform such duties as shall be determined by the Board of Directors.

#### The Board Chair shall:

- Preside at all meetings of the membership and all meetings of the Board of Directors and the Strategy Committee;
- Ensure notification of regular meetings of the DECC and calling special meetings as appropriate.
- Appoint committee assignments and related chair;
- Ensure that the work of the Board of Directors is carried out;
- Represent the DECC Board and act as its official spokesperson where and when appropriate;
- Oversee board development of a strategic plan, administer on-going plan management and schedule the DECC ~~B~~oard of Directors annual plan which includes DECC business goals and objectives aligning with annual budget, and
- Oversee the strategic plan and plan management.
- Perform other duties customary to the Board Chair, or as directed by the Board of Directors, and
- Disburse the funds of the DECC Authority as approved by the Board of Directors;



- Approve weekly disbursement checks;
- ~~Be an ex-officio non-voting member of all committees:~~

**The Board Vice-Chair shall:**

- Serve on the Board Of Directors Strategy Committee
- Serve on the Governance Committee
- Perform such duties as the Chair and/or the Board of Directors may determine, and
- In the absence of the Chair, shall perform the duties of the Chair.

**The Board Treasurer shall:**

- Serve on the Board of Directors' Strategy Committee;
- Perform other duties customary to the Board Treasurer and as may be required by the Board of Directors or the Board Chair;
- Serve as Chair of the Finance Committee;
- Provide such financial reports and statements as the Board of Directors or Strategy Committee may from time to time require or request;
- Supervise the keeping and auditing of the accounts which shall be open at all times to inspection by the Board of Directors ~~and the Strategy Committee~~, and
- Assume responsibility for the Board Secretary responsibilities if that position is vacant

**The Board Secretary shall:**

- Oversee notice and maintenance of the minutes of the meetings the Board of Directors, (with staff support);
- Approve by signature the minutes of all meetings as recorded by DECC staff;
- Serve on the Board of Directors' Strategy Committee;
- Perform other duties customary to the Board Secretary and as may be required by the Board of Directors or the Board Chair.

**ARTICLE V. EXECUTIVE DIRECTOR**

**The Executive Director shall:**

- Execute responsibilities as outlined in their job description and strategic plan ~~current contract~~;
- Be appointed by the Board of Directors and shall serve as the salaried chief executive of the DECC Authority;
- Report to the Board Chair and DECC Authority.

**ARTICLE VI. COMMITTEES**

**6.01 COMMITTEE FORMATION**

The ~~Board of Directors~~ board may create committees as needed. The Board Chair appoints all committee chairs from the membership of the ~~B~~ board of Directors. Limited term task forces may be appointed by the Board Chair; standing and longer term committees shall be created with ~~at the~~ affirmation of majority vote of the ~~B~~ board of Directors present at the meeting. Committees ~~help~~ do background work to provide options, and when appropriate, make a recommendation for possible action by the ~~full~~ B board of Directors. Committees should provide an update of committee work and conversations at board meetings. All board members are to serve on at least one committee, and no committee shall have more than five (5) Board Members. A minimum of three (3) members

~~should serve on each committee. The following are standing committees of the board:~~

### **6.02 STRATEGY COMMITTEE**

~~DECC Authority Board Officers~~ serve as the members of the Strategy Committee. The Strategy Committee is tasked with initiating and monitoring the implementation of a strategic plan, as well as the annual plan. ~~An annual plan will be adopted by the Board of Directors that aligns with the strategic plan. The Strategy Committee will serve as a sounding board to the Executive Director on an ongoing basis.~~ The Strategy Committee will design a formal evaluation of the Executive Director on an annual basis including Board of Directors' participation and feedback.

### **6.03 FINANCE COMMITTEE**

The ~~Board~~ Treasurer will serve as the chair of the Finance Committee, ~~which has a minimum of three (3) members.~~ The Finance Committee is responsible for developing and reviewing fiscal procedures and an annual budget with staff and other ~~Board~~ Members. The Finance Committee reviews the financials with the Executive Director and Finance Director ~~in advance of DECC board meetings.~~ The Finance Committee shall also monitor the annual audit process.

### **6.04 GOVERNANCE COMMITTEE**

~~The Governance committee shall have a minimum of three (3) members.~~ The Governance Ccommittee will be responsible for updating DECC Authority Bbylaws and governance, policies, ~~and procedures.~~ The ~~Board~~ Vice-Chair will ~~shall~~ serve as an ex-officio member of this committee. The Governance Committee may submit a letter of recommendation request to the appointing authority to give some consideration a specific candidate, to specific sector experience, or skill sets for future board appointments that may enhance DECC Authority business. The committee shall be responsible for nominating a slate of DECC Authority Board Officers ~~Board Directors and officers~~ for consideration by the full board Board of Directors on an annual basis.

## **ARTICLE VII. PARLIAMENTARY AUTHORITY**

### **7.01 FISCAL YEAR**

The designated fiscal year of this corporation shall be January 1st to December 31st.

### **7.02 PARLIAMENTARY AUTHORITY**

The most recent edition of *Robert's Rules of Order* shall serve as the parliamentary authority for the organization.

### **7.03 INTERPRETATION OF BYLAWS**

Wherever possible, these bylaws shall be construed as consistent with the enabling legislation. Any provisions of these bylaws which are inconsistent with any provision of said enabling legislation shall be null and void.

## **ARTICLE VIII. AMENDMENTS**

The Governance Committee shall review the bylaws annually. In order to To amend the bylaws, notice of the proposed amendment shall be delivered personally, electronically or by mail to each member



of the DECC Authority [Board of Directors](#) at least 30 days prior to the time of the vote on the proposed amendment. The bylaws shall be amended by a 2/3 [affirmative](#) vote of the DECC Authority at any special or regular meeting of the board [of the Board of Directors](#).

## **ARTICLE IX. CONFLICT OF INTERESTS**

Any director, officer, key employee or committee member having an existing or potential interest in a contract or other transaction presented to the Board of Directors or a committee for deliberation, authorization, approval or ratification or any such person who reasonably believes such an interest exists in another such person, shall make a prompt, full, and frank disclosure of the interest to the Board of Directors or committee prior to its acting on such contract or transaction. The interested party is required to disclose the nature and extent of such interest and any relevant and material facts known to them about the contract or transaction which might reasonably be construed to be adverse to the DECC's interest and shall abstain from any related vote being taken. [Reference the DECC Authority's Conflict of Interest Policy for additional details.](#)

## **ARTICLE X. NON-DISCRIMINATION POLICY**

Pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, the DECC Authority recruits, employs, assigns and promotes staff, terminates employment, accepts volunteers and determines rates of pay and other benefits without discrimination on the basis of age, gender, sexual orientation, disability, ethnic identity, religion or creed.

## **ARTICLE XI. INDEMNIFICATION**

### **11.01 GENERAL**

Unless expressly prohibited by law, the DECC Authority shall fully indemnify any person made, or threatened to be made, a party to an action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that such person, or such person's testator or intestate, is or was a director, officer, employee or agent of the DECC Authority or serves or served any other enterprise at the request of the DECC Authority, against all expenses (including attorneys' fees), judgments, fines and amounts paid or to be paid in settlement incurred in connection with such action, suit or proceeding.

### **11.02 LIMITATION OF LIABILITY**

Officers, directors and other persons who perform services for the corporation and who do not receive compensation other than reimbursement of expenses ("volunteers") shall be immune from civil liability.

Additionally, persons regularly employed to perform a service for a salary or wage ("employees") shall not be held personally liable in damages for any action or omission in providing services or performing duties on behalf of the corporation in an amount greater than the amount of total compensation (other than reimbursement of expenses) received during the twelve (12) months immediately preceding the act or omission for which liability was imposed. Regardless of the amount of liability insurance maintained, this limitation of liability for volunteers and employees shall not apply when the injury or damage was a result of the volunteer or employee's willful misconduct, crime (unless the volunteer or employee had reasonable cause to believe that the act was lawful),

transaction that resulted in an improper personal benefit of money, property or service to the volunteer or employee, or act or omission that was not in good faith and was beyond the scope of authority of the corporation pursuant to this act or the corporate charter. This limitation of liability shall not apply to any licensed professional employee operating in his or her professional capacity. The DECC Authority is liable only to the extent of the applicable limits of insurance coverage it maintains.

Bylaws certified by DECC Authority Board of Directors:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Secretary & Treasurer, DECC Authority Board of Directors

\_\_\_\_\_  
Chair, DECC Authority Board of Directors