



Regular Board Meeting

DECC Authority Board of Directors
Thursday, April 24, 2025



AGENDA

DECC Authority Board of Directors Regular Meeting

MISSION

We host events, create experience, and drive our regional economy.

VALUES

Hospitality | Entertainment | Community | Visionary | Stewardship

MEETING AGENDA

- I. Call to Order
- II. Public Open Comment Period
 - a. *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 – March 27, 2025
 - c. February 2025 Financials
- IV. Executive Director Report
 - a. Strategic Plan Update
 - b. Update
- V. Committee Reports
 - a. Strategy
 - i. Update
 - b. Finance
 - i. Update
 - c. Governance
 - i. Update
- VI. Old Business
 - a. None
- VII. New Business
 - a. Promotional Marketing Expenses Policy
 - b. Annual Board Meeting Calendar (Update)

VIII. Other

- a. None

IX. Adjournment

UPCOMING MEETINGS

The next regular business meeting is scheduled for **Thursday, May 29, 2025**. Location to be determined.

2024 - 2028 STRATEGIC PLAN

Our strategic framework focuses on six goals that will support the DECC in determining what direction to go and how we will get there.

1. Complete a facilities conditions assessment by 12/31/2026.
2. Clarify the DECC's public purpose by 12/31/2027.
3. Complete a campus master plan by 12/31/2028.
4. Increase revenue by 5% annually beginning 2025.
5. Increase DECC operational profitability by 3% annually beginning 2025.
6. Continue adopting and embodying industry best practices beginning 2025.



Duluth Entertainment Convention Center

DECC AUTHORITY BOARD OF DIRECTORS REGULAR MEETING

March 27, 2025, Meeting Minutes

CALL TO ORDER

A Regular Board Meeting was held Thursday, March 27, 2025, in the Senator Sam Solon Board Room. Vice Chair Sertich called the meeting to order at 12:01 PM. A quorum of directors was present.

BOARD MEMBERS PRESENT

Vice Chair Tony Sertich
Treasurer Maya Mattke
Secretary Jason Vincent
Zack Filipovich
Pat Mullen
Peter Singler
Carli Amatuzio
Kristi Schmidt
Stephanie LaFleur

BOARD MEMBERS ABSENT

Chair Laura Mullen
Shane Peterson

DECC STAFF PRESENT

Dan Hartman
Amanda Denton
Daryl Sylvester
Ronni Murphy

OTHERS PRESENT

Duluth City Council Liaison Nephew
Media

OTHERS ABSENT

None

PUBLIC OPEN COMMENT PERIOD

Vice Chair Sertich 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

Vice Chair Sertich reviewed the consent agenda. The consent agenda included the meeting agenda; meeting minutes from the January 30, 2025 Annual Retreat & Regular Board Meeting; meeting minutes from the February 27, 2025 Regular Board Meeting; and finance statements for January 2025. MOTION to approve the consent agenda requested by Vice Chair Sertich; motion made by Singler and seconded by Filipovich. Motion carried unanimously.

EXECUTIVE DIRECTOR REPORT

Executive Director Hartman began by sharing a photo taken by DECC photographer Nick Barret from the One Night of Queen concert. Hartman praised Barrett's ability to capture high quality photos at DECC events. Next, Hartman introduced the DECC's new Human Resources Manager, Daryl Sylvester, to Board Members. Sylvester has been at the DECC for nine weeks.

Hartman updated Board Members on the DECC's strategic initiatives. There are no significant updates regarding the facilities conditions assessment at this time. Hartman expects an update in the near future regarding funding for the project.

Hartman expects the public purpose conversations with Praxis Strategy Group will begin around May or June of this year. The consultant will reach out to assign individuals to groups from different discussion sessions. Currently, the plan is to host ten different sessions throughout the region as part of this process.

Hartman noted there has been no progress on the campus master plan as the facilities conditions assessment and public purpose discussions will inform the roll out of this initiative.

Hartman shared several updates related to the goals of increasing revenue by 5% and increasing operational profitability by 3%.

The William A. Irvin will be part of the Duluth Passport program again in 2025. A Passport ticket provides access to the Great Lakes Aquarium, The Depot, and the William A. Irvin. This program has assisted in increasing visitor traffic on the Irvin.

Hartman has been serving as a committee member for the selection of the Visit Duluth Executive Director. Hartman shared they are currently in the finalist rounds of interviews. Hartman noted that the DECC has had a lot of wins in partnership with Visit Duluth in the last six months. The marketing contract through Madden Media has a portion dedicated to the promotion of conventions and meetings. The previous contract did not have an allotment for meetings/conventions promotion. Hartman has shared with the Visit Duluth Board that it is crucial for the DECC and Visit Duluth to partner together because both entities have the same interests at heart. Hartman further explained that it is typical for agencies like Visit Duluth, in other communities, to sell the majority of conventions for the area. Additionally, meeting planners are more likely to reach out to an agency like Visit Duluth to discuss booking, etc. Hartman noted that the Visit Duluth Board has completed a deep dive on data related to marketing, convention/meeting sales, what brought the business to Duluth, etc. The Board has had impactful conversations regarding how to ensure Visit Duluth funds are maximized to best support bringing meetings/conventions (tourism) to Duluth. To illustrate, much of the previous marketing budget targeted national conventions. However, a review of

business determined that most business is state-level. Hartman explained that Board Members can expect to see a shift in business targeted over time.

Hartman shared that the DECC is working on creating a seasonal market experience between the William A. Irvin and Pioneer Hall during the weeks of early September to late October. Hartman and team are partnering with Duluth Loves Local to conceptualize this space. The market would be subject to other events that occur in this area such as the Inline Marathon.

Hartman provided an update related to Bayfront Festival Park. Hartman noted that many users of Bayfront are long-term and function independently. Hartman views the model as more of a "co-op". The DECC is hosting the first Bayfront Co-op meeting today to begin discussing the 2025 season.

Hartman attended Great Lakes Cruising in Milwaukee to meet with cruising marketing leadership from a variety of areas. Hartman took this opportunity to tour the Milwaukee area and prepared a photo summary of ideas and discoveries from his trip. Highlights included "Welcome to Milwaukee" signage; low cost ways to improve spaces, such as plastic Adirondack chairs from Menards in the airport lobby; sponsored bar areas that are designed and paid for by the sponsor, but still serve an array of brands; art that emphasizes the location, such as the Milwaukee Bucks statue made of basketballs and basketball hoop netting; sponsored premium "ledge" seating on the upper concourse; indoor marketplaces; painted underpasses for road infrastructures; vending machines for toiletries and other essentials; and sponsored entrances to bars, suites, and other areas. Hartman shared photos of the various outdoor venues along the Milwaukee Summerfest shoreline area. Hartman noted the venues are all concrete-based, simplifying the load in and load out process, and they can accommodate different levels of attendance. Hartman compared and contrasted the various Milwaukee amphitheaters with Bayfront Festival Park. Hartman toured the University of Wisconsin Milwaukee Panther Arena. This venue is similar to the DECC and was built around the same time. Hartman discussed infrastructure with the group and creative ideas to maximize the infrastructure in different ways such as creating free-standing concession areas on the concourse or using vinyl graphics to refresh aging built-in concession stands.

Hartman shared his newly drafted Tourism Matters presentation with Board Members. Hartman asked Board Members to imagine Duluth without tourism. Hartman shared an anecdote about spending a day with his children visiting various local attractions such as Enger Park and the Great Lakes Aquarium. Hartman noted that day was impactful to him and was made possible by the variety of attractions in Duluth. Hartman shared data from Explore Minnesota Tourism noting St. Louis County had 5,190 jobs directly related to tourism. Tourism accounts for \$1.052 billion dollars in visitor spending, and \$100.3 million in state and local taxes. Hartman noted tourism spending is additionally impactful in Duluth because Duluth has a 1% sales tax, resulting in lower taxes for locals. Hartman asked Board Members: where would your child have their first job without tourism (i.e., scooping ice cream at the DECC or assisting in the local glass blowing shop in Canal Park)? Hartman noted beer options would be drastically reduced without tourism. The significant amount of craft brewers in this area depend on tourists to support their businesses. Hartman followed up by asking Board Members: how would we pay for our parks without tourism? What level of entertainment would we be able to attract? How unappealing would Canal Park look (reference photo depicting junkyard)? Hartman summarized that by having attractions in the

area locals also get the benefit of having cool things to do. Hartman closed with the following “asks”: first, help the DECC beat back the negative narrative around tourism; and, second, welcome visitors to the area.

Hartman shifted to provide an update to the strategic initiative to align with best practices. Hartman shared that the DECC has instituted a daily huddle with team members. A member of the management team was sent to AVSS training (Academy for Venue Safety and Security). The DECC is certified LEED silver in AMSOIL Arena and has now posted the award plaque at the AMSOIL Arena entrance and cling stickers on the doors celebrating this accomplishment. Hartman shared that the DECC Fund through the Duluth Superior Area Community Foundation has received its first donation from Judy Gordon. Gordon donated funds to purchase a large-scale Love Duluth sign. The sign will be placed in different locations for visitors to pose and take photos. The DECC hopes to have the sign in place prior to spring graduation ceremonies.

COMMITTEE REPORTS

Strategy

Vice Chair Sertich provided an update on behalf of the Strategy Committee.

1. The Committee did not meet due to Hartman’s Great Lakes Cruising in Milwaukee travel.

Finance

Treasurer Mattke provided an update on behalf of the Finance Committee.

1. The Committee reviewed January financials and pay equity reporting. Finance Director Denton reviewed the financials.
2. Denton directed Board Members to the balance sheet. Denton noted the DECC is still undergoing the year-end closing process. Current assets operating cash is down \$500,000 from the prior month due to the time of year. Regarding the accounts receivable of \$1.4 million, of the \$2.3 million total received in 2024, \$1.1 million in bonds was paid. The remaining unpaid amount plus the January 2025 tourism taxes equals the 1.4m. Overall total current assets are \$5.8 million, total current liabilities are \$2.7million, and the year to date change in retained earnings is a loss of \$164,000.
3. Denton directed Board Members to the consolidated management summary. Denton noted the year to date and current month actual are currently the same as it is reflective of January 2025 only. The DECC had a loss of \$164,000 which is better than budgeted. Denton reminded Board Members that there was a new budget philosophy for 2025 that included a lean staffing model, more events, and a mid-level winter. Regarding events, the DECC had about the same level of large events in January 2025 as last year including Arrowhead EMS Conference, Northland Figure Skating, and the Duluth Wedding Show. Additionally, there were more smaller events in January 2025, an additional UMD Men’s Hockey game, and additional entertainment. These additional events contributed to the positive variances in building services, catering, parking, and related revenue goals were surpassed in those departments. Property maintenance had a negative variance due to additional

event-related payroll expenses. Denton noted these related expenses are billed to the customer.

4. Denton reviewed the forecast with Board Members noting the tourism tax collection is currently 16% above budget. The current projected excess tourism tax collections are currently estimated at the 16% increase level and will be adjusted as needed throughout the year. The forecast contains actuals for January and the rest of the data is pulled from the 2025 budget.
5. Hartman summarized that budgeting for the DECC is complex and business estimates, particularly entertainment, are a "shot in the dark." Hartman and Denton did their best to work revenue stretch goals into the budget at appropriate intervals based on prior experience. Hartman closed by noting it is important to look at the DECC budget on an annual basis due to the DECC's tendency to have significant shifts throughout the year.

Governance

Secretary Vincent provided an update on behalf of the Governance Committee.

1. The Committee did not meet in March and plans to resume meeting in April.

OLD BUSINESS

No Old Business was discussed.

NEW BUSINESS

Hartman introduced the DECC's pay equity summary report as included in the meeting materials. The DECC is required to complete this reporting periodically by the State of Minnesota to ensure there are not gaps in pay among genders in similar positions. The DECC is in compliance with reporting thresholds.

Vice Chair Sertich requested a MOTION to approve the pay equity report. Motion made by Filipovich and seconded by Secretary Vincent. Motion carried unanimously.

OTHER

Vice Chair Sertich announced that the April 24, 2025, Regular Board Meeting location has changed from Symphony Hall Mezzanine to AMSOIL Arena.

ADJOURNMENT

Vice Chair Sertich adjourned the meeting at 12:46 PM.

UPCOMING MEETINGS

The next regular meeting will be held April 24, 2025, in AMSOIL Arena.

Submitted by:

Laura Mullen, Chair

Jason Vincent, Secretary

Date

Date

PROMOTIONAL MARKETING EXPENSES

POLICY

The DECC is a regional convention center and public entertainment facility with a unique mission to secure events and conventions which ultimately impact the local business economy. The Executive Director or other qualified delegate may purchase promotional marketing items to enhance the client recruiting experience. Expenditures of the nature are a normal and necessary part of doing business within the convention and entertainment industries.

The DECC Authority Board authorizes the DECC to spend up to \$100,000 annually (January - December) on promotional marketing expenses to support the client recruitment experience.

PURPOSE

The purpose of this policy is to outline parameters for approved promotional marketing expenditures.

HISTORY

Effective: (Month, day, year)

Initial Approval: (Month, day, year)

Revision History: (list dates)

Approved by: Date (month, day, year) by DECC Authority Board

Signed by:

Name, Title

Date



DECC AUTHORITY BOARD OF DIRECTORS

2025 Board Meeting Schedule

Regular Meetings

MISSION

We host events, create experience, and drive our regional economy.

VALUES

Hospitality | Entertainment | Community | Visionary | Stewardship

DATE

Thursday, January 30, 2025

Thursday, February 27, 2025

Thursday, March 27, 2025

Thursday, April 24, 2025

Thursday, May 29, 2025

Thursday, June 26, 2025

Thursday, July 24, 2025

Thursday, August 28, 2025

Thursday, September 25, 2025

Thursday, October 30, 2025

Thursday, November 13, 2025

Thursday, December 11, 2025

LOCATION

DECC - Senator Sam Solon Board Room

DECC - Harbor Side Convention Center (203)

DECC - Senator Sam Solon Board Room

DECC - **AMSOIL Arena**

DECC - Senator Sam Solon Board Room

DECC - Symphony Hall Mezzanine

DECC - Harbor Side Convention Center (203)

DECC - Senator Sam Solon Board Room

DECC - Symphony Hall Mezzanine

DECC - Harbor Side Convention Center (203)

DECC - Senator Sam Solon Board Room

DECC - Harbor Side Convention Center (203)

Regular Board Meetings are held the last Thursday of the month from 12:00 PM to 1:30 PM, unless otherwise specified.