



DECC AUTHORITY BOARD OF DIRECTORS

MEETING MINUTES

June 26, 2025, Regular Meeting

MISSION

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

VALUES

Hospitality | Entertainment | Community | Visionary | Stewardship

CALL TO ORDER

A Regular Board Meeting was held on Thursday, June 26, in the AMSOIL Arena City Lights Lounge location. Chair Laura Mullen called the meeting to order at 12:00 PM. A quorum of directors was present.

BOARD MEMBERS PRESENT

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

BOARD MEMBERS ABSENT

None

DECC STAFF PRESENT

Dan Hartman
Amanda Denton
Lucie Amundsen

OTHERS PRESENT

Duluth City Council Liaison Lynn Marie Nephew
Media

OTHERS ABSENT

None

PUBLIC OPEN COMMENT PERIOD

Chair L. Mullen 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 L. Mullen reviewed the consent agenda. The consent agenda included the meeting agenda; meeting minutes from the May 29, 2025, Regular Board Meeting; and finance statements for April 2025.

MOTION to approve the consent agenda requested by Chair L. Mullen; motion made by Zack Filipovich and seconded by Carli Amatuzio.

Motion carried unanimously.

EXECUTIVE DIRECTOR REPORT

Photos: The photos featured (in presentation) are from Lawrence and Schiller / Madden and are now free use to Duluth attractions and businesses.

Facilities Assessment Update: The assessment remains in limbo pending the release of federal funding to the city. The public purpose discussion is moving forward, with dates likely in mid-August.

Revenue Growth: Sue Ellen Moore has secured \$1.3 million in future business, halfway to the annual sales goal. Currently hosting the League of Minnesota Cities conference and a dance group, with the facility nearly at capacity. We are working on an enhanced entertainment data dashboard for year-over-year tracking. The internal 90-day scorecard indicates \$525,000 in entertainment bookings, surpassing the \$500,000 goal.

Operational Profitability: Cruise operations enabled the purchase of two \$25K security gate systems that benefit year-round operations. Systems significantly improve security processing efficiency for concerts and events.

Industry Best Practices: Installed two out of the three regional tourism wall displays featuring Boundary Waters (funded by Cook County), North Shore, and Iron Range imagery. Added "I Love Duluth" letters funded by Judy Gordon (\$28K) with strong visitor engagement. Secured 2026 Explore Minnesota Tourism Conference.

Contract Updates: Media USA advertising contract (\$100K annual value) up for renegotiation in May 2026.

Event Notes: Planning pirate-themed bar activation for the upcoming Festival of Sail and Grandma's Marathon weekend successful.

COMMITTEE REPORTS

Strategy

Chair L. Mullen provided an update on behalf of the Strategy Committee. The Committee met to review everything included in the Director's Report.

Finance

Treasurer Mattke provided an update on behalf of the Finance Committee, reporting that the DECC is on track with our expectations for today, noting that tourism taxes are fluctuating now. Executive Director Hartman noted that tourism in Duluth resembles a "roller coaster," with January being up due to the snow. The following three months saw poor weather. May was up, but June may be down, while July will probably be back up again. Hartman did not remember a more up-and-down year than this.

Finance Director Amanda Denton directed Board Members to the balance sheets:

Balance Sheet Highlights:

- Total current assets: \$5.9M (down \$200K from previous month)
- Total current liabilities: \$2.7M
- Year-to-date net change in retained earnings: \$119K

The organization reported total current assets of \$5.9 million, reflecting a \$200,000 decrease in cash from the previous month. Current liabilities stood at \$2.7 million, with year-to-date retained earnings showing a positive change of \$119,000.

April operations generated a net gain of \$55,000, though this fell approximately \$150,000 short of budget expectations. The shortfall was primarily attributed to negative variances across several key departments including building services, concessions, entertainment, and parking.

The month featured several significant events, including the Arrowhead Home & Builder Show, Minnesota Children's Mental Health Teachers conference, Minnesota Teachers of Math gathering, and an Amsoil event . While these events that returned from the previous year generated \$37,000 more in revenue compared to 2024, the organization faced a substantial revenue gap due to the absence of the SME Annual Conference, which had previously contributed approximately \$100,000 in revenue.

Entertainment programming included Symphony Hall presentations of Amy Grant, and Broadway Mean Girls. However, the lack of large arena shows that were present in 2024—such as Breaking Benjamin and Mercy Me—contributed to the negative performance variances in both entertainment and parking revenues.

Looking ahead, if operations from May through December perform according to budget projections, the organization anticipates achieving a net change in retained earnings of approximately \$304,000 for the year. However, tourism tax adjustments are expected to reduce these projections by roughly \$200,000 from the previous month's forecast.

Governance

Secretary Jason Vincent was not present but did send notes reminding Board Members that a review of the bylaws should be done in the next month or two.

OLD BUSINESS

No Old Business was discussed.

NEW BUSINESS

Executive Director Hartman introduced the business of updating the check assurance and signature policy. The second signature line is currently for the operations director, a position that no longer exists at the DECC. Hartman proposed updating the line to the director of events, a position held by Mary Sullivan.

MOTION to update the second signature line on the check assurance and signature policy was requested by Chair L. Mullen. Motion made by Vice Chair Sertich and seconded by Amatuzio. Motion carried unanimously.

OTHER

No Other Business was discussed.

ADJOURNMENT

Chair L. Mullen adjourned the meeting at 12:30 PM.

UPCOMING MEETINGS

The next regular meeting will be held July 24, 2025.

Submitted by:

Laura Mullen, Chair

Jason Vincent, Secretary

Date

Date