



BYLAWS Of Billings Tourism Business Improvement District

PURPOSE

MISSION STATEMENT

To generate room nights for lodging facilities in the city of Billings by effectively marketing our region as a preferred travel destination.

Billings Tourism Business Improvement District Board of Directors Statement of Governance

The Billings Tourism Business Improvement District Board of Directors governing priorities are to:

- 🔗 Actively support, promote and participate in the TBID's mission;
- 🔗 Work with strategic partners to better position Billings as a tourism destination;
- 🔗 Ensure communication with stakeholders and the community for transparency
- 🔗 Have a productive relationship with the destination management and marketing organization (DMO) staff and Chamber leadership.

Levels of Responsibility in a Volunteer Organization

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|------------------------------|----------------------------------|
| 🔗 Stakeholders | This is the Input Level. |
| 🔗 Board of Directors | This is the Policy-Making Level. |
| 🔗 Executive Committee | This is the Direction Level. |
| 🔗 Staff | This is the Management Level. |



BILLINGS TOURISM BUSINESS IMPROVEMENT DISTRICT BYLAWS

Article I Organization

- Section 1.1 Name. The name of the organization shall be the Billings Tourism Business Improvement District, hereafter referred to as the “TBID.”
- Section 1.2 Mission. The mission of the TBID is to generate room nights for lodging facilities in the City of Billings, Montana by effectively marketing our region as a preferred travel and tourism destination.
- Section 1.3 Powers. The TBID may engage in any activity consistent with the Billings City Charter, its Articles, Montana law, and these Bylaws, provided that the Board of Directors determines that the activity is in furtherance of the purposes for which the TIBD was formed.
- Section 1.4 Definitions. The following terms used herein shall have the following definitions:
- (a) “Act” means the Montana Business Improvement District Act.
 - (b) “Appointing Authority” means the Mayor of the City of Billings, Montana.
 - (c) “Board” means the board of directors and board of directors of the TBID.
 - (d) “Governing Body” means the City Council of the City of Billings, Montana.
 - (e) “Director” means a director of the Board of directors of the TBID.

Article II Board of Directors

- Section 2.1 Board of Directors. All corporate powers shall be exercised by or under authority of, and the business and affairs of the TBID shall be managed under the direction of, the Board of Directors of the TBID except as may be otherwise provided in these Bylaws or by law.
- Section 2.2 Number. The Board of Directors shall consist of not less than five or more than seven owners of property within the TBID or their designees. The number of directors of the board, once established, may be changed within these limits from time to time by resolution of the Governing Body. A resolution to reduce board membership may not require resignation of any member prior to completion of the member’s appointed term.

Section 2.3 Qualifications of Directors. Candidates for director should meet the following general criteria:

- (1) owners of land within the geographic area of the TBID or their designee (per state statute),
- (2) Property they represent must be open for business and collecting the TBID assessment at the time of appointment and while serving on the board;
- (3) must be a resident of the City of Billings for at least one year (per City Code);
- (4) committed to the well-being of the TBID,
- (5) respected citizen or leader,
- (6) able to work effectively as part of a group,
- (7) competent in some area of value in achieving objectives of the TBID,
- (8) able to maintain a commitment for the term of appointment, and
- (9) balances board in terms of representation of large, medium and small hotel properties It is the desire of the board to maintain a well-balanced representative board based on property size. The board composition should be: Two from properties with between 6-89 rooms, three properties with between 90-150 rooms, and two properties with 151 rooms or more.

Section 2.4 Nominations. A nominating committee of the Board or the Yellowstone County Lodging Association, as designated by the Board, shall submit the name(s) of nominee(s) for Board service to the Appointing Authority at any time, as determined by the Board.

Section 2.5 Appointment. Seven initial directors have been appointed by the Governing Body in City of Billings Resolution 09-18848, and future directors shall be appointed by the Appointing Authority and approved by the Governing Body.

Section 2.6 Term. Three of the directors who are first appointed must be designated to serve for terms of 1, 2, and 3 years, respectively, from the date of their appointments, and two must be designated to serve for terms of 4 years from the date of their appointments. For a seven-member board, there must be two additional appointments for terms of 2 years and 3 years, respectively. After initial appointment, directors must be appointed for a term of office of 4 years, except that a vacancy occurring during a term must be filled for the unexpired term. A director shall hold office for up to two 4 year terms per the Governing's Body's Boards and Commissions Policy.

Section 2.7 Absences. If, within a period of twelve (12) consecutive months, any director is absent from four (4) or more regular Board meetings, notice of which has been given to the director at the director's usual place of work or residence, or by announcement at a meeting attended by the director, the Chairman may call such absences to the attention of the Board which may then recommend to the Appointing Authority that such director be removed and that another person be appointed to serve for the unexpired term.

Section 2.8 Resignation, Removal and Vacancies. A director may resign at any time by delivering written notice to the Board. A director's resignation is effective upon delivery of the notice of resignation unless the Board authorizes otherwise. A member of the Board may be removed by the Appointing Authority, with the consent of the Governing Body. A vacancy on the Board shall be filled by the Appointing Authority, with the approval of the Governing Body. It is the desire of the Board to maintain property-size diversity on the board. If a board member moves to a similar size property, that board member should retain his or her position on the Board as long as they provide a letter from the ownership appointing that individual as their designee within 30-days. A Board member moving to a different size property must refer to Sections 2.4 and 2.5.

Section 2.9 Powers and Duties. The Board shall have those powers set forth in the Act. The Board's responsibilities shall include, without limitation, (1) administration of the TBID, including oversight of expenditure of its funds; (2) the establishment of goals and policies for the TBID, (3) providing annual budgets and work plans to the Governing Body for approval each fiscal year; (4) nomination of directors for the TBID to the Appointing Authority and Governing Body; (5) recommending to the Governing Body for approval each fiscal year a method of levying an assessment on the property within the TBID that will best ensure that the assessment on each lot or parcel is equitable in proportion to the benefits to be received; (6) appointment of an Executive Director of the TBID; (7) approval and implementation of projects and programs to be undertaken or administered in furtherance of the objectives of the TBID and the purposes of the Act, (8) compliance with the requirements of the Act, and (9) long range and strategic planning.

Section 2.10 No Compensation. Members of the Board may receive no compensation.

Article III Meetings of the Board

Section 3.1 Regular Board Meetings. The regular meetings of the Board shall be held at a time and location determined by the Board. Notice of such meetings shall be provided by telephone, telefax, U.S. mail, e-mail, or other communication, at least twenty-four hours before the regular meeting is to occur. Public notice of regular Board meetings shall be provided via news release, web site, newspaper advertisement or other method determined by the Board to inform the community.

Section 3.2 Special Board Meetings. The Chair or any officer and two members of the Board may call a special meeting of the Board upon at least twenty-four hours' notice as provided in Section 3.1 to each member of the Board. Such notice shall state the purpose for which such special meeting is called.

Section 3.3 Quorum. A quorum of the Board consists of a majority of the number of directors in office immediately before the meeting begins. Directors may be in attendance at

any meeting in person or by telephone connection, but any such connection shall permit any director not attending in person to hear all discussion concerning any item upon which action is to be taken, and shall permit all persons in attendance to hear the director attending by telephone.

- Section 3.4 Board Action. If a quorum is present at a meeting of the Board, then the affirmative majority vote of the directors present at the meeting shall constitute the act of the Board. The Board may not take any action unless a quorum of the Board is present, except a majority of less than a quorum may adjourn the meeting from time to time without further notice. Each director shall have one (1) vote.
- Section 3.5 Proxy Prohibition. No proxy voting shall be permitted.
- Section 3.6 Actions by Written Consent. Any action of the Board may be taken without a meeting and may be in the form of fax or email. A 2/3 majority of the voting members of the Board are required to pass a written motion.
- Section 3.7 Committees. The Board may designate and establish such committees and task forces as it considers appropriate to carry into effect the objectives and purposes of the TBID. Committee chairs will be appointed by the Chair of the Board. Committee meetings or task force meetings may be called at any time by the chairperson of the committee or task force or by the Chair of the Board. At any duly called meeting of a committee or task force, those present shall constitute a quorum. Each committee and task force shall study, investigate and make recommendations to the Board on subjects within the general scope of activity assigned it by the Chair of the Board or which subsequently may be referred to it by the Chair of the Board or by the Board.

Article IV Officers

- Section 4.1 Officers. There shall be a Chair, a Vice Chair, a Secretary/Treasurer and TBID Executive Director of the Board who shall be the officers of TBID. In the absence of the Chair the Vice Chair shall act as chairman. The Executive Director is a non-voting member of the Board.
- Section 4.2 Election of Officers. Officers shall be elected annually by the Board at the last regular meeting of the fiscal year. Any officer may sign all official documents on behalf of the organization upon approval by the Board, and shall have such other duties as the Board may direct.
- Section 4.3 Chair. The Chair shall preside at all meetings of the Board and at any other meetings of the TBID. The Chair shall appoint members to such committees and task forces as are created by the Board of Directors. The initial chair shall be appointed by the Mayor of the City of Billings, pursuant to §7-12-1122 M.C.A. The term of office

of the Chair shall be for one year or until his/her successor is elected.

- Section 4.4 Vice Chair. The Vice Chair shall perform the duties and exercise the powers of the Chair in the absence or disability of the Chair and shall perform any other duties as prescribed by the Board of Directors.
- Section 4.5 Secretary/Treasurer. The secretary/treasurer shall keep a record of all proceedings, minutes of meetings, certificates, contracts and corporate acts of the Board and shall be responsible for oversight of the financial records of the organization. The Board may appoint an assistant secretary/treasurer who need not be a member of the Board.
- Section 4.6 Executive Director. An Executive Director of the TBID shall be appointed by the Board. The Executive Director must be the executive director of a nonprofit convention and visitors bureau, as defined in 15-65-101, M.C.A., if a nonprofit convention and visitors bureau is operating within the Governing Body's jurisdiction. The Executive Director shall be charged with the general supervision and management of the business affairs of the TBID. The Executive Director shall be the chief executive officer and shall be charged with initiating and implementing the marketing plan, budget and related projects, the general supervision over employees, including their duties and compensation in conformity with the policies approved by the Board. The Executive Director shall keep the minutes of the Board meetings, keep other records as the Board may direct, and perform such other duties as may be prescribed by the Board, these Bylaws, or by law. The Executive Director shall so manage the affairs of the TBID as to promote the objectives for which the TBID is organized.
- Section 4.7 Other Officer Duties. The Board may provide such additional duties for any officer, as it deems necessary.
- Section 4.8 Officer Vacancy. A vacancy in any office shall be filled by the Board at its next regular meeting for the remainder of the unexpired term.

Article V Conflict of Interest

- Section 5.1 Conflict of Interest. A conflict of interest transaction is a transaction with the TBID in which a director of the TBID has a direct or indirect interest. A conflict of interest transaction is not voidable or the basis for imposing liability on the interested director if the transaction was fair at the time it was entered into or is approved pursuant to Mont. Code Ann. §35-2-418. However, in no event shall the interested director vote on the decision to enter into such transaction. Any director having an interest or conflict in a transaction presented to the Board for authorization, approval, or ratification shall make a prompt, full and frank disclosure of his or her interest to the Board prior to its acting on such transaction. Such disclosure shall include any relevant and material facts, known to such person, about the transaction

which might reasonably be construed to be adverse to the TBID's interest. The Board shall thereupon determine, by majority vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such director shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to such contract or transaction, nor shall the director be counted in determining the quorum for the meeting. The minutes of the meeting will, upon request, reflect that a disclosure was made, the action taken with respect to such disclosure, and, if applicable, the abstention from voting and the presence of a quorum.

Article VI Administrative and Financial Provisions

- Section 6.1 Fiscal Year. The fiscal year of TBID shall be July 1 - June 30.
- Section 6.2 Check Writing Authority. The Board shall establish limits on the check writing authority of directors, officers, employees, and agents of TBID.
- Section 6.3 Budget and Marketing Plan. Expenditure of all income shall be allocated to meet the operating needs of the TBID under a budget and marketing plan prepared by the Executive Director and adopted by the Board and the Governing Authority. The Executive Director shall make a cumulative report each month to the Board on income and expenditures. The approved budget and marketing plan shall be reviewed as requested by the Board to assure that funds are being expended as allocated and to determine if any reallocation of resources is needed.
- Section 6.4 Disbursements. Upon approval of the Fiscal Year Budget by the Board and the Governing Body, the Executive Director is authorized to make such disbursements as necessary on accounts and expenses provided for in that budget, without additional approval from the Board. Such disbursements may be made by check and require any two (2) of the following signatures: Executive Director; Chair; or any designated director(s). Checks shall be supported by proper requisitions, vouchers, statements, or other evidence showing the expenditure to be appropriate and authorized under the budget.
- Section 6.5 Indebtedness. No loan or advance shall be made or contracted on behalf of the TBID, and no note, bond, or other evidence of indebtedness shall be executed or delivered in its name except in the manner provided by law and as authorized by the Board.
- Section 6.6 Public Records. All financial records of the TBID related to assessments are public documents and shall be made available to any member of the public who wishes to see them, provided arrangements are made in advance to review said records in the office of the TBID during regular office hours. Approval of a majority of the Board

shall be required to remove any financial record of the TBID from the public file.

Section 6.7 Audit. The Board shall engage an independent certified public accounting firm to audit, annually, all general and special accounts of the TBID. The firm may be instructed to perform unannounced audits at any given period of the year for verification of accounts, in addition to the annual audit. The Board may from time to time audit hotel reports of occupancy to assure proper collections of assessments. All audit results should be distributed in writing on a timely basis to the Board.

Section 6.8 Use of Assessments. Assessments collected by the TIBD shall be used for the following purposes:

- (a) The funding of all uses and projects for tourism promotion within Billings as specified in the Billings TBID budget; and
- (b) The marketing of convention and trade shows that benefit local tourism and lodging businesses in Billings; and
- (c) The marketing of Billings to the travel industry in order to benefit local tourism and the lodging businesses located within the Billings TBID; and
- (d) The marketing of Billings to recruit major sporting events in order to promote local tourism and to benefit the lodging businesses within the Billings TBID.

Section 6.9 Spokesperson. Only the Chair of the Board, the Executive Director, or their designee shall have authority to speak on behalf of, or to issue media releases for the Board or the TBID.

Article VII Amendments

Section 7.1 These Bylaws may be amended or repealed and new Bylaws adopted by the Board at any regular or special meeting of the Board by the affirmative vote of at least two-thirds (2/3) of the directors.

CERTIFICATE OF ADOPTION OF BYLAWS

The undersigned hereby certifies that the above Bylaws of the **Billings Tourism Business Improvement District** were duly adopted by majority vote of the Board of Directors at a duly held meeting on December 6, 2007, and now constitute the Bylaws of the Billings Tourism Business Improvement District. Bylaws modified 2011, 2015, 2016.

DATED: May ##, 2015

“TBD” Billings TBID Secretary
