

Haines Economic Development Corporation
Board Meeting
February 23, 2018, 3pm in assembly chambers
AGENDA

1. Approval of Agenda (*Consent Agenda)
 1. Minutes from 01-19-18
2. Public Comment (3 minutes per)
3. Officer Reports
 - a. **President**
 - b. **Vice President**
 - c. **Treasury**
 - d. **Secretary**
4. Old Business
 - a. **Bylaws changes**

Revisions to the bylaws were made based on the signed Memorandum of Understanding with the borough and attorney recommendations for filing 501c3 paperwork
Possible motion: To adopt changes to the bylaws dated 2-23-18.
 - b. **Industry Cluster Initiative** – discussion item
5. New Business
 - a. **Director’s Report**
 - b. **Current Budget (FY18)**

Greg, Jessica and Margaret drafted a FY18 funds. It is included in the packet.
Possible motion: to (amend, adopt) the FY18 budget
 - c. **Budget request to borough for FY19**

A FY19 budget request needs to be to the borough manager by March 1st.
 - d. **Committee reports**
 1. Committee providing direction to director
6. Public Comment (3 minutes per)
7. Board comments or announcements
8. Set meeting dates
9. Adjourn

Board of Directors

Heather Shade – President
Sean Gaffney – Vice President
Jessica Edwards - Secretary
Greg Schlachter - Treasurer
Mike Ward
Doug Olerud
Harry Reitze
Mayor Jan Hill – *ex officio*
Holly Smith – *ex officio*

Haines Economic Development Corporation
Board Meeting
January 19th, 2018
DRAFT MINUTES

Heather Shade called the meeting to order at 3:01 pm in the Haines Borough Assembly Chambers.

Directors present: Doug Olerud, Jessica Edwards (via phone), Sean Gaffney (via phone) Greg Schlachter, Mike Ward, Heather Shade, Holly Smith (Ex-Officio)

Guests present: Harry Rietze, Dave Long, Tracy Harmon, Darsie Culbeck, Jila Stuart, John Hagen, Kyle Clayton, Carol Tuynman, Debra Schnabel

1. Approval of Agenda (*Consent Agenda)

*Minutes from 01-05-18 meeting

M/S Mike/Doug to approve the agenda. Passes unanimously.

2. Public Comment:

- a) Dave Long – Supportive of HEDC model. Interested in assisting in housing and real estate topics.
- b) Tracey Harmon – Interested in seeing HEDC and Chamber collaborating and attending each other's meetings.

3. Officer Reports:

- a) President - Attended recent assembly meeting and gave report. Been working on organizational documents and getting director started on projects.
- b) VP – no report
- c) Treasurer – working to get signers renewed on bank. Have received first two disbursements from borough and bill from attorneys.
- d) Secretary – no report

4. Old Business:

- a) Vacant board seat – filling chamber designated seat. Chamber nominates Harry Reitze to fill the seat.

M/S Mike/Greg move to appoint Harry Reitze to board for three-year term. Passes unanimously. (Harry took seat with board immediately.)

- b) McDowell proposal - Susan Bell and Jim Calvin on the phone to explain revised, combined proposal.

M/S Mike/Sean move to revise budget and authorize heather to sign contract. Passes unanimously.

Kick off meeting in Haines – Margaret to work with Jim and Susan to coordinate. Jessica and Harry will help coordinate and host meeting.

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- c) Bylaws changes – HEDC board is currently operating under draft bylaws. Heather proposes we compile a new draft that incorporates all the changes to review and post and finalize. Margaret and Jess will create a new draft to vote on next meeting.

5. New Business

- a) Director’s Report

Innovation Summit - *M/S Harry/Mike move to expend funds to send Margaret to Innovation Summit. Passes unanimously.*

- b) Budget – Currently don’t have a working budget outlined for FY18. Greg, Jessica and Margaret will draft a budget for board to review next meeting.
- c) Committee reports – committee providing direction to director – Heather provided update.
- d) Office space – Discussion about HEDC office space or sharing office space with Chamber.

6. Public Comment:

Debra Schnable – Encourages collaboration with Chamber, avoid working in “silos.” Suggests HEDC and/or Chamber develop a way to welcome new businesses.

Carol Tuynman – The Arts Confluence is encouraging participation in a leadership survey to bring ideas about planning and leadership in community.

7. Board comments:

Doug – Merit in the idea of welcoming a new company and investment in community.

Tracey – HEDC is welcome to submit items of interest to the Chamber Connection newsletter.

Holly – The MOU and bylaws state the president the CIA may serve as ex officio. That invitation should be extended to Chilkat Indian Village.

8. Next board meeting February 23, 3 pm in assembly chambers

M/S Mike/Sean to adjourn

9. Adjourn at 4:10 pm

HEDC Director's Report – Feb. 23, 2018

Attended Innovation Summit – Feb. 22 & 23

McDowell Update from Susan Bell

- Jim and Susan participated in the initial site visit, interviews, and community open house on Feb 5-6.
- Joe Jacobson conducted a second visit and face-to-face interviews Feb 11-13.
- We are well underway with secondary baseline data collection including demographics, labor data, transportation, and tourism statistics.
- We have been assembling and reviewing recent planning documents.
- In addition to face-to-face interviews, we have begun stakeholder interviews with businesses and development partners across all sectors.
- We have also drafted the household telephone survey and begun to prepare for fielding (survey currently underway.)

Budget

Greg, Jessica and I met to formalize a budget for our current operations based on money received from borough, money already spent and projections for expenditures through June.

Budget FY 19

Borough Manager Debra Schnabel notified us that she needs a proposal for an FY19 funding request from HEDC by March 1st. Her draft budget to the assembly is due by April 1st. The assembly then has until June 15 to hold hearings and pass its final budget for FY19. Jessica and I met with her recently to discuss some general ideas around a funding request for FY19.

Administration

In reviewing information from the attorney, Jessica and I drafted the proposed revisions to the bylaws you have in your packet. The attorney also recommended we submit amended Articles of Incorporation to the AK Dept. of Commerce. It's a \$25 fee. While I was working on this, the state notified me that our business license needed renewal, which I did. In a nutshell, all this paperwork and 501c3 paperwork is still in the works but moving along. We are still allowed to operate as a non-profit while working through the paperwork.

Invite from Haines Chapter of Alaska Mining Association

AMA has invited the HEDC to present at the March 9th, 7 am meeting. The group is interested in hearing about current plans, industry clusters and the McDowell work.

Other projects

I received three calls this month with questions about HEDC or help with resources:

- One resident asking for a copy of the Chamber's Business Retention survey. I directed them to our website where I had posted a link to it – I didn't find a link to it on the Chamber website.
- A resident interested in starting a new business asked about referrals for financing - directed them to the revolving loan fund, Small Business Development Center, Spruce Root, USDA grants and followed to see how the process was going.
- A new business owner asking if HEDC had resources on how to set up a LLC - directed them to resources I found on the State Dept. of Commerce website.

I've received several calls, emails and a letter with feedback about the public meeting with McDowell and ideas for projects the HEDC should focus its work on. These topics include (but not limited to):

- HEDC and/or borough exploring options to buy/operate the Laparri dock site past Lutak
- Helping create an arts school in the old barracks building
- Nurturing agriculture as an up and coming economic opportunity for the Chilkat Valley
- The feedback specific to McDowell's work was sent to McDowell's team

HEDC FY18 Budget (DRAFT)

Oct. 2017 -- July 1, 2018		Budgeted	Actual	YTD expentiures 2/15/18
Income				
	Haines Borough Donations	95,000.00	1,500.00	
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Expenses				
	Administration			
	Equipment & Software	1,500.00	1,107.98	1,107.98
	Admin Supplies	250.00		31.44
	Website and Hosting	500.00	495.00	495.00
	Logo	250.00	147.77	147.77
	Advertisting & Public Notices	250.00		
	Dues			
	Licensing	25.00	25.00	25.00
	Bank Fees	150.00		
	Misc.			
	Services			
	Attorney fees	1,400.00		454.25
	Accounting fees	500.00		
	Program Development			
	Baseline study and 5-year strategic plan	50,000.00	49,500.00	
	FY18 initial programming	12,500.00		
	Human Resources			
	Executive Director (31 weeks, 620 hours - Jan.1 thru July 31)	15,500.00		2,750.00
	Taining & Seminars (Innovation Summit)	700.00		577.00
	Unspecified Funds	12,500.00		
	Total	96,025.00	51,275.75	5,588.44

HAINES ECONOMIC DEVELOPMENT CORPORATION BYLAWS

Article I. Organization and Offices

The Haines Economic Development Corporation (“HEDC”) is a not-for-profit corporation recognized by the State of Alaska and created by the Greater Haines Chamber of Commerce, Inc. (“the Chamber”). The principal offices of HEDC are located within the municipal boundaries of the Haines Borough.

Article II. Purposes

HEDC is organized and operated exclusively for the purpose of lessening the burdens on government and may, for such purposes, make distributions to organizations that qualify as exempt organizations under section 501(c) (3) of the Internal Revenue Code.

The purpose of the HEDC is to support the realization of community economic development goals set by HEDC or the Haines Borough Comprehensive Plan through conduct of programs designed to:

- Research economic conditions and disseminate information relating to those conditions, economic activities and issues;
- Represent local economic development issues and interests at appropriate conferences, meetings, and seminars;
- Nurture educational opportunity in science and technology to support entrepreneurs engaged in development of products and services dependent on our natural resources;
- Assist and nurture businesses and entrepreneurs in the development and growth of business activity;
- Increase the purchase of locally available goods and services by local consumers and businesses;
- Retain and increase the number of private sector basic industry employers in Haines;
- Promote the Haines Borough as a site for business to develop and grow in a manner compatible with both use and enjoyment of natural surroundings and resources;
- Create a regulatory climate that encourages economic growth;
- Coordinate the activities of economic development advocates and government agencies.

Article III. Overall Economic Development Committee

The HEDC shall be recognized as Haines’ overall economic development committee (OEDC) and shall further community economic development goals adopted by the HEDC or described in the Haines Borough Comprehensive Plan and may include those adopted by the Haines Borough Assembly. To that end, HEDC may facilitate application for state and federal assistance as well as private contributions as may be appropriate. The HEDC

will respond to inquiries concerning relocation, expansion, diversification, and development of business in Haines, and all other inquiries relating to economic development opportunities in the Haines area.

Article IV. Board of Directors

The affairs of the HEDC shall be managed by its Board of Directors. The natural persons serving as the initial Board of Directors are identified in the Articles of Incorporation and shall serve until their successors are appointed as herein provided.

1) Composition and Appointment.

The Board of Directors of the HEDC shall consist of seven (7) members appointed by HEDC's board of directors.

- a) One (1) member nominated by the Haines Chamber of Commerce
- b) Six (6) members nominated by The HEDC Board or a recruitment committee of the Board.

The Mayor of the Haines Borough and the President of the Chilkoot Indian Association or its designee and the Haines Borough Planner shall serve as ex officio members.

2) Term.

The term of each member of the HEDC Board of Director shall be staggered three (3) years. Terms are limited to two (2) consecutive terms except as provided herein: The Haines Borough Mayor, Borough Assembly member and President of the Chilkoot Indian Association serve ex officio commensurate with their office. Upon vacation of an official elected position, that seat on the Board of Directors of HEDC shall be declared vacant and shall be filled by the elected official as provided for herein.

The initial members of the Board will be staggered by a process of chance.

3) Vacancy.

The HEDC shall publish notice of member vacancies on the HEDC Board of Directors and solicit nominations from the Chamber of Commerce if warranted. The HEDC Board or a designated recruitment committee will review and may interview candidates for the HEDC Board of Directors.

4) Removal of Directors.

In the event that a Director is found by the Board to have violated the rules of conduct established by these Bylaws, the Board of Directors may issue a letter of censure to the Director stating the violation and the Board's ruling.

5) Rules of Conduct.

Members of the Board of Directors are obligated to maintain the integrity and reputation of the HEDC. The Board oversees the operation of the HEDC and ensures that the affairs of the HEDC are administered fairly and impartially. It is essential that Directors adhere to high ethical standards of conduct. Therefore, Directors should be guided by the following principles:

- a) Duty of Loyalty. A Director has a duty to make decisions for the benefit of the HEDC. A Director shall not take personal advantage of information gained as a Board member which is not generally known. In all deliberations of the Board of Directors or any committee of the Board of Directors, a Director shall, in situations where the conflict prevents the Director from complying with the duty of loyalty to the HEDC, not participate or be present for that portion of the meeting, however the Director may continue to be counted for the purpose of determining whether a quorum exists so long as the Director remains in attendance until after that portion of the meeting is concluded.
- b) Duty of Care. Directors owe the HEDC a duty to act as a reasonable person in similar circumstances would act. A mistake in exercise of business judgment is not a breach of the duty of care, so long as the Director is not acting in bad faith, and is not breaching his or her duty of loyalty to the HEDC. A Director has a duty to report any suspected malfeasance or conflicts that might impair that Director's ability to act in the best interests of HEDC to the Board.
- c) Duty to be Informed. Directors have a duty to be familiar with and understand the HEDC's Articles of Incorporation, Bylaws and programs, policies and general affairs. Directors should be familiar with the agenda for meetings of the Board of Directors, should review Board of Directors' packets, and should be prepared for informed discussion and voting on agenda items. Directors have the right to inspect the books and records of the HEDC for proper corporate purposes and in a time, place and manner consistent with other obligations of the HEDC and its staffing levels. A Director seeking to inspect the HEDC's books and records must submit a request to the Chair identifying the books and records to be inspected and purpose for such inspection. Materials may be provided to a Director electronically. Inspection of client records will be denied unless the affected client consents to the inspection.
- d) Duty of Participation. Directors have a duty to attend Board of Directors meetings for the full session of the meetings unless reasonable circumstances prevent attendance. A Director should be able to participate throughout meetings of the Board of Directors, and should comply with rules and regulations established by the Board of Directors.
- e) Duty of Communication and Confidentiality. A Director shall not disclose matters discussed in executive session to any person not entitled to participate in the executive session, and a Director shall not disclose confidential information of the HEDC to third parties outside of the HEDC. Each Director should be familiar with issues of importance to the organization with which they are otherwise affiliated and should inform the Board of Directors of such issues and concerns.
- f) Duty to act as a Deliberative Body. The Board of Directors owes a duty to the HEDC to meaningfully consider all issues on the agenda, including conducting investigations and requesting reports from persons not serving on the Board of Directors. An individual Director may only act on behalf of the Board of Directors with proper authorization by the Board of Directors acting as a body.

- g) Duty of Corporation Oversight. Neither the Board of Directors nor any individual Director shall participate in the day-to-day management of the HEDC. The Board of Directors formulates corporate policy and oversees the operation of the HEDC.
- h) Supervision of Executive Director. The Board of Directors selects and supervises the Executive Director. The Board of Directors shall adopt personnel policies to govern the HEDC, but shall not otherwise involve itself in personnel actions involving employees other than the Executive Director except as set forth in such personnel policies.

Article V. Meetings and Conduct Thereof

1) Meetings

- a) Annual Meeting An annual meeting of the Board of Directors shall be held at the principal office of the HEDC, or at such other place as designated by the Board of Directors, typically during the month of October for the purpose of nominating directors to fill expired terms, electing officers and for reviewing and evaluating the programs and activities of the organization. A specific date shall be established by the Board of Directors thirty (30) days in advance. If the election of officers is not held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a regular or special meeting of the Board of Directors as soon as is convenient.
- b) Regular Meetings. The Board of Directors may provide, by resolution, the time and place for holding regular meetings, at least quarterly.
- c) Special Meetings. Special meetings of the Board of Directors may be called by, or at the request of, the chairperson or any three (3) Directors, and shall be held at the principal office of the HEDC or at such other place as the Directors may determine.
- d) Executive Sessions. All meetings shall convene in open session. Executive sessions may be held pursuant to Alaska's Open Meetings Act (AS 44.62.310).

2) Notices of Meetings.

Notice of all meetings must be made in accordance with the following notice provision as stated in the Memorandum of Understanding between HEDC and the City and Borough of Haines, dated October 2, 2017:

Notices and Meetings. All board meetings and meetings of HEDC committees shall be held in public. Executive sessions may be held pursuant to Alaska's Open Meetings act (AS 44.62.310). Notice of meetings and the agenda for the meeting shall be posted on a public website and at a public bulletin board at least 3 business days prior to a meeting.

All annual and regular meeting notices of the HEDC Board of Directors shall be sent to current Directors by email, telephone including TEXT, or the postal system. Notice of

any special meeting of the Board of Directors may be given by telephone or TEXT if delivered at least twenty-four (24) hours prior to the meeting. The attendance of a Director at any meeting shall constitute waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at any annual or regular meeting need not be specified in the notice or waiver of notice of such meeting unless specifically required by law or by these Bylaws. The purpose of a special meeting shall be specified in the notice. All regular and annual meetings of the HEDC Board of Directors shall be publicly noticed in the same manner as other borough boards and commissions.

3) Quorum.

Five members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than five of the Directors are present at any meeting, a majority of the Directors present may adjourn the meeting without further notice. A Director may attend a meeting, including Executive Session, electronically.

Article VI. Meetings Required for Action

Any corporate action required or permitted by the Articles of Incorporation or Bylaws of the HEDC, or by the laws of the State of Alaska, shall normally be taken at a meeting of the Board of Directors (or its committees.)

Article VII. Conflict of Interest

1) Purpose.

The purpose of the conflict of interest policy is to protect HEDCs interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director or key employee of HEDC or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws (IRC 501) governing conflict of interest applicable to nonprofit and charitable organizations.

2) Definitions.

- a) Interested Person. Any director, principal officer, or member of a committee with Board of Directors delegated powers, or key employee who has a direct or indirect financial interest, as defined below, is an interested person.
- b) Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - i. An ownership or investment interest in any entity with which HEDC has a transaction or arrangement,
 - ii. A compensation arrangement with HEDC or with any entity or individual with which HEDC has a transaction or arrangement, or

- iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which HEDC is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Paragraph 3b (Determining Whether a Conflict of Interest Exists), a person who has a financial interest may have a conflict of interest only if the Board of Directors decides that a conflict of interest exists.

3) Procedures.

- a) Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with Board of Directors delegated powers considering the proposed transaction or arrangement.
- b) Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Directors or committee members shall decide if a conflict of interest exists.
- c) Procedures for Addressing the Conflict of Interest.
 - i. An interested person may make a presentation at the Board of Directors or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - ii. The chair of the Board of Directors or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - iii. After exercising due diligence, the Board of Directors or committee shall determine whether HEDC can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - iv. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in HEDC's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4) Violations of the Conflicts of Interest Policy.

If the Board of Directors or committee has reasonable cause to believe an Interested Person has failed to disclose actual or possible conflicts of interest, it shall inform the

Interested Person of the basis for such belief and afford him/her an opportunity to explain the alleged failure to disclose.

If, after hearing the Interested Person's response and after making further investigation as warranted by the circumstances, the Board of Directors or committee determines the Interested Person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

5) Records of Proceedings.

Records of proceedings shall include:

- a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors' or committee's decision as to whether a conflict of interest in fact existed.
- b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

6) Compensation.

- a) A voting member of the Board of Directors who receives compensation, directly or indirectly, from HEDC for services is precluded from voting on matters pertaining to that member's compensation.
- b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from HEDC for services is precluded from voting on matters pertaining to that member's compensation.
- c) No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from HEDC, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

7) Annual Statements.

Each director, principal officer and member of a committee with Board of Directors delegated powers shall annually sign a statement which affirms such person:

- a) Has received a copy of the conflict of interest policy,
- b) Has read and understands the policy,
- c) Has agreed to comply with the policy, and
- d) Understands HEDC is a non-profit corporation and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

8) Periodic Reviews.

- a) To ensure HEDC operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
 - i. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
 - ii. Whether partnerships, joint ventures, and arrangements with management organizations conform to HEDC's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

9) Use of Outside Experts.

When conducting the periodic reviews as provided for in Paragraph 8a, HEDC may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

Article VIII. Officers

The Officers of the HEDC shall be a Chairperson, Vice- Chairperson, Secretary, Treasurer, and such other Officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other Officers, including one (1) or more assistant secretaries and (1) or more assistant treasurers, as it shall deem desirable, and an Executive Director or Program Director, such Officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, except that neither the Chairperson nor Vice-Chairperson may hold any other office, nor may the Chairperson serve as the Secretary or vice versa.

1) Election and Term of Office.

The Officers of the HEDC shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of Officers is not held at such meeting, such election shall be held as soon thereafter as is convenient. New Officers may be created and filled at any meeting of the Board of Directors. Each Officer, except an Officer resigning with an earlier effective date or an Officer removed under Section 2 of this Article, shall hold office until a successor has been elected and qualifies.

2) Removal.

Any Officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the HEDC would thereby be served.

3) Duties.

The Officers shall have the following duties and shall have such other powers and duties as may from time to time be specified in resolutions or other directives of the Board of Directors.

- a) Chairperson. The Chairperson shall preside at all meetings of the Board of Directors. The Chairperson may sign, with the Secretary or any other proper Officer of the HEDC authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, by these Bylaws or by statute to some other Officer or Agent of the HEDC; and, in general, the Chairperson shall perform all other duties incident to the office of Chairperson and such other duties as may be prescribed by the Board of Directors from time to time.
- b) Vice-Chairperson. In the absence of the Chairperson, or in the event of the Chairperson's inability or refusal to act, the Vice-Chairman shall perform the duties of chairperson and, when so acting, shall have all the powers of and be subjected to all restrictions upon the Chairperson. Other duties may be prescribed for the Vice-Chairperson from time to time by the chairperson or by the Board of Directors.
- c) Treasurer. The Treasurer shall be knowledgeable of the finances of the HEDC and ensure that the Board is informed about all aspects of HEDC's finances in order to make timely and informed decisions. The Treasurer shall Chair the HEDC Finance Committee. The duties of Treasurer may be delegated to a designated representative with the approval of the Board of Directors.
- d) Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one (1) or more books or files designated for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the records of the HEDC; keep a register of the mailing addresses of each Director which shall be furnished to the Secretary by such Director; and, in general, perform all duties incident to the office of Secretary. The duties of the Secretary may be delegated to a designated representative with the approval of the Board of Directors.
- e) Executive Director/Program Director. The HEDC Board of Directors may appoint an executive director or program director. The executive director or program director shall be the chief administrative and executive officer of the HEDC with such specific powers and functions as the Board of Directors delegates. The executive director or program director shall not be a member of the Board of Directors.

Article IX. Committees of the Board of Directors

1) Board Committees.

The Board of Directors by resolution may designate standing and temporary committees, with the responsibilities charged and authority granted by the resolution. The Committees may consist of Directors and /or others as designated. The Chairperson is a de facto member of every committee of the HEDC.

2) Finance Committee.

The HEDC Finance Committee is a Standing Committee of the Board, chaired by the Treasurer. The Board shall appoint other members of the HEDC Board to serve as members of the Finance Committee on an annual basis, after the election of Officers. The Finance Committee will recommend an External Auditor to be chosen by the Board.

3) Other Committees.

Other committees not having and exercising the authority of the Board of Directors in the management of the HEDC may be designated by a resolution adopted by the Board of Directors at a meeting at which a quorum is present. The Chairperson of HEDC shall appoint the members thereof. Committee members need not be members of the Board of Directors. Any member thereof may be removed by the Chairperson authorized to appoint such members whenever, in the Chairperson's judgment, the best interests of the HEDC shall be served by such removal.

Article X. Contracts, Checks, Deposits and Gifts

1) Contracts.

The Board of Directors may authorize any Officer or Officers or Agent or Agents of the HEDC, in addition to the Officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the HEDC, and such authority may be general or may be confined to specific instances. The HEDC Executive Director is authorized to execute contracts that support the HEDC mission and goals of the organization.

2) Checks, Drafts or Orders.

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the HEDC shall be signed by such Officer or Officers or Agent or Agents of the HEDC and in such a manner shall, from time to time, be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the Chairperson, executive director or program director, or Vice-Chairperson of the HEDC.

3) Deposits.

All funds of the HEDC shall be deposited from time to time to the credit of the HEDC in such banks, trust companies or other depositories as the Board of Directors may select.

4) Gifts.

The Board of Directors may accept on behalf of the HEDC any contribution, gift bequest, or device for any purpose of the HEDC.

Article XI. Indemnification

1) Indemnification of Directors and Officers.

The HEDC shall indemnify, defend, and hold harmless a Director, Officer, or former Director or Officer of the HEDC against expenses actually and reasonably incurred by that person in connection with the defense of any action, suit or proceeding, civil or criminal, in which that person is made a part by reason of being or having been a Director or Officer, except in relation to matters in which that person was adjudged, in the action, suit or proceeding, to be liable for negligence or misconduct in the performance of corporate duties; and to make any other indemnification authorized by the articles of incorporation or bylaws, or resolution adopted after notice by the members entitled to vote, and to the fullest extent such indemnity may be provided pursuant to AS 10.20.011(14), as may be amended.

2) Limitation of Director Liability.

Directors, past and present, shall have no liability to the HEDC for breach of such Director's fiduciary duty as a Director, except for (a) acts or omissions that are not in good faith or that involve intentional misconduct or a knowing violation of law; or (b) a transaction from which the Director derives an improper personal benefit. If the Alaska Nonprofit Corporations Code is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director shall be eliminated or limited to the full extent permitted by the Alaska Nonprofit Corporations Code as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a Director of the HEDC existing at the time of such repeal or modification for or with respect to an act or omission of such Director occurring prior to such repeal or modification.

3) Indemnification of Employees.

The HEDC shall, by action of its Board of Directors, provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees of the HEDC with the same scope and effect as the provisions of Article XI, Paragraph 1, with respect to the indemnification and advancement of expenses of Directors and Officers of the HEDC.

Article XII. Books and Records

1) Maintenance.

The HEDC shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board of Directors and Committees having and exercising any of the authority of the Board of Directors.

2) Document Retention Policy.

Purpose. The purpose of this document retention policy is establishing standards for document integrity, retention, and destruction and to promote the proper treatment of HEDC records.

4) General Guidelines.

Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense, which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records. From time to time, HEDC may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

5) Exception for Litigation Relevant Documents.

HEDC expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or the HEDC informs you, that corporate records are relevant to litigation, or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

6) Minimum Retention Periods for Specific Categories.

- a) Corporate Documents. Corporate records include HEDC's Articles of Incorporation, By-Laws and IRS Form 1023 and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.
- b) Tax Records. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning HEDC's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.
- c) Employment Records/Personnel Records. State and federal statutes require HEDC to keep certain recruitment, employment and personnel information. HEDC should also keep personnel files that reflect performance reviews and any complaints brought against HEDC or individual employees under applicable state and federal statutes. HEDC should also keep in the employee's personnel file all final memoranda years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.

- d) Board and Board Committee Materials. Meeting minutes should be retained in perpetuity in HEDC's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by HEDC.
- e) Press Releases/Public Filings. HEDC should retain permanent copies of all press releases and publicly filed documents under the theory that HEDC should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the corporation.
- f) Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.
- g) Marketing and Sales Documents. HEDC should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation, if any. These documents should be kept for at least three years beyond the life of the agreement.
- h) Development/Intellectual Property and Trade Secrets. Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to HEDC and are protected as a trade secret where HEDC:
 - i. derives independent economic value from the secrecy of the information; and
 - ii. has taken affirmative steps to keep the information confidential.
 - iii. HEDC should keep all documents designated as containing trade secret information for at least the life of the trade secret.
- i) Contracts. Final, execution copies of all contracts entered into by HEDC should be retained. HEDC should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.
- j) Correspondence. Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.
- k) Banking and Accounting. Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.
- l) Insurance. Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.
- m) Audit Records. External audit reports should be kept permanently. Internal audit reports should be kept for three years.
- n) Electronic Mail. E-mail that needs to be saved should be either printed in hard copy and kept in the appropriate file; downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

Article XIII. Fiscal Year

The fiscal year of the HEDC shall be the fiscal year starting July 1st and ending June 30th.

Article XIV. Annual Report

The HEDC shall submit to the Haines Borough Assembly no later than August 31 a documented (printed, PowerPoint or oral presentation) evaluation of the programs conducted by HEDC in the past fiscal year. The evaluation shall measure inputs, activities, outputs and outcomes and be presented in a venue that invites exchange with the Haines Borough Assembly.

Article XV. Amendment of Bylaws

These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted, by two-thirds of the directors voting at any regular meeting or at any special meeting of the Board of Directors if at least thirty (30) days' written notice is given of the intention to alter, amend or repeal these Bylaws, or to adopt new Bylaws, at such meeting.

No amendment shall be made to these Bylaws which would cause HEDC to cease to qualify as an exempt corporation under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

Article XVI. Distribution upon Dissolution

Upon termination or dissolution of HEDC, any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the 1986 Internal Revenue Code (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation.

The organization to receive the assets of the HEDC hereunder shall be selected in the discretion of a majority of the managing body of HEDC, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the HEDC, by one (1) or more of its managing body which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within the State of Alaska.

Bylaws were duly approved by 2/3 of the initial Board of Directors of the Haines Economic Development Council on November 1, 2016.

ATTEST:

By: _____

By: _____

Chairman

Secretary

DRAFT