



BYLAWS

SOUTHERN DELAWARE TOURISM

The Convention and Visitors Bureau for Sussex County, Delaware

Updated September 2024

ARTICLE I

GENERAL

Section 1: NAME

This organization is incorporated under the laws of the State of Delaware and shall be known as Southern Delaware Tourism (SDT.)

Section 2: SOUTHERN DELAWARE TOURISM VISION AND MISSION

Vision: By collaborating with community stakeholders, SDT will position Sussex County, Delaware to thrive as a premier travel destination

Mission: To support and encourage the identification, development and promotion of sustainable, year-round tourism in Southern Delaware that contributes to economic growth and improves the quality of life.

Section 3: THE DELAWARE TOURISM OFFICE

Southern Delaware Tourism supports the mission of the Delaware Tourism Office (DTO) and assists wherever possible to enhance tourism in the state.

Section 4: LIMITATION OF METHODS

Southern Delaware Tourism shall be nonprofit, non-partisan, and non-sectarian.

ARTICLE II SDT BOARD MEMBERSHIP

Section 1: ELIGIBILITY

Only local Chambers of Commerce within Sussex County, Delaware are eligible for memberships. See Addendum IV for chamber of commerce service areas.

Section 2: ADDITIONAL MEMBERS

If a new Chamber of Commerce were formed inside an already served area, that Chamber would not be entitled to membership or funding from SDT. However, if a Chamber of Commerce is formed in an area not currently being served by an existing Chamber of Commerce in Sussex County, or is served as a secondary, it could apply to the Board of Directors for inclusion into the organization.

Section 3: TERMINATION

- a.) Any Board Member may resign from Southern Delaware Tourism upon written request to the Board of Directors.
- b.) Any Board Member may be expelled by a three-fourth (3/4) vote of the Board of Directors, at a regularly scheduled meeting thereof, for conduct unbecoming a member or prejudicial to the aims or reputation of Southern Delaware Tourism, after notice and opportunity for a hearing is afforded the member complained against.

Section 4: ASSOCIATE MEMBERSHIP

The Sussex County Administrator or Sussex County Director of Economic Development or his/her designee who must be an employee or official of Sussex County shall be given associate memberships on the Board of Directors of Southern Delaware Tourism. Associate Member(s), while ineligible to receive funding from Southern Delaware Tourism, shall have the privilege to vote and shall be exempt from payment of dues.

Section 5: ANNUAL MEETING

- a.)** The annual meeting of Southern Delaware Tourism shall be held in July of each year. The time and place shall be fixed by the Board of Directors and notification sent to each Member and Advisory Member at least ten (10) days before said meeting.
- b.)** If it is a board leadership election year, then the Chairperson will accept any nominations for vacant leadership positions until 45 days prior to the April board meeting. Board members should present their nominations in advance to the Chairperson, and the Chairperson will present those nominees to the board at least 30 days prior to the April board meeting. Additional nominations will be accepted by the board up to ten days prior to the April board meeting.
If it is a board leadership election year, then nominees for election will be voted on at the April board meeting for appointment at the July annual meeting.
- c.)** At the annual meeting, appointments shall be made for the Chairperson and Vice-Chairperson. Nominations shall be presented prior to this meeting. The Chairperson and Co-Chairperson will serve two-year terms beginning in July immediately following the election. If the Chairperson is unable to fulfill his or her full term, the Co-Chairperson shall assume the position of Chairperson (It is a tourism representative, not a Chamber of Commerce employee, which is placed in these positions.) See Addendum III for duties of Chairperson and Co-Chairperson.

Section 6: COMPOSITION OF THE BOARD

The Board of Directors shall be composed of the County representative (Associate Member), representatives of the tourism industry (Advisory Members), and designees from each Chamber in good standing with SDT. The designee(s) shall be volunteers of member Chambers. Two representatives from the same Chamber of Commerce may serve on the SDT Board at any one time during the year.

Section 7: VACANCIES

Vacancies shall be filled by another designee from the member where the vacancy occurred.

Section 8: BOARD MEETINGS

The Board of Directors shall meet at the discretion of the Chairperson. Additional meetings may be called by three-fourths (3/4) of the Board of Directors at any time or by *the Chairperson as needed*.

Section 9: QUORUM AND VOTING

A quorum shall consist of two-thirds (2/3) of the total votes and then two-thirds (2/3) of the votes present will be required to pass a motion. In the absence of the voting member, a proxy may be given to a designated Chamber or County representative. The proxy should be identified at the start of the meeting during introductions. The voting distribution is as follows:

Rehoboth Beach-Dewey Chamber of Commerce	4 Votes
Sussex County Government	3 Votes
Lewes Chamber of Commerce	3 Votes
Bethany-Fenwick Area Chamber of Commerce	3 Votes
Western Sussex Chamber of Commerce	3 Votes
Greater Millsboro Chamber of Commerce	2 Votes
Greater Georgetown Chamber of Commerce	2 Votes
Milton Chamber of Commerce	1 Vote
Chamber of Commerce for Greater Milford	1 Vote
Total:	22 Votes

Section 10: NON-VOTING MEMBERS

Non-voting members are the chief paid executives of each member Chamber of Commerce and the Executive Director of SDT, and shall be present at all Board of Directors meetings to assist in carrying out SDT's programs. Advisory members are also non-voting (see Addendum V).

Section 11: POLICY PROPOSAL REVIEW SCHEDULE

Any board member who wishes to submit a policy proposal for consideration by the board must first submit their proposal to the Policies and Procedures (P&P) Committee for review. Once the P&P Committee reviews the proposal, the members of that committee will vote on their support of or objection to the proposal. If supported by a two-third (2/3) P&P majority, the proposal will then be recommended to the board for approval. If P&P does not approve the proposal, then the Committee will present their suggested recommendations for approval to the proposer for resubmission. The proposer may resubmit their proposal at anytime to the P&P Committee for consideration and approval, but the proposal will not be presented to the board unless pre-authorized by P&P Committee to be on the agenda.

Section 12: RESPONSIBILITIES

To support and ensure the mission of SDT whereby following the SDT By-Laws and actively participating on SDT committees as needed.

Section 13: BONDING

All SDT Board of Directors should be protected and bonded by SDT's insurance policy.

ARTICLE III SDT TREASURY

Section 1: BUDGET

- a.) The budget of SDT shall consist of funding but not limited to Sussex County's share of lodging tax revenues from the State of Delaware. It shall be used for tourism promotion.
- b.) State of Delaware Public Accommodation Tax Receipt Distribution – See Addendum I for details on how this formula is calculated.
- c.) All monies paid to SDT shall be placed in a general operating fund and such other accounts as may be deemed necessary.

Section 2: DISBURSEMENTS

- a.) The Board of Directors is responsible for overseeing and managing the 45% disbursement of the general funds of SDT. In addition, the remaining 55% shall be disbursed only to member Chambers in accordance with the SDT Funding Guidelines.
- b.) Disbursements shall be made upon direction by the custodian/trustee as designated by the Board of Directors.
- c.) The budget of SDT shall consist of funding from Sussex County's share of lodging tax revenues from the State of Delaware. It shall be used for tourism promotion. Disbursement of these funds shall be done in the following manner:
 - 1) Collected funds are allocated to Chamber Members as collected proportionately by State licensed accommodation facilities physically located in particular zip codes. If no Chamber Member has jurisdiction over a particular zip code, or if there is a non-active tourism chamber in a particular zip code, those funds shall be deposited into SDT's General fund. The Board of Directors shall determine jurisdiction of those funds. Any chamber who voluntarily forfeits annual funding must submit their request in writing to the Executive Director.
 - 2) Chamber Members who have one or less state licensed accommodations located in their jurisdiction shall receive a quarterly payment designated by the Board of Directors (currently \$1,250). The Board of Directors shall review this payment amount annually. These funds are to be used for tourism promotion benefiting Sussex County's tourism industry. In the event that a chamber's PAT distribution percentage exceeds the minimum allocation amount for a given fiscal year, that chamber would be entitled to receive the sum of their owed PAT distribution minus the minimum allocation amount.

- d. Applicant chambers of commerce receiving SDT funds shall comply with the SDT funding guidelines and procedure as set by SDT's Policies & Procedure Committee.
- e. Non-applicant chambers of commerce who refuse funding will lose their board voting rights after one year (identified as "gap year") of their initial refusal of funding. During this gap year, the non-applicant chamber must maintain their board involvement and adhere to all existing SDT policies and procedures. Additionally, all non-applicant chambers must submit in writing their intent to refuse funding and also indicate their chosen tourism representative for that fiscal year by April 1st.
 - 1) If a non-applicant chamber continues to refuse funding after their gap year, then their board voting rights will be revoked for the next fiscal year and every subsequent year that funding is refused. Additionally, their designated tourism representative will no longer be eligible for leadership roles as defined in Addendum III, unless it is determined by three-fourth (3/4) majority board vote that this representative can serve at a leadership level.
- f. The State, the County, Municipalities and any other government body, for profit or not-for-profit organizations are not eligible for funding from the organization.
- g. SDT, being a non-profit entity, shall have the authority to incur debt and/or accept grants. In addition, SDT shall have the legal authority to own, operate, and maintain respective facilities and services.

Section 3: FISCAL YEAR

SDT's fiscal year shall start on July 1st and end on June 30th

ARTICLE IV EXECUTIVE DIRECTOR

Section 1: DUTIES

The Executive Director shall be responsible for carrying out the purposes of SDT and shall be directly responsible to the Board of Directors (see Addendum II for job description.)

ARTICLE V DISSOLUTION

Section 1: PROCEDURE

SDT shall use its funds only to accomplish the objectives and purposes specified in these By Laws. On dissolution of SDT after paying or making provision for the payment of all liabilities of the corporation, any remaining non-dues income shall be distributed to member Chambers based on current distribution percentage rates to be used for tourism promotion.

ARTICLE VI AUTHORITY

Section 1: PARLIAMENTARY AUTHORITY

The current edition of Robert's Rules of Order shall be the final source of authority in all questions of parliamentary procedure when such rules are not consistent with the By Laws of SDT.

Section 2: TENURE

Starting from its incorporation date of July 1, 1989, SDT shall continue for a period of fifty (50) years unless dissolved or extended by a three-fourths (3/4) vote of all its Chamber Members.

Section 3: LIMITATION OF AUTHORITY

No action by any Member shall be binding upon, or constitute an expression of the policy of SDT until it shall have been approved or ratified by the Board of Directors.

Section 4: LIABILITY

The private property of the Members of SDT shall not be liable for the debts of SDT but shall be wholly exempt there from. Further, Members shall not be personally liable for acts performed in good faith and in a manner the Member reasonably believed to be in or not opposed to the best interests of SDT.

Section 5: CHARITABLE DONATIONS

SDT, being a nonprofit entity, shall be permitted to make no donations to charitable organizations notwithstanding the worthiness of the cause.

ARTICLE VII AMENDMENTS

Section 1: REVISIONS

These By Laws may be amended or altered by a three-fourths (3/4) vote of the Board of Directors.

ADDENDUM I

State of Delaware Public Accommodations Tax Receipt Distribution

As referenced in Delaware House Bill No. 423, the Delaware Tourism Office and the county convention and visitors' bureaus are funded through the state hotel lodging tax also referred to as the state public accommodations tax or PAT.

When an accommodation is rented, an eight percent (8%) Delaware accommodations tax is applied to the bill of hotel / motel guest and a four and a half percent (4.5%) Delaware accommodations tax (effective 1/1/25) is applied to the bill of a short-term rental guest. Legislation distributes the revenues this way:

- 5%- State General Fund- Collected from all three counties- New Castle, Kent and Sussex
- 1%- Beach Replenishment (DNREC)- Collected from all three counties- New Castle, Kent and Sussex
- 1%-Returned to the State Tourism Office for tourism marketing
- 1%- Returned to convention and visitors bureaus (Sussex-Southern Delaware Tourism) - The 1% tourism revenues are returned to the county tourism offices via the same percentage they were collected from accommodations in the county.

In Sussex County, ONLY, Southern Delaware Tourism's general fund keeps 45% of its portion of the 1% for tourism and marketing promotion. The other 55% is distributed to chambers of commerce that are *applicant members* with Southern Delaware Tourism, when they submit an annual Tourism Funding Application that is approved by the SDT Executive Committee.

ADDENDUM II

EXECUTIVE DIRECTOR

Duties:

- Develop a visitor-centric strategy for Sussex County, DE that maps how Southern Delaware Tourism resources will be used and where they can influence its mission the most.
- With guidance from the board of directors, develop and implement a 3 year strategy and corresponding annual marketing plans that establish priorities for programs encompassing media relations, advertising, direct marketing and face-to-face marketing. Develop an annual budget which identifies costs associated with projects and activities, and determines where funds can be obtained to finance proposed activities, including obtaining funds from other public organizations and private sources. Updates plans and budgets as needed.
- Manage, challenge and empower the SDT staff.
- Maintain favorable public relations with all organizations, groups and individuals regarding the promotion of Sussex County for tourism development, including state and county government offices, chambers of commerce, CVBs, educational institutions and other civic organizations.
- Develop and analyze statistical data regarding the impact that tourism has on Sussex County, DE including where tourists are coming from, where and how long they stay, why they are coming here as a visitor destination, the economic impact they have on the area, and additional visitor profile information.
- Keep abreast of all legislation at the state and local levels that affects tourism and conventions. Prepares position statements for the Board of Directors in responding to proposed legislative changes. Cooperates with state and local agencies such as the Department of Transportation, Natural Resources, and others and keeps informed of their activities regarding proposed actions that will impact tourism in Sussex County.
- Represent Sussex County at qualified trade shows and proprietary events.
- Establishes and maintains contacts with tour directors and operators, travel agents, group leaders, and others in order to increase group and business travel to Sussex County, DE.

Scope and Effect of Work:

This position impacts the tourism industry as it pertains not only to Southern Delaware but also to the entire state. It requires contacts with public and private organizations, agencies and individuals on international, national, state and local levels. Sussex County, with its ocean and bay beaches, fresh and salt water fishing opportunities, wildlife and hunting areas and preserves, historical sites, and favorable climate, lends itself to tourism and convention opportunities. This position is responsible for the promotion and packaging of Sussex County as a most desirable area for tourism and conventions.

Supervision and Guidance:

The position is supervised by the Chairperson of the Board of Directors of Southern Delaware Tourism. Much of the day-to-day operations are performed with only general guidance and direction and without daily supervision. Training and guidance are available from the Delaware Tourism Office, a Division of the Delaware Economic Development Office, and from representatives of the local Chambers of Commerce as needed.

Qualification Requirements:

- Minimum 7 years of progressive destination marketing experience;
- Shall live in Sussex County, Delaware within one year of employment;
- Bachelor's degree in marketing, advertising, public relations, public policy, business administration or related field;
- Ability to plan and manage advertising, marketing, media relations and publication efforts;
- Strong communication and budget management skills;
- Ability to partner and coordinate with multiple organizations and tourism trade associations;
- Firm understanding of governmental processes, especially at the state and local levels;
- Willingness to travel and work some nights and weekends;
- Valid driver's license.

ADDENDUM III

CHAIRPERSON, CO-CHAIRPERSON, AND PAST CHAIR

Duties of Chairperson:

- 1)** The Chairperson shall call the Board of Directors' meetings and manage the meeting in a professional manner.
- 2)** Shall provide a leadership role in steering the organization toward the betterment of tourism in Southern Delaware.
- 3)** Shall represent the Southern Delaware Tourism Board of Directors, when appropriate, in a volunteer capacity in such instances as task forces, appointments, and on legislative issues.
- 4)** Shall uphold the mission of Southern Delaware Tourism, and instill it in others.
- 5)** Shall maintain contact with the Executive Director and provide necessary guidance.
- 6)** Shall oversee, with the Board of Directors, the budget and financial statement of the organization and other Commission matters.
- 7)** Shall appoint committee chairs that operate in an advisory capacity to the Board of Directors.
- 8)** Shall be an ex-officio member of all committees.
- 9)** Shall have the authority to approve an expenditure, on an emergency basis, if it falls within an approved budget category. This should be presented to the Board of Directors at the next meeting.
- 10)** If an immediate decision is required and no board meeting is scheduled, the Chairperson (or his/her designee) shall poll the Board of Directors by telephone or electronic mail.
- 11)** Shall provide a yearly performance evaluation of the Executive Director.
- 12)** In the event that the full Board isn't available to make a decision, such as at a conference, etc., the Chairperson, Co-Chairperson, and Executive Director, as a group, may make such decisions.

Duties of Co-Chairperson:

- 1) Shall preside at meetings in the absence of the Chairperson.
- 2) Shall perform other duties as assigned by the Chairperson.
- 3) Shall maintain contact with the Executive Director in order to keep abreast of SDT business.
- 4) Shall assist the Chairperson in writing the annual evaluation of the Executive Director.
- 5) Shall be an ex-officio member of all SDT committees.

Duties of Past Chair:

- 1) Shall provide transitional leadership and guidance to new Chairperson.
- 2) Shall attend all quarterly board meetings.
- 3) Shall assist the Chairperson in writing the annual evaluation of the Executive Director.
- 4) Shall serve for a term of two years

Addendum IV CHAMBER SERVICE AREAS

The following Chambers of Commerce in Sussex County have outlined their areas of service as follows:

- 1) Bethany-Fenwick Area Chamber of Commerce** – Coverage area includes zip codes Bethany Beach 19930, Fenwick Island 19944, Millville 19967, Ocean View 19970, Frankford 19945, Selbyville 19975 as well as Dagsboro 19939. In 2003, the Selbyville Chamber of Commerce ended operations. The Bethany-Fenwick Area Chamber of Commerce has acquired the service areas of 19945 and 19975.
- 2) Greater Georgetown Chamber of Commerce** – Coverage area includes zip code Georgetown 19947.
- 3) Lewes Chamber of Commerce & Visitors Bureau, Inc.** – Coverage area includes zip codes Lewes 19958 and Nassau 19969.
- 4) Chamber of Commerce for Greater Milford** – Coverage area includes zip codes Milford 19963, Lincoln 19960, Ellendale 19941 and portions of Kent County 19946, 19948, 19952.
- 5) Greater Millsboro Chamber of Commerce** – Coverage area includes Millsboro Gumboro, Long Neck, Oak Orchard, and any location within the Millsboro 19966 zip code.
- 6) Milton Chamber of Commerce**– Coverage area includes zip codes Milton 19968 and Harbeson 19951, and any phone exchange of “684.”
- 7) Rehoboth Beach-Dewey Beach Chamber of Commerce** – Coverage area includes Midway to the middle of the Indian River Bridge and all areas in the Rehoboth Beach and Dewey Beach 19971 zip code.
- 8) Western Sussex Chamber of Commerce** – Coverage area includes zip codes Seaford 19973, Bridgeville 19933, and Greenwood 19950, Laurel 19956, and Bethel 19931.

Addendum V
ADVISORY MEMBERSHIP

ADVISORY MEMBERSHIP

Advisory Members from tourism-related organizations or businesses, which are located in or serve Sussex County, may serve at the pleasure of the Board of Directors. Terms are one year, with nominations to be made by committee chairpersons to the board chairperson. The board chairperson will then submit each nomination for a vote to the SDT Board of Directors. Advisory Members will be non-voting and will attend SDT board meetings by invitation only.

Addendum VI

Committees and Scope Statements

Policies & Procedures

Scope: Oversees SDT annual operating procedures, reviews bylaws annually and annual budget procedure. This Committee also acts as the oversight committee assigned to leadership replacement and succession. This Committee sets the procedure for annual Chamber of Commerce Tourism Funding Applications and approves all changes to these policies. Committee is responsible for the enforcement of all board policies and will respond to all violations of policies with the appropriate action

Advocacy

Scope: Follows legislation at all levels affecting tourism and overall investment in SDT's destination marketing efforts. More specifically, the committee will:

- Strategize and communicate the value and return on investment that tourism yields to the state and local economy
- Provide unified messaging based on all available information
- Determine relevance of legislation in correlation with mission of SDT
- Support needs of individual chambers, if possible, and act appropriately
- Establish SDT Board approval before all positions are determined and made public

Finance

Scope: Oversee all things that affect the financial well-being of SDT. Make policy regarding budget and spending that committee deems to be financially responsible. More specifically, committee:

- Oversees SDT annual budget process, reviewing line items and setting ranges in items such as salaries, marketing & administration
- Serves as auditor of quarterly financial reports and presents such to the full board of directors
- Is presented with and makes recommendations to the board on expenditures requested that are not approved in budget
- Maintains oversight of ongoing operations with particular attention to waste, return on investments, and potential shortages
- Seeks to predict future expenditures and plan for such events

Investment

Scope: This committee will hire an investment advisor to manage funds SDT decides are available to invest. The committee will ensure the funds are invested in a manner consistent with the Investment Policy Statement and will monitor the account accordingly to see that expected results are being achieved.

Marketing

Scope

- Oversees the overall marketing planning of the organization
- Analyzes the current situation and information relating to marketing opportunities
- Forecasts and determines marketing objectives
- Develops marketing strategies and evaluates outcomes
- Identifies resources for achieving the marketing objectives