



STMA ARENA BOARD AGENDA

Monday, October 14, 2024

Albertville City Hall Council Chambers

6 pm

- 1. Call to Order**
- 2. Adopt Agenda**
- 3. Approval of the STMA Arena Board Minutes – SEPTEMBER 9, 2024 (pgs.1-3)**
- 4. Finance Reports**
 - a. Approve the September 2024 Payment of Claims as presented in the amount of \$33,647.06 and September 2024 Finance Report (pgs. 4-7)
- 5. Arena Manager**
 - a. Monthly Report and Ice Usage Stats – September 2024 (pgs. 8-11)
- 6. Old Business**
 - a. Holiday Facility Use (pgs. 12-33)
 - b. Arena Advertising (pg. 34)
- 7. New Business**
- 8. STMA Youth Hockey Association**
- 9. Announcements and/or Upcoming Meetings**

November 12 STMA Arena Board, 6 pm (Tuesday)
- 10. Adjournment**



ST. MICHAEL-ALBERTVILLE ARENA BOARD

DRAFT REGULAR MEETING MINUTES

September 9, 2024-6pm
Council Chambers
Albertville City Hall

Present: Chairman Cocking, Members Gleason, Wettschreck, Dwinnell, Weber and Hayden.
Absent: Lewis.

Also Present: City Administrator Nafstad, Finance Clerk Moseng, STMA Arena Manager Fitch, Adam Frost for STMA Youth Hockey & Jason Bichler & Rick Aulwes Buildings & Grounds for STMA School District.

1. Call to Order

Chairman Cocking called the meeting to order at 6:01 pm.

Chairman Cocking welcomed Albertville City Council member to the STMA Arena Board, John Hayden to the Board, replacing Council Member Bob Zagorski.

2. Adopt Agenda

MOTION made by Member Gleason, seconded by Member Weber to adopt the Agenda as presented. Ayes: Gleason, Wettschreck, Dwinnell, Cocking, Weber and Hayden. Nays: None. Absent: Lewis. The motion carried.

3. Approval of Minutes

MOTION made by Member Gleason, seconded by Member Dwinnell to approve the May 13, 2024 Board Meeting Minutes as presented. Ayes: Gleason, Wettschreck, Dwinnell, Cocking, and Hayden. Nays: None. Absent: Lewis. Member Weber Abstained from the vote as he was not present at the prior meeting. The motion carried.

5. Finance Reports

Mr. Nafstad noted that the August balance and Accounts Receivable are the most current report and there are no read flags that he is aware of. Additionally, the year to date is trending in the Arena Board's favor, as the income to expense is better than expected for this time of year.

Requested by Chairman Cocking to approve May, June, July & August 2024 Finance Reports and Payment of Claims as presented. Member Gleason made the **MOTION**, seconded by Member Dwinnell. Ayes: Gleason, Wettschreck, Dwinnell, Cocking, Weber, and Hayden. Nays: None. Absent: Lewis. The motion carried.

6. Arena Manager's Report

Mr. Fitch reported that the August numbers increased due to goalie clinic and a few local clinics which brought in more sales than projected. Fitch stated that this was one of the better August's since he has been here.

Operations: The SCR Blanket renewal is coming up for November 1, 2024. Fitch stated that nothing has changed for the upcoming renewal. He is anticipating a 50/50 refund coming back from SCR with the goal to renew for the same price and coverage. Chairman Cocking mentioned that the blanket seems to be a good deal for the Arena, but was curious to why there was no price increase when everything else seems to be going up in price. Mr. Fitch commented that there is a good working relationship with SCR.

Member Dwinnell asked if previous years usage and refunds could be calculated from SCR. Mr. Fitch commented that he could go back and get the information.

MOTION made by Member Wettschreck, seconded by Member Dwinnell to adopt the maintenance agreement with SCR in the amount of \$2,873.75 per month as presented. Ayes: Gleason, Wettschreck, Dwinnell, Cocking, Weber and Hayden. Nays: None. Absent: Lewis. The motion carried.

Matting: Mr. Fitch stated that they were looking to do some replacements in the Spring and would bring back concrete-numbers when closer to replacement.

Power Outage: The Arena was out of power for about 3 hours on August 26th. SCR was out and got us back online.

Staffing: Mr. Fitch stated that they were in the process of hiring part time drivers and concession workers; lost approximately 6 high school students who graduated.

Member Lewis asked about the low-e ceiling and how it was going. Mr. Fitch stated that they weren't chipping bumps every day saving 30-40 minutes each day for staff. Mr. Nafstad commented that the lack of dripping and condensation was much better than anticipated.

7. Old Business

Holiday Closures: Mr. Nafstad reported that he was giving the Board of heads-up on the two future meeting items that the school district has requested be discussed and put to resolution at future meetings. Member Gleason asked if there will be additional attendance from the School District to discuss and Mr. Nafstad stated that he believed he would be receiving additional information from the school for the discussion.

Chairman Cocking commented that there are multiple legal opinions going back and forth and it seems the school is open for some statutory legal holidays and closed for others. Jason Bichler reported that the seven holidays observed by the school as no school/no facility/no practice are: New Years Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. There are also additional holidays with school and added instruction: Martin Luther King Day, Presidents Day, Indigenous People's Day, and Veterans Day. Chairman

Cocking referenced MN State Statute 645.44 sub. 5 which defines holidays vs. the seven that the School District is recognizing. Nafstad stated historically if there is a demand for ice and staff willing to work; the Arena has been open generating revenue.

Member Dwinnell commented that the Arena has come along way in the last 8 years with generating revenue. Dwinnell asked if the 3 days in question: Christmas Day, New Years Day, Juneteenth could be reported to how much revenue has been generated over the years. Mr. Fitch commented that he could gather information. Nafstad stated that no action required at this time.

Arena Advertising: The School District has an advertising policy. It is viewed by some that this facility and sport are being treated differently than other district sports for advertising. Mr. Nafstad reported that the Arena Board has had an Advertising Agreement with STMA Youth Hockey Association since the addition of the new arena. STMA Youth Hockey has been good at paying the annual fee (September 1st – August 31st) to the Arena Board for generally exclusive rights to advertise. The 2024-2025 season (\$20,000)/year) has been paid, but the Arena Board will need to know if the revenue can be budgeted for the 2025-2026 season. No action is required at this time.

8. New Business

9. Youth Hockey Association

Adam Frost stated he had nothing to report at this time.

10. Announcements and/or Upcoming Meetings

October 14 STMA Arena Board, 6 pm

11. Adjournment

MOTION made by Member Wettschreck, seconded by Member Dwinnell to adjourn at 6:25 pm. Ayes: Gleason, Wettschreck, Dwinnell, Cocking, Weber and Hayden. Nays: None. Absent: Lewis. The motion carried.

Respectfully submitted,

Kristie Moseng, Finance Clerk



STMA Arena Budget to Actual September 2024 (Cash Basis)

STMA Arena	2024 Budget	September 2024 Actual	2024 Actual YTD 09/30/24	2024 YTD % of Budget
Income				
Ice Rental	\$728,195.00	\$33,502.50	\$381,111.95	52.34%
Concessions	\$80,000.00	\$0.00	\$43,824.20	54.78%
Room Rental	\$0.00	\$0.00	\$515.00	
Other Revenues (Advertising/LMC/Ins Claims/ATM)	\$22,500.00	\$620.68	\$25,948.84	115.33%
Vending	\$2,300.00	\$78.85	\$1,099.95	47.82%
Open Skate/Hockey, etc.	\$9,000.00	\$230.00	\$3,300.00	36.67%
Reimbursement	\$0.00	\$0.00	\$1,830.00	0.00%
Misc. Revenue	\$0.00	\$0.00	\$0.00	0.00%
Total Income	\$841,995.00	\$34,432.03	\$457,629.94	54.35%
Expenses				
Salaries, Wages, Taxes & Benefits	\$336,964.16	\$20,328.19	\$220,819.95	65.53%
Supplies (Office, Misc.)	\$500.00	\$0.00	\$101.99	20.40%
Supplies (Concession)	\$44,500.00	\$0.00	\$15,970.27	35.89%
Fuel, Misc.	\$500.00	\$0.00	\$12.00	2.40%
Professional Services	\$20,000.00	\$2,909.57	\$27,923.94	139.62%
Sales Tax	\$7,304.00	\$63.03	\$4,495.19	61.54%
Telephone	\$1,750.00	\$0.00	\$521.33	29.79%
Monitoring	\$250.00	\$10.74	\$560.92	224.37%
Electric	\$175,000.00	\$16,477.09	\$71,305.78	40.75%
Gas	\$72,900.00	\$2,800.83	\$34,278.38	47.02%
Water	\$12,500.00	\$1,303.94	\$8,843.90	70.75%
Refuse	\$8,500.00	\$222.17	\$2,709.69	31.88%
Insurance	\$37,800.00	\$0.00	\$26,682.62	70.59%
Education/Training	\$500.00	\$0.00	\$250.00	50.00%
Administration	\$15,546.22	\$1,295.52	\$11,659.68	75.00%
Misc.	\$5,700.00	\$0.00	\$1,828.00	32.07%
Repair Maintenance – Machinery	\$20,000.00	\$1,122.29	\$10,949.36	54.75%
Repair Maintenance – Building	\$75,000.00	\$4,042.17	\$49,631.32	66.18%
Total Operating Expenses	\$835,214.38	\$50,575.54	\$488,544.32	58.49%
Net Income/Loss	\$6,780.62	(\$16,143.51)	(\$30,914.38)	

STMA ARENA CASH BALANCES AND RECEIVABLES

September 30, 2024

Cash Balance Operations

Est. Cash Balance Operations 1/1/24	\$ 348,366.50
Add Revenues	\$ 457,629.94
Less Expenses	\$ 488,544.32
Est. Cash Balance Operations 09/30/24	\$ 317,452.12

Accounts Receivable (invoiced) - September 30, 2024 - \$62,184.95

Team	Amount Due	0-30 Days	30-60 days	60-90 days	90 days & Over
Hockey Finder	\$ 1,975.70	\$ 1,975.70			
HS Blue Line Club	\$ 5,640.00	\$ 5,640.00			
Lakes Area Training	\$ 2,448.16	\$ 757.00	\$ 1,691.16		
Mega Goaltending	\$ 34,449.40	\$ 162.20	\$ 14,862.20	\$ 19,425.00	
Midwest Hockey Program	\$ 2,018.65	\$ 2,018.65			
Outlaws	\$ 3,452.11		\$ 3,452.11		
Premier Prep HS League	\$ 4,230.00	\$ 4,230.00			
River Hawks Summer Training	\$ 3,820.89	\$ 31.38	\$ 31.38		\$ 3,758.13
STMA Squirt Spring-Summer Hockey	\$ 4,150.04		\$ 4,150.04		
Total	\$ 62,184.95	\$ 14,814.93	\$ 24,186.89	\$ 19,425.00	\$ 3,758.13
Current 0-30 days		\$14,814.93	23.82%		
30-60 days		\$24,186.89	38.90%		
60-90 days		\$19,425.00	31.24%		
over 90 day		\$3,758.13	6.04%		

Cash Balance Dedicated Capital Improvement Fund

Arena Dedicated Capital Improvement Fund	
Est. Beginning Balance 1/1/24	\$ 277,682.00
Invoiced St. Michael \$15,000	\$ 15,000.00
Invoiced ISD 885 \$15,000	\$ 15,000.00
Invoiced City of Albertville \$15,000	\$ 15,000.00
Invoiced ISD 885 \$3335.00	\$ 3,335.00
Xcel Energy Rebate	\$ 6,607.00
Box Heaters	\$ (1,330.00)
Scoreboard	\$ (17,000.00)
Low-E Ceiling	\$ (70,790.00)
Donations Albertville Utility Billing	\$ 36.48
Balance 09/30/24	\$ 243,540.48

STMA Arena Vendor Check Detail Register

September 2024

14292 e	09/03/24	XCEL ENERGY				
E 810-00000-381		Electric Utilities	\$16,477.09	8906491375898	Lachman Ave Arena	7/9/24-8/7/24
14302 e	09/01/24	MET LIFE LIFE INSURANCE				
E 810-00000-130		Employer Paid Ins	\$444.07	SEPTEMBER		Emp Life, Dental, Dis, Vision
14303 e	09/03/24	MEDICA				
E 810-00000-131		Employer Paid Health	\$2,955.64	SEPTEMBER		Emp Health Insurance
14334 e	09/03/24	TWIN PINES IMPRINTING LLC				
E 810-00000-300		Professional Svcs	\$386.55	6734		Window Decals
14359 e	09/11/24	CITY OF ALBERTVILLE				
E 810-00000-412		Building Rentals/Admin Fee	\$1,295.52	SEPTEMBER		09/24 Arena Admin Fee
14360 e	09/10/24	CITY OF ALBERTVILLE				
E 810-00000-382		Water Utilities	\$219.37			Water Bill 08/21/24 87-0000310-00-5
E 810-00000-382		Water Utilities	\$1,084.57			Water Bill 08/21/24 87-0000315-00-0
14371 e	09/01/24	SIGNAPAY				
E 810-00000-300		Professional Svcs	\$56.77	SEPTEMBER		Arena CC Merchant Fee
14373 e	09/16/24	ABDO				
E 810-00000-301		Auditing/Accounting Svcs	\$151.25	495247		FS Accounting - Hourly
14374 e	09/16/24	ACE OF ALBERTVILLE - ARENA				
E 810-00000-405		R/M - Buildings	\$47.95	133547/1		Misc Supplies & Materials
14382 e	09/16/24	COURI & RUPPE				
E 810-00000-304		Legal Fees	\$2,300.00	SEPTEMBER		Ice Arena
14393 e	09/16/24	MR CUTTING EDGE LLC				
E 810-00000-404		R/M - Machinery/Equip	\$71.00	6825		Equipment Repair
14398 e	09/16/24	PREMIUM WATERS INC				
E 810-00000-405		R/M - Buildings	\$32.96	802827-08-24		Bulk Water
14400 e	09/16/24	SCR, INC				
E 810-00000-405		R/M - Buildings	\$2,873.75	AC011057		Monthly Blanket - Sept 2024
14402 e	09/16/24	VESTIS GROUP, INC				
E 810-00000-405		R/M - Buildings	\$67.46	2530313175		Janitorial Supplies
14409 e	09/16/24	WRIGHT-HENNEPIN COOP ELECTRIC				
E 810-00000-327		Monitoring	\$10.74	35031595463		Elevator Monitoring
14411 e	09/17/24	MN DEPARTMENT OF REVENUE				
E 810-00000-315		Sales Tax	\$63.03			Arena Sales Tax
43072	09/03/24	RIMBEYS DRAIN CLEANING, INC.				
E 810-00000-405		R/M - Buildings	\$500.00	5670		Cable Urinal Line-Gold Rink
43083	09/16/24	CENTERPOINT ENERGY				
E 810-00000-383		Gas Utilities	\$2,800.83			7/27/24-8/27/24
43091	09/16/24	HILLYARD, INC.				
E 810-00000-404		R/M - Machinery/Equip	\$1,051.29	605568996		Janitorial Supplies

43092	09/16/24	JURRENS OUTDOOR SERVICES LLC		
E 810-00000-405		R/M - Buildings	\$386.55	INV-2848 Mowing 7/2,7/10,7/17,7/24,7/31
43096	09/16/24	STEP SAVER, INC.		
E 810-00000-405		R/M - Buildings	\$133.50	176603 Bulk Salt
43099	09/16/24	WASTE MANAGEMENT		
E 810-00000-384		Refuse/Garbage Disposal	\$222.17	7974758- Trash Removal 5898 Lachman Ave
43104	09/24/24	BUREAU OF CRIMINAL APPREHENSION		
E 810-00000-300		Professional Svcs	\$15.00	Arena Background Check-Matthew Snaza
810 STMA Arena Total			\$33,647.06	



MANAGER’S GENERAL UPDATE

Date: October 14th, 2024
To: STMA Arena Board
From: Grant Fitch, STMA Arena Manager

ARENA MONTHLY RENTAL HOURS – SEPTEMBER

<u>User</u>	<u>Hours Sold</u>
STMAYHA	77 hours
AAA	8 hours
RYHA (Rogers)	0 hours
Adult Hockey	8 hours
High School Boys/Girls	2 hours
Public Sessions	4.50 hours
Private rentals	52 hours
<hr/>	
Total Hours	151.50
September Budget Projection	175
October Projected	410
**Billed Hours for September 2024	147
**Public Skating/OH (\$5-\$10/Head)	4.50 (Public sessions well attended)

STMA Arena Web Site Design: Working with the City of Albertville to make the Arena web page more user friendly and posting Open Skate a month in advance to help attendance. Thanks to Kristie Moseng and Kris Luedke for all their help in updating the site. We saw an increase with public open sessions in September with a monthly posting and sharing on the City of Albertville Facebook page.

Operations: New Blanket renewal with SCR will begin on November 1st and run through October 31st, 2025 with no change from previous year 2023-24. Included is a compressor replacement under this agreement and all Gold Rink HVAC and radiant heaters.

SCR Blanket: Single sheet 2014-2019 and 2 sheets (one system) 2020-2024. The year 2022-23 Agreement price was \$29,532 and time material/costs \$59,863.36. Excess covered by contract for \$30,331.36 (New compressor part of higher numbers) Only year to see a dividend was for \$460 in 2016-17. The Blanket has proven to be an asset to have a firm number when working on future budget projections and possible compressor failure.

<u>Year</u>	<u>Agreement Price</u>	<u>Time/Material</u>	<u>Excess Coverage</u>
2023-2024	\$ 34,485.00	\$ 22,558.25	\$ (6,179.25)
2022-2023	\$ 29,532.00	\$ 59,863.36	\$ 30,331.36
2019-2020	\$ 11,412.00	\$ 16,589.00	\$ 5,177.00
2018-2019	\$ 8,880.00	\$ 26,799.00	\$ 17,919.00
2017-2018	\$ 8,280.00	\$ 30,936.02	\$ 22,656.02
2016-2017	\$ 7,920.00	\$ 6,998.19	\$ 460.00
2015-2016	\$ 7,920.00	\$ 11,660.45	\$ 3,740.45
2014-2015	\$ 7,000.00	\$ 11,312.00	\$ 3,392.00
	\$ 115,429.00	\$ 186,716.27	\$ 77,496.58

STMA Arena Usage Statistics: Attached are the Blue and Gold Rink hours for September 1st to September 30th, 2024. Times are broken down by event type.

STMA High School Boys: Captains practice started September 29th. Official start to the STMA Boys High-School season is Monday November 11th, 2024.

Staffing: In the process of hiring part-time maintenance and concession workers.

STMAYHA: Learn to skate program scheduled in October and November. Looking to add more sessions in December and January

- Season started September 16th (skills and drills)
- YH Try-outs Bantam & Pee wee September 29th Oct 2nd and 3rd
- YH Try-outs Squirts October 11th 12th and 13th
- YH Try-outs 15u October 15th and 16th
- YH Try-outs Girls 12u October 5th 6th and 7th
- YH Try-outs Girls 10u October 12th and 13th



Blue Rink

Usage Statistics - Account

9/1/2024 to 9/30/2024 No Time restrictions

All Days of the Week

Selected Facilities

Account Type/Account	Hours	% Hours	Fee	Other	Tax	Total	% Total
AAA Hockey	4.00	4.145%	\$940.00	\$0.00	\$69.32	\$1,009.32	5.033%
Midwest Hockey Program (MHP)	4.00	4.145%	\$940.00	\$0.00	\$69.32	\$1,009.32	5.033%
Adult Hockey	6.00	6.218%	\$1,380.00	\$0.00	\$101.76	\$1,481.76	7.389%
Hockey Finder (HF)	6.00	6.218%	\$1,380.00	\$0.00	\$101.76	\$1,481.76	7.389%
High School Practice	2.00	2.073%	\$470.00	\$0.00	\$0.00	\$470.00	2.344%
HS Blue Line Club (BLC)	2.00	2.073%	\$470.00	\$0.00	\$0.00	\$470.00	2.344%
Private Rental	36.50	37.824%	\$8,412.50	\$0.00	\$337.76	\$8,750.26	43.634%
Carrol Goalie School (cgs)	6.00	6.218%	\$1,410.00	\$0.00	\$103.98	\$1,513.98	7.550%
Lakes Area Training (Lakes Elite)	3.00	3.109%	\$705.00	\$0.00	\$51.99	\$756.99	3.775%
MN Hockey	1.00	1.036%	\$190.00	\$0.00	\$0.00	\$190.00	0.947%
Mn Hockey HP & Tier 1 League (D5)	5.00	5.181%	\$1,175.00	\$0.00	\$0.00	\$1,175.00	5.859%
Outlaws	3.00	3.109%	\$645.00	\$0.00	\$47.57	\$692.57	3.454%
Premier Prep HS League MGCA	10.50	10.881%	\$2,467.50	\$0.00	\$0.00	\$2,467.50	12.304%
Private Rental - Taxable	1.00	1.036%	\$235.00	\$0.00	\$17.33	\$252.33	1.258%
STMA Squirt Spring-Summer Hockey Clinic	7.00	7.254%	\$1,585.00	\$0.00	\$116.89	\$1,701.89	8.487%
Public Sessions	4.50	4.663%	\$0.00	\$0.00	\$0.00	\$0.00	0.000%
Open Skate	4.50	4.663%	\$0.00	\$0.00	\$0.00	\$0.00	0.000%
Youth Hockey	43.50	45.078%	\$8,342.50	\$0.00	\$0.00	\$8,342.50	41.601%
STMAYHA	43.50	45.078%	\$8,342.50	\$0.00	\$0.00	\$8,342.50	41.601%
	96.50		\$19,545.00	\$0.00	\$508.84	\$20,053.84	



Gold Rink

Usage Statistics - Account

9/1/2024 to 9/30/2024 No Time restrictions

All Days of the Week

Selected Facilities

Account Type/Account	Hours	% Hours	Fee	Other	Tax	Total	% Total
AAA Hockey	4.00	7.273%	\$940.00	\$0.00	\$69.32	\$1,009.32	8.318%
Midwest Hockey Program (MHP)	4.00	7.273%	\$940.00	\$0.00	\$69.32	\$1,009.32	8.318%
Adult Hockey	2.00	3.636%	\$460.00	\$0.00	\$33.92	\$493.92	4.071%
Hockey Finder (HF)	2.00	3.636%	\$460.00	\$0.00	\$33.92	\$493.92	4.071%
Private Rental	15.50	28.182%	\$3,642.50	\$0.00	\$138.64	\$3,781.14	31.161%
Minnesota Lakers	3.00	5.455%	\$705.00	\$0.00	\$51.99	\$756.99	6.239%
Outlaws	2.00	3.636%	\$470.00	\$0.00	\$34.66	\$504.66	4.159%
Premier Prep HS League MGCA	7.50	13.636%	\$1,762.50	\$0.00	\$0.00	\$1,762.50	14.525%
STMA Squirt Spring-Summer Hockey Clinic	3.00	5.455%	\$705.00	\$0.00	\$51.99	\$756.99	6.239%
Youth Hockey	33.50	60.909%	\$6,815.00	\$0.00	\$34.66	\$6,849.66	56.450%
Junior Knights	2.00	3.636%	\$470.00	\$0.00	\$34.66	\$504.66	4.159%
STMAYHA	31.50	57.273%	\$6,345.00	\$0.00	\$0.00	\$6,345.00	52.291%
	55.00		\$11,857.50	\$0.00	\$276.54	\$12,134.04	



Holiday Facility Use

Date: October 10, 2024
To: STMA Arena Board
From: Adam Nafstad, City Administrator

Staff is requesting direction regarding use of the facility on holidays. Historically the arena has been open on holidays, provided the ice has been rented and staff is available to work.

Tabulated below is an estimation of holiday ice sales based on previous years usage:

New Year's Day (non-weekend)	Limited/No sales
Friday Before or Monday after	20 hours
Martin Luther King, Jr. Day	20 hours
Presidents' Day	20 hours
Memorial Day	Limited/No sales
Juneteenth	20 hours
Independence Day	Limited/No sales
Labor Day	Limited/No sales
Veterans Day	20 hours
Thanksgiving Day	Limited/No sales
Christmas Day (non-weekend)	Limited/No sales
Friday Before or Monday after	20 hours

Est. annual holiday sales = 80 hours (when New Years and Christmas are mid-week)

Est. annual holiday sales = 120 hours (when New Years and Christmas fall on the weekend)

Please note, the above estimates include three holidays the school is in session (MLK, President's and Veteran's Day).

Attached: District Memo Dated 10-14-24
Early April 8, 2024 Opinion
Couri July 24, 2024 Opinion
Early August 9, 2024 Opinion

April 8, 2024

VIA EMAIL ONLY

Douglas Birk
Director of Administrative Services
St. Michael-Albertville Public Schools
11343 50th Street NE
Albertville, MN 55301

RE: Permissibility of Renting Public Facilities on State Holidays

Dear Mr. Birk:

In a recent communication you requested that our office provide an opinion to Independent School District No. 885, St. Michael-Albertville (“School District”), that it may share with other its joint powers entity partners as identified below, based upon the following:

FACTS

The School District, the city of Albertville (“Albertville”) and the city of St. Michael (“St. Michael”) are parties to a Joint Powers Agreement and Management Agreement (“JPA”) regarding the construction, operation and management of the St. Michael Albertville Arena (“STMA Areana”), located in Albertville, Minnesota. The parties are equal owners, with each sharing a one-third interest in the property. The School District also solely owns and operates a separate ice arena (“ISD 885 Arena”) that is adjacent to the STMA ice arena. Pursuant to the JPA, Albertville performs the administrative and management duties for both the STMA Ice Arena and ISD 885 Arena with the funding for management of the ISD 885 Arena paid for by the School District.

Both of these ice arena facilities are used by the School District varsity and junior varsity hockey programs, the St. Michael-Albertville Youth Hockey Association and occasionally for other third party use. All personnel performing work at the STMA Arena and ISD 885 Arena pursuant to the JPA are employees of Albertville. Certain areas of the combined space between the STMA Arena and the ISD 885 Arena are also used as community space or private rental spaces from time to time that are leased out to various community groups, organizations, or families for special events. All rental revenues and

Over 35 Years of Service

expenses are deemed joint arena operating revenue and expenses. When the School District uses the arenas, it provides additional support personnel who are employees or individuals contracted for by the School District. Pursuant to the JPA, the Joint Powers Board has the authority to exercise all powers which are common to St. Michael, Albertville and the School District and to decide what uses the facility will be put to and to whom the facility shall be leased and upon what rental terms.

On February 4, 2023, an amendment to Minnesota Statutes, section 654.44 took effect. *See* 2003 Minn. Laws Ch. 5, § 2; 2003 Minn. Laws Ch. 62, Art. 2, § 117. This statute defines those holiday declared to be state holidays and the permissible activities that may be engaged in by public entities on those days as discussed more below. The 2023 amendment modified the definition of “holiday” to now include Juneteenth, identified as June 19th, as a state holiday wherein “no public business” shall be transacted, except in “cases of necessity.”

The JPA does not address the specific dates of operation of the ice arenas. Rather, the JPA provides that the normal operating hours for the combined arenas shall be set by the Arena Board from time to time. As noted above, staffing of the arena is the responsibility of Albertville although when the arenas are in use by the School District, the School District also provides its own supplemental staff.¹ For the most part, however, Albertville’s staff operate the arena and its employment policies and practices control the terms of employment for these staff. Albertville also is responsible for maintaining a schedule of all hours of ice time not used by the School District and has authority to sell available ice time at the rate established by the Joint Powers Board.

It recently came to the attention of the Joint Powers Board that one or both of the arenas have been rented out on June 19, 2024, which is Juneteenth, and possibly other state holidays designed in Minnesota law.

Based on the foregoing, you asked the following:

QUESTION

Is it legally permissible for the Joint Arena Board, which governs the operation of both ice areas, the STMA Arena and the ISD 885 Arena, to rent out the use of these facilities or otherwise operate these arenas on Juneteenth or other holidays designated as state holidays by law.

¹ Following the passage and effective date of this law, on June 5, 2023, the School District School Board passed a resolution that authorized holiday compensation for Juneteenth in recognition of the state holiday and to identify to the public that it would not be hosting activities or events or providing public access to school facilities on that day. As a result, absent modification by the School District School Board of this resolution, the School District presently does not have the authority to operate or staff the arenas on Juneteenth.

ANALYSIS

I. Minnesota Designated State Holidays

At the outset, the following dates are defined under Minnesota law to constitute a legal holiday:

- New Year's Day, January 1;
- Martin Luther King's Birthday, the third Monday in January;
- Washington's and Lincoln's Birthday, the third Monday in February;
- Memorial Day, the last Monday in May;
- Juneteenth, June 19;
- Independence Day, July 4;
- Labor Day, the first Monday in September;
- Indigenous Peoples Day, the second Monday in October;
- Veterans Day, November 11;
- Thanksgiving Day, the fourth Thursday in November; and
- Christmas Day, December 25;

Minn. Stat. § 645.44, subd. 5 (a).

To the extent these holidays are designated to fall on a particular date, there are supplemental rules that must be applied when the data of the holiday falls on a Saturday or Sunday. More specifically:

- When New Year's Day, January 1; or Juneteenth, June 19; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Sunday, the following day (Monday) shall be a holiday.
- When New Year's Day, January 1; or Juneteenth, June 19; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Saturday, the preceding day (Friday) shall be a holiday.

Minn. Stat. § 645.44, subd. 5(a).

On these designated holidays, no public business may be conducted but there are special rules with regard to some of these holidays where exceptions are applied depending on the identity of the government entity. These rules are as follows:

- The Minnesota legislature may conduct public business on any of these designated holidays.

- For the executive branch of the state of Minnesota, the Friday after Thanksgiving also is defined as a holiday but Indigenous Peoples Day is not included as a holiday. The executive branch is defined as being limited to: “the heads of all agencies of state government, elective or appointive, established by statute or constitution and all employees of those agency heads who have within their particular field of responsibility statewide jurisdiction and who are not within the legislative or judicial branches of government. . . . The executive branch does not include agencies with jurisdiction in specifically defined geographical areas, such as regions, counties, *cities*, towns, municipalities, or *school districts*, . . . , and all of their employees, and any other entity which is incorporated, even though it receives state funds.” Minn. Stat. § 43A.02, subd. 22 (emphasis added). Thus, this exception does not apply to Albertville, St. Michael or the School District.
- Other branches of state government and political subdivisions (which would include Albertville, St. Michael and the School District) shall have the option of determining whether Indigenous Peoples Day and the Friday after Thanksgiving shall be holidays. Where it is determined that Indigenous Peoples Day or the Friday after Thanksgiving is not a holiday, public business may be conducted thereon. Thus, Albertville, St. Michael and the School District have some flexibility to conduct public business on these two particular holidays.

Minn. Stat. § 645.44, subd. 5(a).

There also is separate statutory authority for the operation of public business by public schools on certain identified holidays. In this regard, Minnesota Statutes, section 120A.42, specially provides that public schools may choose to operate schools on Martin Luther King Jr. Day, Presidents’ Day, Indigenous Peoples Day (formerly known as Columbus Day), and Veterans Day. In doing so, however, there must be some school program devoted to patriot observance of the holiday. While not permitted to generally conduct school on Juneteenth, a separate law also was enacted that permits public schools to offer “instruction and programs as to the observance of this day relative to important contributions African-Americans have made to Minnesota’s communities, culture, and economy. Minn. Stat. § 10.55. While permitting observance of ceremonies, this statute still does not permit the general operation of schools.

Notably, however, no exception is made to give any government entity other than the legislature the option as to whether to conduct business on Juneteenth. While the state legislature may conduct business on this day, subject to the restrictions set forth below, Albertville, St. Michael and the School District all must treat

Juneteenth as a state holiday and generally may not conduct public business on this day.

II. Activities That May Not Constitute Public Business

As referenced above, government entities other than the legislature or pursuant to the narrow exceptions listed above, are not permitted to conduct “public business” on state designated holidays. Thus, there is a valid question presented as to whether the rental of the ice arenas is considered “public business” prohibiting such action. Unfortunately, the statute does not define what constitutes “public business” under this exemption.

At the outset, it was noted by the Minnesota Supreme Court that that the term “public business” . . . may well defy precise definition” and that there is no authority that covers all situations. *Kantack v. Kreuer*, 158 N.W.2d 842, 845-6 (Minn. 1968). Thus, the vagueness of the law and lack of significant interpretation of it does expose public entities to some risk when attempting to apply this exception. The Minnesota courts, while not addressing the specific issue as to the permissibility of renting public facilities, reviewed certain situations as to whether they may constitute “public business” providing some limited guidance as to the application of the law.

For example, in the *Kantack* case, the Court reviewed whether or not holding a sheriff’s sale of foreclosed property constitutes “public business” and, if so, if conducting business on Columbus Day (now Indigenous Peoples Day), a legal holiday, renders such action void. There are two key factors the court looked at in analyzing whether a sheriff was conducting public business in holding an auction. First, the court examined whether the act being taken is one that could otherwise be conducted by a private person. Here, the court found that act of the sheriff in presiding over the auction was merely ministerial. The auction was an action being brought by private parties relative to the foreclose on a debt owed under a private mortgage contract. Second, the court determined that to be “public business” there must be some aspect of the business in which the public is interested or that concerns the public health, safety, morals or general welfare of the state. *Id.*, citing *Green v. Frazier*, 176 N.W. 11 (N.D. 1920), Here, too, the court determined that the mortgage foreclosure sale was one of a business enterprise for sole benefit of the parties involved in the transaction subject only to regulation of the process by the government. For these reasons, the court in *Kantack* found that the mere fact that the foreclosure sale was conducted by the sheriff does not make the sale of private property by foreclosure public business as the public neither shares in the proceeds nor has any financial interest in what is clearly private business.

A similar conclusion was reached in the case of *Slater v. Schack*, 43 N.W. 7 (Minn. 1889), involving the act of a notary public who acknowledged the signature of the parties on President’s Day, as an act of private business. Similar

conclusions finding that the act of the government is not public business also have been reached where the conduct was merely prescribed by law without the exercise of any personal judgment or discretion by government employee. *See e.g., City of St. Paul v Robinson*, 152 N.W. 777 (1915) (the city's publication of an ordinance in the official newspaper of the city on a legal holiday does not constitute the "transaction of public business," as that term is used in the statute); Minn. Op. Atty. Gen. 359A-24, 1978 WL 34136 (Dec. 26, 1978) (prohibiting the conduct of public business on a holiday does not prevent the commencement of a new term of office by a public official on January 1. A person may also qualify for and assume office on that day.).

In contrast, situations where employees are performing some type of work related to the actual business of the government have been found by the Minnesota Attorney General to be public business that may not occur on a holiday. *See e.g., Minn. Op. Atty. Gen., No. 185, p. 277 (1942)* (the village assessor should not work on Sundays or holidays); *Minn. Op. Atty. Gen., 276 (Apr. 11, 1939)* (city councils cannot hold meetings on legal holidays); *Minn. Op. Atty. Gen. 104-a-10 (June 22, 1948)* (county boards cannot keep courthouses open on holidays); *Minn. Op. Atty. Gen. 168 (1945)* (schools cannot require teachers to teach on holidays).

More recently, with respect to the newly enacted law declaring Juneteenth as a state holiday, several authoritative agencies have opined as to the legality of the operation of business of both schools and cities on Juneteenth. For example, the Minnesota Department of Education ("MDE") provided a bulletin update on June 2, 2023, opining that "[a]s is the case with other holidays defined in Minnesota Session Laws 2023, Chapter 5, no public business can be conducted on this day. This means school cannot hold classes or programs, school board meetings, athletic practices and competitions, and other school-associated events." *See* attachment. MDE did not identify any exceptions to this rule. Similarly, the League of Minnesota Cities published at least three articles noting that Juneteenth is a holiday in which no public business shall be transacted, except in cases of necessity. *See* attachment. Similarly, the League of Minnesota Cities also did not provide any exceptions to the general prohibition of public business being conducted on state holidays.

Given the above interpretations of the law, it would seem that the leasing or use of the Joint Powers Board's ice arenas would be considered "public business," subject to the prohibitions in Minnesota Statutes, section 645.44. In this regard, the ice areas are owned and operated by the cities and School District. Work to maintain the property and make it available for use is performed by public employees. The fee from renting the property goes directly to the cities and school district that impacts the overall benefit of the finances of these entities and the citizens of these jurisdictions. Thus, if the factors in *Kantack* were applied to the question at hand as well as the general guidance from the attorney general, MDE

and the League of Minnesota Cities, it is unlikely that the sale of ice time by the cities and school district for their own profit would be seen as a private business that could be conducted on a public holiday.

III. Situations of Necessity that May Permit Government Operations on Holidays

As set forth above, in addition to situations where the government is not acting on a matter of “public business,” government entities still may provide services on holidays in the case of “necessity.” Minn. Stat. § 645.44, subd. 5(a); *see also Kantack, supra*. Here, too, the statute similarly does not explain what constitutes a “necessity.”

The courts have held, however, that the power to act on a holiday depends on some preliminary fact giving rise to necessity. *See Ingelson v. Olson*, 272 N.W. 270, 275 (Minn. 1937). There is limited legal authority that describes situations where facts existed that support that the performance of public services are within the exception of “necessity.” One example is emergency services. In this regard, the attorney general has opined that the “[d]uties of firemen and policemen are within the exception of “in cases of necessity.” Minn. Op. Atty. Gen. 276 (Jan. 16, 1957). Where a contractual requirement exists related to the performance of duties on a discretionary holiday, such as Indigenous Peoples Day (formerly known as Columbus Day), this fact has authorized schools to require teachers to perform their duties. *See Skeim v. Indep. Sch. Dist. No. 115*, 234 N.W.2d 806 (Minn. 1975) (note that this exception is based on the specific statutory powers granted to schools). Courts have been presumed to act as a matter of necessity in continuing with a certain types of trials (generally criminal proceedings where there is a constitutional right to a speedy trial) when a holiday occurs within the time set for the proceedings. *See State v. Sorenson*, 19 N.W. 738 (Minn. 1884) (Washington's Birthday); *State v. Salverson*, 91 N.W. 1 (Minn. 1902) (Memorial Day); *Fureseth v. Great Northern Railway Co.*, 103 N.W. 499 (Minn. 1905) (Memorial Day).

Thus, there are times that a city and/or school district may find it necessary to provide public services. As noted, it would be appropriate and authorized for a city to provide police and other health, safety and emergency services. A school district or a city also can likely authorize employees to perform limited services on holidays to ensure that continued operations of the entities properties are not negatively impacted, such as requiring limited staff to keep a building maintained in the cold or in an emergency such as a water main break.

While the courts and other authorities have left much discretion for the decision that services are a necessity in the hands of the governing board, this does not mean that this decision is beyond challenge or can be made informally. There are several court decisions and attorney general opinions that direct that decisions as to the operation of governmental services should be made by the governing board.

Thus, if the Joint Powers Board were to determine that it must keep the ice areas open as a matter of necessity, the Board would need to deliberate and provide reasoning based upon some factual evidence as to why it is declaring that such services are a public necessity, keeping all of the factors set forth above in mind. Absent such a determination, while public entities generally are presumed to be acting only as necessary, continuing to operate on a public holiday could lead to claims that are less defensible.

IV. Penalty for Violations of Minnesota Statutes, Section 645.44

Minnesota Statutes, section 645.44, does not provide a specific penalty for violating the statute. The Minnesota Attorney General, however, has opined that in view of the statutory prohibition against the transaction of any public business on a legal holiday, a meeting of the city council, if held on a holiday, would not be valid nor would any action taken on that day. *See* Minn. Op. Atty. Gen., 276 (April 11, 1939). It is possible, therefore, that a contract for the exchange of consideration, such a lease for the use of the ice arenas on Juneteenth, similarly could be held invalid and unenforceable. Thus, the other party to the lease contract could declare the contract to be void and the fee to be uncollectable. Requiring employees to work on a public holiday, absent necessity, could give rise to claims by the employees that such an obligation is impermissible and unenforceable. Taxpayers may bring suit seeking an injunction to block an expenditure of government services to a private entity that is not for a public purpose generally. *See, e.g., Burns v. Esseling*, 194 N.W. 404, 405 (Minn. 1923). Thus, absent application of the exceptions set forth above, there is legal and financial risk for the Joint Powers Board if it contracts for the use of its facilities or otherwise allows its programs to operate on a legal holiday.

Another risk the parties should keep in mind is that even if it could prevail on supporting the need to operate the ice arenas on Juneteenth, questions may be raised as to why it is necessary to operate the arena on Juneteenth, a day to recognize the abolition of slavery, but is not necessary when it comes to recognizing the birthdays of Caucasian presidents or Christian holidays such as Christmas. Thus, keeping these services open could form the basis for a claim of discrimination, which entails the expenditure of funds to defend and possible financial liability and raises broader political controversies.

CONCLUSION

While there is no definitive authority that provides that the Joint Powers Board cannot legally rent out its facilities on Juneteenth, the statutory interpretations that do exist tend to support the position that such action is not permissible. Renting the facilities entails more than simply contracting to allow an entity to use public property, such as leasing out government owned equipment over which no oversight is needed (i.e., ice skates). In

contrast, it requires the Joint Powers Board to open and staff its facility. Such rental also does not entail the same type of public services that have been found to be a necessity, such as emergency police, fire, paramedic services or requiring one employee to report on site to make sure boilers or other equipment are properly operating to avoid building damage or loss of operations. Thus, the conservative approach would be for the Joint Powers board, as well as each individual government entity, to close all public operation of its facilities on nondiscretionary holidays, such as Juneteenth. Failing to do so could expose Albertville, St. Michael and the School District to potential claims and financial liability.

Please feel free to contact our office if you have questions or would like to discuss this further.

Very truly yours,

Jennifer K. Earley
Cameron E. Fox

Encl. MDE Update Regarding Juneteenth (June 2, 2023)
League of Minnesota Cities Articles Regarding Juneteenth

RRM: 537736

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July 24, 2024

Adam Nafstad
Albertville City Administrator
Albertville City Hall
P.O. Box 9
Albertville, MN 55301

Re: Ice Arena and Holiday Closures.

ISSUE

Can the City of Albertville open and staff the ice arena it rents out to various groups on a state holiday as defined by Minn. Stat. 645.44, Subd. 5?

ANSWER

We believe that the City can open and staff the arena for rental to various groups on any state holiday. While there is no authority directly on point, several examples of different Minnesota government entities demonstrate a distinction between public entities transacting official “public business” and merely allowing public use of government owned facilities on a state holiday. Further, many state agencies and cities state-wide have continued for decades to allow the public to use public facilities on state holidays such that not allowing the public to use such facilities on public holidays would represent a dramatic departure from past practice on both the municipal and state level.

RELEVANT AUTHORITY

Minn. Stat. 645.44, Subd. 5(a) defines Holiday to include the following:

New Year's Day, January 1; Martin Luther King's Birthday, the third Monday in January; Washington's and Lincoln's Birthday, the third Monday in February; Memorial Day, the last Monday in May; Juneteenth, June 19; Independence Day, July 4; Labor Day, the first Monday in September;

Indigenous Peoples Day, the second Monday in October; Veterans Day, November 11; Thanksgiving Day, the fourth Thursday in November; and Christmas Day, December 25; provided, when New Year's Day, January 1; or Juneteenth, June 19; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Sunday, the following day shall be a holiday and, provided, when New Year's Day, January 1; or Juneteenth, June 19; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Saturday, the preceding day shall be a holiday.

Minn. Stat. 645.44, Subd. 5(a) clarifies, “political subdivisions [municipalities] shall have the option of determining whether Indigenous Peoples Day and the Friday after Thanksgiving shall be holidays.”

Most importantly, Minn. Stat. 645.44, Subd. 5(a) mandates, “No public business shall be transacted on any holiday, except in cases of necessity”. Here, the operative phrase is “no public business shall be transacted”. Min. Chap. 645 does not further define “transact” or “public business”.

ANALYSIS

To understand the scope of what constitutes “public business” within the context of Minn. Stat. 645.44, Subd. 5(a), an analysis of which State-owned agencies or entities remain open in any capacity on statutory holidays is highly relevant.

Notably, Minnesota state agencies tasked with conducting essential public business are closed on public holidays. For example, government agencies whose operation is inherently tied to carrying out essential government functions, such as the Department of Motor Vehicles¹ whose sole purpose is issuing government licenses, are closed on statutory holidays.

To the contrary, the delivery of certain city services, and in particular making available public property for use and enjoyment by the public does not inherently necessitate the transaction of public business, and therefore, are likely not prohibited on state holidays. For example, the Minnesota Zoo is a state-owned entity² created by the State of Minnesota in 1978. The Minnesota Zoo will be open on Labor Day, September 2, 2024, Indigenous Peoples Day, October 14, 2024, and Veterans Day, November 11, 2024³. The

¹ See New Brighton License Bureau Website at: <https://www.newbrightonmn.gov/294/License-Bureau-Holiday-Closings>.

² See Minnesota Zoo Website at: <https://mnzoo.org/us/#:~:text=Created%20by%20the%20State%20of,natural%20world%20to%20save%20wildlife>.

³ See Minnesota Zoo Website at: <https://my.mnzoo.org/events>.

Minnesota Zoo's website reflects it to only be closed on Thanksgiving Day and Christmas Day⁴. Similarly, the 2024 Minnesota History Center notes the History Center is open on Juneteenth, June 19, 2024, Independence Day, July 4, 2024, and New Year's Day, January 1, 2025⁵. A broad interpretation of transacting public business to include the operation of any publicly owned facility or business runs contrary to the precedent set by prominent state-owned entities.

In addition to state agencies, several cities throughout the state operate facilities that are open to the public on state holidays. Examples of this include the Minneapolis Convention Center, which rents its facility to various groups on holidays,⁶ the Minneapolis Parks District, which opens its ice rinks on January 1st⁷, the Lakeville Liquor Stores, which are open on Labor Day and the Wayzata Muni (City-owned bar and grill), which is also open on Labor Day. The common theme in these examples is either the use of publicly-owned facilities by the public or the provision of non-core City services at a retail level. In none of these cases are core City business functions being conducted, such as City Council meetings, public hearings on issues before the City, non-critical maintenance, or issuance of permits or licenses occurring.

We are aware that the attorney for the St. Michael-Albertville School District has opined that renting the ice arena on a public holiday would not be permitted. That opinion appeared to rely heavily on an interpretation made by the Minnesota Department of Education that athletic practices and competitions could not take place on a state holiday.

If the rationale of the St. Michael-Albertville School District's opinion were to be followed by all state agencies and municipalities, it would create unprecedented outcomes including the closure of public parks that historically have remained open on state holidays, including the parks that draw tens of thousands of Minnesotans for public fireworks displays every 4th of July. Further, under the rationale of that opinion, City fire trucks and police cars could not participate in 4th of July parades, municipalities could not set off fireworks on the 4th of July, municipal-owned swimming pools and beaches could not be open on Memorial Day, the Fourth of July and Labor Day, municipal skating rinks would be closed on all holidays, municipal on-sale bars would have to close at midnight on December 31st and close on all state holidays, and conventions at municipally-owned convention centers across the state would be banned on all state holidays. Further, State Parks would have to close on all state holidays, and State Parks such as Itasca that operate

⁴ See Minnesota Zoo Website at: <https://mnzoo.org/calendar/>.

⁵ See Minnesota History Center Website at <https://www.mnhs.org/historycenter/visit/hours>.

⁶ The Minneapolis Convention Center has booked the American Headache Society for a convention occurring on June 19, 2025, and the Boys Junior National Championship Volleyball tournament from July 3rd through July 6, 2025.

⁷ The Pearl, Lake of the Isles, Armitage, Longfellow, and Logan ice rinks are open on January 1st.

lodges and restaurants would have to kick their guests out on state holidays as well as close their restaurants on state holidays.

As we have seen from the examples above, the interpretation of transacting public business on state holidays as espoused by the Minnesota Department of Education and the attorney for the School District is not consistent with how many state agencies and cities are operating, and would dramatically alter the use of public facilities on holidays across the state if it were adopted as the state standard. The language of Minn. Stat. § 645.44 prohibiting the transaction of public business on a holiday has remained in place since at least 1941. The Legislature has had 83 or more years to better define what is the transaction of public business if it meant to impose such a stark and absolute prohibition the transaction of “public business.” The fact that the Legislature has failed to modify the law to require that the public be prohibited from using public facilities on state holidays is compelling evidence that the interpretation suggested by the Minnesota Department of Education and the attorney for the School District does not accurately reflect the intent of the Legislature on this issue.

Given the distinction between transacting public business and using public facilities, as evidenced by the several prominent State-owned entities’ practices and the practices of a number of municipalities that support such a distinction, we believe Minn. Stat. § 645.44, Subd. 5 does not preclude the ice arena owned by the School District/Cities from remaining open for use by the public on statutory holidays. We believe that the operation of the hockey arena is more similar to the operation of a facility like the Minnesota Zoo, the Minnesota History Center, the Minneapolis Convention Center and the countless city parks in that the public is using public facilities for their intended recreational purpose or private purpose rather than transacting public business.

We recognize that the City will have to staff the facility with employees to keep the facility open on a holiday. We believe that such employees can be employed on a holiday in the same manner that Minnesota Zoo or Minnesota History Center employees are employed to make the facilities available for public use, as we do not believe the employees that are employed to keep public facilities open to the public on a public holiday are “transacting public business,” but rather are making the public facilities available for use by the public.

Please feel free to contact me with any questions you may have about this opinion.
Thank you.

Adam Nafstad
July 24, 2024
Page 5 of 5

Sincerely,



Michael C. Couri
Couri & Ruppe, P.L.L.P.

Jennifer K. Earley
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August 9, 2024

VIA EMAIL ONLY

Douglas Birk
Director of Administrative Services
St. Michael-Albertville Public Schools
11343 50th Street NE
Albertville, MN 55301

RE: Permissibility of Operating Public Facilities on State Holidays

Dear Mr. Birk:

In a recent communication you requested that our office provide an opinion to Independent School District No. 885, St. Michael-Albertville (“School District”), that it may share with other its joint powers entity partners as identified below. In this regard, the School District, the city of Albertville (“Albertville”) and the city of St. Michael (“St. Michael”) are parties to a Joint Powers Agreement and Management Agreement (“JPA”) regarding the construction, operation and management of the St. Michael Albertville Arena (“STMA Arena”), located in Albertville, Minnesota. A question arose based on an amendment to Minnesota Statutes, section 654.44, that took effect in 2023, modifying the definition of “holiday” to now include Juneteenth, identified as June 19th, as a state holiday wherein “no public business” shall be transacted, except in “cases of necessity.”

You previously requested that we provide a legal opinion addressing the question of whether it is legally permissible for the Joint Arena Board, which governs the operation of both ice arenas, the STMA Arena and the ISD 885 Arena, to rent out the use of these facilities or otherwise staff and operate these arenas on Juneteenth or other holidays designated as state holidays by law. Our office provided a letter to you on April 8, 2024, opining that while there is no definitive authority that provides that the Joint Powers Board cannot legally operate and rent out its facilities on Juneteenth, there are statutory interpretations that do exist tend to support the position that such action is not permissible. We further advised that taking action in violation of this new law could expose Albertville, St. Michael and the School District to potential claims and financial costs.

In response to the above opinion from our firm, the School District recently was provided with a letter from legal counsel for City of Albertville, dated July 24, 2024, disagreeing with our opinion. It is the position of the City of Albertville that it can open, staff and rent

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the arena to various groups on any state holiday as it is not transacting official “public business” Moreover, this activity follows decades of numerous practices when public property is used on legal holidays. You asked for our response to this opinion.

We understand that the City has not found any authority directly on point to support its opinion that the City may legally operate the ice arena on legal holidays. Rather, the City points to practices wherein other Minnesota Government entities are operating on legal holidays, asserting that this practice demonstrates that these entities are not conducting public business and merely allowing the use of government owned facilities on a state holiday. It is our opinion that the examples cited by the City do not support this position. Rather, these other government entities have separate and specific statutory authority that allows for a deviation from the general rule in Minnesota Statutes, section 645.44, that permits them to operate on state holiday. Also, some of the examples provided by the City do not appear to be an accurate representation of city activities on legal holidays.

For example, the City of Albertville points to the operation of the Minnesota Zoo and Minnesota History Center on legal holidays. These entities are subject to specific grants of statutory power to that allow them to determine the dates and hours in which they operate. More specifically, the Minnesota Zoo, actually created in 1969 but beginning its operations in 1978, is governed by the Minnesota Zoological Garden. The Minnesota Zoological Garden is established under the supervision and control of the Minnesota Zoological Board. *See* Minn. Stat. §85A.01, subd. 1. This Board is statutorily authorized to establish its own schedule as to the use of the Zoo or any related facility. Pursuant to this authority, the Board established state regulations that provide for the hours of operation for the Zoo. *See* Minn. R. Pt. This rule states that the hours during which zoo visitors may be on zoo premises shall be designated by the director. Thus, it appears that the Minnesota Zoo has the power to determine its dates and hours of operation by a special statutory delegation that differs from the limitations for other entities to operate on state holidays.

The City also noted that the Zoo is open on Veteran’s Day and Indigenous Peoples Day. Even if the above exception does not apply, as noted in our letter of April 8, 20204, state law allows government the discretion to determine if they will operate on Indigenous People Day or Veteran’s Day. *See* Minn. Stat. §645.44, subd. 5(a).

Similarly, the Minnesota History Center operates pursuant to specific statutory authority, wherein public use is determined by the Minnesota Historical Society. *See* Minn. Stat. § 138.661, subd. 4. The Minnesota Historical Society also has the power, similar to the Minnesota Zoological Board, to determine its dates of operation.

The City of Albertville also points to the sales conducted by municipal liquor stores and municipal bars on state holidays as being a permissible common practice. This is true. They may be open on legal certain legal holidays, including Labor Day. Yet, these entities are not doing so because their conduct does not constitute “public business,”

exempt from operating on legal holidays. Rather, municipal liquor stores and bars operate under their own statutory authority that allows them to be open on most holidays. *See* Minn. Stat. §340.504. The law provides that a municipal liquor store may sell liquor on all state holidays with the exception of Thanksgiving Day, Christmas Day, December 25; or after 8:00 p.m. on Christmas Eve, December 24.

As for the operation of parks, state parks, for example are permitted by law to be open each day of the year. *See* Minn. R. Pt. 6100.0600. In other words, public outdoor parks generally do not close.

The examples of municipal activities on the Fourth of July also do not appear to be an accurate representation of city or other government operations. Police and firefighters generally are not paid to participate in parades but do so on a volunteer basis. There are laws that allow for emergency vehicles to be used in parades with use of their sirens. These public servants also permissibly appear at parades and Fourth of July activities they as they are providing emergency/security services during these holiday events as a matter of necessity. *See* Minn. Op. Atty. Gen. 276 (Jan. 16, 1957).

As for conducting parades or other celebrations on a holiday, holiday, such as the Fourth of July, it is our understanding, and it has been our advice to municipalities, that they should not be sponsoring or conducting Fourth of July celebrations with public funds or incurring liability for such events, regardless of the date on which they are occurring. Instead, most cities provide permits for parades or community celebrations and firework displays on public property to private usually non-profit organizations who have the authority to conduct activities on holidays. In fact, is our understanding the City of Albertville does not sponsor, oversee or staff a Fourth of July Celebration but does provide a permit to a nonprofit corporation, "Albertville Friendly City Days.

Based on the foregoing, we find the examples cited by the City of Albertville distinguishable exceptions from the general provision of government operations on a legal holiday, from the activity of the City or Joint Powers Board of renting out its facilities, for profit, and employing its staff to supervise the use of its arena on that day.

Please feel free to contact our office if you have questions or would like to discuss this further.

Very truly yours,

Jennifer K. Earley

Jennifer K. Earley



To: Arena Board
From: Ann-Marie Foucault, STMA Superintendent
Date: October 14, 2024

Subject: State Holidays Guidelines for School District Operations and Facility Rental

In response to 2023 legislative updates and recent guidance from the Minnesota Department of Education (MDE), the district sought legal clarification regarding permissible school operations and facility use on designated state holidays. We consulted with Jennifer Earley from Ratwik, Roszak, and Maloney, who provided an opinion letter on April 8, 2024. Based on Ms. Earley's recommendations, as well as input from the MDE and the Minnesota School Boards Association (MSBA), the following outlines the district's stance on the 11 state holidays specified by law:

School In Session Permitted:

1. Indigenous Peoples Day
2. Martin Luther King Jr. Day
3. Veterans Day
4. Presidents Day

Note: If school is in session on these days, a program or observance must be held in recognition of the holiday.

No School/No Facility Rental/No Practices/No Games:

1. New Year's Day
2. Memorial Day
3. Juneteenth
4. Independence Day
5. Labor Day
6. Thanksgiving Day
7. Christmas Day

Holiday Observance:

The district will observe each state holiday on the actual calendar date it falls, rather than on an alternative day typically recognized. For example, if a holiday such as Christmas Day falls on a



Saturday, the district will observe it on Saturday, December 25, not on the preceding Friday, December 24. This policy ensures clarity and consistency in planning for school operations and facility use.

Background Information:

Prior to June 2023, the MDE had not issued specific regulatory guidance on what constitutes “public business” in relation to state holidays. Many school districts, including STMA, acted in good faith based on the information available at the time. As a public school district, we have a fiduciary duty and administrative responsibility to ensure compliance with current legislation and district policy.



STMA Youth Hockey Advertising

Date: October 10, 2024

To: STMA Arena Board

From: Adam Nafstad, City Administrator

The School District is reviewing its policy as it relates to advertising at school facilities.

Currently, the Arena Board has an agreement with the STMA Youth Hockey Association for advertising in the both the Blue and Gold arena areas. The contract provides \$20,000 of revenue to the Arena Board used to offset rental rates.

STMA Youth Hockey is current with the agreement through the 2024/25 hockey season.

If the advertising agreement is to be modified, the change will need to be accounted for in the 2025 Budget.