

MINUTES

Edmonds Public Facilities District Board of Directors Meeting June 27, 2024

The Edmonds Public Facilities District Board hybrid meeting convened at 7:30 a.m. in the Edmonds Center for the Arts Green Room, 410 4th Avenue North, Edmonds, and via Zoom.

EPFD Board Members Present

Ray Liaw, President
Bill Willcock, Vice President
Suzy Maloney
David Brewster
Wayne Grotheer

ECA Staff Present

Kathy Liu, Executive Director
Lori Meagher, Associate Executive Director

ECA Board Members Present

David Schaefer, Immed. Past President

1. Call to Order

Board President Liaw called the meeting to order.

- Attendance of those attending in-person for minutes.

2. Land Acknowledgement & Equity Statement

Board Member Grotheer read the Land Acknowledgement & Equity Statement.

3. Agenda Review and Approval

BOARD MEMBER BREWSTER MOVED TO APPROVE THE AGENDA. BOARD MEMBER GROTHEER SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

4. Board President's Comments

Board President Liaw wished all a Happy Pride Month. She acknowledged it has been a busy year, congratulating staff on their efforts.

5. Public Comment

There were no public comments.

6. Consent Agenda

- **EPFD Disbursement Report: May 2024**
- **Meeting Minutes**
 - **April 25, 2024**
 - **May 21, 2024 (Special Meeting)**
 - **May 23, 2024**

BOARD MEMBER GROTHEER MOVED TO APPROVE THE CONSENT AGENDA. BOARD MEMBER BREWSTER SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

7. Old Business

- **Prior Action Items Review**

Ms. Meagher reviewed progress on action items from the previous meeting and identified outstanding items (see Action Items below).

- **June Staff Report – Questions/Comments?**

Board President Liaw expressed appreciation for the list of production team new hires. Board Member Grotheer recognized the level of participation in the Educator Preview.

8. PFD Board Business

- **Officer Elections**

Board President Liaw explained the past practice has been for the president and vice president to serve two years and after two years, the vice president becomes the president. Board VP Willcock explained for a number reasons external to the ECA, he plans to step away from the board at end of his term in June 2025. For continuity, health and overall integrity of the board, it would be prudent for him to step down as vice president, continue as a board member and for the board to elect another vice president. Board Members thanked Board VP Willcock for his excellent service. Board President Liaw relayed she has agreed to serve one more year as president and Board Member Grotheer has agreed to step into the role as vice president.

BOARD VP WILLCOCK MOVED TO APPROVE RAY LIAW AS BOARD PRESIDENT AND WAYNE GROTHEER AS VICE PRESIDENT FOR THE NEXT YEAR. BOARD MEMBER BREWSTER SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

Board President Liaw recommended the board consider which committees should be formally recognized and populated with at least one EPFD board member.

- **Amendment to Employee Handbook – Paid Leave**

Board President Liaw recalled last month the Board gave Ms. Liu and Ms. Meagher direction to finalize this policy. Ms. Meagher reviewed revisions to the policy related to paid leave policy as reflected in the version of the policy that was distributed to the board yesterday.

BOARD MEMBER MALONEY MOVED TO APPROVE THE DISCRETIONARY CLOSURE POLICY. BOARD MEMBER BREWSTER SECONDED THE MOTION.

BOARD MEMER GROTHEER MOVED TO AMEND THE WORDING IN PARAGRAPH 3 UNDER COMPENSATION TO READ, "...UP TO A NUMBER OF HOURS OR DAYS WORKED AS PAID LEAVE AT AN ALTERNATE TIME IN ADDITION TO BEING PAID FOR THE TIME WORKED DURING THE TEMPORARY CLOSURE." BOARD MEMBER BREWSTER SECONDED THE MOTION. AMENDMENT CARRIED UNANIMOUSLY.

MOTION CARRIED UNANIMOUSLY.

9. PFD Board Member Reports

Board Member Grotheer reported the IDEA committee meeting included brainstorming how to move forward in becoming an anti-racist, multicultural organization. Regarding Facilities &

Operations, the \$50,000 boiler/heat exchanger is moving forward; replacement would be much more expensive and unknown if it could be completed prior to colder weather. The cost will be incorporated into the budget reforecast. The CO2 monitor project has been handed off to operations. The committee is updating the Historic Building Fund Policy which will be reviewed by Admin & Finance before approval by the EPFD Board. With regard to the Universal Access Task Force, the lobby doors are complete; installation was funded by a grant and the electrical work funded by the ECA. He offered kudos to Sandra Nestorovic, John Dougall, Nicole Giordano and Lori Meagher for their assistance with that project. The task force is proposing a sound system and assisted listening device at a cost of \$17,000 which will be part of the mid-year budget review. The task force reviewed and approved a draft charter which will be reviewed and approved by the Facilities & Operations and IDEA Committees.

Board Member Brewster reported the Education and Community Outreach Committee did not meet, but Diana Ortega provided a summary of the Educator Preview which set a new record for preregistrations (approximately 6,500). The Dungeons and Dragons camp starts next month which Ms. Ortega recognized Nick Williamson for organizing. Information regarding programming will be presented during Edmonds School District's backpack fair. Planning for Kidstock! is underway. The Creative District Advisory Committee did not meet and there has not been any engagement from the Association of WA State PFDs.

Discussion followed regarding planning for the September 23-25 Association of WA State PFDs conference. The board requested the Save the Date for the conference be sent to EPFD Board Members.

Board President Liaw reported rental rates are typically increased in September; she requested the EPFD Board approve the recommended rental increases at the August meeting. Discussion followed regarding notifying current clients of the rate change and the percentage increase.

10. Associate Executive Director Update

- **Finance Update**
 - May Financials
 - 2024 Budget Reforecasting

Ms. Meagher reported the draft 2024 Budget Reforecast includes May Financials. Ms. Liu explained she and Ms. Meagher did preliminary work on the draft financials as well as sought input from department heads on some lines. The budget reforecast is very rough draft; following review and input from the EPFD Board, she and Ms. Meagher will review it again with department heads.

Ms. Meagher reviewed the 2024 projected reforecast including YTD May, original budget June-Dec, adjusted budget Jun-Dec, updated projected total full year, approved annual budget, and variance between updated projected vs. approved budget.

Questions and discussion followed regarding whether presented events revenue included special engagements, confirming department heads' projections, whether increased revenue from Historic Building Preservation Fee and Box Office Service Charge could be expected with additional presented events, major gifts and grants, contribution revenue trending positively but not as fast as the budget assumed, need for the reformatted Gala to succeed, error in a formula that resulted in a lower budgeted loss, staff's confidence in the model and systems, benefits that more robust financial software would provide, consistently underspent marketing budgets, looking at activities from a net revenue generating perspective versus gross in the 2025 budget,

July/August agenda item to check on the progress of new approaches being considered with regard to big picture strategies, impact a new mission will have on the organization, separation between board and staff and ensuring sufficient flexibility to run the organization, the strategic planning process guiding major changes, gauging success beyond financials, how the reforecast impacts next year's budget, and staff's intent to share more details in next month's reforecast presentation.

- **Human Resources Update**

Ms. Meagher reported the annual performance process, catalytic coaching, is about to begin with the hope of completing it by the end of August so any anticipated professional development can be included in the 2025 budget. Discussion followed regarding staff's acceptance of this type of performance evaluation and the collaborative nature of this coaching process.

- **Facilities Update**

- Surplus

Ms. Meagher advised the packet includes a draft surplus policy resolution; it is still being reviewed by Facilities & Operations and Admin & Finance. Although originally related to removal of materials in the Music building, there was a need for an organizational surplus policy that gives the executive director the ability, at a certain threshold, to dispose of materials or handle them in accordance with the RCW. She anticipated presenting the policy to the board at next month's meeting for approval. Discussion followed regarding the threshold for disposal.

- Next Steps from Mithun Report

Ms. Meagher relayed Facilities and Operations was charged with reviewing the report, priorities for 2024/2025, potential dollar amounts for budgeting, and identifying lower hanging fruit for the strategic plan and overall campus plan. Questions and discussion followed regarding discussing with Mithun whether anything needed to be added to the facilities master plan, timeline for the partnership conversation, timeline to use or request an extension for the state funding, collaborative thinking about the mission, partnering on a gymnasium, determining what to prioritize in a partnership, keeping potential partners informed, and exploring the flexibility of the state funding.

11. **Executive Director Update**

- **Development Update - Gala**

Ms. Liu reported:

- ❖ A Save the Date was sent to the entire email list
- ❖ Development team is working on pre-asks to people who made a significant commitment to the Gala in the past
- ❖ Development team is renewing corporate event sponsors
- ❖ Gala invitations will be mailed the second week of July
- ❖ A robust marketing plan will occur this summer to draw in general audiences
- ❖ A modest online auction is planned
- ❖ Importance of word of mouth strategy (talking points available for board members and table leads)
- ❖ Event tickets include a donation amount
- ❖ Sale of event tickets begin in July
- ❖ Sale of concert-only tickets begin in August

Questions and discussion followed regarding whether there will be a raffle, positive feedback from the Philanthropy Committee and community regarding the new format, and top level ticket that includes a meet and greet with the artist.

- **Programming/Revenue Update / 2023-24 Season**

Ms. Liu reviewed the Ticket Sales Report, relaying the fiscal year is on track to exceed ticket revenue goals. Questions and discussion followed regarding whether the ECA has ever published how well a season performed and preparing an annual report that includes that information.

- **Strategic Planning Update - Mission**

Ms. Liu reported she has been working with Lindsay Geyer and Matt Cox on the ECA Board's discussion which includes suggested questions for the board's input. The same questions will be circulated to the EPFD Board for their written feedback.

12. New Business

Ms. Meagher reported the audit officially starts July 22. A kickoff meeting was held with the State Auditor's Office. This year's audit includes a financial audit as well as an accountability audit.

13. Adjourn

The meeting was adjourned at 9:01 a.m.

Next EPFD Board Meeting: Thursday, July 25, 2024 - 7:30 AM

ACTION ITEMS:

1. Distribute list of board member committee assignments
2. Senior Staff Update by Diana Ortega-Chance regarding Education & Community Engagement
3. Send Save the Date for Association of WA State PFDs 9/23-25 conference to EPFD members
4. July EPFD Board Meeting
 - a. EPFD Board determine which committees should be formally recognized and populated with at least one EPFD Board Member
 - b. Approval of budget reforecast, including how changes impact next year's budget
 - c. Consider Surplusing Policy
5. August/September EPFD Board meeting
 - a. Staff clarify scope of coverage under Enduris insurance policy
 - b. Approval of Amended Employee Handbook
 - c. Approve recommended rental increases
 - d. Agenda item to check on progress of new approaches related to big picture strategies
 - e. EPFD Board input on proposed mission (September meeting)