

# MINUTES

## Edmonds Public Facilities District Board of Directors Meeting January 25, 2024

The Edmonds Public Facilities District Board hybrid meeting convened at 7:32 a.m. in the Edmonds Center for the Arts Green Room, 410 4<sup>th</sup> 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

### **City Staff Present**

Dave Turley, Admin. Serv. Director (Ex-Officio)

### **Guests**

Chris Eck, City Council Liaison

#### **1. Call to Order**

Board President Liaw called the meeting to order.

#### **2. Land Acknowledgement & Equity Statement**

Board VP Willcock read the Land Acknowledgement Statement and the Equity Statement.

#### **3. Agenda Review and Approval**

**BOARD MEMBER BREWSTER MOVED TO AMEND THE CONSENT AGENDA TO ADD APPROVAL OF THE NOVEMBER 30, 2023 MINUTES. BOARD VP BOARD VP WILLCOCK SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.**

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

#### **4. Board President's Comments**

Board President Liaw welcomed Councilmember Eck, the new city council liaison to the EPFD. Councilmember Eck said she asked to be the liaison to the EPFD and looked forward to bringing information to/from the council and offered to chat offline.

Board President Liaw recognized Kidstock! happening this weekend and thanked everyone who is volunteering. Ms. Meagher advised are over 1500 preregistrations.

#### **5. Public Comment**

There were no public comments.

#### **6. Consent Agenda**

- **EPFD Disbursement Report: November & December 2023**
- **EPFD Board Minutes – November 30, 2023**

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

## **6. 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).

Discussion followed regarding staff providing the EPFD Board the ticket sales report each month (does not need to be agenda item), purpose of a joint EPFD Board/Philanthropy Committee meeting, and having the Steering Committee discuss creating a joint operating agreement prior to review by the EPFD Board.

- **December & January Staff Report – Questions/Comments?**

Board members expressed appreciation for the good work reported in the Staff Report, acknowledged the changing of the guard in some key positions, and welcomed Production Manager King Prescott.

## **7. PFD Board Business**

- **Board Committee Assignments**

Board President Liaw advised this agenda item was an opportunity to review the external committee liaison roles and possibly change assignments. She identified the following external committees the EPFD engages with: Snohomish County PFD, State Association of PFDs, 4<sup>th</sup> Avenue Cultural Corridor, Boys & Girls Club Joint Discussion Committee/Taskforce, and Creative District Advisory Board. Board Member Brewster advised he has been appointed to the Creative District Board.

### 4<sup>th</sup> Avenue Cultural Corridor

Board Member Brewster referred to a report at city council regarding the 4<sup>th</sup> Avenue Cultural Corridor. After using grant funds for a 10% design, the project is being pared down due to cost and other factors. The project is also dependent on campus improvements EPFD/ECA decides to pursue. The project needs a hero, someone leading the effort, galvanizing City resources, etc.

Discussion followed regarding EPFD/ECA representation on the committee, \$20,000 budgeted in 2022 that was never spent and was reabsorbed into the EPFD budget, and having staff or ECA board members provide the EPFD Board updates and reengaging when plans are made for the ECA campus. Board Member Brewster offered to share the presentation that was provided to the city council.

### State Association of PFDs - Board Member Brewster

Board Member Brewster relayed he will continue to represent the EPFD on this organization. He provided an update on the association, advising Cowlitz PFD Board Member Betty Erickson testified before a legislative committee last week in support of SB 6158 related to extending and amending the PFD legislation and recommended the EPFD also advocate for that legislation

when meeting with legislators. Cowlitz PFD Board Member Erickson is trying to get the association organized; there are a number of PFDs whose dues are in arrears and the website needs to be updated. He has offered to assist her as needed.

#### Snohomish County PFD - Board President Liaw and Board VP Willcock

Board President Liaw advised historically the Board President and Vice-President have attended when they are able and she Board VP Willcock will continue to do so. Board President Board President Liaw and Board VP Willcock were unable to attend their last meeting. Ms. Liu relayed sales tax revenues for Snohomish County are below projections and the Tier 2 allocation also decreased by approximately \$35,000 for 2024. The next meeting is April 18 in Everett and the EPFD will host the July 18 meeting.

#### Boys & Girls Club Discussion Group – Board President Liaw & Board Member Grotheer

Board President Liaw reported this group has been on hiatus for about a year pending the Mithun study. As the Mithun study may result in recommendations related to a master planning option and the EPFD has state capital funds earmarked for continued master planning related to a partnership with the Boys & Girls Club, discussion regarding that analysis and engagement needs to continue. She suggested Board Member Grotheer and she be the EPFD representatives on this group. Ms. Liu advised she met with Boys & Girls Club of Snohomish County Executive Director Bill Tsoukalas who encouraged her to tour the Edmonds and Mukilteo clubs. Board President Liaw offered to create a bulleted list of what has been done to date.

Board President Liaw reviewed committee assignments:

- ❖ Admin & Finance: Board President Liaw & Board VP Willcock
- ❖ Philanthropy: Board VP Willcock & Board Member Maloney
- ❖ Facilities & Operations: Board Member Grotheer
- ❖ Hosting: Board President Liaw
- ❖ IDEA: Board Member Grotheer
- ❖ Education & Outreach: Board Member Brewster
- ❖ Board Governance: no EPFD representation as it is an ECA Board committee
- ❖ Steering: Board President Liaw & Board VP Willcock

Board President Liaw requested staff include a list of internal and external assignments in a future packet.

- **Board Terms**

Board President Liaw this is just a reminder of board member terms. Board Member Brewster's term expires this year and he plans to request reappointment. In next five months her term as president and Board VP Willcock's term as VP will end. She encouraged board members to think about those offices.

- **Youth Protection & Safety Policy**

Ms. Meagher explained Director of Education and Engagement Diane Ortega brought to leadership's attention the need for this policy due to hosting minors in the facility. The policy addresses any abuse or neglect observed by staff or volunteers as well as provides guidance and parameters regarding the treatment of youth while in ECA programs and on the ECA campus. A draft policy was provided to the board in November. Upon further research of the University of Washington and Harvard's youth programs, the policy was updated and expanded to include a process if neglect or abuse was discovered by a staff member or volunteer and to clearly define

the treatment of minors while on the ECA campus. As Kidstock! is this weekend and hundreds of kids will be on site, there was a push to get this policy in place.

Questions and discussion followed regarding appreciation for the robust policy; concern the policy goes beyond programs ECA controls; concern the policy was formatted as an addendum to the employee handbook but lists board members, volunteers and contractors who are not subject to the employee handbook; concern the board was not in a position to adopt the policy today; training for Kidstock! volunteers that addresses these issues; organizations used as basis for the policy, and organizations that have similar policies.

Board members were asked to submit comments/suggestions regarding the proposed policy to Ms. Meagher by February 8. Review of the policy will be on the February EPFD Board agenda.

## **8. PFD Board Member Reports**

### Education & Outreach

Board Member Brewster reported the committee is consumed with Kidstock!

### Philanthropy

Board Member Maloney reported staff is closing out the Gala, talking about the year ahead and thinking strategically beyond the Gala. Activities include grant writing, major gifts, etc. She expressed her appreciation for Ms. Liu's involvement with development. Board VP Willcock reported the committee is reviewing and updating their charter. Revenue assurance from Philanthropy is one of the reasons for the EPFD Board participating in their next meeting and getting a better handle on the outlook for 2024 including strategies the development team will employ.

### IDEA

Board Member Grotheer reported the committee is working on organizational culture and updating the land acknowledgement, as well as working with other local organizations on a community reception.

### Facilities & Operations

Board Member Grotheer reported the committee reviewed the Mithun report.

### Admin & Finance

Board VP Willcock reported the committee is reviewing and updating their charter. The committee continues to provide rigorous review of finances. The committee will also provide feedback to Ms. Meagher on the three policies.

### Hosting

Board President Liaw relayed the committee also reviewed their charter. She suggested the board consider which committees should be official committee of the EPFD as well as research whether any of the internal committees were created by resolution. In reviewing their charter, Hosting realized rental fees should be approved by the EPFD Board annually.

## **9. Associate Executive Director Update**

- **Operations Update**
  - Interlocal & Administrative Agreements between EPFD and ECA

Ms. Meagher requested these be moved to the February EPFD Board meeting.

- Mclalwain Access Fund

Ms. Meagher reported this policy that came about due to interest in providing funds to allow better access to the campus and programs. This draft policy, which addresses funding for three elements 1) hosting (scholarship that reduces the rental rate), 2) IDEA funds (DEI and ADA improvements), and 3) Arts for Everyone and Aunt Betty's Bus Fund. The policy has been discussed by the Hosting Committee and she has reached out to the State Auditor who will provide a recommendation by Friday.

Discussion followed regarding coordination between the EPFD and ECA related to this fund, how rental rate discounts would be addressed in the EPFD's budget, ECA policy related to how the funds are utilized, additional work effort for staff as an ECA managed fund, process for reporting the use of funds from the Mclalwain Access Fund, and the Hosting Committee's participation in administration of the funds.

- **Human Resources Update**
  - Board/Staff EEO Survey

Ms. Meagher relayed the packet includes a voluntary survey that is conducted with staff to track demographics as part of the commitment to the APAP REDI Pledge. The survey has also been shared with the ECA Board to collect demographics for board members which is often requested when writing grants. She requested the boards complete the survey annually along with staff to track demographics for funders, board recruitment, and the IDEA Action Plan. The survey contains standard EEOC questions.

- Hiring Update

Ms. Meagher reported a new production manager, King Prescott, has been hired and starts today. A part-time accounting associate and a rental event assistant are also being hired.

- Policy Updates

Ms. Meagher advised Pets at the Workplace and Children at the Workplace policies are included in the packet for review. The policies have been reviewed by Admin & Finance, and will be reviewed by the PFD attorney and insurance carrier.

Board members were asked to submit comments/suggestions regarding the proposed policies to Ms. Meagher by February 8. Review of the policies will be on the February EPFD Board agenda.

- **Facilities Update**
  - Mithun Building Envelop & Seismic Assessment Update

Ms. Meagher reported slides from the meeting with Mithun in early January are included in the packet which include initial key findings and recommended options. Another meeting will be scheduled to review cost analysis for the alternatives proposed in the finding.

Ms. Liu advised the cost analysis that Facilities & Operations requested was repairs versus replacement in the same footprint. Board President Liaw recommended a presentation also be provided to the EPFD Board once that information is available to invite the ECA Board to that presentation.

Ms. Meagher advised an insurance claim has been filed with Enduras related to a water leak in the music building roof. Facilities & Operations Member Norm Brown will provide a report regarding the condition of the music building to the Steering Committee.

Board VP Willcock requested Mithun provide a presentation to EPFD Board following presentation to Facilities & Operations Committee that included time associated with renovations versus replacement, safety of occupying buildings in the interim, and anticipated deterioration in the interim. He suggested ECA Board members be invited to that EPFD Board meeting.

- **Finance Update**
  - November & December Financials

Ms. Meagher reported the November financial were included in the packet. Year-end reconciliation is still being done. She anticipated year end 2023 financials will be provided at next month's meeting. There is a considerable operating loss due to contributions and programming. As of the end of November, the deficit is higher deficit than budgeted and she did not anticipate that would change with the December financials.

## 10. **Executive Director Update**

- **Development Update**
  - Monthly Status Update
  - Gala Finalization

Ms. Liu reported the final number for the Gala was \$420,237. Some outstanding expenses are still being analyzed to realize the net revenue, but expenses were within budget. She anticipated the net would be approximately \$40,000 above budget.

- Year-End

Ms. Liu reported the 2023 year-end appeal totaled \$26,600 from 62 donors which was lower than budgeted and lower than the 2022 year-end appeal due to timing of the Gala, some appeals went out late, the Gala poached some of year-end appeal donors, and a few gifts received earlier in 2023 were not counted as part of the year-end appeal. Several returning donors from the 2022 year-end appeal increased their donation and some lapsed donors returned due to the development team reaching out personally via email/phone.

For 2024, she is assisting the development team with putting best practices in place. The team has created a development calendar for 2024, will soon launch planning for Center Stage, and are planning first quarter events including a Center Circle reception in conjunction with Michael Cavanaugh's performance on February 8, an evening with Schubert and Ethan on February 27 and a few more events throughout the spring. Overall philanthropy fell short in a few areas in 2023, specifically season sponsorships, grants and increased major giving, areas she is will be working with development team on to develop renewed strategies.

- **Programming/Revenue Update**

Ms. Liu reported Director of Programming & Communications Liz Dawson, Talent Buyer Greg Garcia, and she were at APAP last week and met with a number of agents and artists and participated in some great workshops. She is excited about what they saw and what they will potentially be able to contract for the next season. Five special engagement have been added for

the 2024/2025 season. A ticketing revenue report will be provided following this meeting; she expected to see variances between this week and next due to those five new shows going on sale. Sales are strong for February shows. Marketing will refocus on March shows when there are a few more experiential artists. She and Ms. Dawson are working on a programming philosophy for 2024/2025 to capitalize on both diversity and revenue generation.

- **Prioritization of Items – Joint Board & Staff Leadership Retreat**

Ms. Liu referred to the post-retreat wish list and analysis; the staff report identified items already being worked on. Other priorities include continuing to monitor and address staff capacity; supporting the IDEA work occurring in committees, the endowment and planned giving; mapping out the strategic plan; and the Board Governance Committee's efforts related to board recruitment.

- **Strategic Planning Update**

Ms. Liu advised she is developing a timeline and elements which will be presented to various committees and then to the EPFD Board next month. She anticipated the RFP will be available by the end of the second quarter, a consultant engaged by the end of the third quarter, and the strategic planning process beginning in 2025.

- **Organizational Capacity**

Ms. Liu relayed outlines have been provided by all department heads; she and Ms. Meagher expect to finalize the information in February. Staff development enhancements are moving forward including bimonthly/quarterly Lunch & Learn with a speaker related to professional development. Board President Liaw recalled a survey done of board members' skills which could be a source for speakers.

## **11. New Business**

Administrative Services Director Dave Turley advised the EPFD is supposed to provide an annual presentation to the city council. This year will be particularly important due to the new executive director and to inform new councilmembers about the EPFD/ECA. Following a brief discussion, a presentation to council was tentatively scheduled for March 5

## **12. Adjourn**

The meeting was adjourned at 9:08 a.m.

**Next EPFD Board Meeting: Thursday, February 22, 2024 - 7:30 AM**

### **ACTION ITEMS:**

1. February EPFD Board meeting
  - a. Yearend 2023 financials
  - b. Prepare list of external and internal committees with assigned board members
  - c. Review Youth Protection & Safety Policy (board members submit comments/suggestion to Ms. Meagher by February 8)
  - d. Interlocal & Administrative Agreements between EPFD and ECA
  - e. Review and approve Pets at the Workplace and Children at the Workplace policies (board members submit comments/suggestions to Ms. Meagher by February 8)
  - f. Prepare timeline and elements of next Strategic Plan

2. Provide EPFD Board ticket sales report each month (does not need to be agenda item)
3. Grant writer create spreadsheet with analysis of available grants, grants applied for and grants received.
4. Notice next Philanthropy Committee meeting as a joint meeting with the EPFD Board to discuss overall development strategy
5. Change column in Ticket Sales Report that compares ticket sales to capacity to a comparison of actual ticket sales to budgeted ticket sales
6. Research whether internal committees were created by resolution
7. Mithun provide presentation to EPFD Board following presentation to Facilities & Operations Committee. Presentation to include time associated with renovations versus replacement, safety of occupying buildings in the interim and anticipated deterioration in the interim. Invite ECA Board Members to that EPFD Board meeting.
8. Presentation to city council at their March 5 meeting