

# MINUTES

## Edmonds Public Facilities District Board of Directors Special Meeting December 16, 2024

The Edmonds Public Facilities District Board hybrid meeting convened at 1:01 p.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  
Wayne Grotheer, Vice President  
Suzy Maloney  
David Brewster  
Bill Willcock

### **ECA Staff Present**

Kathy Liu, Executive Director  
Lori Meagher, Associate Executive Director

### **City Staff Present**

Kim Dunscombe, Acting Finance Director

### **ECA Board Members Present**

David Schaefer, Immed. Past President

## 1. **Call to Order**

Board President Liaw called the special PFD meeting to order.

- Attendance of those attending in-person for minutes.

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

Board VP Grotheer read the Land Acknowledgement & Equity Statement.

## 3. **PFD Board Business**

- **FY2025 EPFD/ECA Annual Budget**

Ms. Meagher advised the FY2025 budget was presented to the Admin & Finance Committee on December 11. She reviewed changes made to the budget since the November 20, 2024 joint meeting with Admin & Finance:

- \$10,00 added to Contract Services for HR related services
- \$1,200 reduction in recruitment expense
- \$3,600 added to subscription expense for bill.com platform
- \$600 (12 hours) add to anticipated OT for accountant (month end/audit support)
- \$2,239 (0.05 FTE) added to the front of house event manager

Ms. Meagher reviewed:

- FY 2025 Proposed Operating Budget
- FY 2025 Proposed Non-Operating Budget
- FY 2025 Proposed Cash Flow
- 2024P and 2025B capital expenditures (Capex)
- Key Metrics: FTEs, Presented Events, and Non-Operating & Financial Margins
- Sources of Revenue 2018 - 2024
- Annual Average Ticket Revenue Per Ticket Sold
- Net Presented & Net Rental Analysis

- Board Contributions
- Org chart (updated January 2025)
- Total FTE Trend
- FTE Trend by Department
- 2025 Proposed Position Grades and Salary Ranges
- Opportunities, challenges and assumptions (operating and non-operating)
- EPFD ECA consolidated FY 2025 Budget Cycle

During presentation of the above, questions and suggestions included changing the color scheme of the graphs, changing the sources of revenue graph to compare largest to smallest sources, providing a comparison of operational sources of revenue, adding percentages to total to sources of revenue comparison, difference between 2024 projected and 2025 budgeted annual average ticket revenue per ticket sold, average ticket price in 2024 compared to previous years, lower expenses in 2025 due to fewer shows, changing the title of the Annual Average Ticket Revenue Per Ticket Sold slide, and rationale for booking fewer shows.

Questions and discussion continued regarding providing a comparison of concessions and historic facility preservation fee per ticket, net percentage of board contributions, reason for increase in board contributions, board contributions compared to general individual donors, tracking FTE trends by salary level, turnover analysis by department, FTE trend analysis showing history of organization, upward trends of FTE, how increases in FTE benefit the organization, how the snapshot of 2025 FTE fits into strategic planning, ticket price tolerance, differential between ticket tiers, automation with the new CRM, credit card fees, and plans to publish an annual report.

Ms. Meagher reviewed a 5-year statement of revenues and expenses, highlighting operating revenue and operating expenses, operating surplus (loss), non-operating revenue and expenses and assumptions for outlook periods.

Questions and discussion followed regarding whether previous 5-year projections anticipated an operating surplus, what financial success for the organization looks like, potential for the sales tax rebate to end in 2041, whether it was appropriate to seek to be self-sustaining by 2041, appreciation for the analytics provided by staff, and whether the adjustment to the executive director's salary is included in the budget.

**BOARD MEMBER MALONEY MOVED TO APPROVE THE 2025 BUDGET AS PRESENTED BY STAFF. BOARD MEMBER BREWSTER SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.**

- **Executive Director Compensation**

Board President Liaw relayed the board completed Ms. Liu's first annual review; her first year's contract was November to the end of October. Board action is required for any change to her annual compensation. She recommended the board approve a 3% COLA for Ms. Liu and direct staff to prepare a resolution for the January Consent Agenda reflecting that change to her salary, effective November 1, 2024.

**BOARD MEMBER BREWSTER MOVED TO APPROVE A 3% COLA FOR EXECUTIVE DIRECTOR KATHY LIU AND DIRECT STAFF TO PREPARE A RESOLUTION REFLECTING THAT CHANGE TO HER SALARY, EFFECTIVE NOVEMBER 1, 2024. BOARD VP GROTHEER SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.**

#### **4. Executive Director Update**

- **Strategic Business Plan**

Ms. Liu advised EPFD Board VP Board Grotheer, ECA Board President Geyer, Ms. Meagher and she interviewed three strategic business plan consulting firms last week, two with arts background and one with public agency/local government background. She anticipated a consultant would be selected by the end of the month.

Questions and discussion followed regarding whether the EPFD/ECA has worked with any of the consultants in the past, process the consultants recommend (background/research, survey/interview and goal setting), and support for taking a fresh look at the ECA.

**5. Adjourn**

The meeting was adjourned at 2:00 p.m.

**Next EPFD Board Meeting: Thursday, January 23, 2025 - 7:30 AM**

**ACTION ITEMS:**

1. Resolution on January Consent Calendar regarding 3% COLA for Ms. Liu.