

MINUTES

Edmonds Public Facilities District Board of Directors Meeting October 29, 2020

The Edmonds Public Facilities District Board meeting convened at 7:33 a.m. in the Edmonds Center for the Arts Green Room, 410 4th Avenue North, Edmonds.

EPFD Board Members Present

David Brewster, President
Ray Liaw, Vice President
Suzy Maloney
Bill Willcock
Greg Hinton

ECA Staff Present

Joseph McIalwain, Executive Director
Matt Keller, Director of Operations

City Staff Present

Dave Turley, Acting Finance Director (Ex-Officio)

ECA Board Members Present

David Schaefer, Vice President

Other Guests Present

Adrienne Fraley-Monillas, City Council Liaison

1. Call to Order

Board President Brewster called the meeting to order.

2. Land Acknowledgement

Board VP Liaw read the Land Acknowledgement statement.

3. Board President's Comments

Board President Brewster reported Board Member Willcock completed his orientation and all the required forms have been signed by board members.

4. Consent Agenda

- **EPFD Board Meeting Minutes – 10-01-20**

Board Member Willcock advised he submitted a minor correction to minutes regarding his OPMA training status. Approval of the 10-01-20 minutes was postponed to the next PFD Board meeting.

5. Old Business

- **Prior Action Items Review**

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

6. PFD Board Business

- **November EPFD Board Meeting Date**

Mr. Keller reported due to his vacation, redrafting the 2021 budget and Thanksgiving, the November Board meeting has been rescheduled to December 3rd.

7. Finance, Facilities & Operations

- **Finance Report – September 2020 DRAFT**

Mr. Keller reviewed the September profit and loss statement which includes Gala numbers (Gala was in October last year). He highlighted operating surplus, payroll savings, intergovernmental revenue (Tier 2 payment received early), capital related grant revenue, and total net position.

- **2019 Audit Update**

Mr. Keller reported the audit team is finalizing the audit. No findings are anticipated and the audit team was happy with the steps taken. He will advise board members when a date for the exit conference has been confirmed.

- **YE 2020 and 2021 Cash Analysis**

Mr. Keller reviewed the following YE 2020 and 2021 Cash Forecast Scenarios with regard to activity assumptions and cash flow estimates:

- March 1, 2021 Reopening
- June 1, 2021 Reopening
- September 1, 2021 Reopening
- Closed all of 2021

Mr. Keller highlighted the disbursement total, ending cash, potential pandemic donation in 2020 and 2021, and adjusted ending cash. A preliminary cash analysis was presented to the Admin & Finance Committee and this version was presented to the Steering Committee.

Questions and discussion followed regarding separating the pandemic donation into 2020 and 2021, the difference between scenarios related to rewind shows, the cost of reopening the organization, and amount of staff anticipated if closed all of 2021.

- **Personnel & Benefits Update**

Mr. Keller reviewed a resolution that would temporarily modify the benefits policy due to COVID-19 restrictions placed on operations by allowing full-time staff to continue accruing leave while working restricted hours. The intent is to encourage staff care during this difficult time as well as retention and the organization's investment in the staff. This policy will remain in place until restrictions on operations are lifted and the original policy in the employee handbook is reinstated.

Discussion followed regarding employees who already qualify for insurance and Washington State Retirement System, and employees who participate in Social Security (based on whether they qualify for PERS).

BOARD VP LIAW MOVED TO APPROVE RESOLUTION 2020-001, A RESOLUTION OF THE BOARD OF DIRECTORS OF EDMONDS PUBLIC FACILITIES DISTRICT AUTHORIZING THE TEMPORARY MODIFICATION OF THE DISTRICT'S BENEFITS POLICY DURING THE COVID-19 PANDEMIC. BOARD MEMBER WILLCOCK SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

8. Executive Report / Steering Committee

- **Line of Credit – Update**

Mr. Mclalwain reported on the status of discussions with private donors regarding a gift, contribution, line of credit, or loan to help the organization during 2020 and 2021. There has been some progress over the last couple weeks and he is waiting for the donors to reach a final decision and gift level. He has communicated to them that help will be needed by the end of December and they understand the urgency. In response to a question regarding whether there was anything the board could do to assist, Mr. Mclalwain said he would inform the board if that occurred. He was hopeful an answer would be forthcoming within the next three weeks.

- **Long Term Vision and Planning**

Mr. Mclalwain reported the Steering Committee was assigned that project via the Strategic Business Plan, identifying a north star/vision for the ECA in the next 5-10 years. After several discussions as a committee of the whole, a subcommittee (David Schaefer, Mike Rosen and himself) have been working on the vision. A synopsis of the subcommittee's work was presented to the Steering Committee for review and response; it is yet not to the point of sharing with the PFD or ECA Boards. Discussion followed regarding progress that is being made, and the effectiveness of having a smaller group work on the vision.

9. Marketing & Business Development

Mr. Mclalwain relayed the practical issue of how to manage rewind shows and planning for the 2021-2022 season. He recognized there will be no ECA presentations on the stage before December 31, 2020, except for the "WE SPEAK Festival" and two ECA presentations scheduled in January and February 2021 will not occur in early 2021. It could be presumed that March, April, May and beyond presentations will not happen, but it is important to begin approaching artists/agents with a modified plan that provides some level of live performances and possibly incorporates streaming.

Staff is discussing scenarios with artists/agents such as shows for 25% of the audience, streaming show from their location, artists on stage for a 25% audience and streaming, etc. as well as thinking through the legal and financial ramifications of those decisions. He described the financial consideration: in March, April, May and June, there is about \$350,000 in presentations currently on the books and those need to happen as soon as possible. The organization will be better off financially to take care of rewind shows as soon as possible because, 1) they are a major financial hit that needs to be addressed sooner rather than later, and 2) if those shows can be done in the spring in some manner and taken "off the books," it opens space in the 2021-2022 for new shows and a season that does not include primarily rewind shows. If enough new shows can be booked for 2021-2022, it provides a reason to have a Center Stage event. If all the rewind shows are pushed out to 2022, there is very limited opportunity to book new shows to offer for sponsorship. Center Stage typically generates \$200,000.

Questions and discussion followed regarding scenarios in the cash analysis, the resilience of staff dealing with uncertainties in as positive a way as possible, the difficulty of not knowing when reopening will occur, artist tours that may not occur, what other organizations have done, differences between organizations and state-by-state restrictions, whether peer organizations have invested in streaming equipment and how successful they are finding it, organizations that have partnered on a private-stream link (limited investment but also limited interest), attrition of

audience during election season, artists who are doing their own private streaming, and anticipation that patrons would be more interested in performances streamed from ECA's stage.

10. Programming

Board President Brewster reported on the "WE SPEAK Festival," a virtual celebration of spoken word poetry and storytelling on December 3. The event will feature Jericho Brown, the 2020 Pulitzer Prize winner for poetry, as well as several other artists, and will include a workshop during the week hosted by one of the presenters and 1-2 student poets will be invited to perform their work during the festival. Ticket prices are pay what you can; he encouraged PFD board members and their circle of friends/family to consider purchasing tickets.

Mr. Mclalwain explained students from throughout the region have been invited to submit a poetry reading; a committee will evaluate the submissions and the top three will perform during the live event.

11. Hosting

Mr. Mclalwain advised the committee did not meet.

12. Philanthropy

- **Gala**
- **End of Year Giving**

Mr. Mclalwain reported staff and the Philanthropy Committee are working to extract data from the system. He described how current and past donors will be contacted and encouraged to support the ECA.

13. Inclusion & Accessibility, Education & Outreach

- **Equity Study Project Recap September 30th at 5 pm**

Board President Brewster reported the September 30th Equity Study Project included breakout rooms where individuals could discuss their own lives, the movement and reactions to the book. A recap of the project occurred in October with Mr. Mclalwain, ECA Board Member Lindsay Geyer, Gilliam Jones, the facilitator Michelle Osborne and him which resulted in ideas for continuing to learn and grow in our personal lives and the life of the organization. The boards' December retreat will include further opportunities related to this effort.

Board President Brewster relayed a virtual Kidstock! will replace the annual free event typically held in January. There will be 3-4 online events for families beginning next month that will attempt to retain the spirit of Kidstock! and inspire children with playful art and other presentations. The artists are excited to reach out to their audiences and he anticipated the umbrellas of Kidstock! and ECA's reputation will help attract virtual audiences. Mr. Mclalwain advised the first presentation, Eli Rosenblatt, is November 7th.

14. New Business

Mr. Mclalwain advised of a story on NPR regarding the opening of Black Coffee Northwest in Shoreline.

15. Adjourn

The meeting was adjourned at 8:40 a.m.

Next EPFD Board Meeting: Thursday, December 3, 2020 - 7:30 AM

ACTION ITEMS:

1. Reschedule November meeting to December 3
2. Schedule the following on 12/3/20 meeting agenda:
 - a. 10-1-20 PFD Board minutes reflecting Board Member Willcock's correction
 - b. Update on 5-year financial plan
 - c. Draft 2021 Operating Budget
 - d. Draft Scenario B 2021 budget
3. Inquire with Marketing & Development whether letter/press release provided to Edmonds Beacon and My Edmonds News regarding success of Gala
4. Inform board members when audit exit conference is scheduled