

MINUTES

Edmonds Public Facilities District Board of Directors Meeting May 23, 2019

The Edmonds Public Facilities District Board meeting convened at 7:00 a.m. in the Edmonds Center for the Arts Green Room, 410 4th Avenue North, Edmonds.

EPFD Board Members Present

Mike Popke, President
Kevin McKay
Ray Liaw

EPFD Board Members Absent

Kimberlee Armstrong
David Brewster

ECA Staff Present

Joseph McIalwain, Executive Director
Matt Keller, Director of Operations

City Staff Present

Scott James, Finance Director (Ex-Officio)

ECA Board Members Present

David Schaefer, Treasurer

1. **Call to Order**

Board President Popke called the meeting to order.

2. **Board President's Comments**

3. **Consent Agenda**

- EPFD Board Minutes – March 28, 2019
- EPFD Board Minutes – April 25, 2019

BOARD MEMBER MCKAY MOVED TO APPROVE THE CONSENT AGENDA. BOARD MEMBER LIAW SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

4. **PFD Board Business**

- **Election of PFD Board Officers**
 - **Kevin McKay – President, and David Brewster – Vice President**

Mr. Keller requested the Board appoint Kevin McKay as President and David Brewster as Vice President.

BOARD PRESIDENT POPKE MOVED TO APPOINT KEVIN MCKAY AS PFD BOARD PRESIDENT AND DAVID BREWSTER AS PFD BOARD VICE PRESIDENT EFFECTIVE JULY 1, 2019. BOARD MEMBER LIAW SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

- **Appointment of New ECA Board Members**

Mr. Keller advised the Board was provided the candidates' resumes. Mr. McIalwain explained the ECA Board recruits and interviews candidates and provides a recommendation for appointment; the PFD Board formally approves appointments to the ECA Board.

BOARD MEMBER MCKAY MOVED TO APPROVE THE APPOINTMENT OF CHERYL CARLSON, CHRISTINA CASTORENA, CENA CONTEH, MATT COX, JIM MESICK, HEIDI NAPOLITINO, NILES PEACOCK, VICKI O’GORMAN AND TANYA SHARP TO THE ECA BOARD. BOARD MEMBER LIAW SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

Mr. Mclalwain explained several ECA board members are rotating off the board; these appointments restore the board to 22 members. He thanked ECA Board Treasurer Schaefer, Chair of the Board Governance Committee, who led the effort to recruit, interview, and recommend new ECA board members. ECA Treasurer Schaefer commented the ECA Board lost four important board members through term limits.

- **PFD 2019 Amendment to SnoCo Interlocal Agreement**

Mr. Keller advised the Snohomish County PFD’s attorney is reviewing the agreement. He will provide an update and/or request action at the next PFD Board meeting.

- **Policy Approval: Resolution 2019-002 - Promotional Hosting**

Mr. Keller reviewed minor changes as a result of questions/suggestions at the last PFD meeting.

BOARD MEMBER LIAW MOVED TO RESOLUTION 2019-002, PROMOTIONAL HOSTING POLICY. BOARD MEMBER MCKAY SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

- **RFP Legal Services: Approval for Advertisement**

Mr. Keller thanked Board Member Liaw for her assistance with the RFP. Board Member Liaw anticipated the revisions will attract a broad pool of candidates with a specific skill set.

BOARD MEMBER LIAW MOVED TO APPROVE THE RFP FOR GENERAL COUNSEL SERVICES. BOARD MEMBER MCKAY SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

5. Inclusion & Accessibility

- **Update**

Mr. Mclalwain relayed the committee is doing fantastic work. At their recent meeting, they reviewed outcomes from the Step Up Conference and he shared what he and Jillian Jones learned at a 4-day symposium on equity and inclusion at the Western Arts Alliance conference including Portland’s efforts, gentrification, theater work being done to engage Police Departments, etc. The committee also reviewed bullet points in the strategic plan that are specific to inclusion and accessibility.

6. Marketing & Business Development

- **Season Preview May 8th**

Mr. Mclalwain reviewed shows added to the 19-20 season. Sponsors who purchased mystery show sponsorships will have an opportunity to select from the added shows. He said this was a

very successful and the most well attended season preview event. He thanked the team that organized it.

- **Ticket and Sales Update**

Mr. Mclalwain reviewed the Ticket Sales Report, relaying the 18-19 season was \$4,038 short of covering costs before sponsorship. He highlighted production costs for some shows, early strong sellers and what will be done differently next season such as marketing early, involving partners, etc. Discussion followed regarding packaging shows, the PFD/ECA's mission to provide a diverse slate of performances, recognizing that not everything is profitable and preserving that flexibility, recognizing that \$4,000 before sponsorships is not a huge negative given the mission, ensuring attendance is strong, cancellation of a show, shows that did not sell well, providing an experience for people, and the benefits of shows that attract a diverse audience.

Board members' suggestions included:

- Feature a video of 1-2 upcoming shows on the website, especially for lesser known artists
- Market slower selling shows as a group experience
- Package shows to include shows that do not sell as well
- Offer an opportunity to donate tickets when purchasing tickets
- If a show intended to expand cultural opportunities is not selling, have a plan to strategically sell/provide tickets to a target audience for a lower price

7. **Philanthropy**

- **Legacy Giving and Gift Acceptance Policy**

Mr. Mclalwain relayed the Philanthropy Committee appointed Jeanne Thornton as the Chair and she is leading the effort to finalize the legacy giving policies and procedures which will then be forwarded to the ECA and PFD Boards. Future discussions will include financial management of endowments and a donor bill of rights. Templates are available from the Association of Fundraising Professionals. Another discussion that will need to occur, likely at the Steering Committee level, is the evolution of the relationship between the PFD and ECA boards.

A brief discussion followed regarding the existing relationship between the PFD and ECA and exploring a different structure whereby the PFD would contract with the ECA to operate the facility.

8. **Executive Report / Steering Committee**

- **Programming Update 19-20 Season**

This item was discussed under the Ticket Sales Report.

- **Strategic Plan: Board Committees**

Mr. Mclalwain relayed chairs have been selected for all committees; they are encouraged to seek expertise outside the organization. Committee meetings will begin in July. A spreadsheet has been prepared with the objectives and SMART goals to allow each committee to track its progress. He anticipated committees will submit an updated a spreadsheet quarterly to illustrate their progress and 1-2 committees will present their progress at each ECA Board meeting. The quarterly spreadsheet could also be submitted to the PFD Board. Board Member McKay suggested a future agenda item to discuss how the PFD Board wants to track progress on the strategic plan.

Mr. Mclalwain relayed minor modifications need to be made to the strategic plan; it will be formally modified at the December retreat. He will provide PFD board members the final strategic plan.

- **Appointment of Suzy Maloney to PFD Board June 18th**

Mr. Mclalwain relayed Ms. Maloney will be replacing Board President Popke on the PFD Board effective July 1st. Her appointment by the City Council is scheduled on June 18 and includes a brief interview by the Council prior to the meeting and approval of her appointment on the Consent Agenda. He encouraged board members to attend the Council meeting.

- **Joint Board Social June 11, 5:30 PM**

Mr. Mclalwain explained the Joint Board Social is held twice a year in December and June. He encouraged board members to attend the June 11th social in the ECA lobby which will include welcoming new ECA and PFD board members and honoring board members who are rotating off. Board members requested an invite to the Joint Board Social be sent and that calendar invites be a standard practice.

9. **Finance, Facilities & Operations**

- **April 2019 Draft Finance Reports**

Mr. Keller reviewed the Statement of Revenue, Expenses and Changes in Net Position ending April 30, advising it is trending slightly behind 2018. He highlighted grant revenue received and expected, ticket sales 2019 compared to 2018, and the effect on rental revenue from a cancellation due to snow. He also reviewed the Statement of Net Position. Two sets of disbursements will be presented at June meeting; the delay was due to changing banks, the audit, etc.

- **June 11th Presentation to City Council Finance Committee: Update**

Mr. Keller described information that will be provided to the Finance Committee. Discussion followed regarding who should attend the Finance Committee meeting.

- **Audit Update**

Mr. Keller reported the audit is going well and he was hopeful a draft report would be available for the Finance Committee meeting and at the next PFD meeting. The audit exit conference will follow the June 27th PFD Board meeting.

10. **New Business**

BOARD MEMBER MCKAY MOVED TO ADD PUBLIC RECORDS ACT AND OPEN PUBLIC MEETINGS ACT TRAINING FOR BOARD MEMBERS TO THE AGENDA. BOARD MEMBER LIAW SECONDED. MOTION CARRIED UNANIMOUSLY.

- **Public Records Act and Open Public Meetings Act Training for Board Members**

Mr. Keller said it has been some time since the board had this training. He is researching options, anticipating it could take up to 40 minutes. Following discussion, it was agreed to schedule the training once general counsel has been hired.

11. Old Business

- **Action Items (final page of minutes)**

Mr. Keller relayed all the action items have been addressed or will be addressed at a later date.

12. Adjourn

The meeting was adjourned at 8:37 a.m.

Next EPFD Board Meeting: Thursday, June 27, 2019 - 7:30 AM

ACTION ITEMS:

1. Update/action on PFD 2019 Amendment to SnoCo Interlocal Agreement at next meeting
2. Suggestions related to ticket sales/marketing
 - a. Feature video of upcoming 1-2 shows on website, especially for lesser known artists
 - b. Market slower selling shows as a group experience.
 - c. Offer an opportunity to donate a ticket when purchasing a ticket(s)
3. Provide board members the final Strategic Plan.
4. Future agenda item to discuss how the PFD Board wants to track progress on the Strategic Plan
5. Send invite to board for the June 11th Joint Board Social and June 11th Presentation to City Council Finance Committee
6. Make sending calendar invites a standard practice
7. Provide draft 2018 financials at next meeting
8. Audit exit conference following June 27th PFD Board meeting
9. Schedule Public Records Act and Open Public Meetings Act training for board members once general counsel has been hired