

MINUTES

Edmonds Public Facilities District Board of Directors Meeting April 24, 2025

The Edmonds Public Facilities District Board hybrid meeting convened at 7:31 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
Wayne Grotheer, Vice President
Suzy Maloney
David Brewster

ECA Staff Present

Kathy Liu, Executive Director
Lori Meagher, Associate Executive Director
Amy Stagno, Director of Development
Liz Dawson, Director of Programming & Comm.

EPFD Board Members Absent

Bill Willcock

1. Call to Order

Board President Liaw called the EPFD Board meeting to order.

- Attendance of those attending in-person for minutes.

2. Land Acknowledgement & Equity Statement

Board Member Brewster read the Land Acknowledgement & Equity Statement.

3. Agenda Review & Approval

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

4. Board President's Comments

Board President Liaw commented on the Chamber of Commerce's event in the lobby last night and the upcoming Center Stage and recognized staff for their work.

5. Public Comment - None

6. Consent Agenda

- Meeting Minutes – March 2025
- March Disbursement Report

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

7. Old Business

- Prior Action Items Review

Board President Liaw reviewed progress on action items from the previous meeting. There were no outstanding items.

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

Board Member Brewster commented the staff report was very comprehensive, full of activity, and it was exciting to see all the good work being done at the staff level.

8. PFD Board Business

- **AWSPFD**

Board Member Brewster reported the PFD sales tax extension is in a package of bills that were approved by both houses of the legislature and is on the governor's desk for signature. Due to the governor's concern about this year's deficit which the sales tax extension does not impact, he recommended the board authorize Board President Liaw to sign onto a letter to the governor from the lobbyist that most of the other Washington State PFDs are also signing so the governor is aware there is statewide support for his approval of the legislation. The extension will add 15 years to the current sales and use tax.

Board Member Brewster reported on efforts to register the AWSPFD with the Secretary of State which includes submitting articles of incorporation and bylaws. Next steps include clarifying the organization's finances, scheduling the date and location of this year's conference, and identifying someone to oversee the organization. He agreed to be the contact person for the EPFD in the interim and suggested also including Ms. Meagher and/or Ms. Liu. Board President Liaw relayed if the sales tax extension bill passes, the interlocal with Snohomish County PFD will need to be revised.

Discussion followed regarding a bill awaiting the governor's approval that would apply sales tax to signage revenue, the EPFD's online advertising, amount of sales tax the EPFD receives directly and through Snohomish County PFD, and recruitment for new Snohomish County PFD members.

BOARD VP GROTHEER MOVED TO OFFER THE EPFD'S SUPPORT TO THE GOVERNOR'S OFFICE FOR APPROVAL OF HB 1109. BOARD MEMBER BREWSTER SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

9. PFD Board Member Reports

Board Member Maloney reported most of the discussion at the Philanthropy Committee was regarding Center Stage and entertainment, format and procurement for this year's Gala. Ms. Liu commented on the hybrid Gala format which will include entertainment, heavy cocktail hour, and auction.

Board Member Brewster reported the IDEA Committee is continuing to work on the equity statement. The Education and Community Outreach Committee is gearing up for Educator Preview. He commended Diana Ortega for her work.

Board VP Grotheer reported the Facilities & Operations Committee meeting discussed the need to replace the emergency power supply for IT, lighting and communications. Staff is seeking a grant from the Puget Sound Energy Foundation. The facility's 20 year old sprinkler system is being tested; if any one of the four types in the facility fail; all the sprinkler heads of that type must

be replaced. Replacement would need to be done by the end of the year and the potentially significant cost is unbudgeted.

Board VP Grotheer reported the Universal Access Taskforce is being suspended until August. Improvements related to hearing-impaired patrons and improving indoor air quality during performances will continue with reports made to the IDEA and F&O Committees. The taskforce will decide what to do with the unallocated capital budget of approximately \$5,000 which may include improving lobby seating. The reason for the suspension is staff turnover and workload and strategic planning that will look at the boards' organizational structure.

Board President Liaw reported the Admin & Finance Committee discussed memorializing the EPFD's financial principles/policies. The Steering Committee continues to discuss the timing and framework for reaching a decision regarding a physical partner on the ECA campus. Discussion followed regarding the Cascade Art Museum's interest in partnering on the ECA campus, and establishing a board-driven taskforce to determine a process, framework, and timeline regarding a partner.

Board President Liaw reported the presentation to the City went very well and included a lot of good feedback/comments. Staff is working with the EPFD attorney's to update the operating agreement between ECA and EPFD Boards.

10. Executive Director Update

- **Programming/Outreach**
 - Ticket Sales Update

Ms. Liu reviewed the ticket sales report, relaying the ECA is reaching the end of a phenomenal 2024/25 season. Three summer shows have been announced (Marty Stuart, Deana Carter, and The Selena Experience) and there may be a fourth. She reported on upcoming shows, ticket sales forecasting, grant support for some artists, and the self-produced We Speak presentation in May. She reported on plans for the May 14 Center Stage where the 2025/2026 season will be announced.

- **Contributed Revenue Update**

Ms. Liu reviewed the Development Revenue Report, commenting contributed revenue is slightly ahead for the first quarter. She reported on the Spring Appeal targeting people who give at this time of year, and people who came to Kidstock, an unanticipated grant from the Norcliffe Foundation to support youth programming, and staff's pursuit of a grant to support emergency lighting. Discussion followed regarding the percentage of contributed revenue that is federal, and funding from Snohomish County LTAC.

- **Business Development Update**

Staff will address during the presentation later on the agenda.

- **Strategic Planning Process**

Ms. Liu reported there have been two strategic planning meetings and the process is reaching the end of the discovery stage. The consultant has been conducting interviews within the community and the organization and with comparative organizations; some of their preliminary findings were shared at the last committee meeting. Next steps include assembling

taskforces/thought panels to reflect on what are identified as the five key pillars of the strategic plan and the presentation at the board retreat.

Discussion followed regarding consideration of the governance structure in the strategic plan, aligning committee structure with strategic plan goals and determining which committees need to exist, and providing a framework to the strategic planning committee.

11. Associate Executive Director Update

- **Administrative**

- Update on Board Member Interview Process

Ms. Meagher reported four candidates are being interviewed on Monday. The interview panel, consisting of EPFD Board Members Maloney and Grotheer, ECA Board Members Matt Cox and David Schaefer, Ms. Meagher and Ms. Liu, will provide a recommendation to the EPFD Board in May.

- **Finance Update**

- Y/E Update & March Financials

Ms. Meagher reported staff is working on year-end reconciliation. A temporary accounting person is assisting with revenue reconciliation and implementation of GASB 100 and 101. She reviewed the Income Statement, highlighting operating revenues and expenses, and the Balance Sheet, highlighting total cash, total receivables, total assets, and accounts payable

- Cash Flow
- Debt Service Update

Ms. Meagher reviewed the Capital Debt Overview, highlighting 2021 bonds, First Financial Bank loan and City loan and the timeline for repayment.

- Rental Revenue Update

Ms. Meagher reviewed rental revenue, highlighting budgeted events (30) versus actual (49), Quarter 1 days of use (56), plans to separate theater and other events in the update, canceled and rescheduled events, event-related wages and benefits included in expenses, and rental expenses that are offset by revenue.

- **Human Resources**

- Staffing Transitions
- Employee Handbook Update

This will be addressed in Quarter 2.

- IDEA Update

Board Member Brewster provided this report earlier in the meeting.

- **Facilities**

Board VP Grotheer provided this report earlier in the meeting.

12. **Department Head Presentation**

Director of Development Amy Stagno and Director of Programming & Communication Liz Dawson presented:

- Audience and Business Development ECA 2025
 - Looking to future: new audiences support sustainability
 - How can we engage new audiences while retaining existing ones
 - Can our efforts to build new audiences contribute to our work, missing (including IDEA initiatives) and financial health
- Consideration
 - Recognize and embrace change – opportunity to diversify and grow
 - ECA's 20th anniversary approaching
 - Strategic plan and future focus
 - Budget deficit
 - Current global and political climate
- What target group makes sense for ECA in fiscal year 2025
 - 35-54 year olds (Gen X – millennial)
 - Working professionals
 - Parents and family
 - Homeowners
 - New small/local businesses
 - We're looking for audiences that will grow with ECA, finding ways to meet them where they are, while learning about both the barriers and motivations for engagement
- Small businesses
 - Host a networking event
 - Connect Edmonds 4/23/25 (spring)
 - 10% discount to summer show "Small Biz Night"
 - Opportunities for recognition
 - Industry Nights: Small Biz, Arts & Culture
 - Next sectors and timing TBD
 - Hoping to have 3 events this year
- Parents and families
 - Discovery
 - Kidstock surveys and parent groups
 - Programming
 - Family-friendly shows in the 25/26 season
 - Opportunities for outreach
 - Kidstock sponsorship
 - Private school
 - Acquisition
 - Generational wealth, legacy
- New residents and homeowners
 - New and prospective
 - Work with local realtors
 - Current
 - Host neighborhood nights
 - New audiences
 - Welcome letter
 - Promotion
 - Business development
 - New corporate sponsors within real estate

- What does success look like?
 - A more diverse audience, with increased engagement from the 35-54 segment, and in turn increased revenues
 - Increased % of audience who returns beyond 2 performances each year
 - Revamping subscription packages
 - A clear patron path from first engagement to major donor with automated touchpoints, incentives and exciting benefits
 - Seen as an arts & culture destination for working professionals, families, and those new to Edmonds
 - Reengaged, refreshed relationship with business community

Discussion followed regarding appreciation for the update, data that drove decisions and strategies, querying volunteers about what they hear from patrons, reports front of house teams provide after each show/rental, tapping into ambassadors, staff team providing a mid-year update, and the Gala format.

13. New Business

Board Member Brewster invited everyone to visit the Edmonds Book Store on Saturday, April 26 for Independent Bookstore Day. Stores around the region will open early and close late; patrons who receive passport stamps from the 29 stores receive a discount at their home store.

14. Adjourn

The meeting was adjourned at 9:13 a.m.

Next EPFD Board Meeting: Thursday, May 29, 2025 - 7:30 AM

ACTION ITEMS:

1. May Meeting
 - a) EPFD Board recommendation for new board member