

MINUTES

Edmonds Public Facilities District Board of Directors Meeting July 31, 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

Wayne Grotheer, President
Suzy Maloney, Vice President
David Brewster
Scott Ely
Ray Liaw

ECA Staff Present

Kathy Liu, Executive Director
Lori Meagher, Associate Executive Director

Guests

Vivan Olson, City Council Liaison

1. Call to Order

Board President Grotheer called the EPFD Board meeting to order.

- Attendance of those attending in-person for minutes.

2. Land Acknowledgement & Equity Statement

Board Member Ely read the Land Acknowledgement & Equity Statement.

3. Agenda Review & Approval

Board President Grotheer corrected the resolution number of the EPFD ECA Mclalwain Access Program from 2025.02 to 2025.03 and the name of the sub-agenda item under the Executive Director Update from Creative Access Program to Cultural Access Program. Board Member Liaw requested the EPFD ECA Mclalwain Access Program Resolution 2025.03 be removed from the Consent Agenda and added to the agenda for discussion.

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

4. Board President's Comments

Board President Grotheer reported on the annual volunteer appreciation celebration recognizing the contributions of the ECA's 145 volunteers. He thanked staff for organizing the event and Board Member Brewster and the numerous ECA board members who joined him in welcoming volunteers to the event. He thanked Board Member Liaw for her three years of leadership as board president and welcomed Scott Ely to his first EPFD meeting as a board member. He commented although he has led thousands of meetings, this is his first using Roberts Rules of Order.

5. Public Comment - None

6. Consent Agenda

- **Meeting Minutes – June 26, 2025**
- **June Disbursement Report**

BOARD MEMBER BREWSTER MOVED TO APPROVE THE CONSENT AGENDA AS AMENDED. BOARD MEMBER LIAW SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

7. Old Business

- **Prior Action Items Review**

Ms. Meagher reviewed progress on action items from the previous meeting. There were no outstanding items.

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

Board Member Brewster commented it was always helpful to hear staff's perspective.

8. PFD Board Business

- **AWSPFD Invoice**

Board Member Brewster provided background on the Association of Washington State Public Facilities Districts, formed 13 years ago but never formally incorporated with the Secretary of State. Cowlitz County PFD Board Member Betty Erickson, the self-appointed leader of the organization, collected dues from members in the past. A spirited discussion occurred at last year's AWSPFD annual meeting about the organization's leadership, validity, and finances. The lobbyist is owed approximately \$21,000 for his work on the extension of the sales tax which the legislature approved in 2025. An annual meeting is planned in Wenatchee at the end of September where he hopes the issues of paying the lobbyist, creating a legal entity with the Secretary of State, and establishing organization leadership can be accomplished.

Questions and discussion followed regarding whether the payment would be made by the ECA or EPFD, not making a payment until a legal AWSPFD entity is established, lack of a contract between the organization and the lobbyist, whether there could be special assessment for fulfilling the obligation to the lobbyist, the lobbyist's invoice, whether the organization needed to have a lobbyist on retainer, and the current self-appointed president of AWSPFD.

It was the consensus of the board not to pay the invoice now and possibly pay it later once the organization is legally established.

- **Board Committee Assignments**

Board President Grotheer commented on committee assignments, recognizing the committee structure may look different following the strategic plan update. Board members agreed to the following committee assignments:

Committee	Board Member
Philanthropy	Maloney & Ely
Facilities & Operations	Grotheer (Liaw backup)
Hosting	Ely (Liaw backup)
Admin & Finance	Grotheer and Liaw

Steering	Maloney & Grotheer
Education & Community Engagement	Brewster
IDEA	Brewster
Marketing & Communications Advisory	Ely

- **EPFD ECA McIlwain Access Program Resolution 2025.03**

Board Member Liaw suggested distinguishing between ECA the facility and ECA the non-profit throughout the document. She offered to make the changes in the Word document. She referred to Section 3 Implementation, and suggested changing “Chief Financial Position” to “Executive Director.” It was agreed to have approval of revised Resolution 2025.03 on next month’s Consent Agenda.

9. PFD Board Member Reports

Board President Grotheer reported the Admin & Finance Committee meeting included discussion regarding mid-year finances and refining how data is presented. Items discussed at the Steering Committee meeting are included in the Executive Director and Associate Director’s updates on today’s agenda with the exception of a discussion regarding financial contingency planning. The Facilities subgroup of the Strategic Planning Committee met twice this week and concluded its work. The Facilities & Operations Committee did not meet this month.

Board Member Brewster reported the Edmonds Creative District Advisory Committee meeting, held at the Frances Anderson Center, included a detailed report from Deputy Parks & Recreation Director Shannon Burley about activities at the FAC. The meeting also included a discussion about the Cultural Access Fund. The IDEA Committee and the Education & Outreach Committee did not meet; the staff report includes a great summary from Diana Ortega about her team’s activities.

Board VP Maloney reported the Philanthropy Committee meeting including brainstorming what board members and staff can do with regard to philanthropy and fundraising. She suggested finding the notes of Tom Mesaro’s work with the ECA board regarding the role of board and fundraising. She reported a new development tracking system is being implementing this summer. The committee also discussed strategic planning and the Gala.

Board Member Ely reported the Admin & Finance Committee discussed ways to enhance reporting and the optimal mix between presented and rental events.

10. Executive Director Update

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

Ms. Liu reported on recent and remaining shows, noting the 2024/25 season is almost concluded. Ticket sales are below projections by about 15% due primarily to two cancelations and one postponement. With regard to overall ticket sales in calendar year 2025, a majority of shows have met projected goal, but shows that did not meet goal were significantly below goal. She has asked the programming and marketing team to research this and provide insights for future implementation. Plans are underway to add fall shows to make up revenue and consider which shows need additional support. Subscriptions and single ticket sales for the 2025/26 season are very strong.

Ms. Liu reported on summer camps, last week for ages 13-15 was very successful; this week's camp is for ages 8-11. The musical theater summer camp sold out this year; staff will build on that model for next year.

Questions and discussion followed regarding changes made to season subscription packages, number of shows in the upcoming season versus past season, big names in the spring, whether contracts have bilateral cancelation, contracts for rental versus presented events, profit margin on summer camps, and not-on-sale shows (confirmed shows that will be announced in August).

- **Contributed Revenue Update**

Ms. Liu reported most lines are ahead of budget other than corporate. She expected to report significant improvements in August due to the team's efforts in July. There is also some weakness in the government line; the gap is smaller than shown due to timing, but a few expected grants were not received including an ArtsWA grant. Gala tickets are publicly on sale and she encouraged board members to invite others to attend. The format is evolving with a lower ticket price and fundraising via the auction and raise the paddle. The procurement team met last night to discuss the expected number of auction items.

- **Strategic Planning Update**

Ms. Liu reported on small groups that were convened to discuss governance, facilities and finance. An update will be provided to the Strategic Planning Committee on Friday. Recommendations are expected to be made to committees in September with a draft plan available in October.

- **Gala Update**

This item was covered as part of the Contributed Revenue Update above.

- **Cultural Access Program**

Ms. Liu reported last week's Creative District Advisory Committee meeting included an update from City staff who plan to present the initiative to City Council. The Cultural Access initiative, approved by the state legislature, allows counties and cities to impose a 0.1% sales tax to support culture, arts, arts education, heritage and science within their borders. It could potentially generate \$1.3 million for Edmonds. This has been approved and implemented in Olympia and Tacoma and Edmonds is considering using their administration as a model. It was also implemented by King County as the Doors Open program.

Questions and discussion included who will develop the funding plan, ways the funding can be used, potential for the City to fund a cultural arts staff person, and the Edmonds Arts Commission's past survey of cultural art institutions.

11. Associate Executive Director Update

- **Finance Update**
 - June Draft Financials & Cash Flow

Ms. Meagher reviewed the Income Statement, recognizing although there is an operating loss, it is above budget which is a testament to staff being conscious about expenditures. Department

heads will provide forecasts by the end of August and she and Ms. Liu will report to Admin & Finance regarding any budget modifications for 2025. She highlighted concessions, total operating revenue, rentals and leases, payroll, operating surplus (loss), and total net surplus (loss).

Ms. Meagher reviewed the Balance Sheet, highlighting unrestricted operating, board designated fund, liabilities, and bond payments.

Questions and discussion included facilities, maintenance and utilities expenditures, and how ticket sales for subscriptions are amortized.

Ms. Meagher reviewed the Cash Flow report, summarizing the organization is projected to finish the year above budget.

- Debt Service Update

Ms. Meagher relayed the extension of the sales tax was not discussed at the recent Snohomish County PFD meeting. Following a conversation with Steve Shelton, she will prepare a rough estimate of how the extension will affect sales tax projections. Ms. Liu relayed the Snohomish County PFD is in the process of finalizing board appointments; Alicia Crank has been approved, two board positions are awaiting confirmation and one is awaiting reappointment.

Questions and discussion included whether Tier 1 will be extended, funds the Snohomish County PFD collects and distributes, partnering with other PFDs on a strategy, whether preserving the Edmonds Theater will require them to become a PFD, state legislation to create new PFDs, and formation of new PFDs reducing the amount existing PFDs receive.

- Rental Revenue Update

Ms. Meagher reported rental revenue is ahead of budget. There have been 112 rental venue dates through June. The director of rental events is networking in an effort to identify opportunities to rent other spaces in the facility.

- **Human Resources**

- Staffing Transitions

Ms. Meagher reported on interviews for a production manager; she hopes to make an offer tomorrow contingent on references. Kramer Kales has been acting in a consultant role as a production advisor and transitioning the new manager. There are openings for an education and community engagement coordinator and box office associates for show shifts. Admin Assistant Lexie Marsters increased her hours to 40 and is assisting Education 10 hours/week.

- Employee Handbook - Update

Ms. Meagher reported she completed her review of the outline provided by All Things HR; some areas need to be updated and policies added. She anticipated a draft policy will be reviewed by Admin & Finance in August followed by review by the EPFD Board.

- IDEA - Update

Ms. Meagher reported the committee is on hiatus as there is no chair.

12. New Business

13. Adjourn

The meeting was adjourned at 8:35 a.m.

Next EPFD Board Meeting: Thursday, August 28, 2025 - 7:30 AM

ACTION ITEMS:

1. Amend EPFD ECA Mclalwain Access Program Resolution 2025.03
 - a. Distinguish between ECA the facility and ECA the non-profit
 - b. Section #3, change Chief Financial Position to Executive Director
2. August meeting agenda items
 - a. Approval of EPFD ECA Mclalwain Access Program Resolution 2025.03 on Consent Agenda
 - b. Report on profit margin for summer camps
 - c. Review draft Employee Handbook