MINUTES

Edmonds Public Facilities District
Board of Directors Meeting
May 28, 2026

The Edmonds Public Facilities District Board hybrid meeting convened at 7:34 am 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
Ray Liaw

EPFD Board Members Absent
David Brewster
Scott Ely

ECAN Board Members Present
Jeff Lewis, Secretary/Treasurer

ECA Staff Present
Caitlin Pontrella, Interim Executive Director

Guests
Chris Eck, Councilmember
Michael Miller
Eric Boettcher, Turning Point
Kisha Post
Courtney Amonsen, SAO
Erika Davies, SAO
Deb Kindinger, SAO
Lori Meagher

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 Liaw read the Land Acknowledgement & Equity Statement.

3. Agenda Review & Approval

Board President Grotheer requested the Employee Handbook be removed from the Consent Agenda and added to next month's agenda as an action item. Board Member Liaw requested it be added to today's agenda under New Business for discussion if time allowed.

> **BOARD MEMBER LIAW MOVED TO APPROVE THE AGENDA AS AMENDED. BOARD VP MALONEY SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.**

4. Board President's Comments

Board President Grotheer congratulated Interim Executive Director Caitlin Pontrella and other ECA directors and managers involved in the recent Center Stage fundraising event which exceeded the fundraising goal by 40%. He recognized Amy Stagno and Liz Dawson for their outstanding work. Given the national context of fundraising difficulties for arts organizations and the magnitude of changes underway at ECA, this was a great vote of confidence from the community.

5. Public Comment - None

6. **Consent Agenda**

- **May Board Meeting Minutes**
  - **May 7, 2026**
- **Disbursement Reports**
  - **February 20266**
  - **March 2026**
  - **April 2026**

Board President Grotheer relayed the Finance Committee recommended approval of disbursement reports.

> **BOARD VP MALONEY MOVED TO APPROVE THE CONSENT AGENDA AS AMENDED. BOARD MEMBER LIAW SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.**

7. **Old Business**

- **Prior Action Items Review**

Board President Grotheer reviewed progress on action items from the previous meeting and identified outstanding items (see Action Items below).

Board President Grotheer advised the EPFD will cover Board Member Brewster's fee to attend the AWSPFD annual conference as he represents the EPFD on the AWSPFD. Any other attendees will pay for their own attendance ($300). Conference registration is open now.

8. **Financial Update**

- **2025 Financials**

Eric Boettcher, Turning Point Strategic Advisers, reviewed the December 2025 Financial Dashboard including the Income Statement-Key Amounts, highlighting variances in operating revenues and expenses, and total surplus; and Balance Sheet-Key Balances, highlighting variances in total cash, debt service, current portion of long-term debt, and long term debt. He reviewed the Statement of Revenue, Expenses and Change in Net Position (Income Statement) December 2025, highlighting variances in employee benefits, other operating expenses; and the Statement of Net Position (Balance Sheet) December 2025, highlighting cash, accounts payable, and leased assets receivable.

Questions and comments followed regarding consistency of the 2025 financials with projections in late 2025, and a request for Mr. Boettcher to double check the 2024net loss on the Income Statement.

- **Q1 Financials**

Mr. Boettcher reviewed the Financial Dashboard including the Income Statement-Key Amounts, highlighting variances in operating revenue and expenses, non-operating revenue and expenses; Balance Sheet-Key Balances, highlighting total cash, total receivables, accounts payable, and unearned ticket revenue; Statement of Revenue, Expenses and Change in Net Position (Income Statement), highlighting variances in special project expenses and other operating expenses that reflect Turning Point and Ms. Pontrella's services, operating loss, and total net loss. He also reviewed the Statement of Net Position (Balance Sheet).

Questions and discussion followed regarding the variance between budget and actual in rentals and leases, variances due to an optimistic 2026 budget, growth in recent years in rentals and leases, impacts of the rescheduled Matthew Morrison show, total cost of the uninterruptible power system, variance between budget and actual for 2026 presented events, debt service payments, total sales tax revenue and how those funds are allocated, and plans to separately identify contracted costs for Ms. Pontrella and Turning Point in future reports.

- **2026 Staffing Budget Update**

Ms. Pontrella reviewed the Updated Personnel Budget: 2026 Budget, 2026 Adjustments, 2026 Projected, Original Model-Fully Loaded, and Current Model-Fully Loaded for Executive, Finance OP, Development, Programming & Production and Marketing & Comms, and savings due to restructuring departments. Some accounting functions may be shifted to Turning Point or another firm.

Questions and discussion followed regarding savings from outsourcing accounting, the Updated Personnel Budget showing personnel by department, costs for current staff versus the new directors, staffing model costs, and a request for an updated org chart. Ms. Pontrella identified new directors and briefly described their backgrounds:

- Deborah Bellange: Director of Finance and Operation
- Madison Zimmerman: Director of Marketing, Sales and Patron Services
- Carissa Castaldo: Director of Programming and Production

9. Interim Executive Director Update

Ms. Pontrella reported Center Stage was very successful, 40-50% higher than projections, which is fantastic especially in a year of transition. A high level reforecast of the numbers will be done in June to provide a more realistic projection of the 2026 financial picture. Once the new directors are on-boarded, a multi-year budget will be prepared.

10. Joint Operating Agreement Task Force

Board Member Liaw explained during the Joint Operating Agreement Task Force's second meeting, they understood discussions were occurring in multiple committees about the future structure of the two organizations. As a result, the task force plans to go on hiatus while other task forces/committees work through the fundamental issue of how the two organizations are structured before a joint operating agreement is prepared.

Board President Grotheer added ECA Board President Cox, himself and Ms. Pontrella will initially be working on the joint operating agreement. The draft agreement will first go to the Executive Committee followed by a tentative plan to bring a proposal to a joint boards meeting in August. In discussions to-date, it is not envisioned the relationship will remain as it is currently.

Questions and discussion followed regarding who will make final decision and a request when a recommendation is made to provide background, what was considered, etc. and to phase the decision to provide opportunity for input.

11. State Audit Results - 2024

Courtney Amonsen, Audit Manager, advised this is the result of the SAO financial statement audit for 2024. A packet of information was provided to the EPFD. She provided background on the SAO and results with impact.

Deb Kindinger, Audit Lead, SAO, reported the SAO is issuing an unmodified, clean opinion on the District's financial statements and there are no significant deficiencies in internal control, no significant deficiencies that are considered to be material weakness, and no significant deficiencies material to the financial statements. She reviewed required communications: no material misstatements were identified during the audit, uncorrected misstatements were provided for review but are immaterial or small and do not affect the overall opinion issued on the District's financial statements. The financial statement audit addressed the following risk which required special consideration: management override of controls.

Ms. Kindinger reviewed a management letter related to annual report filing and the status of prior management letter items (financial statement preparation).

Erika Davies, Assistant Audit Manager, SAO, described the SAO's Financial Intelligence Tool (FIT) and indicators of EPFD's financial health related to operations. She relayed closing remarks related to audit costs and timing of the 2025 audit.

Ms. Amonsen described a change in the future audit team. Ms. Davies reviewed audit report publication and availability of an audit survey. Ms. Kindinger expressed their thanks to former Assistant Executive Director Lori Meagher as well as other District staff for their cooperation and assistance throughout the audit.

12. Joint Facilities Partnership Task Force

Board Member Liaw reviewed the Joint Facilities Partnership Task Force's recommendation regarding the public solicitation process. The intent is to present a draft RFQ or details of a proposed RFQ at the June EPFD Board meeting for approval. She reviewed minimum qualifications related to mission, enhancement, financial stability, sufficient space retained by ECA, operational compatibility, and lease and board members provided input.

Questions and discussion included how the RFQ will be distributed, compatibility with the ECA's mission, integration with the campus, space retained by ECA, operational compatibility, including footnoted information in the RFQ, and parking.

13. PFD Board Member Reports

Questions and discussion followed regarding discussions occurring in the Executive and Finance Committees about other PFDs' 3rd party operators and the intent to prepare a response describing why that is not being considered, and a decision to eliminate quarterly joint committee/task force meetings.

At a board member's request, Board VP Maloney provided an update on the Executive Search Task Force.

14. New Business

Due to the length of today's meeting, the Employee Handbook was added to next month's agenda as an action item.

Board President Grotheer thanked the city council for reappointing him to another term on the EPFD Board. He reminded Officers Elections will be on next month's agenda.

Ms. Pontrella reminded of the June 8 Board Social.

15. <u>Adjourn</u>

The meeting was adjourned at 9:30 am.

Next EPFD Board Meeting: Thursday, June 25, 2026 - 7:30 AM

ACTION ITEMS:

1. June meeting agenda items:
   a. Employee Handbook
   b. Status report on list of items to provide the EPFD Board in the next 1-4 months (1a-e under Future Action Items on 5/28/26 agenda)
   c. Draft RFQ for facility partnership
   d. Officer elections
2. Eric Boettcher, Turning Point, to confirm 2024 net loss reported on Income Statement
3. Provide EPFD Board updated org chart

<u>Future Action Items</u>

1. Separately identify contracted cost for Ms. Pontrella and Turning Point in future financial reports
2. Present Joint Operating Agreement to EPFD Board in August (request to phase the decision over a few meetings and to provide background information, options considered, etc.)