

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
May 5, 2015

A. CALL TO ORDER

The meeting of the Lynnwood Public Facilities District was called to order at 6:00 p.m. by Board Vice Chair Bob Fuller at the Lynnwood Convention Center.

B. Board Members Present

George Sherwin, Chair (via phone)
Bob Fuller, Vice Chair
Andy Olsen, Secretary
Mike Echelbarger
Lynn Melby (via phone)
Art Cineza (ex-Officio)(excused absence)

Others

Grant Dull, PFD Executive Director
Judy Powell, PFD Finance Analyst
Matt Hendricks, PFD Attorney
Sara Blayne, LCC General Manager
Tracey Morrison, LCC Director of Finance
Bruce Collier, LCC Director of Events and F & B
David Kleitsch, City of Lynnwood (excused absence)
Councilmember Ruth Ross, City of Lynnwood

C. MINUTES

Board Member Echelbarger moved, seconded by Board Member Olsen, to approve the April 7, 2015 Board Meeting Minutes as presented. Motion passed, unanimously.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATIONS

E. CONSENT AGENDA

Board Member Olsen moved, seconded by Board Member Echelbarger, to approve the Accounts Payable Report in the amount of \$424,245.54. Motion passed, unanimously.

F. BUSINESS ITEMS

1. FINANCIAL STATEMENTS

ED Dull presented the financial statements for March 2015.

Sales tax revenue received in late April reflects retail sales in the City of Lynnwood during the month of February 2015. Sales tax receipts generated within the City of Lynnwood were up 4.2% from a year ago. Year to date, sales tax revenue is now up 7.8% from a year ago.

Convention Center net income in March was \$100,285, significantly better than budget of \$62,374. Attendance for the month was 9,096. There were approximately 1,368 hotel room nights generated by business in the facility during the month. Overall, the first quarter was significantly better than budget. Convention Center net income for the quarter was \$58,026, which is \$68,690 better than budget. Second quarter is projected to be well ahead of budget.

A new tenant is renting several small spaces above Chuck E Cheese. Hancock Fabrics has vacated their space, effective April 30. The 2015 adopted budget anticipated that Hancock Fabrics would remain through the year.

PFD office expenses were \$33,823, compared to budget of \$31,864. The cost of environmental remediation is included in the PFD expenses. This expense was not budgeted.

The Lynnwood PFD Board's minutes are intended to be a reasonable summary of the Board's deliberations and actions. The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions taken by the Board.

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The Board had a lengthy discussion regarding the placement of the Environmental Remediation expense.

2. CONVENTION CENTER REPORT

GM Blayne provided an overview of business for the month of March:

- Net income for March was \$100,286, which was \$37,915 better than budget.
- The average score for February customer comment cards was 4.7 out of 5 for all areas of service (excluding parking, food quality and food service). Food & Beverage received 4.4 out of 5.0 with a return rate of 33% (14/42).
- Convention Center events have generated an estimated \$1.9 million in direct and indirect economic impact.
- March was a positive month overall. Through solid sales efforts and close management of expenses, we ended the month in good position and are continuing to improve the bottom line.

G. EXECUTIVE DIRECTOR'S REPORT

The County has opened a grant application process to fund capital projects. The opportunity is open solely to public facilities districts, and is limited to \$250,000. ED Dull discussed with the Board what they would like to put forward in the application and the consensus was to move forward with an emphasis on the PFD's parking needs.

ED Dull has negotiated an agreement with the Arts Council of Snohomish County, dba Schack Art Center, to assume the curator responsibility for the Convention Center's art exhibits. Working with Schack returns curatorial responsibility to Snohomish County, and strengthens the Conventions Center's role in the regional arts community.

H. OLD BUSINESS/NEW BUSINESS

None

I. EXECUTIVE SESSION

None

J. ADJOURN

The meeting adjourned at 7:20pm.

George Sherwin, Chairman