

LYNNWOOD PUBLIC FACILITIES DISTRICT
BOARD MEETING MINUTES
August 2, 2011

A. CALL TO ORDER

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

B. Board Members Present

Mike Echelbarger, Chair
Bob Fuller, Vice Chair
George Sherwin, Secretary
Andy Olsen
Lynn Melby
Lorenzo Hines, ex-officio Treasurer
(excused absence)

Others

Grant Dull, Executive Director
Arletta Voter, Finance Analyst
Matt Hendricks, PFD Attorney
Kelvin Moore, General Manager
Angie Mykel, LCC Director of Sales & Marketing
Will Christison, LCC Director of Operations & Events
Tracey Morrison, LCC Director of Finance
David Kleitsch, City of Lynnwood
Councilmember Ed dos Remedios, City of Lynnwood
Allyson Jackson, SMG

C. MINUTES

Board member Fuller moved, seconded by Board member Sherwin, to approve the June 7, 2011 Board Meeting Minutes. Motion passed.

D. ANNOUNCEMENTS, ORAL AND WRITTEN COMMUNICATION

Executive Director Dull announced that the City Council approved the reappointment of Board member Sherwin and Board member Melby for additional 4 year terms through October 18, 2015. The Lynnwood Convention Center Art Reception is scheduled for October 19th at 6 p.m. ED Dull invited Board Members to the Washington State PFD Conference being held in Spokane on October 6th and 7th. ED Dull also mentioned a news release concerning the Washington Tourism Alliance, which is an agency created due to the State of Washington elimination of its tourism budget. Board members encouraged LCC staff to support the Tourism Alliance marketing efforts at the \$250 level.

E. CONSENT AGENDA

Board member Fuller moved, seconded by Board member Olsen, to approve the Accounts Payable report in the amount of \$301,388.57. Motion passed.

F. BUSINESS ITEMS

1. Financial Statements

Executive Director Dull presented the financial statements for June 2011; overall, net income without depreciation, is 18% better than budget.

ED Dull also updated the Board on the latest Sales Tax receipts received in July 2011 for the month of May 2011; year-to-date receipts through July 2011 are 8% higher than the same time last year.

2. Convention Center Report

General Manager Moore provided an overview of business for the month of June:

- June's net income was \$6,256 greater than budget;
- The average score for June customer comment cards was 4.77 out of 5;

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- Indirect Expenses were under budget by \$6,255 year-to-date; and
- The Economic Impact Analysis Report indicates an estimated \$9.6 million in economic impact through June 2011.

3. Convention Center Six Month Report

General Manager Moore presented an overview of the first half of 2011 and the LCC staff's achievement of the 2011 Board adopted goals.

4. Year-end Financial Projections

ED Dull presented a summary of year-end financial projections. While the PFD Intergovernmental Revenues are expected to be better than budget, the Convention Plaza segment will fall significantly short of budget; however, the PFD is not anticipating that the Convention Plaza capital improvement contingency will be spent. ED Dull explained a budget amendment would be needed before year-end in order to reallocate the budget segments, but overall expenditures are not expected to exceed the original budget amount. Preliminary PFD five year financial projections will be presented at the September Board meeting.

5. City Center Development Regulations

ED Dull summarized the on-going progress concerning the proposed revised City Center plan regulations, the various implications to PFD property, and a recommended action plan for a phased approach to PFD site development. ED Dull thanked Reid Shockey with Shockey Planning Groups Inc. and Terry Brown with Zervas Architects for their consulting work. The Planning Commission has agreed to continue the public hearing, and the next meeting is scheduled for September 9, 2011.

G. STAFF REPORTS

1. Executive Director

Executive Director Dull recapped the Department of Revenue (DOR) audit. The PFD and SMG are working with Andy Colson with the accounting firm, Deloitte, and Matt Hendricks in order to resolve the DOR claim that B & O tax is owed on SMG salaries. After further research, ED Dull will bring an update to the Board in September for further discussion.

H. EXECUTIVE SESSION

The Board went into Executive Session at 7:27 pm for five minutes to discuss Real Estate Matters. The Board came out of Executive Session at 7:32 pm.

I. ADJOURN

The meeting adjourned at 7:32 pm.

Mike Echelbarger, Chairman