

SNOHOMISH COUNTY PUBLIC FACILITIES DISTRICT  
PUBLIC FACILITY DISTRICT MEETING MINUTES  
SNOHOMISH COUNTY ADMINISTRATION WEST,  
3rd Floor, WILLIS TUCKER ROOM 3A00  
April 15, 2010  
3:00 P.M.

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**Board:**

Travis Snider, District #4  
Boyd McPherson, District #1

**Interested Parties:**

Kim Bedier, Comcast Arena at Everett Events Ctr  
Dave Waggoner, Airport  
Barry Smith, Future of Flight Foundation  
Joe McIalwain, Edmonds Center for the Performing Arts  
Grant Dull, Lynnwood Convention Center

**Staff:**

Roger Neumaier, Finance Department  
Carmen Foss, Department of Public Works  
Doug Ferguson, PFD Attorney

**Call to Order:** Travis Snider called the meeting to order at 3:04 PM.

**Public Comment** No public comments.

**Approval Items:** No quorum, no approval of minutes or voucher approvals

**PFD 2009 Results**

Roger reviewed the 2009 financial performance report. It includes a report for each project then a summary of them all together. Travis asked the projects to respond to this report while they are giving their updates and to try to give the board a sense of how they are doing – are they in ok shape, are they on the ropes, etc. Time for more discussion of this report will be available at the next meeting

Boyd asked “Is the Tier II payment that was not received in 2009 part of the Operations loss for Future of flight?” – Dave answered, “Yes”

**Review Financial Model and Assumptions**

Roger explained the changes that have impacted the Tier II revenues. There is money but it is volatile and uncertain. If the base remains constant and the overage fluctuates, all of the change takes place in Tier II.

Sales tax sourcing – Dave asked if we are confident that the numbers are correct. Roger replied that the numbers more theoretical than we anticipated.

Travis has confidence in our economy and thinks that it is recovering.

Please feel free to call Roger with questions at any time.

**Project Financial Updates****EDMONDS PFD – Joe McIalwain**

- Joe reviewed the numbers in the Edmonds Center for the Performing Arts financial statement for 2009
- Ticket sales are still improving, focus is now staying on fund raising and contributions
- Really focusing on developing a donor-centric process. Have built friendships, now looking to shift those relationships to donors
- Expenses were hard, there is nowhere else to cut and function reasonably
- Rentals need to be booked more frequently and other rental space renovations completed
- Working really hard to figure out a solution to the budget shortage that will not allow them to make their bond payment this year (approximately 1-200K short)
- They continue to look for opportunities to open up more revenue streams
- Center Stage 2010-2011 event coming up next week – opportunity to become a sponsor

Travis is pleased with the progress they have made and is happy to support them  
Roger complemented Joe on how he has handled the Edmonds PFD through these very tough years and Travis agreed.

**EVERETT PFD – Kim Bedier**

- Really happy to see the end of last year
- Distributed first quarter results for 2010, ahead of budget and very happy about it
- Attendance at events is increasing
- Lacross team has made the playoffs and clinched home field advantage

Travis commented that this is all great news, it is good to hear things are looking up.

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Doug asked, how were season ticket sales for the Lacross team – Kim said they sold 1,000 season tickets, the most they have ever had. Lacross is the 2<sup>nd</sup> biggest building sport next to soccer.

#### FUTURE OF FLIGHT PFD – Dave Waggoner and Barry Smith

- Last year was the bad year and Boeing is in a cashflow shortage over the 787
- This year they are about 15% ahead of last year in ticket sales
- Less than 50% of their ticket sales are advanced
- Completed the operating agreement with the foundation
- Doing a business review with an outside agency, will report the results of that
- Held a business showcase to get some of the locals in
- 22% jump in attendance in January 2010 – usually their slowest month, this is holding true for each month since then. This puts them on track to reach their goal of 200,000 in attendance for the year
- Exploring the opportunity to help with the Boeing tour business
- Catering and event revenue still needs to be revived
- Exhibits are doing well – taxes are helping to get new and upgraded things, including a new simulator – they wore the existing one out
- Education program started last fall, was so popular that they had to hire someone to run it. It is the first program of it's kind and they are being hounded for the curriculum
- Foreign visitor numbers are way up
- Earth day on Thursday will include Tesla cars as well as Chip Hanauer and the Miss Budweiser hydroplane
- Development director has brought in 3x her salary in a very tough year and doing even better so far this year

#### LYNNWOOD PFD – Grant Dull

- The Convention Center is 5 years old this year
- Lynnwood sales tax revenue is down 5% year-to-date, some of the car dealers and other major retailers are gone, will take time to replace them
- Lodging tax revenue is down too, which also impacts the convention center
- The Convention Center had a good first quarter this year
- Number of meetings and attendees is staying steady, food and beverage revenue is down
- They lost less money on operations last year than they budgeted
- Verizon has sponsored an internet lounge in the convention center with seating and dedicated plug-ins for cell phones, laptops, etc.
- Commented that the income statement form works for all of the projects. It doesn't provide a look at the long-term financial health of each project. Grant asked if Roger could come up with a balance sheet format that shows that.

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Doug asked where Grant sees their PFD on their bonds.

Grant responded that they have set aside 1M dollars in reserve to cover the bond payment and they aren't anywhere close to touching that.

All the current board members have been officially appointed now but the South County seat is still empty. Please contact Travis if you know of anyone who is interested in serving on the board.

Travis adjourned the meeting at 4:30pm



Chairperson Signature

Date