

**GREATER TACOMA REGIONAL CONVENTION
CENTER PUBLIC FACILITIES DISTRICT**

Hybrid Meeting of Directors –April 20, 2023

Directors Present: Dean Burke (Tacoma), Jani Hitchen (Pierce County), Kevin Briske (University Place), Linda Smith (Lakewood)

Staff Present: Adam Cook, TVE Director, Diane Hager, TVE Business Services Manager, Donlisa Scott, TVE Office Manager, Chelene Potvin-Bird, Travel Tacoma VP of Sales

Directors Absent: Andrea Reay (Tacoma), Doug Fagundes (Fife)

Chair Burke called the meeting to order at 8:36 a.m.

The meeting was started with a land acknowledgement:

Zuk^hwediitəb ʔuhigwətəb čət txwəl tiit ʔa čət ʔal tə swatxwix^wtxwəd ʔə tiit puyaləpabš dxwəstətlils gwəl ʔutxwəlšucidəbs həlgwəʔ.

"We gratefully acknowledge that we rest on the traditional lands of the Puyallup People where they make their home and speak the Lushootseed language."

Public Comment on Action Items

There was no public comment.

Approval of Minutes from January 19, 2023

Colleen Barta motioned to approve the minutes. Motion was seconded by Jani Hitchens. The minutes were approved by unanimous consent.

Open Public Meeting Acts Training & Open Public Records Act Training

Adam shared that the City has been updating their process for ensuring compliance of Commissions, Boards, and Committees with the Open Public Meetings Act training. All new members must take the training upon joining the CBC, and existing members must take it on a recurring basis. Donlisa will reach out to everyone that needs to complete the training and forward the training links. If you've already taken the training for another CBC that you are on, please notify Donlisa so that she may update her records.

Financial Update

TVE Director, Adam Cook presented the 1st Quarter 2023 financial update.

Operating Revenue was \$284K ahead of budget, marking the first time since the pandemic that revenue has beat budget. This is primarily due to a strong return of our event income. Operating Expense is showing a massive over budget spend of just over \$1M. That's a budget reporting error in the financial system. There was an incorrect \$900K credit in our expense line that is being corrected. Without that error the GTCC is on budget for operating expenses. After that correction we are slightly ahead of budget for the quarter and are pacing well on operating revenue for the year. PFD funding sources are ahead of budget by \$78K.

Debt Service shows as a positive net revenue because we are accruing all the funding for the debt payments that will occur in June. Because debt payments are only made in June and December the 1st and 3rd quarters will show as ahead of budget. This evens out at the mid-year and end of year reports.

Operating Cash Balances are still strong. We had a decrease in the Capital Fund of \$561K for spending down on the approved projects. Debt service cash increased by \$1.3million as we accrue cash for our June debt payments. Operating Fund cash increased by \$598K which has this fund in a very strong position. The Debt Reserve Fund stays static at \$501K.

The PFD Funds and Hotel/Motel Funds had minimal cash balance changes. Debt Balance is unchanged from December of last year. The balance will drop in June when we make the debt service payments.

The trend line continues in a positive direction for events and the impact they have on the community. We are at 102 events for the first quarter, up from 71 events in 2022. We are still rebuilding in some sectors, especially the ones that have the highest economic impact like conferences, conventions, meetings, and seminars, but the trend is strong. Our competitions did well in the first quarter and helped carry the other lagging sectors. Our exhibitions and trade shows

were strong in terms of number of events. However, we're seeing a tighter timeline for booking those into the future as well as an overall smaller economic impact due to smaller scale events in this segment.

Overall economic impact is improving as well with \$5.1M. We're on par with our 2019 numbers but that was a little bit of a down year for us as we were dealing with the hotel construction and some other pieces. We're hopeful to get back to our 2018 numbers soon.

Hotel/Motel tax collection started the year a bit off pace. It's fourth on the list of the past five years. January and February, which would have been our collections from November and December, were soft, but March rebounded a bit. We anticipate that we'll get back to historic pacing and make up for that lagging first quarter as we go into the rest of the year.

The PFD tax collection revenues continue to be strong. We are on pace with every other year except during the pandemic. Our current average is 103% of our Q1 2022 numbers. Tax collections are critical for the PFD and the GTCC as they fund a majority of our debt service. As those remain strong our debt rating and our bond rating remains strong.

Director's Report

Chelene Potvin-Byrd shared an update on booking/sales for GTCC. The sales team has met more than 50% of the goals for year in revenue and room nights. All sales activities including marketing and sales travels have returned to full participation since the pandemic. We are still seeing a shorter booking window of 2023-2024 as well as smaller events.

Adam shared that the State has started its annual audit for the PFD. The city takes lead on this process with the City's finance team collaborating with Diane Hager, TVE Finance Manager. We will be holding an entry conference in the next week or two with Dean on behalf the board. We will bring the full final report to the board when it's completed at the end of the audit.

TVE has been on a hiring push to get fully staffed. We have a few open custodial and HVAC positions on the Operations team due to departmental promotions. We are also hiring for a Community Events Coordinator position. Kala Dralle has held that position for many years and will be retiring at the end of June. She has done phenomenal work for events in this community and our cultural sector.

We are in the midst of several capital projects for the building. The parking fencing is almost complete, and we have fenced the second-floor garage. We have motorized the fence on the fifth floor at the loading dock gate and are waiting on some security parts to make that final. The security camera project is ongoing. They have started their work on the Dome as that building will take the bulk of time on the project due to infrastructure needs. They will transition to the Center soon, and we're hopeful that it will be completed within the next month or so. We are working on replacing and updating some of our chiller systems for our HVAC units that was based on a grant we received from the state. We continue with our furniture projects and those are going forward.

Our corporate partnership sales team continues to identify and recruit partners for GTCC. We're hopeful that we will have secured a pouring rights partner very soon. This partnership category has been open for quite a while, so we're excited to drive the additional revenue and create strong partnerships for our food and beverage contractor.

On a broader TVE context, Friday, April 21st is the Dome's 40th birthday. This is a huge milestone for this iconic building. We will be celebrating formally on the 28th and 29th with a free community event called T-Town. It will offer an exploration of city services with most city departments exhibiting and providing interactive opportunities for the public. We will also be collaborating with Tacoma Public Schools to host a trades and career fair both days in our Exhibition Hall. Approximately 2,000 students will have the opportunity to explore various trades and career opportunities in our region. The 40th Anniversary celebration will continue later in the summer with a documentary about the Dome.

New Business

Colleen reminded everyone that there will be a Pierce County Tribute to Champions Banquet on May 16th at the McGavick Center at Clover Park.

There being no further business the meeting adjourned at 8:58 a.m.

The next regularly scheduled meeting of the board is **July 20, 2023, at 8:30 AM**

Recorded by Donlisa Scott