



**Agenda Item Number
8 a.
Report of the Executive Committee**

Date: September 24, 2020

Presenter: Brenda Wilson

Action Recommended: None. Information Only

September 8, 2020 MEETING NOTES:

Members present remotely were: Board Chair Mary Walston, Sonya Carlson, Tom Cotter, Sherry Duerst-Higgins, Greg James, Vickie Kennedy, Chris Pryor, and LCOG Executive Director Brenda Wilson. Absent: Vice-Chair Heather Buch, Richard Zettervall.

Policy / Action Items

1. Plan for Annual Appreciation Dinner – Brenda noted that now was the time to start planning for the annual dinner which would normally take place in February, but with everything happening and the status of LCC’s Center for Meeting and Learning unknown, a different approach was warranted. The Executive Committee agreed that recognizing outstanding performance in the region was important. Brenda suggested a virtual event where highlight of outstanding work could be shown and awards could be given virtually. Brenda will bring back more details once those are known.

1. Draft September Board Meeting Agenda – Brenda added an update on LGPS; the Committee unanimously approved the Draft Board Agenda.

Information Items

1. Quarterly Financials – Brenda referred to the memo and went over the numbers, reminding the Committee the numbers were a snapshot on June 30, 2020, and that final audited numbers would be presented later in the year.
2. Park Place Building Update – Brenda noted when Fiscal Year 20 started in June of 2019, the projections for the Park Place Building (PPB) were positive, both for revenues and expenses with excess revenues going into the Capital Improvement Contingency account. With the Covid-19 Pandemic, those projections were adjusted for FY20 and the projections for FY21 will also need to be adjusted. Once we know what the final end-of-year revenues for the PPB for FY20, The PPB Preservation and Maintenance Strategy will be updated and brought back for discussion.

Brenda discussed the rental properties. LCOG leases out space in its Park Place Building. Current annual rent roll totals \$598,368, not including LCOG's annual occupancy costs, which are currently \$398,150. Currently, there are four vacant spaces in the Park Place Building; one of which WIXII will occupy. The rental income for these spaces is estimated to be about \$71,000, annually. Earlier this year, the Executive Committee approved the deferment of rent for four tenants: Bao Bao House (Ji Li), Shred, Public SCC, and Locus Marketing. Currently, two tenants are behind on rent by two months: Bao Bao House and Public SCC; one tenant is behind one month: Microtech. LCOG will work with the Property Manager and these tenants to find a reasonable accommodation or solution.

Brenda provided an update on the Capital Contingency Account, started in 2014 with funds leftover from the sale of the Schaefers and Springfield Buildings, as well as the refinancing of the Park Place Building and excess revenues. The only amounts taken out of this Account have been for the elevator replacement project (see below). The Account will have \$670,966 once FY20 budgeted for transfers occur. Rental income has been exceeding expenses, and excess amounts go into the Contingency Account, however, with the vacancies and the Pandemic, excess funds may be lower than budgeted. We will know by how much once the final numbers for FY20 are in.

Brenda also provided an update on the Elevators. In June 2019, the Board approved the Preservation and Maintenance Strategy developed by staff which called for the replacement of the elevators as the first Capital Project. The project

was budgeted at \$660,000 and completed in July with a total cost of \$570,796. This project was paid for out of the Contingency Account.

3. Executive Session - The Executive Committee held an executive session pursuant to ORS 192.660.