

## **Angel Of The Winds Arena/Everett Public Facilities District**

### **2021 Financial Summary**

2021 saw an increase for the District in generating net income compared to budget because of a decrease in restrictions on events and capacities due to the Covid-19 pandemic occurring earlier than anticipated. Operating income for the facility was a loss of \$511,317, which was an improvement from budget by \$580,157. This was \$788,144 less of a loss than 2020's operating loss of \$1,299,461. Operating revenues were over budget by \$1,017,232 and higher than 2020 by \$4,188,681 due to event activity returning to the facilities starting in May of 2021. Most revenue categories showed improvement in 2021 against budget as well as 2020. Ticket prices for events were higher on average in 2021, as well as overall Ticket Revenue. Ticket Revenue combined with Rental Revenue increases were mostly offset by Promoter Proceeds.

Non-event related expenses were down by \$630,083 from the 2021 budget and down \$492,193 from 2020. The largest decreases were in salaries and benefits with vacant positions being filled later in the year than budgeted for.

Non-operating revenues for the District were up \$420,729 from the 2021 budget, but \$334,728 lower than 2020. 2020 non-operating revenues were higher than 2021 mainly because we received a CARES Grant through Snohomish County of \$250,000 as well as a Hotel/Motel Tax Grant of \$550,000 from the County. The District saw increased revenues in 2021 from City sales taxes as well as the County sales taxes compared to the prior year as well as the budget. Admission taxes increased by \$148,399 from 2020 with ticketed events starting back up in May of 2021. Interest expense was down versus budget as well as 2020 due to decreased interest rates related to the PFD City Bond refinancing.

Combining operating income and district income resulted in a net increase in assets of \$918,887 for 2021 prior to depreciation. This was up \$1,000,886 from the 2021 plan and up \$453,416 from 2020 results.

### **2021 Event Highlights**

Everett Silvertips – the 2020-2021 season was delayed and substantially shortened and modified. The season ran from March through May and was played without fans. By fall, for the 2021-2022 season, a full schedule was played and fans were allowed throughout, although proof of vaccination and masks were required. During 2021, almost 45,000 people attended Silvertips home games.

Seattle Storm – in 2021 we were the exclusive temporary home for the Seattle Storm and hosted 16 regular season games and one playoff game. While initially uncertain about the ability to host fans due to COVID, we had public attendance from game one, albeit substantially limited. By the end of the season, full attendance was allowed with vaccination and mask requirements. Throughout the season we welcomed over 25,000 guests into the building to cheer on the Storm before they returned to their new home arena for 2022.

Seattle Kraken Preseason Game – in partnership with the Everett Silvertips and the Seattle Kraken, we were fortunate to host the first ever Seattle Kraken game on the western side of the State and had a capacity crowd on hand to witness the new franchise take on the Edmonton Oilers.

Disney On Ice – the annual family favorite event returned after being forced to take 2020 off. We sold almost 26,000 tickets and our gross ticket sales were 30% higher than our 2019 results and set a new record for our facility with Disney On Ice.

Vaccination Site – working with the Snohomish County Department of Emergency Management and the Snohomish Health District, we hosted a vaccination site where approximately 8,500 vaccinations were administered.

Juror Orientation – continuing from 2020, the Snohomish County Superior Court utilized the Edward D. Hansen Conference Center on a weekly basis to hold juror orientation sessions and help the court manage its case load.

### **Capital**

There were no Capital assets added in 2021. We paid a \$25,000 deposit to secure lower pricing on a Zamboni to be purchased in 2022 and we purchased a Water Heater for \$5,881 which was installed in 2022.

### **Other**

For the modified 2020-2021 Silvertips hockey season, a memorandum of understanding was established by the Everett PFD and the Silvertips outlining among other things, the terms and conditions related to a season played without fans, considering the Silvertips lease is premised upon ticket sales. This MOU ensured that the PFD would cover its expenses but also adjusted the payment timelines of certain financial commitments to be made by the hockey team to assist in cash preservation while there was no revenue.

Spectra Venue Management, manager of the Everett Events Center, was acquired by Oak View Group and the private management entity now operates as OVG360. Oak View Group is the owner and developer of Climate Pledge Arena and several other new arena development projects around the world.