

Board of Directors – Regular Business Meeting
425 N. Capital Ave., Idaho Falls, ID 83402
Wednesday, February 26, 2014, 7:30 a.m.

Minutes:

In Attendance: Board Members Terri Gazdik, Kris Meek, Cindy Ozaki and Janet Trujillo (by phone), IFAD Legal Counsel Mark Fuller, IFAD Administrative Coordinator Jennie Weitzel, Architect Kevin DeKold, Auditor Scott Bond from Rudd & Co., Bob Everhart and Allan Woolley. Excused: Robb Chiles.

I. Call to Order:

Conducted by Chairman Ozaki, the meeting was called to order at 7:37am.

II. Adoption of the Agenda:

Action: Ms. Trujillo moved to adopt the Agenda.

Action: Ms. Gazdik seconded the motion.

Result: All members present voted in the affirmative.

III. Approval of 2/12/14 Business Meeting Minutes:

Action: Ms. Gazdik moved to approve the 2/12/14 Minutes.

Action: Ms. Trujillo seconded the motion.

Result: All present voted in the affirmative.

IV. Approval of Payables:

Action: Ms. Gazdik moved to approve the payables.

Action: Ms. Trujillo seconded the motion.

Result: All present voted in the affirmative.

V. Audit Report: Scott Bond with Rudd & Co. reported on Audit. He handed out a Letter to Board and the Audited Financial Statement with Rudd's opinion. He provided IFAD with the information on a disc to send to Ms. Trujillo. Mr. Bond reviewed the letter which conveys to the board the audit process and discuss any issues which arose during the audit and recommendations for improvements.

The first recommendation is that tax revenue above and beyond FDIC insured amounts is at risk and should be diversified. He did mention that the IFAD board has since addressed the situation and has been transferring funds to the Local Government Investment Pool (LGIP) since December 2, 2013. He suggested that, because of LGIP's low return and if IFAD funds don't need to be liquid, IFAD may be interested in investing in funds with a higher rate of return. Ms. Ozaki noted that the transfer confirmation was on November 29 and the fund transfer was on December 2.

The second recommendation is to spread out the expenditure and accounting functions so that they do not fall solely on the board Chairman. The hiring of Ms. Weitzel and Galusha, Higgins, Galusha has reduced this risk but Rudd and Co. suggests implementing a financial policy to

address separation of duties to alleviate control falling on one person. In addition, Rudd & Co. request that the approval of expenditures be documented in either the minutes or documents supporting the minutes.

Mr. Bond proceeded to discuss the Audited Financial Statement for the Fiscal year ending November 30, 2013. Rudd's opinion on the financials is an unmodified or a clean opinion this year, meaning that nothing came to their attention that would indicate material misstatement. He also discussed the assets and liabilities as well as ending fund balance.

Mr. Bond addressed that the actual expenditures exceeded the adopted budget. He suggested that the board monitor the budget and, if changes occur throughout the year, the board can then reopen and modify the budget to approve the expenditures. Finally, Mr. Bond noted that Rudd & Co. did not list any material weakness or significant deficiencies. His suggestion is to continue to address separation of duties. Discussion ensued. Ms. Ozaki requested that notation be made to show the previous audit include 15 months and not 12 months. Mr. Rudd will change and reissue the audited financial statement electronically and in hard copy.

VI. Reports and Updates:

A. CMGC Update: Ms. Ozaki reported that she and Mr. DeKold attended the CM/GC Bill reading in Boise yesterday. She noted that Wayne Hammon, Kevin DeKold, Aaron Johnson with Bateman Hall and she spoke. The Engineers Association changed 'Construction Manager Agent' to 'Construction Manager Representative' and the Bill is now in an amending orders on the Senate side, which enables any Senate member to now make changes without going back to committee. Discussion about an emergency clause was addressed. Ms. Trujillo did not suggest pushing for an emergency clause. The Bill goes to the House next where amendments may also be made. It is possible that, with too many amending processes, the bill could get lost in process or just be stopped due to time constraints.

B. Financial Update: Ms. Gazdik did not have any new information to present. She sent the revised budget via email after last meeting. Discussion of tenant issues followed. Ms. Ozaki agreed that a tenant meeting would be beneficial. Mr. Fuller noted that the lease agreement expires in October and allows for month to month renewal at the same rate with no term limit.

C. Website Update: Review of Website produced questions regarding Economic and Entertainment Benefits numbers. Mr. Meek mentioned that the data included seems old and disconnected. He suggested a marketing company review and give advice on wording and show benefit of data instead of just stating data. Discussion on BYUi class who had done work for IFAD in the past ensued. Ms. Ozaki will contact group and report back to board. Ms. Ozaki and Ms. Weitzel will meet next week to review website prior to directing WebImpakt to 'go live'.

D. Administrative Reports and Updates: Ms. Weitzel reported that Shady Rest tax revenue for December has been received. Ms. Weitzel also reported on City of Idaho Falls Signage and Way-Finding luncheon that she attended the day before. She noted that the city proposed two concepts and are seeking feedback on which the public prefers. Ms. Weitzel will obtain a link to the options to forward to board members. The City also requested input on wording. What will visitors most identify with when reading signs? Do tourists know what is a Greenbelt? What should the falls be called? It appears the Event Center will be labeled Event Center.

- E. Other Reports:** Ms. Ozaki reported that she attended the Chamber's After Hours event held at Sleep Inn. She was able to speak with some of the executives and found that one of the reasons the owners made its first investment outside of Montana was because of the proximity to the event center and are very excited for the project. Ms. Ozaki was impressed with the interior and said it was more upscale than she had expected.

Ms. Ozaki noted that the Chamber is offering a Business Development once a month for the purpose of community networking. She suggested an IFAD board member may like to attend future Chamber and Grow Idaho Falls events.

Action: Ms. Gazdik made a motion to approve expenses associated with sending an IFAD representative to attend Community Networking events.

Action: Mr. Meek seconded the motion.

Result: All present voted in the affirmative.

VII. Calendar and Announcements.

A. Upcoming IFAD Meetings/Events: The next IFAD BOD meeting is March 12, 2014.

B. Announcements and Questions: None offered.

VIII. Public Comment: Time was made available for public comment. None given.

IX. Adjournment:

Action: Mr. Meek moved to adjourn the meeting.

Action: Ms. Gazdik seconded the motion.

Result: The vote was unanimous in the affirmative. Meeting was adjourned at 8:55 am.