

**Board of Directors – Regular Business Meeting
425 N. Capital Ave., Idaho Falls, ID 83402
Wednesday, 8 March 2017, 7:00 a.m.**

Minutes:

In Attendance: Board Members Terri Gazdik, Mike Lehto, Mick Ohman, Cindy Ozaki, and Allan Woolley. IFAD Legal Counsel Mark Fuller, Administrative Coordinator Jennie Weitzel, Mike Clements, Eric Isom, Kevin Greene, Mayor Casper, and Dana Briggs.

I. Call to Order

Conducted by Chairman Ozaki, the meeting was called to order at 7:01 a.m.

II. Adoption of the Consent Agenda.

Action: Motion made to approve the Consent Agenda.

Result: All present voted in the affirmative.

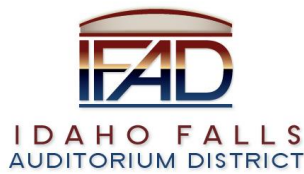
III. Stacey Lewis, Rudd & Co.: Audit Findings Presentation: Chairman Ozaki introduced and welcomed Ms. Lewis. Ms. Lewis distributed a copy of Audit findings to the board. She noted that Rudd and Company provided the District with an unmodified, or clean, report meaning that no significant control issues were identified.

Action: Motion made and seconded to adopt Audit Results.

Result: All present voted in the affirmative.

IV. Mark Fuller: Tax Collection by State Tax Commission. Mr. Fuller reported that the State Tax Commission (STC) found that Airbnb is willing to amend their contract with the STC to collect Idaho Falls Auditorium District taxes. However, it would be mandatory that the STC be the collector of the IFAD tax, similar to what is currently done with Greater Boise Auditorium District (GBAD). Collection implementation would be an initial cost to IFAD of \$60,000 and not be effective for at least one year. The STC asked for some direction from IFAD to include: what the District would be willing to pay, a time frame for completion, and additional expectations of the District. Discussion of House Bill 216 ensued. Currently, the District is collecting the tax for much less and doing so effectively and responsibly. Mr. Fuller recommends no decision is necessary within the next year.

Chairman Ozaki added that she has been in discussion with GBAD and PCAD (Pocatello Chubbuck Auditorium District) in relation to current House Bill 216. A cost comparison with the other Auditorium Districts shows the STC already using software that they claim will cost the District \$40,000 to purchase. Chairman Ozaki has been in contact



with a representative at Airbnb to establish a direct contract between Airbnb and IFAD to collect the District tax.

V. Old Business:

A. Declaration of Candidacy. Mr. Fuller reminded board members that the deadline to declare candidacy is March 17, 2017 by 5:00 p.m. and forms can be obtained at and returned to his office. He noted that there are four (4) open seats. He suggested obtaining double the required signatures in case some are not eligible.

B. Short Term Rentals. Chairman Ozaki reported that she and Mr. Fuller attended the City of Idaho Falls Planning and Zoning meeting last night where the Short Term Rental (STR) ordinance was discussed and adopted. Concerns for and against were identified. IFAD's position is neither for nor against STRs. IFAD is only interested in making sure those operators of STR are remitting the 5% bed/lodging/Transient Room Tax to IFAD.

IFAD currently has one STR owner who voluntarily remits. Chairman Ozaki noted that in her discussions with the STR Assn. owners she found that they and their accountants are unaware of the District Tax. Chairman Ozaki noted that the District would send registration forms and notification to the different organizations. The STR Assn. is to provide Chairman Ozaki with a list of their membership. Mr. Fuller recommends waiting until April to send the letter to see what the City and State have adopted and noted State statute trumps any City ordinance.

VI. Reports and Updates

A. Building Committee Update: No update given. Chairman Ozaki to make contact to finalize CHP generator presentation.

B. Financial Report: No report.

C. Executive Search Committee Update: Mr. Ohman reported that candidate interviews had been conducted. The committee will make its recommendation in the Executive Session scheduled for later in the meeting.

Ms. Gazdik reported that due to the lack of individuals interested in the Fundraising position, the committee has changed directions and interviewed two professional fundraising firms. Both firms suggested an initial study of fundraising potential for the area is necessary. Pros and Cons discussed. Ms. Gazdik recommends hiring Pathways to identify potential charitable organizations and foundations in our area for a cost not to exceed \$26,000. Mr. Fuller recommends that Pathways present initial study proposal to the board, either in person or on the telephone, prior to entering into an agreement and asked for a draft agreement be submitted for consideration. Ms. Gazdik to arrange the logistics.

D. Administrative Report: Ms. Weitzel reported that IFAD's registration form and the STR Policy adopted by the board at the previous meeting have been placed on the District website. She noted she will be out of town from March 18 through March 25. Ms. Weitzel requested board permission for IFAD to attend the Mayor's Business Day again as a vendor. Mr. Ohman noted he would like to attend and Ms. Gazdik will be unable to attend. Mr. Fuller noted he and Ms. Weitzel continue to work together on delinquent hotel remittances.

Action: Motion and second for IFAD to attend the Mayor's Business Day as a vendor.

Result: All present voted in the affirmative.

VII. Calendar and Announcements.

A. **Upcoming IFAD Meetings/Events:** The next IFAD meeting will be held on March 22, 2017. Mayor's Business Day is April 18, 2017.

B. **Announcements and Questions:** None given.

VIII. Public Comment: Mike Clements asked if any more discussion had occurred between the District and the City on a combined Rec. Center and which Direction IFAD may consider going. Chairman Ozaki said no further discussion had occurred and shared infrastructure is being considered. Mr. Fuller suggested that the District was waiting to see if the City was going to adopt an official position. Mr. Clements mentioned a conflict of interest because both entities are looking to have ice sheets and suggested a combined effort. Chairman Ozaki thanked him for his suggestion.

IX. Executive Session to consider personnel matters [Idaho Code § 67-2345(1)(a)]:

At 8:08 a.m., Chairman Ozaki moved that the board convene in Executive Session to consider personnel matters. Chairman Ozaki immediately recused herself.

At 8:45 a.m. Vice Chair Woolley moved to reenter public session and asked for a motion regarding the personnel matter.

Action: Motion made and seconded to designate Cindy Ozaki as the District's Executive Director, effective April 1, 2017, subject to salary and benefit negotiations.

Result: All present voted in the affirmative.

X. Adjournment:

Action: Motion made and seconded to adjourn the meeting.

Result: The vote was unanimous in the affirmative. Meeting was adjourned at 8:46 a.m.