

# Board of Directors Business Meeting Tuesday, March 25, 2025, 7:00 a.m.

**Location: Idaho Falls Auditorium District Office/Zoom Videoconference**

[**https://us06web.zoom.us/j/87654069189**](https://us06web.zoom.us/j/87654069189)

# Event Center Drive, Idaho Falls, Idaho 83402 Room 2416

**Participants: Rob Spear, Terri Gazdik, Mike Carpenter, Ron Warnecke, Lisa Casper (Zoom), Brian Ziel (Zoom), Mark Fuller, Erik Hudson, Catherine Smith (Zoom), Rebecca Casper (Zoom), Kristi Baughman (Zoom)**

**Agenda**

1. **Action Item** - Call to Order 7:02 AM
2. **Action Item** – Accept Agenda – Spear indicated Kristi Baughman of YTT will be joining the call to discuss agenda VIII. Warnecke moved to accept the agenda. Carpenter seconded. Motion passed.
3. **Action Item** - Accept the Consent Agenda
	1. Meeting Minutes 2-25-25
	2. Review of Payables/Financials – A payables list totaling $59,890.77 was reviewed. Gazdik asked about the parking lot sign cost. Spear said that was ½ the cost for the project to install Mountain America signage on the light poles. Gazdik asked about the $3K accounting charge. Spear said he has contacted Wipfli for clarification. Warnecke asked how many invoices the board will receive for insurance costs. Spear said there will be two invoices: one from JD Fulwiler for General Liability, Umbrella Liability and Director and Operator insurance and a monthly invoice from Selective for building insurance. The Board did not approve a $3K payment to Wipfli until Spear receives more information on the charge. The board approved payables totaling $56,890.77. Spear reviewed January financials and indicated TRT revenues were $167,345.82 versus $137,410.06 in January of 2024. Carpenter moved to accept the consent agenda with a payables list totaling $56,890.77. Warnecke seconded. Motion passed.
4. **Discussion Item** –Public Comment (Any member of the public is welcome to take three minutes and share concerns or questions with the Board). There were no public comments.
5. **Action Item** – Review and approve proposal from Lewis Mechanical to install four 40x78 isolation dampers in RTUs 1-4. Spear described the proposal and explained this will allow each RTU to be separated. Currently they all operate on the same duct system. This upgrade will allow for easier maintenance and could allow the arena bowl to function with only one or two RTUs. Not only would this increase efficiency it will enhance the useful life of the RTUs. Hudson explained that currently all four RTUs are working and having the ability to isolate will create efficiency. Carpenter asked if there have been any quantifiable efficiencies since the HVAC system is working as intended. Hudson said he will know more when he receives March data but said all the thermostats in the building are now consistent and are within .5 of a degree. Warnecke said it was a fair price and agreed that isolating the four RTUs makes sense and will increase efficiency. Fuller asked why this wasn’t done originally. Spear explained it was part of the value engineering exercise that removed custom RTUs and replaced with canned RTUs. This was necessary as IFAD was trying to afford to build the center. Warnecke moved to accept the proposal from Lewis Mechanical for $16,530. Casper seconded. Motion passed.

1. **Discussion Item –** Future access to Mountain America Center for past IFAD Board members. Spear mentioned that with potential board changes in the future, he wanted the board to discuss building access for prior board members. Spear suggested that this access should be granted to the board members who were on the IFAD board when the facility was constructed. Fuller asked to describe access and if that includes tickets. Spear said that would not include tickets and would only include building access during non-events and second level access during events. Hudson said board members who were involved in the construction should have access. If approved, said he just wants to know when board members are present and when they plan to be in the building and was supportive of past board members accessing the building. Hudson suggested the board provide a list of people to Hudson and those people contact Hudson when wanting to access the building. Fuller commented that IFAD gave up a suite for the betterment of the building and thought this was a good benefit for past board members. After discussing, the board suggested modifying the current building access policy. Spear said he will modify and bring it to the Board as an action item for the 4-29-25 IFAD Board meeting.
2. **Discussion Items –** Identify two IFAD Board members to participate on IFAD Foundation. Spear noted that the previous FY 22-23 IFAD Board members are the members of the Foundation Board of Directors. Gazdik said she is interested in having people who are interested in sporting events to be part of the Foundation Board. Casper said she does not have the capacity to be involved and Ziel said he can dedicate some bandwidth but this would not be one of his passions. Moving forward the Board decided to have Carpenter and Warnecke as IFAD Foundation members.
3. **Discussion Item –** Discuss partnering with Yellowstone Teton Territory (YTT) on a position dedicated toward attracting conferences and events to Eastern Idaho. Spear introduced the topic and explained that Kristi Baughman of YTT is excited about creating a position to focus on bringing conferences and events to Idaho Falls. YTT has committed to purchasing a CRM (Simpleview) to help track events and manage the person in this position. Spear said that the Chamber of Commerce would be in the best position to house such a position but stated that is not happening. Spear then introduced Baughman, who provided further background on the position. Baughman said the vision for creating this position has been ongoing for two years. Baughman stated that it is important to have a person specifically devoted to attracting events.

Baughman provided some background on funding and explained YTT is the sole recipient in eastern Idaho of $2M from the Idaho Travel Council. Baughman emphasized the functionality of the CRM platform that YTT is procuring will be a valuable tool.

Hudson commented that having a person dedicated to act as a champion for the region will help attract sporting events and conference to the region. Warnecke said he was pleased the focus is on the entire region and not just one location. Baughman said there is definitely a market for eastern Idaho but it is important to be able to hand off leads to a person dedicated to bringing in events.

Carpenter noted there is already a $1B travel impact among eastern and southeastern Idaho without any emphasis on attracting visitors. Carpenter asked if there are or will be recruiting efforts on both coasts. Baughman said they are already doing that and that YTT promotes the region internationally. Baughman said YTT takes a diverse approach to marketing because YTT represents such a diverse region ranging 7500 square miles. Baughman understands the niches of the area and uses that knowledge to attract visitors. Baughman said Idaho Falls and Rexburg have unique assets and cited the Mountain America Center, which is a facility that can host a large weeklong conference. Baughman said many people like to “bleisure” by combining business travel and leisure. Carpenter suggested the Idaho Falls Airport adopt a similar strategy.

Fuller asked if YTT is asking for ½ of the current $50K grant back to cover the costs. Baughman said that this year she does not want to touch that and explained there were some issues with the domain (video monitor on YTT sponsored wall in the event center) last year. That domain issue did not allow YTT to collect the analytics they expected. The goal is for IFAD, the City of Idaho Falls and YTT to each contribute $25K toward the position. Again, YTT will cover the Simpleview CRM platform.

Baughman said we don’t know what we don’t know and the first year will be telling. The position will have a base salary plus a commission. Hudson expressed that he thought the budget for the position was spot on based on his previous experiences.

Warnecke asked if there was a position description. Baughman said both she and Spear drafted position descriptions and that it is modeled after a similar position that Visit Boise has. Baughman then shared the most recent position description that will need to be approved by the ITC. Carpenter asked about a deadline. Baughman said if approved the position would start September 1, 2025.

Fuller wanted to know about the logistics on exactly how the position would be funded. Gazdik suggested that maybe IFAD’s involvement be through the IFAD Foundation or through Mountain America operations. Gazdik asked about events that may be booked outside of Idaho Falls and how those would not benefit IFAD. Baughman explained that there is always going to be somewhat of an overlap and a benefit. For example, YTT runs campaigns that promote Jackson Hole. However, the focus is for events in Region 6 and cities located in Region 6. (Region 6 encompasses the counties of Clark, Fremont, Jefferson, Madison, Teton, and Bonneville). Baughman said her focus is to create overnight stays in the Region 6 area because YTT receives 2% of the room night total. Baughman said 80 percent of the activities promoted are in Region 6 with 20% being outside. But that 20% does have some benefit to Region 6. Baughman cited partnering with Region 5 and the Craters of the Moon centennial celebration. However, YTT’s focus remains to have travelers stay overnight in Region 6.

Spear suggested IFAD be the entity involved at least for the first year. Carpenter commented that the position being considered does help IFAD. Warnecke agreed the startup should be under IFAD. After a person is on Board it may make sense to transfer this to the IFAD Foundation because it would provide more flexibility regionally.

Carpenter wanted to know the potential impact on hotel nights. Baughman said what will really improve is that hoteliers will see all bids and also learn when we were unsuccessful in getting bids because room night costs were too high or if they were unwilling to block off rooms. Baughman said it doesn’t makes sense that hoteliers will not lower rates when she sees hotel revenues drop from $11M in the summer to $3M in November. Baughman said if bids keep coming in on a consistent basis, and we keep losing out because rates are too high, she hopes hoteliers may consider lowering their rates. Baughman hopes this new position and CRM will help educate hoteliers. Spear said with the new CRM, IFAD will also be able to educate hoteliers. Baughman emphasized that the CRM will not cost hoteliers but will provide them leads.

Warnecke said education is paramount and we need to get the hoteliers on board and give visitors better rates.

Casper asked where IFAD would get the funds for this position. Spear said the funds would need to come from IFAD reserves. Gazdik stated the IFAD would need to modify its 2025 budget to include the funds. Warnecke mentioned that the funds could come from insurance savings.

Spear said he would draft a letter of support for the Board’s review. The Mayor in a chat message said this is a phased process and Baughman just needs a letter of support at this time.

Baughman said we have until August to figure out how the City, IFAD and YTT will manage this partnership. Warnecke said after the grant is submitted it will be important to define how the governance will work.

Mayor Casper indicated that the City agrees that figuring out the governance structure is important along with establishing a legal document such as an MOU outlining the partnership. This would allow all entities to have a voice in setting the expectations for the position.

In response to Carpenter’s comment on adopting an expanded airport marketing effort, Mayor Casper stated that they do participate in “speed dating” with the airlines but cautioned that an airline expects a two year minimum revenue guarantee when considering new flights. Mayor Caspar said the airport may be successful once very six years in getting any grant type funding for adding new flights. She also noted the airport is currently operating at full capacity. Mayor Casper suggested having a joint meeting with the Airport Board or inviting the Airport Director to an IFAD Board meeting.

**Report and Updates**

1. **Discussion Item –** Presentation from Erik Hudson
	1. Mountain America Center operations, February financial statement overview and forecast. Hudson presented the following information on February financials:
		1. Net Income for the period was a loss of $55,119.81. Hudson said although this loss was the budgeted amount for February, he stated the Harlem Globetrotters event being moved into April due to weather related travel issues contributed to the loss. Warnecke asked if the Globetrotters event would have covered the loss. Hudson said because the event is a straight rental and there is no sharing in ancillary (concessions, ticketing income) revenues, he estimated the February net income would have been a net positive.
		2. Overall expenses were under budget by $46K.
		3. Utility costs are 20K lower year over year and Hudson attributes that to the work performed on the HVAC system.
		4. Hudson then presented a forecast for the remainder of the year:
			1. Projected revenues increased by $217K and overall expenses decreased by $9,300.
			2. Biggest change is in event staff reimbursable because of the recently added events. Warnecke asked about the percentage distribution between the revenue line for reimbursed expenses compared to the expense line for event staff reimbursable. Hudson said they strive for a 30-40% increase over the expense line.
			3. Stix will be announcing on 3-28-25
			4. More events equate to more revenues for ticketing, parking, and suite/loge sales.
			5. Only four event days are left for the remainder of the year

Spear referenced a new spreadsheet that he prepared that compares MAC monthly and cumulative revenues year over year. As expected, net income varies by month but it does show the periods of time during the year where the event center is more profitable. Hudson said events actualized as intended net income would be ahead of last year. Gazdik asked if shows are selling out. Hudson said Brad Paisley, Megan Moroney, Reilly Green, and Weird Al have already sold out. Hudson expects Seether, Chevelle and Stix to sell out. Hudson said the industry is seeing a decline in ticket sales but not in Idaho Falls.

* 1. Spud Kings Update – Hudson said 130K people attended Spud Kings games in 2024-25 compared to 122K last year. The Spud Kings clinched the regular season title. Playoffs start on 3-27-25.
1. **Discussion Item** - Executive Director Report
	1. Executive Director Report Summary – No update
	2. Building Update/New Signage – Spear said new signage installation will start within the week.
	3. Cash Flow Update – Spear presented a revised 2025 budget and an updated cash flow update that shows a positive cash balance through 2032. Spear explained that some of the projected surplus in 2025 could be used to fund the YTT events position. Gazdik explained that although there is reserve funding, the budget would need to be reopened and adopted to include any additional expenditures.
	4. State Tax Commission Reports – January revenues were $167,325 versus $137,410 in January 2024. Spear presented a summary of remitters year-to-date and a summary comparing January 25 to January 24. Spear explained that one entity remitted twice in January 25 and another remitted in January 25 but not January 24.
	5. Action Items
		1. Prepare support letter for YTT
2. **Discussion Item** - Legal Report – Fuller reported that the Elections Office informed him that Gazdik was the only application received by the deadline of 3-21-25 for re-election. This means Gazdik’s name will not appear on the ballot, unless there is a write-in candidate application filed by March 28, 2025, and she will automatically assume another six-year term.

# Calendar and Announcements

1. **Upcoming IFAD Meeting** – **Next Meeting on April 29, 2025**
2. **Discussion Item** - Announcements and Minor Questions
3. **Discussion Item** - Agenda Items for April 29, 2025, meeting
	1. Discussion Item on QuickBooks
	2. Board Building Access Policy
	3. Presentation from airport director

**Meeting adjourned at 8:47 AM**