

# Board of Directors Business Meeting Tuesday, May 27, 2025, 7:00 a.m.

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

[**https://us06web.zoom.us/j/87649897725**](https://us06web.zoom.us/j/87649897725)

# 1690 Event Center Drive, Idaho Falls, Idaho 83402 Room 2416

**Participants: Rob Spear, Terri Gazdik, Ron Warnecke, Lisa Casper (via Zoom), Brian Ziel (via Zoom), Erik Hudson, Mark Fuller, Jennifer Bjornlie, Scott Bond, Jay Doman**

**Agenda**

1. **Action Item** - Call to Order 7:00 AM
2. **Action Item** – Accept Agenda Warneke moved to accept the agenda. Casper seconded. Motion passed.
3. **Action Item** - Accept the Consent Agenda
	1. Meeting Minutes 4-29-25
	2. Review of Payables/Financials – Spear presented a payables list totaling $79,578.89. The most significant items were payables to ATS $24,616 for HVAC control work, Sign Pro for HERO replacement signage $23,302.08, and Lewis Corp for installation of isolation dampers $16,530. Gazdik asked about the $7,536 payment to Selective Insurance. Spear said that is the monthly expense for property insurance. Spear then reviewed the March financial statements and reported that March 2025 TRT revenues were $249,081.67 compared to $176,784.56 in March of 2024. Spear said the main difference is the 2024 delinquent payments received from Travelscape that totaled $56K. Gazdik questioned why there is a credit in land maintenance of -$5,234.23. Spear thought that because the entire SRL annual fee was already expensed in its entirety, and Wipfli accrues these annual costs monthly, that may be the reason. Spear said he would contact Wipfli for an explanation. Warnecke moved to accept the consent agenda. Casper 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** – Approve 2024 audit from Rudd & Company. Scott Bond along with Jay Doman presented the report and the said Rudd and Company issued an “unmodified audit opinion” (clean opinion). Bond reviewed several parts of the audit:
	1. Page 15 – Bond reviewed the three governmental funds for the District, General Fund (IFAD Operations), Capital Project Fund (Construction Costs and FF&E Lease Payments), and Debt Service Fund (Debt Service Payments). The biggest change was an increase in fund balance for the general fund of $1.5M primarily due to the $1.196M transferred in from Mountain America Center operations.
	2. Page 18 – Bond reviewed the enterprise fund (Mountain America Center operations). The Net Position at the end of the year was $1.043M.
	3. The Federal Deposit Insurance Corporation (at banks) and the National Credit Union Share Insurance Fund (at credit unions) insure up to $250,000 per depository. Bond recommended exploring alternatives to protect accounts with cash balances above the $250K threshold. Possibly moving more funds into the State’s LGIP fund.
	4. Bond said the District has 2 1/2 times the required debt service 2025 annual amount in reserves.
	5. Bond explained the restrictions by fund and stated there is a $3.1M unassigned fund balance in the general fund. The fund balances in the debt service fund and capital projects fund are assigned fund balances and restricted for use in those categories.
	6. Budget to actual – Bond explained at the end of the year, actual expenses exceeded budgeted expenses by $32K. Bond said amending the budget once per year is appropriate.
	7. Bond recommended having separate budgets for operations, debt service and capital outlay.
	8. Bond recommended using software specifically designed for governmental accounting instead of QuickBooks online.

Gazdik stated that $5.7M of fund balance is controlled by Zions Bank as part of the debt service reserve requirement and explained that it would be hard to mitigate the risk of these funds. Spear said he would contact Zions on how these funds are protected and how risk might be further mitigated.

Casper moved to accept the 2024 audit report. Warnecke seconded. Motion passed.

1. **Discussion Item –** Review of HB375 and HB388 Spear said that he participated in three Zoom calls with Representative Raybould and said the calls focused on the proposed 2% Local Option Tax proposed in HB375 and the results of a survey conducted by Raybould. Other than the survey, there was no discussion about auditorium districts. Spear said Raybould acknowledged receiving requests for meeting with individual groups and would be getting back to those entities. Spear said he again sent Raybould a request for a meeting. This was the third meeting request.

The Board discussed taking a collective approach with other auditorium districts to educate and address the impacts of this legislation. Fuller suggested to Board remain proactive on this issue and not wait until next January. Spear said he would follow up with other entities and report back.

The Board discussed bringing in local legislators to discuss the impacts of this legislation. The Board said it will wait to see if Raybould responds and discuss future steps at the 6-24-25 Board meeting.

**Report and Updates**

1. **Discussion Item –** Presentation from Erik Hudson
	1. Mountain America Center operations and April financial statement overview
* Hudson explained April was a solid month with $159K in net income bringing the net income for the year to $234K. Hudson said this is just a different year with events happening at different times compared to last year.
* Hudson expects positive income months for the remainder of the year.
* Expenditures for the year are right on budget.
* Warnecke asked why the insurance costs were lower. Hudson said he budgeted an increase but insurance costs have not increased.
* Hudson said May is looking to be a good month with Brad Paisly highlighting the month. Champions of Magic was a disappointing event and it appears magic shows may not be good shows in the future.
* May is graduation month with CEI, Shelley, District 91, and District 93.
* Hudson informed the Board he would be assuming a more expanded role with Centennial Management due to the passing of Kevin Bruder.
* Hudson will provide a year end projection at the next board meeting.
	1. Spud Kings Update – Hudson said the draft was held and the Spud Kings got all the players they wanted with the exception of one. Hudson said the Spud Kings want to build a trophy case for the championships won. The board thought near Entry 1 would be the best place for the display. Hudson said banners will be displayed on the north side of the arena.
1. **Discussion Item** - Executive Director Report
	1. Executive Director Report Summary – Spear focused on the latest report that provided details on RTUs showing stress type fractures. Spear said he will be discussing this with Bateman Hall to find a solution.
	2. Building Update/New Signage – All new signage has been installed with only parking lot signage installation remaining.
	3. Cash Flow Update – Spear presented an updated cash flow summary that included a schedule that shows the trustee holdback impact and possible TRT revenues available in 2028. Spear said it is important to try and eliminate the lock box, large debt service reserve requirement and the trustee holdback amounts when the debt is refinanced. Spear estimates with the excess available from the trustee holdback in 2028 to be ~$198,000 and cash balance at the end of 2032 to be $666,000.
	4. State Tax Commission Reports – Spear provided TRT revenues for 2025, and a comparison of March 2025 to March 2024.
	5. Action Items
		1. Follow up with Wipfli on Land Fee credit
		2. Follow up with Zions about security of debt service reserves
		3. Contact other auditorium districts about approach to HB275 and HB388
2. **Discussion Item** - Legal Report – There was no legal report presented.

# Calendar and Announcements

1. **Upcoming IFAD Meeting** – **Next Meeting on June 24, 2025**
2. **Discussion Item** - Announcements and Minor Questions
	1. Fuller asked about the joint purchase of the outdoor tent. Hudson said it has been used several times in conjunction with other events.
	2. The Board discussed possibly not meeting in August.
3. **Discussion Item** - Agenda Items for June 24, 2025, meeting.
	1. Discussion of HB375 & HB388 and the possibly of establishing a coalition.

Meeting adjourned at 8:22 AM