THE DISTRICT
GREATER BOISE AUDITORIUM DISTRICT

Board of Directors
Kristin Muchow, Jim C. Walker, Jody B. Olson, Hy Kloc, Chase Erkins

PUBLIC NOTICE

NOTICE OF
REGULAR BOARD MEETING
GREATER BOISE AUDITORIUM DISTRICT

Thursday, January 20, 2021
2:00 P.M. MDT Regular Meeting
Boise Centre East – Room 410

Board and Public Zoom Meeting
Join Zoom Meeting: https://zoom.us/j/3192905355
Meeting ID: 319 290 5355
or
Dial by Phone: 1 253 215 8782 US
Meeting ID: 319 290 5355

Boise Centre continues to follow local, State and Federal guidelines related to the COVID-19 pandemic. We ask that you not attend the meeting if you have any symptoms of COVID-19 or have recently come in contact with someone that has tested positive for the virus. Masks are suggested for non-vaccinated attendees and meeting rooms are set for maximum capacity.

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AGENDA

I. Call to Order	
II. Roll Call	
III. Changes or Additions to the Agenda	Action Item
IV. Agenda:	
A. Chairman's Remarks – Kristin Muchow	Discussion Item
B. Approval of Minutes –	Action Item
i. Work Session Minutes, December 16, 2021	
ii. Regular Minutes, December 16, 2021	
C. Monthly Activity and Financial Report – Pat Rice, Anne Marie Downen	Action Item
V. Other Business:	
A. Cyber Security Update – Tony Colangelo/Brandon Doty	Discussion Item
B. Idaho Competitive Aquatics -- Nick Gaggiano	Discussion Item
C. Legislative Update – Pat Sullivan, Sullivan and Reberger	Discussion Item
VI. Adjournment	Action Item

MINUTES OF A
WORK SESSION MEETING
OF
DIRECTORS OF GREATER BOISE AUDITORIUM DISTRICT
HELD IN ADA COUNTY

December 16, 2021

Pursuant to a call by the Chairman and notice of the meetings having been duly posted at 850 W. Front St., Boise ID 83702, the Board of Directors of the Greater Boise Auditorium District met in a work session via teleconference and in room 200 of Boise Centre West, 850 W. Front St., Boise ID 83702, at 1:00 p.m. on December 16, 2021.

Board Present

Kristin Muchow, Chair

Jody Olson, Vice Chair (1:15 p.m.)

Jim Walker, Director via Zoom

Chase Erkins, Secretary (1:30 p.m.)

Others Present

Mary-Michael Rodgers, Boise Centre

Cody Lund, Boise Centre

Cliff Clinger, Boise Centre

Ali Ribordy, Boise Centre

Board Absent

Hy Kloc, Director

Others Present

Pat Rice, Executive Director

Anne Marie Downen, Finance Director

Mike Stoddard, Hawley Troxell

Stephanie Krasen, Boise Centre

DRAFT

I. Call to Order

Mr. Rice called the meeting to order at 1:00 p.m.

II. Changes or Additions to the Agenda

No changes

III. Agenda

A. Business Updates Presentation to the Board

Presentations were made in accordance with the agenda.

IV. Adjournment

There being no further business, a motion was made by Mr. Erkins to adjourn. Mr. Olson seconded the motion. The motion was approved unanimously. **Timestamped 2:11 p.m.**

Meeting adjourned at 2:11 p.m.

_____	_____
Kristin Muchow, Chair	Jody Olson, Vice Chair
_____	_____
Hy Kloc, Director	Jim W. Walker, Director
_____	
Chase Erkins, Secretary	

DRAFT

MINUTES OF A
REGULAR MEETING
OF
DIRECTORS OF GREATER BOISE AUDITORIUM DISTRICT
HELD IN ADA COUNTY

December 16, 2021

Pursuant to a call by the Board Chair and notice of the meetings having been duly posted at 850 W. Front St., Boise ID 83702, the Board of Directors of the Greater Boise Auditorium District met in regular session in room 200, in person and via teleconference, on December 16, 2021.

Board Present

Kristin Muchow, Chair

Jody Olson, Vice Chair

Jim Walker, Director via Zoom

Hy Kloc, Director via Zoom

Chase Erkins, Secretary

Board Absent

None

Others Present

Pat Rice, Boise Centre

Anne Marie Downen, Boise Centre

Mike Stoddard, Hawley Troxell

Stephanie Krasen, Boise Centre

Others Present or via Zoom

Nick Gaggiano, Idaho Competitive Aquatics

Phil Reberger, Sullivan Reberger

John Sheldon, Sullivan Reberger

Cliff Clinger, Boise Centre

Ali Ribordy, Boise Centre

Mary-Michael Rodgers, Boise Centre

Cody Lund, Boise Centre

DRAFT

I. Call to Order

Ms. Muchow called the meeting to order at 2:18 p.m.

II. Roll Call

Ms. Krasen took attendance by voice roll call:

Ms. Muchow – Present
Mr. Olson - Present
Mr. Walker – Present via Zoom
Mr. Kloc – Present via Zoom
Mr. Erkins – Present

III. Changes or Additions to the Agenda

There were no changes or additions.

IV. Agenda

A. Chairman's Remarks – Kristin Muchow

No remarks

B. Approval of Minutes

i. Regular Board Minutes for November 16, 2021

A motion was made by Mr. Erkins to approve the Regular Board Meeting Minutes of November 16, 2021. Mr. Olson seconded the motion. The motion was approved unanimously. **Timestamped 2:20 p.m.**

C. Executive Director and Financial Report – Pat Rice and Anne Marie Downen

Mr. Rice provided a summary of current events and Boise Centre updates.

Mr. Rice and Ms. Downen presented the Executive Director and Financial Report by PowerPoint presentation.

A motion was made by Mr. Olson to approve the Executive Director and Financial Report as presented. Mr. Erkins seconded the motion. The motion was approved unanimously. **Timestamped 2:48 p.m.**

V. Other Business:

A. Idaho Competitive Aquatics – Nick Gaggiano

Mr. Gaggiano thanked everyone who attended the Michael Phelps event and the Boise Centre staff for a great event. ICA was able to close a significant gap on funding from donors.

Mr. Gaggiano gave an update on future swim meets and the pool construction timeline. **Timestamped 3:00 p.m.**

B. Executive Session – Kristin Muchow:

A motion was made by Ms. Muchow to enter Executive Session Pursuant to Idaho Code Section 74-206 (1)(b) to consider the evaluation of a public officer, employee, or staff member.

Mr. Erkins moved to enter executive session pursuant to Idaho Code Section 74-206 (1)(b). Mr. Olson seconded the motion. The motion was unanimously approved.

DRAFT

Ms. Muchow stated to do so by roll call vote.

Ms. Krasen called roll:

Ms. Muchow, Aye
Mr. Olson, Aye
Mr. Erkins, Aye
Mr. Kloc, Aye
Mr. Walker, Aye

The Board entered Executive Session at **Timestamped 3:02 p.m.**

Mr. Kloc moved to leave Executive Session. Mr. Erkins seconded the motion. The motion to adjourn Executive Session was unanimously approved.
Timestamped 3:54 p.m.

C. Senior Staff Compensation – Kristin Muchow

Ms. Muchow thanked Mr. Rice for his years of service and dedication to the Boise Centre and Auditorium District and performance in a time of uncertainty.

A motion was made by Mr. Walker to approve a 7% pay increase and a 7% bonus for Mr. Rice. Mr. Kloc seconded the motion. The motion was approved unanimously.
Timestamped 3:57 p.m.

VI. Adjournment

There being no further business to come before the Board, meeting is adjourned
Timestamped 3:57 p.m.

Meeting was adjourned at 3:57 p.m.

_____ _____

Kristin Muchow, Chairman | Jody Olson, Vice Chairman

_____ _____

Hy Kloc, Director | Jim Walker, Director

_____

Chase Erkins, Secretary

Note: the following materials will be attached to and provided with these minutes:
Meeting material for January 20, 2022:

- Work Session & Regular Minutes for December 16, 2021
- Executive Director's Report December 2021

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THE DISTRICT
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EXECUTIVE DIRECTOR REPORT
DECEMBER 2021

Activities

- Almost 1,000 people attended the Federation of Christian Athletes breakfast to hear Lou Holtz
- Several projects completed during Holiday down time
- First quarter is looking challenging as Omicron is affecting cancellation rates and attendance

When life gives you snow… Boise Centre's team clears it from The Grove Plaza & makes a snowman!
(01.03.22)

Audio Visual Team Training

January 4, 2022

December Visitor Center Statistics

Total December Visitors	% higher or lower from previous month	Total Visitors YTD
60	8% lower	1,795

International visitors:

- None in December

States with the highest visitor counts:

- Idaho / 16 visitors
- California / 12 visitors
- Oregon / 8 visitors
- Washington / 7 visitors
- Nevada / 4 visitors

GOALS

Fiscal Management: Boise Centre Subsidy

in 000's	Actual-YTD	Goal-FYE	%	Remaining
Controllable (P&L and CapX)	$ -	$ 4,981	0%	$ 4,981
Fixed (Fees)	$ -	$ 361	0%	$ 361
Fixed (Lease Payments)	$ -	$ 1,724	0%	$ 1,724
Total	$ -	$ 7,066	0%	$ 7,066

No transfer to Centre in December; Losses under budget for Centre

Cash Position

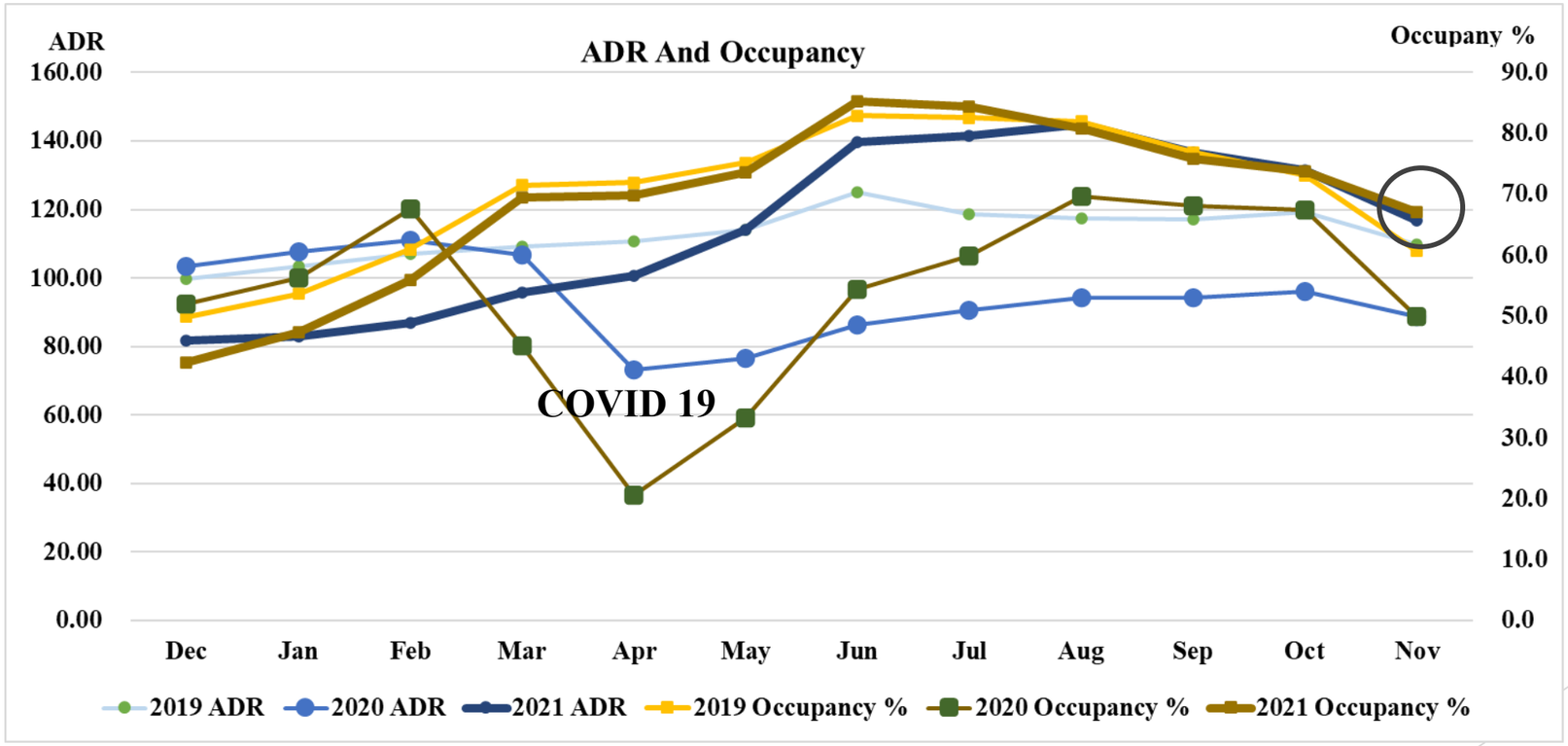
Dollars (in 000's)	Actual	Budget FYE	Variance		
Cash	$ 22,008	$ 20,001	$ 2,007	Priorities	
Restricted Funds	$ (250)	$ (250)	*Health & Safety of guests/employees		
Stabilization Fund	$ (6,000)	$ (6,000)	*Economic Impact		
Aquatics Facility Commitment	*$ (3,125)*	$ (3,125)	*Reputation		
Additional Capital Needs*	*$ (6,000)*		*Subsidy		
Cash to Invest	$ 6,633	$ 10,626			

Cash balances are higher than budget as the fourth quarter of 2021 had record level tax revenues

"Cash" is the current amount on hand. Budget FYE "Cash to Invest" is the forecasted amount at the end of the fiscal year 2021 based on budgeted cash balances at end of year.
*With aging of the Boise Centre East, projected capital needs have increased over the amounts in the stabilization fund and are reflected here.

Hotel Statistics – Occupancy and ADR*

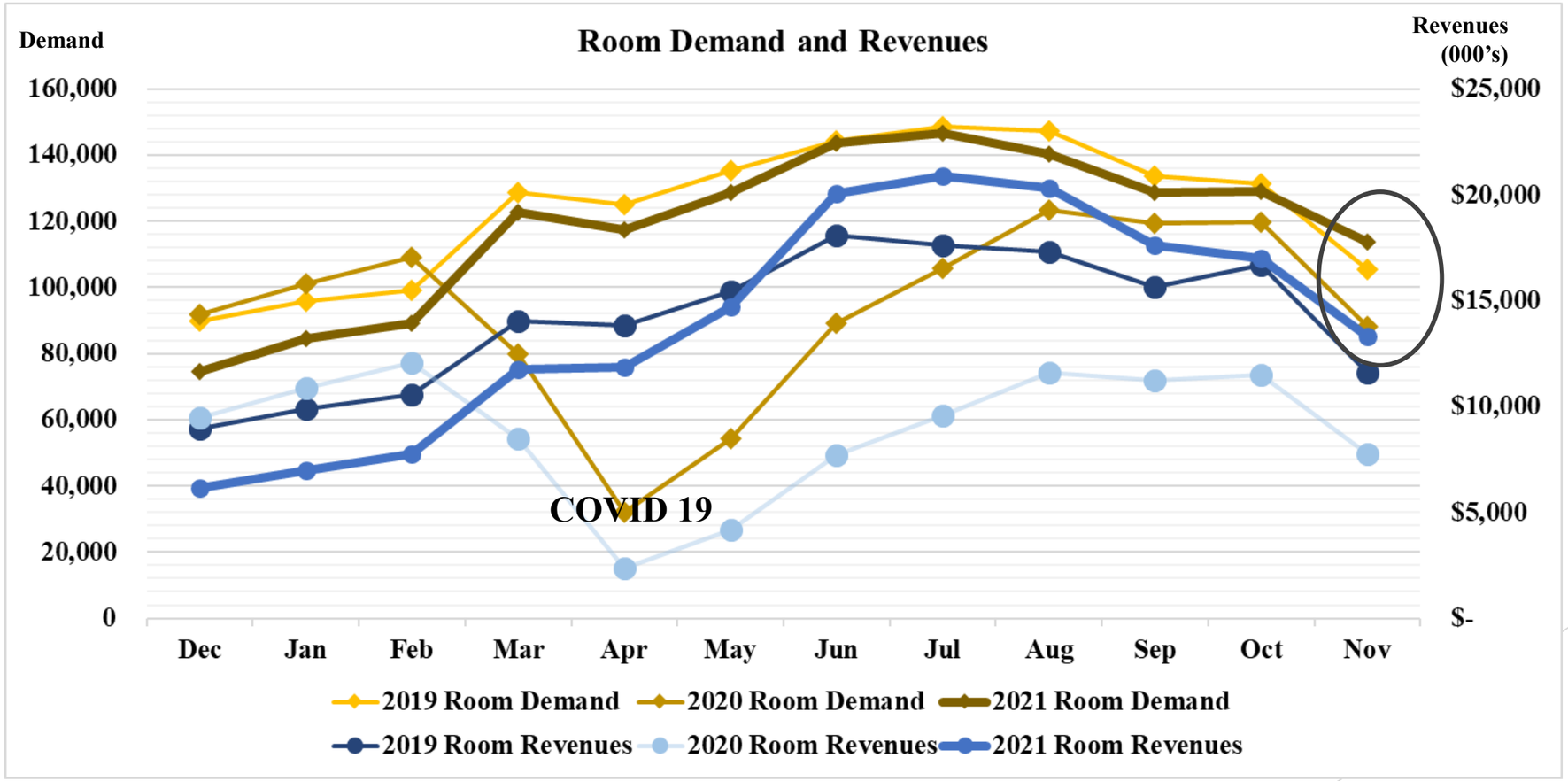
- **Softening trends noted from prior record levels:**
  - **Hotel occupancies for the month decreased by 660 basis points, to 67.1%; up 34% over prior year, and 111% of 2019 levels**
  - **ADR also decreased $14.76 and 11%, to $116.75; up 31% from prior year, and exceeding 2019 by 6%. Although declining, it is coming off a five-month record and the YTD average is the *highest ADR on record***



*Source: STR

Hotel Statistics – Demand and Revenues*

- **Softening noted in revenues due to decline in ADR and occupancy:**
  - **Hotel revenues tapering off, down 22%, coming off a five-month record, and 15% above 2019**
  - **Room demand down 12% over prior month, up 29% over prior year, 108% of 2019.**
  - **Yet highest room demand on record for November**



*Source: STR

Sales, Marketing & Public Relations

Boise Centre Conventions in Pipeline

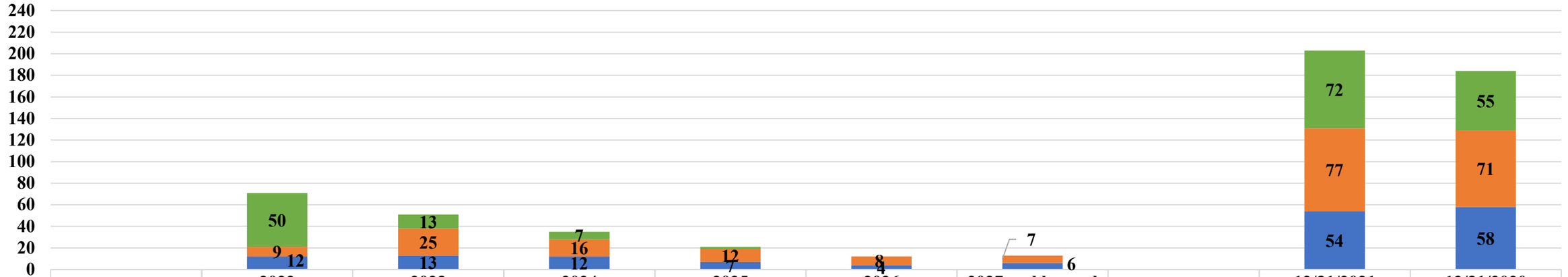
Convention Pipeline

19

Convention Contracts Confirmed in FY22 YTD: 10

Goal: 65 / 15% of Goal

- December highlights:
  - Western Power Sports confirmed for May 2022; estimated 900 RN, $75K F&B
  - Connect West 2022 host bid submitted; Boise Centre and CVB partnership with hotel partner participation; opportunity to showcase building and destination in September 2022 to 50-60 planners sourcing meetings in the West; also joined by 50-60 suppliers. Anticipate decision in Q1 2022.

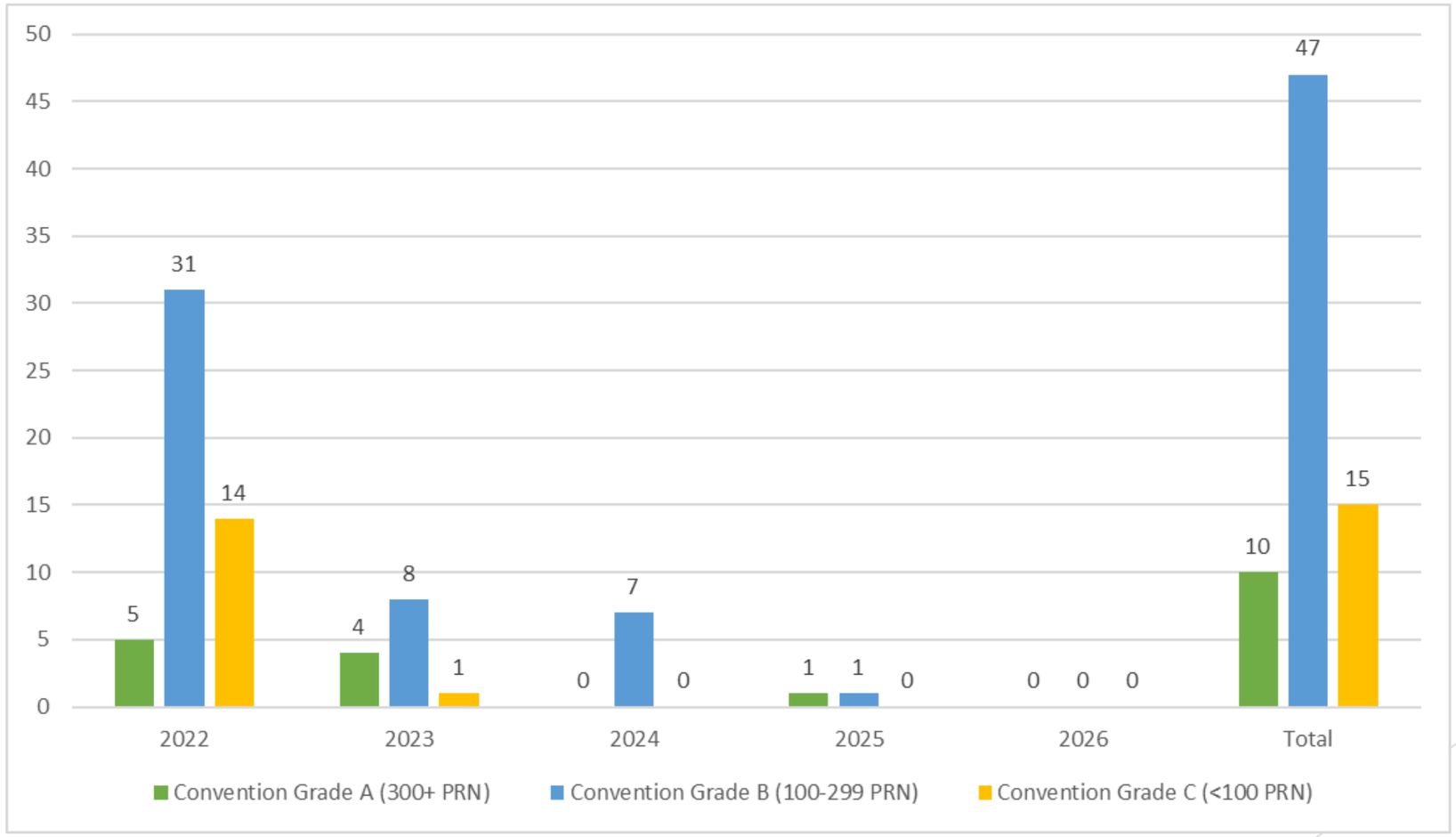


All Conventions on the Books by Status

	2022	2023	2024	2025	2026	2027 and beyond	12/31/2021	12/31/2020
Total	71	51	35	21	12	13	203	184
Confirmed	50	13	7	2	0	0	72	55
Tentative	9	25	16	12	8	7	77	71
Tracking	12	13	12	7	4	6	54	58

Confirmed Conventions - Convention Grade

A = Citywide (300+ peak room nights)
B = Midsize (100-299 peak room nights)
C = Small (<100 peak room nights)



Aim for 15% A-Citywide; 60% B-Midsize; 25% C-Small

FINANCIAL REPORT

Combined Revenue and Expense (000's)*

Lodging tax revenues and cash continue to support the Boise Centre, while both funds continue to perform better than budget.

	Boise Centre	District	Aquatics	Combined	Combined	Year over Year
	12/31/2021				12/31/2020	2021-2020
Revenues	$ 289	$ 596	$ 8	$ 893	$ 428	$ 465
Expenses	$ 983	$ 9	$ 0	$ 992	$ 939	$ 54
Revenues>Expenses	$ (693)	$ 587	$ 7	$ (99)	$ (511)	$ 412
Budget	$ (884)	$ 446	$ 7	$ (431)		
Variance	$ 191	$ 141	$ 0	$ 332		

**Expenses include $0.3 million in depreciation, amortization and interest ($0.3 million per month)*

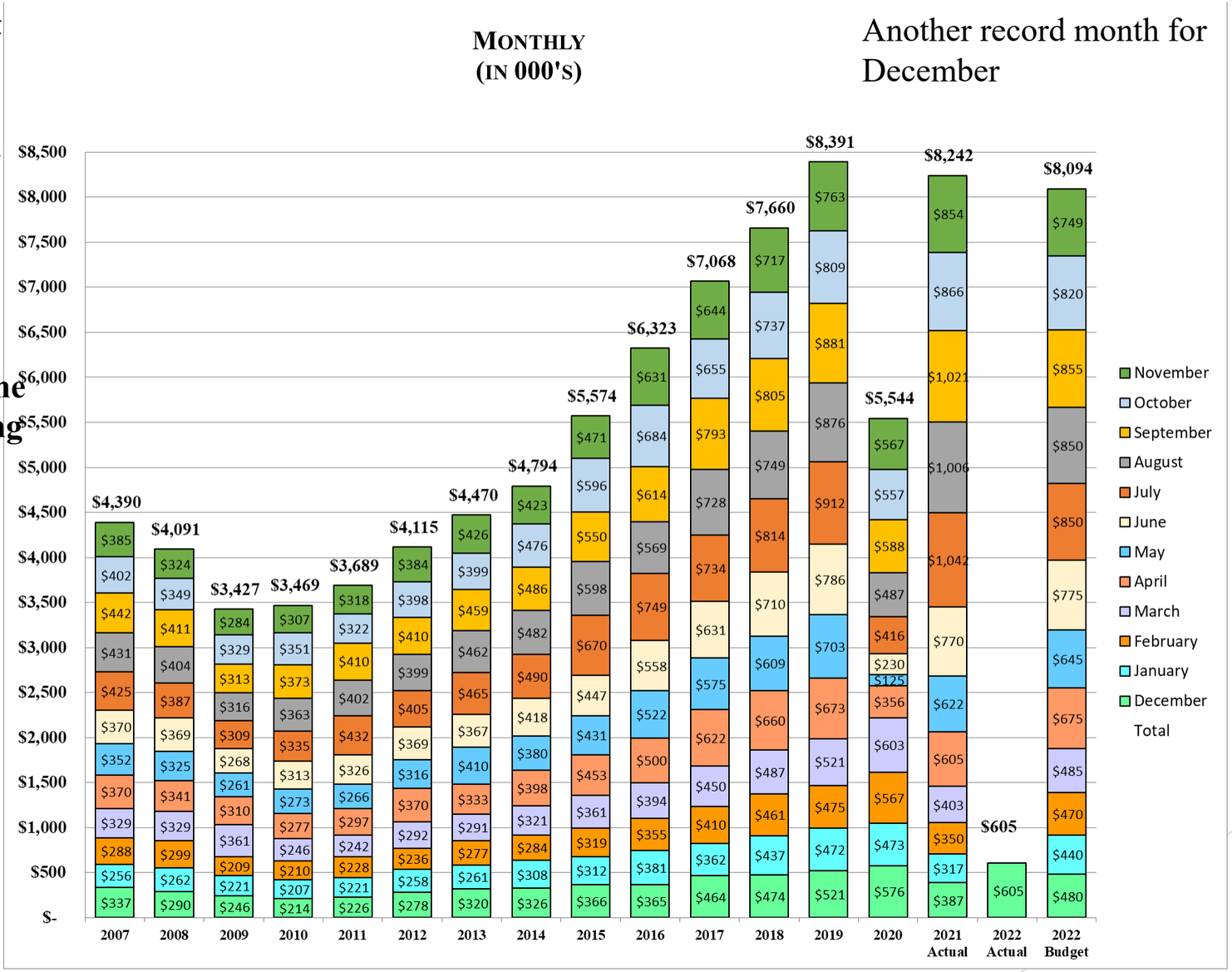
With Omicron virus, events are shifting our of current quarter into future quarters.

Financial Highlights - District

- **Lodging Tax Revenues > budget**
  - **YTD $0.2M OVER budget in first month**

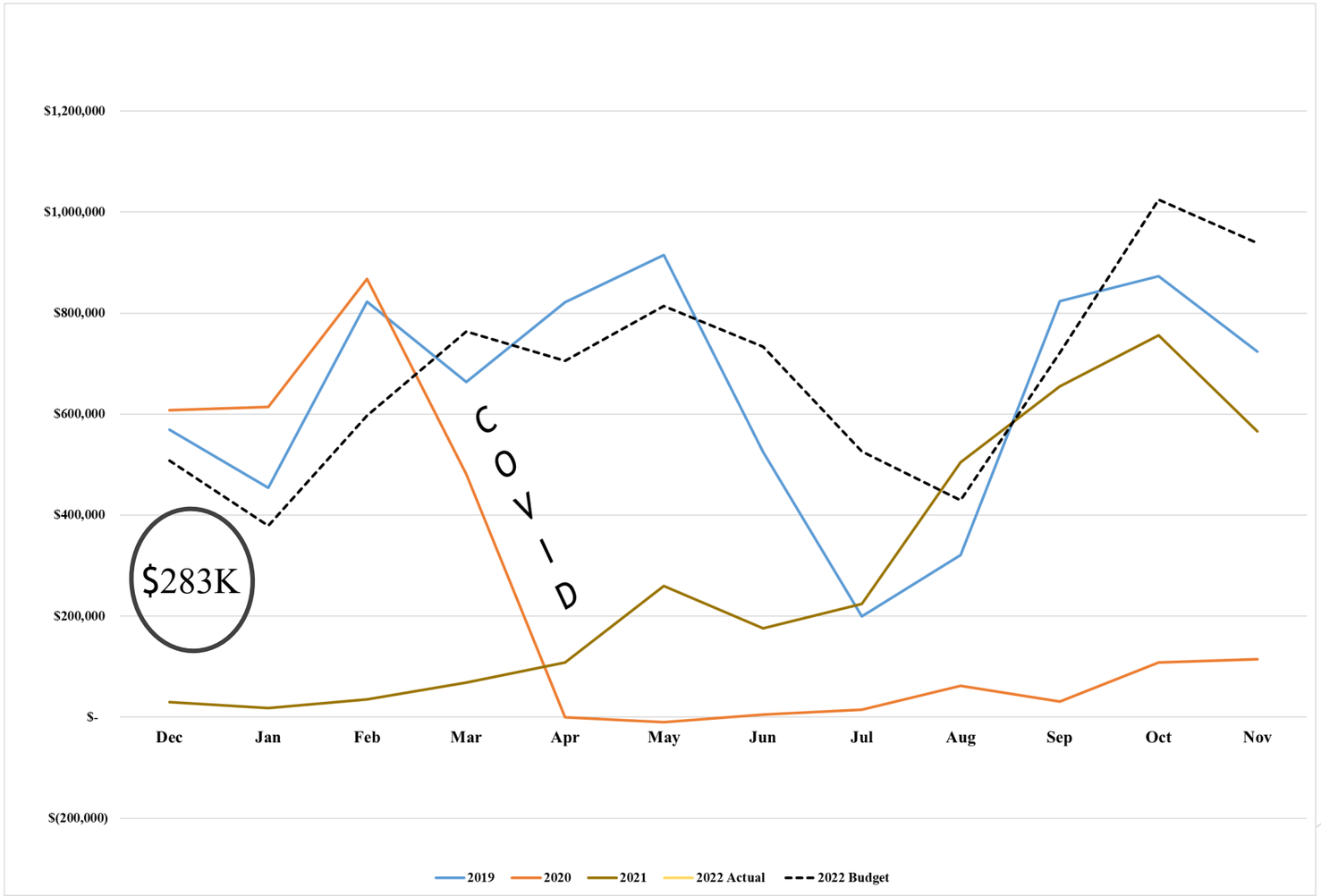
.

- **SG&A Expenses below budget for the month due to timing of legal expenses.**

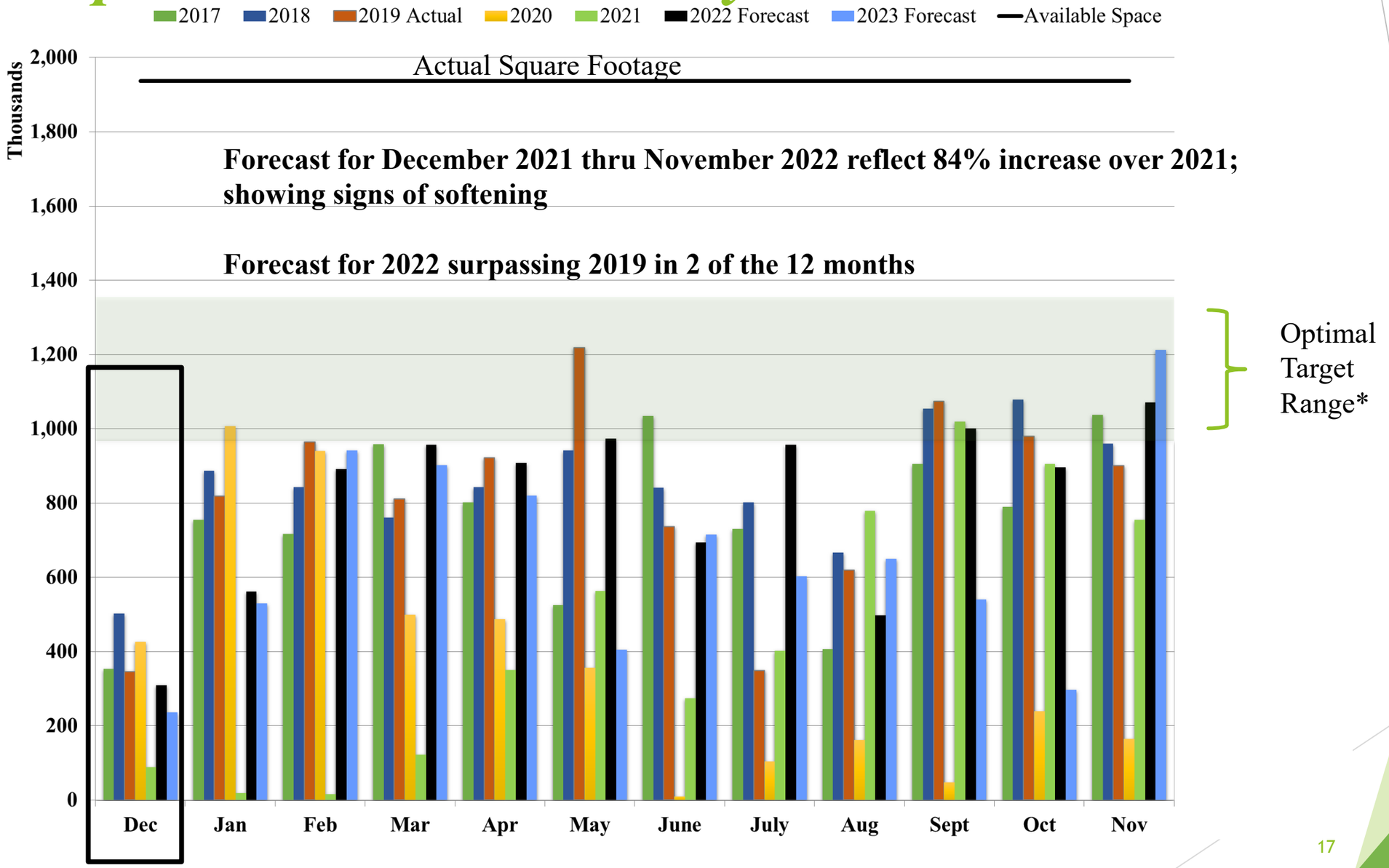


Operating Revenue Trend – Boise Centre

- **Monthly operating revenues of $283K, below budget of $507K; second lowest December revenue month on record only above December 2020; $184K in events cancelled in December due to Omicron virus**



*Square Foot Utilization by Month***



Optimal Target Range*

**340 days (excludes federal holidays, the weeks of Christmas and 4th of July.)
Dec 2016: Summit was closed for redesign for Junior ballroom

** Source: 50%-70% based on CSL Feasibility Study, Dec 2017*

Financial Highlights – Boise Centre

Monthly – Mixed Results

- **Inquiries/Bookings**
  - **Events stabilizing at 20-30 events (while Dec-Feb 2020 was 30-38 events per month)**
  - **Event days and room nights decreased from prior month due to no conventions, as typical for December; above 8 in 2020**
  - **Day visits increased from prior year**
  - **Utilization down from prior month due to COVID**
- **Gross profit below budget by $13K due to higher labor, overtime, bonuses, and related expenses**
- **EBITDA loss $199K better than budget due to lower sales, general and administrative expenses.**

Year to date

- **Coming next month**

Board Meetings, 2:00 p.m.
Work Sessions, 1:00 p.m.

January 20th	Thursday	
February 22nd	Tuesday	
March 24th	Thursday	Work Session/Audit Presentation
April 21st	Thursday	
May 19th	Thursday	
June 21st	Tuesday	Work Session
July 20th	Wednesday	
August 24th	Wednesday	Initial Budget Discussion
September 22nd	Thursday	Work Session/Preliminary budget
October 19th	Wednesday	Budget and Marketing Plan approval
November 17th	Thursday	
December 21st	Wednesday	Work Session/Year End Review

THE DISTRICT
GREATER BOISE AUDITORIUM DISTRICT

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Boise Centre Cybersecurity Awareness

Topics

- Phishing
- Ransomeware
- Data Protection

Threat: Phishing

- Common cause of data breaches
- Targeted emails
- Sent to small groups or individuals
- Use social engineering tactics
- **Over 90 percent** of data incidents/breaches

Examples of a Phishing Emails

From: Patrick Rice <officeonline404040@gmail.com>
Sent: Wednesday, January 5, 2022 10:31
To: Anthony Radicia
Subject: Anthony Radicia

Do you have a moment I have a request I need you to handle discreetly. I am going into a meeting now, no calls so just reply my email.

Patrick Rice
EXECUTIVE DIRECTOR
Boise Auditorium District
Sent from myMail

From: Kristin Muchow <executivedirector22334455@gmail.com>
Sent: Thursday, January 20, 2022 2:36 PM
To: Pat Rice
Subject: Task: January 20 2020

Confirm if you are available? Need
you to run a quick request. Get back
to me as soon as you can

Kristin

Best Practices: Phishing

- Learn to identify phishing emails
- Exercise caution with links
- Do not download suspicious files
- Check the sender
- Look out for warning signs
- Think before you click or take action
- Never hand over sensitive info

Threat: Ransomware

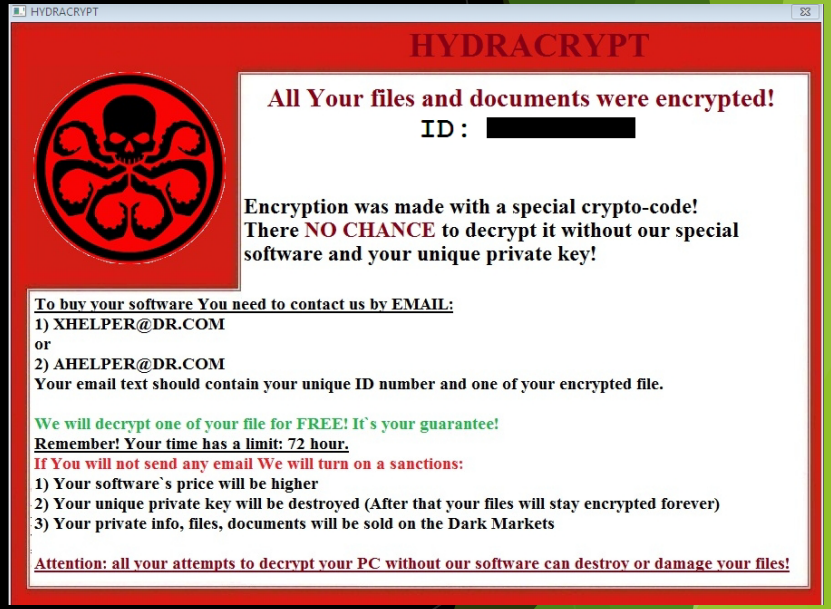
- Ransomware is malware that employs encryption to hold a victim's information at ransom.

  A user or organization's critical data is encrypted so that they cannot access files, databases, or applications. A ransom is then demanded to provide access.

  Ransomware is often designed to spread across a network and target database and file servers, and can thus quickly paralyze an entire organization.

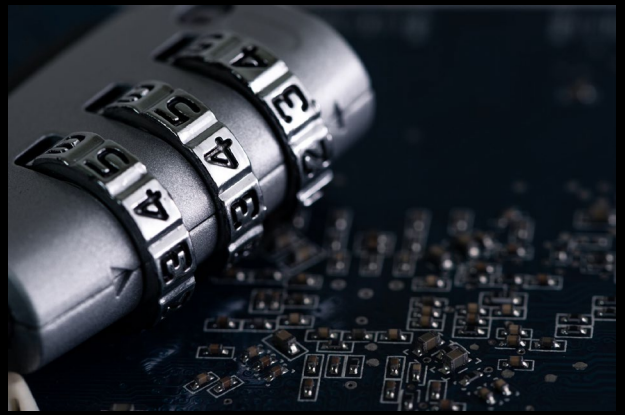
  It is a growing threat, generating billions of dollars in payments to cybercriminals and inflicting significant damage and expenses for businesses and governmental organizations.

Examples of Deployed Ransomware Notifications



- Every 11 seconds, a new organization falls victim to ransomware
- In 2020 73% of all ransomware attacks were successful

Best Practices: Ransomeware



- Back up your data
- Secure your backups
- Use security software and keep it up to date
- Practice safe surfing
- Only use secure networks
- Stay informed
- Implement a security awareness program

Threat: Data Compromise

May result from:

- Phishing
- Hacking or malware
- Simple negligence

Average cost: **$3.86 Million** worldwide

Best Practices: Data Compromise

Storing sensitive information:

- **Yes** to encrypted locations
- **No** to removable media (flash drives)

Sharing:

- Who is authorized?
- Check CC's
- Secured network?

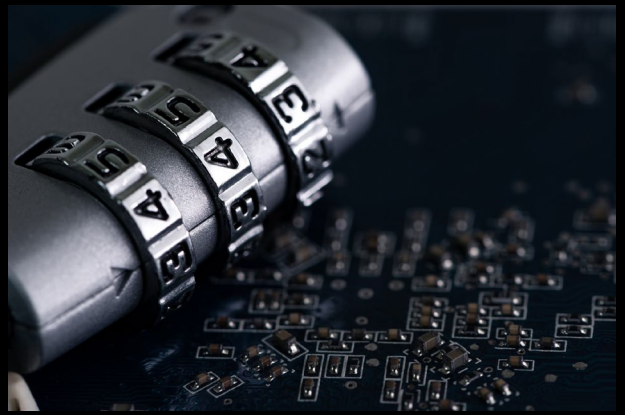
Destruction:

- Recycle bin is not enough!

Improve Cybersecurity by Reporting Threats

Report	Report any suspected threats
Help	Help stop attacks
Protect	Protect your co-workers

Boise Centre Data Protection



- **Cloud-Based Applications (Ungerboeck, PlateIQ, Reciprofity, Office365, Social Tables, etc.)**
- **All on premise servers are imaged nightly**
- **Versioning is enabled in SharePoint and One Drive**
- **Spam filtering is enabled and will be enhanced with the deployment on Microsoft Intune and ATP Defender**

Comments and Questions