

**MINUTES**  
**IRVING CONVENTION AND VISITORS BUREAU**  
**BOARD OF DIRECTORS – EXECUTIVE COMMITTEE MEETING**  
**IRVING CONVENTION CENTER**  
**AND ZOOM VIDEO CONFERENCE**  
**Friday, November 13, 2020**

Attendance: Rick Lindsey – Board Chair; Karen Cooperstein – Board Vice Chair; Bob Bourgeois, David Cole, Debbi Haacke, Julia Kang, Clem Lear, Greg Malcolm – Committee Members; Bob Bettis, Jo-Ann Bresowar and Joe Philipp – Board members; Verenis Pedraza, Jeremy Pierce and Matt Tungett – SMG/ICC; Maura Gast, Carol Boyer, Brice Petty, and Susan Rose – ICVB; Laura Edwards – Crowe LLP; and guests Stephanie Fenley Garcia, and William Mahoney.

Chairman Rick Lindsey called the meeting to order at 9:00 a.m. and inquired if there were any citizens on the call that would like to comment on any subject on the agenda. There were none.

Lindsey welcomed William Mahoney as a guest to the meeting and congratulated him on his new appointment to the ICVB Board.

ICC Assistant General Manager Jeremy Pierce gave an overview of the ICC September 2020 financials, noting that the year ended up with solid numbers due to contract re-negotiations and expense cuts. Several ICC staff are furloughed at this time and there may be more in the future depending on the continued impact of COVID-19. Moving funds from Capital Fund to Operations was a big assist with keeping the financials solid.

Executive Director Maura Gast added the forecast for the year shows \$42,641 at year-end. This was a month with a handful of events and a year like no other. The team has done a great job managing expenses and service contracts. Furloughs went into place at the end of April and some furloughed employees have moved on to other permanent positions elsewhere. In reviewing the five-year comparison report, Gast commented on the dramatic changes in Catering, but this year still finished slightly less than five years ago with basically a half-year performance. The team is going into the new fiscal year with caution and conservative budget estimates and forecast.

Lindsey thanked the team for a great job this year in providing up-to-date information and keeping the Board well informed. He recognized the hard work to get ready for visitors with the updates and repairs to the building, meeting protocols and customer needs.

On a motion from Board member Bob Bourgeois to accept the ICC September 2020 financials and a second from Board member Clem Lear, the motion passed unanimously.

Gast introduced Laura Edwards, partner at Crowe LLP. Edwards has been on the audit team since the first ICC audit and asked that she present the 2019-20 ICC Audit Report to the Committee.

Edwards reported the audit is conducted based on the contract between SMG/ASM Global and the City of Irving. The report is performed for fiscal year 2019-2020 and compared to 2018-2019. The Auditor Opinion from Crowe states the financial statements are presented fairly and in accordance with the contract.

Review of the Balance Sheet:

- This was an unusual year and expenses were managed well. Edwards applauded Gast, General Manager Tom Meehan, and ICC finance staff with their communication and results.
- Assets due from the City of Irving – a slight shortfall of \$42,000.
- Accounts Receivable - \$176,000 versus last year \$717,000, a decrease due to the matter of current events.
- Advance deposits decreased this year, but normal cancellation policies have been revised to accommodate events rescheduling due to COVID-19.

Statement of Revenue and Expenses Review:

- Most numbers have decreased.
- A slight uptick in the Other category due to the parking agreement with the Irving Convention Center Westin Hotel agreement.
- Operating expenses have gone down due to furloughed employee salary and wages decreases.
- Showing a net loss of \$1.9 million

A Cash Flow Review shows nothing unexpected.

Financing Activity shows money contributed by City of Irving/ICVB and capital remitted by Irving from prior year.

Edwards reviewed the Notes on Review of Financial Statement:

- The management agreement has been extended for another 15 years and was approved by City Council on November 12.
- Doubtful accounts were determined good and collectable.
- A COVID-19 statement has been added for advance deposits regarding 100% refunding of deposit.

Edwards then reviewed the required communication letter from Crowe:

- Corrected misstatements:
- There is \$42,641 due from the City on Balance Sheet. This adjustment is made every year at the end of the audit.
- The amount due to SMG included in accounts payable and accrued expenses by September 30, 2020 and 2019 was \$18,518 and \$0, respectively.
- An adjustment was made for \$53,370 for a check that was reported on the bank reconciliation that had not been mailed until subsequent to year-end.

Uncorrected misstatements:

- A receivable was not recorded for a pursued balance regarding a cancelled event and currently pending legal action. The entry records the amount to accounts receivable and fully reserves it as the balance does not appear to be fully collectable. The income net effect is zero.

- No difficulties were encountered during the audit.
- No disagreements with management were reported.

In reviewing the management letter, Edwards noted as a best practice management should establish a formal process to identify potential related-party relationships and transactions. She also recommended management properly date checks in the month that the checks are processed so the cash reconciliation is accurate. These were classified as a low-level deficiency but added in writing as a precaution.

Gast gave the commitment from staff to put into place a policy to identify any new customers or vendors with a related-party relationship. Lindsey thanked Edwards for the information and consistent audit over the years. He appreciates the honest comments and suggestion offerings.

Board member Debbi Haacke gave a motion to accept the ICC Audit Report as presented and a second from Board member Jo-Ann Bresowar. The motion was unanimously approved.

Lindsey noted the Executive Director salary reinstatement letter in the packet.

On a motion from Board Vice Chair Karen Cooperstein and a second from Lear, the Executive Committee minutes from September 25 and October 23 were unanimously approved.

Lindsey reviewed the November 16 Board meeting agenda. He noted the Board Officer elections and ICC audit report review are on the agenda, as well as a COVID-19 Update. Lindsey will acknowledge the new Board members recently appointed by the City Council: Rose Cannaday, Roy Santoscoy, Richard Stewart, and William Mahoney are the voting members; Joe Philipp and Stephanie Fenley-Garcia are non-voting members. They are all invited to attend the Board meeting this month. He noted the next Executive Committee meeting is scheduled for December 11.

Lindsey thanked everyone for their participation and contributions.

The meeting was adjourned at 9:43 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME  
Executive Director