

MINUTES
IRVING CONVENTION AND VISITORS BUREAU
BOARD OF DIRECTORS – EXECUTIVE COMMITTEE MEETING
ZOOM VIDEO CONFERENCE
Friday, February 19, 2021

Attendance: Karen Cooperstein – Board Chair; Bob Bourgeois, Julia Kang, Greg Malcolm – Committee Members; Stephanie Fenley-Garcia, Herb Gears and William Mahoney – Board Members; Tom Meehan and Matt Tungett – ASM/ICC; Maura Gast, Carol Boyer, Marianne Lauda, and Susan Rose – ICVB; Deputy Mayor Pro Tem Kyle Taylor, Councilman Al Zapanta and Councilman Mark Zeske – Guests.

Board Chair Karen Cooperstein 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.

ICVB FINANCIAL REPORTS:

Director of Accounting Marianne Lauda reported:

January 2021

- Available cash balance in the General Fund - \$900,000.
- Hotel Occupancy Tax Collection for November is reported as \$165,335.27.
- As of the end of January, several hotel collections from October and November had not been received.
- February Hotel Occupancy Tax collections report was sent from the city the amount budgeted to receive is \$40,000 more than anticipated, however, many payments are from October-December 2020.
- Staff is doing well with watching expenditures. Salary and Benefits are the biggest expense.

In reviewing the Check Register:

- Payments for media advertising.
- CARES Act funding has been separated out in report for clarification purposes.
- Business Incentive Development payments have slowed, but typical for this time of year.

Cash Flow Report:

- Hotel Occupancy Tax monthly collections are helping for planning purposes.
- Anticipate not needing additional funding from the City before May 2021.
- September anticipated a cash shortfall of a little over \$1 million. Originally had planned for \$1.5 million shortage.

Cooperstein noted most hotels were sold out in the last couple of days due to the treacherous winter storm in Dallas and may have a positive effect on cash flow. Lauda noted the Irving hotels were booked through the week and will definitely affect the cash flow due to the unfortunate situation. Board member Greg Malcolm gave an overview of his company's hotel properties around the DFW area and some were without water and power, one closed completely. Cooperstein noted there is catastrophic damage to homes and people may need a place to stay for the coming weeks. Malcolm noted the Residence Inn

properties with full kitchens in their suites will do well, but the insurance companies will book rooms in blocks.

Cooperstein asked for a motion to approve the ICVB Financials for January 2021. On a motion from Board member Bob Bourgeois, and a second from Board member Julia Kang, the financial report was approved as presented.

ICC Financial Reports

Meehan reported:

November 2020

- There were two events in November, budgeted for a loss of \$284,000. Actual is a loss of \$280,000.
- October/November together there were four events and \$7,000 ahead of budget.
- Adjusted Gross Income shows \$124,000 Income for the year, \$370,000 in Expenses of which \$205,000 is Salaries.
- Due to the nature of this year, the Year-Over-Year Comparison report is not a fair comparison.

December 2020

- There were six events with \$86,727 in Income.
- Adjusted Gross Income is \$104,005 – highest of the three months so far.
- Budgeted for a loss of \$302,000 and lost \$297,000.
- Year-to-Date numbers are way off normal financials.
- The three-month total for Catering is \$32,000, normally can have that much Catering income in first week of October. Expenses are \$1.128 million of which \$623,000 is Salaries and Benefits, and additional in Contracted Services and Housekeeping.
- Year-Over-Year Comparison numbers are significantly down.

January 2021

- Zest Fest event moved from January 2021 to June 2021.
- Report shows budgeted to lose \$302,000 and lost \$264,000.
- Moving events from last year into the first six months of this year. While showing close to budget, it is not a true number.
- A total of 12 events in the last four months and a loss of \$1.164 million.

At the time of forecasting February through September shows \$393,000 off budget. There is a tremendous amount of movement in events for the second half of the year. The forecast is stripped down month-by-month to show the worst-case scenario. All events that moved or canceled were deleted to get a true reading of the last seven months of the fiscal year. Showing \$393,000 short, but real number is \$1.7 million beyond the \$1.395 the ICVB transfers. This does not include additional shows that might book. There are a lot of variables, but the fact remains there is \$1.7 million in Revenue that is needed to make up before the end of the year. The ICC Executive Team has met and discussed scenarios and ideas on how to cut expenses and generate more revenue. The goal is to lower the \$1.7 million down to an amount that can be covered by the funds available in the new ASM agreement for 2021 and 2022. There are a lot of events still moving to after September 2021, cancelling or moving to 2022. The events calendar does start to pick

up in the next couple of months. Executive Director Maura Gast added the financials, as they are presented, do not reflect the contributions from ASM Global as a result of the revised contract.

There was an emergency situation at the building this week due to the storm. The ICC was built to not be without power, but both power feeds were lost, and quick decisions were made to drain the cooling tower. Some mechanical equipment was lost, and the cooling tower will be refilled starting tomorrow and bringing systems back online. The ICC engineers worked non-stop for to keep the damage at a minimum to the building. Meehan was in contact with the various contractors to work together and make quick decisions. Staff did an incredible job in the conditions and the situation. At this point, no pipes are broken. An assessment of the damage will be done once everything is back up and running.

Cooperstein asked for a motion to approve the ICC Financials for November-December 2020 and January 2021. On a motion from Bourgeois, and a second from Kang, the financial reports were approved as presented.

Gast gave an overview of the presentation at City Council last week. She reported that Marketing Director Monty White presented the results from the first round of CARES Act funding for Safe Meetings and Staycation advertising campaigns. Both campaigns were very successful. The City Council approved an item for a loan to the ICVB and which will help with cash flow and expenses. Next month's financials will reflect a transfer from the City for the loan. The loan is structured to not negatively impact the City budget and ICVB will repay the loan at the first of next year's budget and will result in another deficit the start of the next fiscal year. She noted that people will travel again. The ICC team has done a fantastic job in maintaining the (building) asset. The ICVB and ICC staffs have done a great job in working through these tough times. The City services are stretched, and it will be another long couple of months. Cooperstein noted on behalf of the Board a thank you to the leadership and staff of both ICVB and ICC in working so hard to make the best of a bad situation and headed in the right direction.

Chair Report

Cooperstein asked the Committee members to keep everyone who is struggling at this time in their thoughts and prayers. There are a lot of organizations that will need help, as well as residents and our community leaders. The City leadership is finding ways to address the need.

Cooperstein asked for a motion to approve the Executive Committee January 22, 2021 minutes. On a motion from Bourgeois and a second from Kang, the minutes were approved as presented.

The Committee reviewed the ICVB Board of Directors January 25, 2021 Board meeting agenda. Additions to the standard agenda were noted as High Spirited Citizen nominations and ICVB Board Bylaw amendments to approve.

Cooperstein asked for any comments from the City Council members in attendance.

Deputy Mayor Pro Tem Kyle Taylor expressed his appreciation for the ICVB presentation to City Council for its educational purposes. He commented that the ICVB Board Orientation meeting went well, and he is ready to start having conversations to move things forward with Council. He appreciates all the work

everyone is doing to promote the City. Cooperstein thanked Taylor and Councilman Mark Zeske for attending the hybrid Orientation meeting and noted that those who did not attend will have access to the recorded session.

Councilman Al Zapanta reported the City Work Session this week was focused on storm situations. He noted it will be interesting to see what the Texas legislature proposes for help with COVID and a lack of utility support from the storm.

Councilman Mark Zeske thanked the ICVB and ICC staff who make a difference. Everyone has such a high spirit and grit. It is heart-warming to see how much the organization cares about the City.

Board member Herb Gears echoed Zeske's comments and noted the ICVB and ICC staffs are a great team at every position and partners in this venture for the responsibility of this great asset in the City. He is proud to be a part of the group.

Cooperstein adjourned the meeting at 9:47 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME
Executive Director