

MINUTES
IRVING CONVENTION AND VISITORS BUREAU
EXECUTIVE COMMITTEE
IRVING CONVENTION CENTER
Friday, February 23, 2024

Attendance: Richard Stewart, Jr. – Board Chair, Board Vice Chair Herb Gears; David Cole, Colvin Gibson, Nydia Hoskins, Julia Kang, Greg Malcolm - Committee Members; William Mahoney, and Joe Philipp – Board Members; Tom Meehan and Jeremy Pierce – ASM/ICC; Council Liaison Kyle Taylor and Councilman Al Zapanta – City of Irving; Maura Gast, Carol Boyer, Marianne Lauda, Brice Petty, and Susan Rose – ICVB

Board Chair Richard Stewart, Jr. called the meeting to order at 9:00 a.m. There were no citizen comments.

Stewart asked for a motion to approve the Executive Committee meeting minutes from January 19, 2024. On a motion from Board member Colvin Gibson, and a second from Board Vice Chair Herb Gears, the motion unanimously was approved.

ACCEPTING THE ICVB FINANCIAL REPORTS

Accounting and Budget Director Marianne Lauda reviewed the ICVB December 2023 financials: There were no significant changes in the financial reports.

Check Register:

- Lauda noted there were several large Business Development Incentive Program (BizDIP) payments.
- SMG checks: VidSummit BizDIP, subsidy payment, and CIP projects.

Executive Director Maura Gast noted the SMG BizDIP payment is to offset rental.

In response to a question from Gibson, Lauda replied the American Express credit card payment is the corporate account for all staff corporate cards, which are used for travel, local events, registrations, and sponsorships. American Express points are turned into gift cards for client giveaways. Staff completes a Purchase Request form for approval, and they must supply the name of the person who received the gift card. She also noted the Check Register report tracks ARPA and Hotel Occupancy Tax spending. There are no more incoming ARPA funds, and payments are made within the current balance.

ICVB Financials – January 2024

- **General Fund:**
 - Beginning Fund Balance - \$4,825,389.06.
 - Revenue - \$696,543.28 collected from Hotel Occupancy Tax, Interest, and Investment Income.
 - Expenditures – \$608,225.90, 21.8% expended four months into fiscal year.
- **CIP Fund:**
 - Investment revenue from the City for the Westin Irving Convention Center parking garage.

Minor payments to SMG for CIP projects.

Check Register:

- Several BizDIP payments.
- Payment to SMG for ICVB Board meeting catering
- Fired Up! Training – both ICVB and ICC staffs are participating.

- Simpleview payment was charged to ARPA funds for CRM licensing fees.
- BizDIP payments for the Navigators and Hilti groups at the ICC.
- 43.6% of payments were from ARPA and 56.4% were from Hotel Occupancy Tax.

Cash Flow Report:

- Lauda pointed out the forecasted spike in July and August expenses, represent budgeted transfers to the CIP and Tech funds.

Fund Balance Chart:

- General Fund is at 173% of goal.
- Reserve Fund: 103% of goal.
- Technology Fund: 51% of goal – scheduled to transfer \$500,000 at the end of the fiscal year, pending availability.
- ICC CIP Fund: 83% of goal – hope to make the \$3 million goal by end of the fiscal year.

Stewart asked for a motion to approve the ICVB December 2023 and January 2024 financial reports. On a motion from Board member Julia Kang, and a second from Gears, the motion unanimously was approved.

REVIEW OF HOTEL OCCUPANCY TAX COLLECTIONS

Lauda reviewed the report for October and November 2023:

- Luxury & Full Service:
 - Doubletree by Hilton DFW Airport North has paid through April 2023 and the Sheraton DFW Airport North has paid through May 2023. Payments are being received but still very delinquent. Gast added the two properties are managed by the same company and are represented by the same law firm in the upcoming court hearing.
 - Wyndham DFW Airport Hotel has just reopened.
- All Suite / Extended Stay:
 - Extended Stay America Dallas Las Colinas did not pay in November.
 - Overall, down in collections and November was exceptionally slow due to the holiday.
- Budget Service:
 - OYO Hotel DFW Airport North did not pay.
- Limited Service:
 - Wingate Inn by Wyndham DFW Airport North did not pay in November.
- Short-Term Rentals:
 - There are 34 properties in November, up from 28 in October. Overall, this category is down in collections even though the number of locations has increased.
- Summary:
 - November collected \$674,040.71, Budgeted \$649,100.00.
 - Cumulative Year-to-Date Actual for November \$1,537,140.15, up 5.9% from Budget.
 - Last year, collected \$635,339.08 in November.

Lauda confirmed the reported amount is the ICVB portion of the Hotel Occupancy Tax for Irving.

Council Liaison Kyle Taylor added the delinquent Hotel Occupancy Tax collections lawsuit is moving forward and discussions revolve around discovery. There is a pending court date set for March 28, 2024. The City is continuing to stay in contact with the lawyers and get a resolution as quickly as possible. The payments are

still behind and adding up quickly. Councilman Al Zapanta added there is still interest and penalty charges that they will continue to pay, as well as the City's outside attorney fees.

ACCEPTING THE ICC FINANCIAL REPORT

General Manager Tom Meehan reported on the January 2024 financial reports:

- There were 11 events, and 27 event days with,15,999 in attendance.
- Net Income Loss from Operations is \$42,513, budgeted to lose \$109,262 and stand \$66,749 better than budget.
- Year-to-Date there were 48 events, and 64,084 in attendance.
- Net Income Loss from operations \$132,550, budgeted to lose \$259,736, and stand \$127,186 better than budget.
- Current Month:
 - Rental Income is down \$13,700 from budget.
 - F&B Catering is up \$117,916 from budget. The typical model for the operating budget is to offset rental with catering.
- Ancillary Income is \$134,343 better than budget for the month and \$175,714 for the year.
- Total Event Income is below budget \$62,625 for the year.
- Other Operating Income is up \$84,225 and includes concert parking, commissions from the Audio Visual and Decorator, etc. Total Other Income is up \$512, 893 for the year.
- Adjusted Gross Income is \$2,596,520 for the year and up \$21,600 from budget. Last year Adjusted Gross Income was \$2,381,245.
- Expenses are below budget for the year and include salaries and benefits. The recently filled positions were budgeted for in the year.

Year-over-Year Comparison

- Current Month:
 - Well above the past five years in Rental Income.
- Year-to-Date:
 - Rental Income is \$467,644, below 2022-23, but above the previous four years.
 - F&B Catering is \$1,626,162 this year and was at \$1,366,809 last year.
 - Total Event Income is just over last year's number.
 - Expenses are up due to labor, salaries and food supply costs going up.
- Overall, compared to last year's record numbers, it is still an extremely exciting year.

In reviewing the Forecast Report, Meehan is projecting to date to return \$117,000 to the subsidy. The building is in fantastic shape and clients appreciate it. The new LED lighting, contemporary furniture and fresh paint color adds to the new look, and the facility will look completely different when finished. The forecast is conservative and is only based on what is in client contracts. Every day is getting to be a struggle to find the dates that clients are requesting because the building is so busy.

A question was asked regarding the status of the ICC staff-wide incentive program that the Committee had recommended be developed. Meehan indicated he has sent a preliminary draft to Gast for review and based on her input, is finalizing the plan. It will be ready to be implemented at the end of this fiscal year.

Gibson congratulated Meehan, the ICVB and ICC teams for an outstanding job and made a motion to accept the ICC financials for January 2024. With a second from Gears, the motion unanimously was approved.

BOARD AGENDA REVIEW

- Gast reminded the Committee the Board meeting will be held at the DFW Hilton Garden Inn DFW South this month. The hotel's new General Manager has been invited to attend.
- Also, three ICVB Convention Services Associates will be recognized with their five-year service awards: Kay Branch, Alan Fleck, and Deborah Fleck.
- The City Manager's report will include an overview from the City Attorney's Office on the 2024 municipal elections.

CITY COUNCIL UPDATE

Council Liaison Kyle Taylor:

- Taylor thanked the Board members who attended the Boards and Commissions Orientation. The feedback has been positive, and he noted it is important that members of the ICVB Board were there. Another Orientation meeting has been scheduled for next week. Gibson suggested that at the meeting, each person stand and identify themselves and the Board they serve on. Stewart reminded the Committee there are also two online mandatory training requirements that need to be completed. Taylor reported City Council also will be reviewing the Ethics Policy, which has not been done since 2013, and a discussion on affordable housing will be brought forward soon.

Councilman Al Zapanta:

- Zapanta added an item on the May ballot will be the general obligation bonds for a new or improved City Hall complex. The real options are to either stay at the current location and spend \$25 million to renovate and expand, or move to another location along Irving Blvd. A North Annex building will also be on the table to discuss. Stewart noted the real issue is the message and how it is being presented. If you only look at the cost, the message is skewed.

Gibson inquired about the pending meeting with ICVB and the Arts and Culture Board. Gast noted the previously scheduled meeting did not happen and the Arts Board now is going on a different path than originally discussed for its strategic planning. After the May elections, an item will be on the City Council Work Session for discussion regarding the upcoming reallocation of hotel occupancy tax. Arts and Culture Executive Director Todd Hawkins is working on a document to bring forward to Council representing a new business plan and focus for the organization. Zapanta added his appreciation for Gast's attendance at the Council Work Sessions and Council meetings.

CHAIRMAN/EXECUTIVE DIRECTOR REPORTS

Stewart reminded the Committee to access the Board meeting agenda and attachments before each Board meeting and encouraged reviewing the articles.

With no further comments or discussion, the meeting was adjourned at 9:44 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME
Executive Director