

MINUTES
IRVING CONVENTION AND VISITORS BUREAU
EXECUTIVE COMMITTEE
IRVING CONVENTION CENTER
Friday, August 25, 2023

Attendance: Bob Bourgeois – Board Chair, Richard Stewart, Jr. – Vice Chair; David Cole, Colvin Gibson, Nydia Hoskins, Greg Malcolm, and Sam Reed – Committee Members; Julia Kang and Joe Philipp – Board Members; Tom Meehan and Jeremy Pierce – ASM/ICC; Maura Gast, Carol Boyer, Marianne Lauda, Brice Petty, and Susan Rose – ICVB; Arkansas Small Business Administration District Director Adriene Brown – Guest.

Board Chair Bob Bourgeois called the meeting to order at 9:00 a.m. There were no citizen comments.

Board member Colvin Gibson introduced his guest, Arkansas Small Business Administration District Director Adriene Brown.

Bourgeois asked for a motion to approve the Executive Committee meeting minutes from July 24, 2023. A correction in the spelling of Executive Director Maura Gast's last name was noted. A clarification under the ICVB Financial Report was discussed. On a motion from Board member Colvin Gibson, and a second from Board member Sam Reed, the motion was unanimously approved as amended.

ICVB FINANCIAL REPORTS

Director of Accounting Marianne Lauda reported on the July 2023 Financial Reports:

General Monthly Balance Sheet:

- Hotel Occupancy Tax revenues are still doing well.
- Investment income collected \$176,329 YTD.
- Expenditures are 52% expended, which is within budget. Staff continue to monitor expenses.
- There will be a large, budgeted transfer of funds in the August financials.
- End-of-month Fund Balance is \$6,002,616,30.

ICC Reserve/CIP Fund:

- There was a transfer of funds from the Westin Irving Convention Center Hotel parking garage.
- Expenditures for the month were \$186,911,12. Expenditures include payments from Hotel Tax and ARPA funds.
- Ending balance of \$2,273,915.19.

Check Register Review:

- Several SMG payments:
 - Westin Irving Convention Center Hotel parking garage cage maintenance and July rental
 - Electrical cables
 - Kitchen equipment relocation
 - West crosswalk light installation
 - HVAC add and Aerial lift report
 - PVI burner
- Business Development Incentive Program payment to A-Kon, LLC.

Lauda reviewed the Cash Flow Report for July 2023:

Projecting \$6,929,779 at fiscal year-end.

Thermometer Chart:

- Combined funds have a \$12 million goal, and currently at \$9,784,482.
- The General Fund has exceeded its goal.
- Catastrophic Reserve and Computer Funds are still low.
- Technology Fund is extremely low.
- CIP Fund is projected to reach its goal of \$3 million.

HOTEL OCCUPANCY TAX COLLECTIONS

The Hotel Occupancy Tax Collections reports were reviewed through June 2023.

Lauda reported:

- Luxury & Full-Service properties reporting a slight increase.
 - Doubletree by Hilton DFW Airport North and Sheraton DFW Airport Hotel have made some payments. The Doubletree has paid through September 2022. The Sheraton has paid through February 2023.
 - Overall Luxury collections are \$338,761.51.
- All Suite / Extended Stay properties – one hotel did not pay in June.
- Budget Service properties - two hotels have not paid, and collections are down from previous month.
- Limited-Service properties – Fairfield Inn & Suites DFW Airport North did not pay in May but did pay June taxes. Category collections are up from the previous month.
- There were 52 short-term rental properties reporting and remitted \$23,942.95 in June.
- Summary – June collected \$738,609.72 The prior year collections were similar.
- Cumulative YTD budgeted \$7,866,900.00 and collected \$6,521,725.08.

Bourgeois asked for a motion to accept the ICVB financial reports for June 2023. On a motion from Board Vice Chair Richard Stewart, Jr., and a second from Gibson, the motion passed unanimously.

APPROVAL OF RESERVE FUND POLICY REVISING THE TECHNOLOGY FUND MINIMUM BALANCE TO \$1,000,000

On a motion from Board member Julia Kang, and a second from Stewart, the motion passed unanimously revising the Technology Fund minimum balance to \$1,000,000.

APPROVAL OF RESERVE FUND POLICY REVISING THE GENERAL FUND MINIMUM BALANCE TO \$3,000,000

On a motion from Stewart, and a second from Kang, the motion passed unanimously revising the General Fund minimum balance to \$3,000,000.

APPROVAL OF 2023-24 BUDGET CHANGES AS REQUIRED BY CHANGES IN CITY COSTS:

- Increase in interest income – General Fund, Reserve Fund, Technology Fund, ICC Reserve/CIP Fund
- Increase in property and casualty insurance.
- Increase in Health Self Insurance Fund (to fund increase in retiree health discounts)

Gast gave a summary of changes in City costs which necessitated revising our budget. Lauda noted ICVB has well exceeded our interest income budget this year. Next year interest rates may remain the same. On a motion from Kang, and a second from Stewart, the motion passed unanimously for the approval of 2023-24 budget changes. It was noted that the ICC July 2023 financial report will be included in the August Executive Committee packet.

ICC FINANCIALS

General Manager Tom Meehan reported on the June 2023 financial reports:

- There were 17 events, 35 event days in June and \$609,385 Total Event Income. Better than budget by \$88,719.
- Adjusted Gross Income was \$717,693 and Indirect Expenses were \$744,831.
- There were 166 events YTD and 197,848 in attendance.
- YTD Adjusted Gross Income is \$5,659,411, and \$1,170,473 better than budget.
- For the year Rental Income is \$1,374,128, compared to the prior year \$1,039,461.
- YTD Catering is \$3,148,307, and \$845,687 ahead of budget.
- Parking is up \$175,925 from last year.
- Electrical Services are up \$74,381 from the prior year.
- Post-COVID, applying fees that were not previously charged, i.e., labor and cleaning fees, which are now included in contracts.
- Adjusted Gross Income YTD is \$5,659,411 compared to last year's \$3,809,100.
- Expenses are up. YTD reporting \$5,566,036 compared to \$4,450,996 the prior year. The increase is due to labor, supplies and food costs continuing to rise.
- Year-over-year comparison for 2023:
 - Rental Income is above the previous five years.
 - Catering and Concessions are also up, and Catering is at an all-time high.
 - Total Event Income is \$4,771,562, which is higher than the last five years.
 - Expenses higher than last five years at \$5,566,036.

Meehan reported this year's expenses included new software for the Events Department. The software will allow clients a 3D view of their room set showing the actual room, carpet, chairs, etc. It is state-of-the-art technology that goes directly to clients for planning events. The software cost was \$21,000. Assistant General Manager Jeremy Pierce added the software can produce check-in processes and F&B specific orders per chair at an event. Meehan reported new landscaping, F&B items and new 2-way radios were also included in expenses.

Meehan noted silverware and china are replaced mostly because pieces are lost or broken. The dance floor was sold at auction, as well as banquet chairs. There are several projects happening in the building with construction, lobby painting, and new office carpet. He stated the building is fortunate to have the business to be able to make these improvements and keep the building in excellent condition. The outlook over the next year for events is exceptional and staff will continue to figure out how to generate more revenue. For example, elevator wraps and window clings, tv monitors and technology to offer advertising opportunities. Board member Greg Malcolm added that hotels are now seeing growth in Occupancy but there is growth in Rate for 2024-25. Board member Nydia Hoskins stated the Omni Las Colinas is not achieving numbers for transient business in May, June, and July but group business is still coming. Meehan noted the ICC is in the perfect location and size to be doing so well right now.

Bourgeois asked for a motion to accept the ICC financial reports for June 2023. On a motion from Reed and a second from Kang, the motion passed unanimously.

APPROVAL OF SMG CONTRACT AMENDMENT TO AUTHORIZE MANAGEMENT AND MAINTENANCE OF NEW MONUMENT SIGN ON WESTIN IRVING CONVENTION CENTER AT LAS COLINAS PROPERTY.

This item is on the City Council agenda for variance to the size. The sign is located on property leased to the Westin ICC Hotel as the owner, the City must amend the contract with SMG charged with managing and installing. The original sign was the largest authorized by Las Colinas at the time of installation, and now is small in comparison to what has since been installed at the Music Factory. The project should be completed by December 2023.

Bourgeois asked for a motion to approve the SMG contract amendment. On a motion from Stewart, and a second from Gibson the motion was unanimously passed.

BOARD AGENDA REVIEW

Gast noted that the full Board will act on all items presented today. The meeting will take place in Exhibit Hall B at the Convention Center.

CHAIRMAN/EXECUTIVE DIRECTOR REPORTS

Gast reported there have been challenges with the indemnification language required by the City in contracts. Specifically, the STR contract has been under review for quite some time now trying to identify language to which both parties can agree. Issues like these are becoming more frequent, particularly with anything that touches technology in any way. Currently looking at other ways to potentially get the data and resources necessary to do the job, while respecting the State Constitutional issues from which the City cannot deviate. This may include the possibility of establishing a non-profit research/data foundation. Gast will elevate discussion with the City Attorney Office and regularly communicate any risk to the Board and can have the City Attorney Office give a briefing if necessary. Assistant Executive Director Finance and Administration Susan Rose added the risk is acceptable and there are disclaimers on reports. Stewart noted it is the City's policy they can indemnify per state law. Gast stated the idea of a separate entity is a potential solution.

CITY COUNCIL AND STAFF COMMENTS

No reports.

The next Executive Committee meeting will be held on September 22, 2023.

With no further comments or discussion, the meeting was adjourned at 9:54 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME
Executive Director