

MINUTES
IRVING CONVENTION AND VISITORS BUREAU
BOARD OF DIRECTORS – EXECUTIVE COMMITTEE MEETING
IRVING CONVENTION CENTER
Friday, December 16, 2022

Attendance: Bob Bourgeois – Board Chair, Richard Stewart, Jr. – Board Vice Chair; David Cole, Karen Cooperstein, and Greg Malcolm – Committee Members; Michael Basoco, Herb Gears, Colvin Gibson, Julia Kang, Joe Philipp, and Sam Reed – Board Members; Jeremy Pierce – ASM/ICC; Maura Gast, Carol Boyer, Marianne Lauda, and Susan Rose – ICVB; Board Liaison Councilman Kyle Taylor and Mayor Pro Tem Al Zapanta – City Council.

Board Chair Bob Bourgeois called the meeting to order at 9:00 a.m. and inquired if there were any citizens that would like to comment on any subject on the agenda. There were none.

Bourgeois asked for a motion to approve the Executive Committee meeting minutes from November 11, 2022. On a motion from Board member Julia Kang and a second from Board Vice Chair Richard Stewart, Jr., the motion was unanimously approved.

ICVB FINANCIAL REPORTS

Director of Accounting Marianne Lauda reported a Financial Position Summary for Fiscal Year-End September 2022:

- Revenue and Expenditures
 - General Fund Revenue - Budgeted \$12,828,811 and collected \$13,889,622.
 - General Fund Expenditures – Budgeted \$11,902,187 and expended \$9,852,485. Fund is 82.78% expended which is below normal; still spending cautiously.
 - Reserve Fund – Budgeted \$500,500 in revenue; collected \$501,682. No expenditures to report.
 - Computer Replacement Fund – No activity to report.
 - ICC CIP Fund Revenue – Budgeted \$4,506,167 and collected \$4,526,019.
 - ICC CIP Fund Expenditures – Budgeted \$3,142,667 and expended \$3,142,664, which left a balance of \$3.00 in this fund.
- Hotel Occupancy Tax:
 - Budgeted \$5,397,466 and collected \$7,979,700.
- ARPA – General Fund
 - – Received \$7,398,345 and used \$5,880,280. The balance will roll into this year’s funds.
- Fund Balances:
 - General Fund – Beginning balance of \$2,166,242 and ending balance of \$6,177,016.
 - Reserve Fund – Made a \$500,000 transfer into the fund, with an ending balance of \$501,682.
 - Computer Fund – No activity in this fund, holding steady at \$207.
 - ICC CIP Fund – Beginning balance of \$676,827 and ending balance of \$2,060,183.
- ARPA Budget and Expenditures:
 - Received funding for FY21 and FY22 budgets totaling \$13,294,916 for the General and ICC CIP Funds
 - The unexpended balance of \$2,064,552 rolls into the 22-23 budget.
 - ICC has a list of CIP projects this year and the Bureau will continue to use ARPA funds for Operating Expenses, Salaries and Benefits.

In response to a question from Mayor Pro Tem Al Zapanta, Gast replied it takes approximately \$800,000 regularly in expenditures to maintain the building and that amount is set aside each year early in the budget process. In building the budget each year, the needs of the building are considered and anything with a shelf life of more than one year is included in the CIP allocation.

Lauda reviewed the Cash Flow Report for Fiscal Year End September 2022:

- The year ended in a good cash flow position.
- Ending cash balance of \$7,261,203.

Review of the Thermometer Chart:

- Goal: have all Reserve Funds full and stabilized by 2026 but will be dependent on subsequent ARPA funding. The goal is attainable if we can make the best use of the resources available to us, such as the ARPA funds.
- Repayment of FY21 Loan: Goal: \$500,000 – Current: \$500,000 has been repaid.
- Combined Funds: Goal \$10,500,000 – Current \$8,739,087.
- General Fund Balance: Goal \$2,000,000 – Current: \$6,177,016.
- Catastrophic Reserve: Goal: \$5,000,000 – Current: \$501,681
- Computer Fund – Goal: \$500,000 – Current: \$207.
- ICC Reserve/CIP Fund: Goal: \$3,000,000 – Current --\$2,060,182.

Lauda reviewed the October 2022 Financial Reports:

General Fund:

- Only Revenue reported is in Miscellaneous for receipts from State of Texas Events Trust Fund for an event.
- Hotel Occupancy Tax collected for August was accrued in FY22 and reversed in FY23; therefore, it will not be reflected as revenue in October, although we received the cash.
- beginning fund balance of \$6,177,016.18, Revenue of \$14,847.92, Expenditures of \$396,789.66, Ending fund balance \$5,795,074.44.

ICC Reserve/CIP Fund:

- The only Revenue reported is in Miscellaneous for the parking garage agreement with the Westin Irving Convention Center Hotel.
- Beginning fund balance of \$2,060,182.51, Revenues of \$23,919.49, and ending balance of \$2,084,102.00.

October 2022 Check Register Review:

- Dell Marketing LP for \$62,345.78 – new server and storage array.
- SMG payments for Business Development Incentive Program, CIP projects and Texas Society of Association Executives event catering and promotion.
- Paid Texas Hotel & Lodging Association for city-wide hotel memberships.
- Expenses from ARPA funds at 98% and Hotel Occupancy Tax at 2%.

Cash Flow Report for October 2022:

- Anticipated ending cash balance as of September 2023 of \$5,386,495.
- August shows typical transfers from the General Fund to the other funds.
- Balances include receipt of ARPA funds from the City.

Thermometer Chart:

- Will continue to show progress throughout the year toward goals.

Bourgeois asked for a motion to accept the ICVB financial reports for September and October 2022. On a motion from Kang and a second from Stewart, the motion passed unanimously.

HOTEL OCCUPANCY TAX COLLECTIONS

The Hotel Occupancy Tax Collections reports were reviewed through Fiscal Year End September 2022.

Lauda reported:

- Luxury & Full-Service properties reporting a slight increase.
 - DFW Airport Marriott has not paid in September, not aware of any issues.
 - Doubletree by Hilton DFW Airport North and Sheraton are still delinquent.
 - All Suite / Extended Stay properties three hotels have not paid.
- Budget Services properties - one hotel did not pay.
- Limited-Service properties have all paid.
- There were 55 short-term properties reporting and collected \$5,038.71 for September.
- Summary – for September \$516,930, collected \$648,149, up 25.5%
- Summary – for the year collected \$7,762,452.29, up 2,364,986.29, +43.8% from budget.

Cumulative History:

<u>14-15</u>	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>	<u>20-21</u>	<u>21-22</u>
7,665,760	8,197,245		8,259,218	8,393,445	8,615,699	5,019,890	4,666,012
	7,762,452						

Lauda noted it has taken six years to return to 14-15 collections. The 19-20 year consisted of five months and one week at an extraordinary pace before COVID shutdown. Board member Greg Malcolm reported most of his group of hotels are not back to 2019 revenues and expenses have gone up 10% and wages are up 20%. It will be a long climb back.

BOARD MEETING AGENDA REVIEW

- Gast reviewed the December 19 Board agenda and noted the recently re-appointed Board members will be sworn in by the City Secretary's office.
- There will be a presentation from Meeting Professionals International Chief Branding Officer Drew Holmgreen on the current issues and trends facing meeting professionals.
- A Board Committee sign-up sheet will be distributed for completion by any members wanting to participate in Committees.
- Committee meeting schedules will be confirmed.

ACTION ITEM: Discussion was held on sending Outlook calendar invitations to Board members for Committee meeting dates.

It was noted that next month's Executive Committee meeting will include ICC financial reports for October, November, and December 2022.

CHAIR REPORT

- Bourgeois reminded everyone about the Irving Marathon events, with the last one of the year being Dec. 17. There is a group from the Board who walk in the 5K events, and any Board member is invited to join them.

CITY COUNCIL UPDATE

Councilman Kyle Taylor reported the new Boards & Commissions Ordinance will be included in the Board packet and the changes include:

- A streamlined attendance requirement of 75% for any posted City Board or Committee whose members are appointed by the City Council.
- Another change is regarding the application process when resigning from one City Board or Commission and applying to another. A new application must be completed and submitted for the change.
- Ethics training must be completed within 90 days of appointment.
- No member can represent as an individual and speak for a Board or Commission.
- Can be removed if in violation of the Ethics Code.
- If someone is not appointed to a Board or Commission, they are going to be sent a list of other City non-profit agencies that are in need of Board members.

Gast added an in-depth review of the Ordinance will be covered at the ICVB Board Orientation meeting, along with the state online training that is required – or will be covered within the 90-day requirement if Orientation is not scheduled during that time.

Zapanta applauded Taylor for bringing the Ordinance changes to City Council, along with the Ethics Code and it will help Council make some informed decisions. He thanked Gast and staff for their support at the recent Veterans Mental Health Symposium at the Irving Convention Center. The event was a success due to the ICVB and ICC staff. It was the first-ever fundraising event for the group. Gast asked Assistant General Manager Jeremy Pierce to pass along the praise and thank you to ICC staff.

Assistant Executive Director Administration/Finance Director Susan Rose asked any available Committee members to join in judging the ICVB/ICC holiday door decorating contest after the meeting.

Board member Michael Basoco thanked the Board for the November Board meeting at the Jack D. Huffman Community Building and tour of the Irving Archives Museum Green Book Exhibit. He noted that there are now three Green Books in the Jack Singley Academy Library for students to check out and read. It is an important part of our country's history that should not be forgotten.

Bourgeois noted the next Executive Committee meeting will be held on Friday, January 20 in the first-floor conference room. With no further discussion, the meeting was adjourned at 9:57 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME
Executive Director