

**MINUTES**  
**IRVING CONVENTION AND VISITORS BUREAU**  
**BOARD OF DIRECTORS – EXECUTIVE COMMITTEE MEETING**  
**IRVING CONVENTION CENTER – FIRST FLOOR CONFERENCE ROOM**  
**Friday, February 25, 2022**

Attendance: David Cole – Board Chair; Bob Bourgeois – Board Vice Chair; Karen Cooperstein, Greg Malcolm, and Richard Stewart, Jr. – Committee Members; Stephanie Fenley-Garcia, Herb Gears, Colvin Gibson, Julia Kang, William Mahoney, and Sam Reed – Board Members; Tom Meehan and Matt Tungett – ASM/ICC; Maura Gast, Carol Boyer, Marianne Lauda, and Susan Rose – ICVB; Mayor Pro Tem Kyle Taylor and Deputy Mayor Pro Tem Al Zapanta – City Council.

Board Chair David Cole 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.

**ICVB FINANCIAL REPORTS FOR JANUARY 2022**

Director of Accounting Marianne Lauda reported for January 2022:

- General Fund:
  - Ending Fund Balance of \$595,487.83.
  - Revenue received from Hotel Occupancy Collections totaled \$612,317.10, which included previous year payments, penalty/interest, and short-term rentals.
  - Ending balance is slightly below normal.
- ICC Reserve/CIP Fund:
  - Ending Fund Balance is \$900,001.01.
  - Miscellaneous Income is from the Westin Irving Convention Center Hotel parking garage.
- Check Register:
  - Majority of expenses are client activity payments included in ARPA funding.
  - Check for Dell Marketing is for new computers and laptops for staff.
  - There are three entries for Bank of America Upload Test. The City and Arts Center have had fraud issues with the check payee name being changed. System is not a positive pay process, and these three checks were “test” checks. Next month there will be more test checks on the Check Register. Going forward there will be one upload with every check run with the payee name included for more security.
- Cash Flow Report for Fiscal Year-End September 2021:
  - Lots of ups and downs.
  - The increase in funds for September reflects the receipt of ARPA funds and HOT Collections.
  - Ending with a cash positive balance due to those receipts.

In response to a question from Board member Greg Malcolm, Executive Director Maura Gast explained the staff has discussed how to deal with BizDIP requests initiated by hotels that are delinquent in their hotel tax remittance to the City, as they do not want to make a challenging situation worse if the hotel is not able to capture that group business without the access to the BizDIP resource. ICVB Board Council Liaison/Mayor Pro Tem Kyle Taylor noted City Council has the ability to create a Boards & Commissions

Committee to update processes and procedures. He noted he would like to have conversations with the Board for their input.

**ACTION ITEM:** Gast to discuss with staff a potential BizDIP policy change where, if a hotel is more than “xx” months delinquent in Hotel Occupancy Tax collection, the payment would be sent directly to the client rather than the hotel.

Lauda reviewed each fund with their goal and current fund balances. Gast noted this chart is an example of why ICVB wants to be in the front of the line for the next round of ARPA funds to use for client activities and use Hotel Occupancy Tax collections for our core operating funds and to rebuild reserves. Discussion was held on the protection of the Catastrophic Fund.

In reviewing the Cash Flow report, Lauda stated things are trending well and she is hopeful the fiscal year will end with a positive cash balance.

Cole asked for a motion to accept the ICVB financial reports for January 2022. On a motion from Board member Karen Cooperstein, and a second from Board Vice Chair Bob Bourgeois, the motion had unanimous consensus.

#### HOTEL OCCUPANCY TAX COLLECTIONS

Lauda reviewed the Hotel Occupancy Tax Collections report and noted that since the last Committee meeting, November and December tax has been collected.

##### Luxury & Full Service

- The Sheraton DFW Airport Hotel is still behind in payments but has paid through September 2021.
- Total collections for December 2021 are \$199,731.93.
- The City did verify the total for the Westin DFW Airport Hotel is correct for December. The Westin stated they had several tax-exempt groups in the month. It was noted that over 80% of their clients would have been tax-exempt based on the report.

##### All Suite / Extended Stay

- Three hotels have not paid.
- Collections are down for December as expected.

##### Budget Service

- Clarion Inn & Suites has not paid in December.

##### Limited Service

- Courtyard Dallas DFW Airport South Irving and Wingate Inn by Wyndham Dallas Las Colinas have not paid.

##### Short-Term Rentals

- Collections represent 44 locations for the month.

##### Summary

- November collections were \$579,243.15, a 44.8% increase over budget.
- December collections were \$411,286.09, a 22.3% increase over budget.
- The last three months of collections have been strong.
- Year-to-date \$423,487.43 above budget, which is a good sign.

#### November Comparison 2020 and 2021

- Significant difference at the height of COVID in 2020.
- There is definite recovery in all categories.
- There is a short-term rental increase in locations of 633.33% and 140.58% increase in collections.

#### December 2020 and 2021

- Again, a significant increase in all categories.
- Gast noted the 2021 collections are still not near what they were in 2019.

ACTION ITEM: Lauda to add 2019 numbers for comparison in future months. Lauda noted the 2019 collections were quarterly collections and can be added in a quarterly report.

#### IRVING CONVENTION CENTER FINANCIALS

General Manager Tom Meehan reported for January 2022:

- Meehan reported the ICC did make budget for the first four months of this fiscal year.
- There were 18 events for the month.
- November was budgeted to lose \$185,401 and only lost \$134,739, reporting \$50,663 better than budget.
- Net Income (Loss) from Operations reported +\$217,375 YTD.
- January was a strong month in Rental Income and Concessions.
- Rental Income for the month was \$127,975.
- F&B Catering for the month was \$130,994 and \$33,076 in Concessions.
- Adjusted Gross Income reports \$44,342 better than budget.
- Expenses were \$6,321 below budget.
- Concessions are up compared to the last five years, as well as Rental income.
- Indirect Expenses are down.
- YTD through the first four months Rental and Concessions are above prior year.

In reviewing the Forecast report:

- January through September is forecasted for the rest of the year based on the booking calendar at the current time.
- The forecast shows a total of \$314,545 better than budget for the year, which will return to the ICC Capital Fund.
- It is a very conservative forecast and only shows what is in the contracts.
- Business is very volatile with lost and postponing business. Each month is very up and down.

Meehan noted it is a different dynamic of how to manage the building and expenses to balance the budget. In response to a question from Cooperstein, Meehan replied Rental Income is 100% revenue and Catering is 50% revenue. The main focus for profit will be Food & Beverage because that is what the ICC is known for, but these are different events coming out of COVID. There are a lot of public events on the weekends with Concessions, and not much Corporate business with banquet menus. ICC Director of Sales Matt Tungett added there were more consumer shows on the weekends previously and they have been replaced with sporting events. When Association events return, it will impact not only the ICC but also Irving hotels and restaurants. Meehan added Corporate and Meetings business is still way behind prior years. He added \$63,000 of the \$130,000 in Catering came from sporting events in January.

With no further discussion, Cole asked for a motion to accept the ICC January 2022 Financial Reports. On a motion from Board member Richard Stewart, Jr. and a second from Board member Sam Reed, the motion had unanimous consensus.

Cole asked for a motion to accept the Executive Committee meeting minutes of January 21, 2022. On a motion from Board member Julia Kang and a second from Cooperstein, the motion had unanimous consensus.

**CHAIR REPORT:**

- The February 28, 2022, Board meeting agenda was reviewed. He noted the meeting is at the Jack D. Huffman Community building in the auditorium. The 2021 ICVB staff service awardees will be presented, and 2022 award presentations will be scheduled for a summer Board meeting. Also, Irving Marathon Director Lazarus Alvarez will give a presentation at the meeting.

**EXECUTIVE DIRECTOR:**

Gast reported the ICVB had a security breach in January and asked Assistant Executive Director Finance and Administration Susan Rose to brief the Committee.

Rose reported:

- During the recent ice storm and staff working remotely, the Department of Homeland Security contacted ICVB regarding a cyber-security incident.
- It was discovered there was possible exposure to two hosts for ransom groups actively targeting the network through a malicious phishing email received by an end-user.
- IT Manager Brice Petty notified the City Information Technology team of the incident and worked with them for additional resources.
- The system was isolated within hours after the initial email receipt on January 19 and has remained isolated since. Homeland Security notified the ICVB of the event on February 4.
- Data backup had recently taken place.
- ARPA funding was recently used to upgrade the security network, which better positioned us for this incident.
- The majority of ICVB documents are housed in the Cloud so there has been little disruption in daily processes for staff.
- Rose expressed her appreciation for Petty, City Hall IT Department's responsiveness and specifically mentioned Chief Technology Officer Chad Powell, Assistant Information Technology Director Bennie Boysen, and Information Security Officer Jose Mendez for their invaluable assistance.

**CITY COUNCIL UPDATE**

- Mayor Pro Tem Kyle Taylor reported City Council unanimously passed the short-term rental registration agenda item. This will give the City an avenue to check each individual entity for their locations and monitoring.

- The R-AB Ordinance adjustment item has been postponed. There has been a lot of movement and conversation regarding the item and there still seems to be misinformation and misunderstanding. There has been a consensus on what needs to change, and the Ordinance wording will need to be reworked. More education on the decision-maker level is needed on the matter to get the item passed. Taylor thanked Board Chair David Cole for his input to the City Council.
- Filing deadline for upcoming elections is February 18.

Cole noted the next Executive Committee meeting is Friday, March 25, and with no further discussion the meeting was adjourned at 10:15 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME  
Executive Director