

MINUTES
IRVING CONVENTION AND VISITORS BUREAU
BOARD OF DIRECTORS – EXECUTIVE COMMITTEE MEETING
IRVING CONVENTION CENTER – FIRST FLOOR BOARD ROOM
Friday, July 16, 2021

Attendance: Karen Cooperstein – Board Chair; Bob Bourgeois, Julia Kang, Clem Lear, and Greg Malcolm – Committee Members; Richard Stewart and William Mahoney – Board Members; Matt Tungett – ASM/ICC; Maura Gast, Carol Boyer, Marianne Lauda, and Susan Rose – ICVB; Deputy Mayor Pro Tem Al Zapanta – City Council and Councilman Mark Zeske.

Board Chair Karen Cooperstein 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:

Director of Accounting and Budget Marianne Lauda reported on the ICVB June 2021 and Third Quarter financial reports:

- General Fund:
 - Ending fund balance is \$600,736.63.
 - The fund is holding steady at this point and in a good place.
 - Miscellaneous Revenue for \$51,458.00 is funds received from State of Texas Events Trust Fund for RCMA Event held at ICC last January.
 - Expenditures report shows Property Management Services payment of \$174,375.00 for payment to SMG for the quarter.
 - Total YTD Revenue is \$2,587,523.75 and Expenses are \$4,178,760.01.
- ICVB Reserve Fund:
 - Total Fund balance is \$710.78.
- Computer Replacement Fund:
 - Total fund balance is \$207.54.
 - No money is reserved for encumbrances.
- ICVB Reserve/CIP Fund:
 - Total fund balance is \$628,240.70.
 - No money is reserved for encumbrances.
 - Miscellaneous Revenue of \$61,875.00 is receipt of funds from the City for the Irving Westin Convention Center Hotel parking garage.
 - Expenditures of \$151,764.74 for capital projects.
- Check Register:
 - There are few more Business Development Incentive Program payments.
 - Check #80061726 to ICC for Property Management Services, second of two payments for \$174,375.00.
 - Check #80061725 to Donald Hoyte is preparation of Economic Impact Study of 2020 for RCMA Emerge event at ICC. Payment is included in the State of Texas Events Trust Fund submittal.
 - There are also some payments to Visit Irving blog post writers.

HOTEL OCCUPANCY TAX COLLECTIONS – MAY 2021

- **Luxury and Full Service:**
 - Through May, the same two hotels lagging in payments.
 - The Doubletree by Hilton DFW Airport North did make some partial payments and this month paid final payment for October 2020 and partial payment for November 2020.
 - The Sheraton DFW Airport North has not paid but is filing their report.
 - The City has a process for collecting late payments before turning over to a collection agency.
 - Westin DFW Airport was closed in April and now submitting payments again.
 - Westin Irving Convention Center Hotel business is picking up, which is reflected in the collections.
- **All Suite/Extended Stay:**
 - All properties are holding steady. There are three that have not paid, and one property is closed.
- **Budget Service:**
 - One property has not paid for May.
 - OYO Hotel DFW Airport North made a payment in March, but still pending payment for October 2020 through January 2021, and April and May 2021.
- **Limited Service:**
 - Fairfield Inn & Suites DFW Airport North Irving remains closed as it is being rebuilt
 - Short-Term Rentals are holding steady with approximately \$4,000 each month since January 2021.
- **Summary:**
 - Received a total of \$419,149.77 for May 2021, short of projection by 15.1%.
 - Two Luxury/Full Service hotel payments are missing and could have closed that collection gap considerably.
 - August projections are the amounts the budget is set to and the STR data shows improvement but doesn't count until it is received in collections.
 - ICVB request for funds in the American Rescue Plan Act includes a third-party Hotel Occupancy Tax projections study and the City is very supportive of this request.

ACTION ITEM: Executive Director Maura Gast will follow up with City Chief Financial Officer Jeff Litchfield for status on late payments.

ICVB CASH FLOW REPORT:

- Projecting positive cash at the end of the budget year of \$773,026.
- Estimates have not changed much since last month.
- The end of the fiscal year is approaching and there are a lot of accruals. It is important that ICVB receive the ARPA funds to avoid ending with a negative fund balance.
- Gast noted the ICVB did receive \$500,000 from the City as a loan.

Cooperstein asked for a motion to accept the ICVB Financial Reports for June 2021 and Third Quarter. On a motion from Board member Richard Stewart a second from Board member Clem Lear, the motion was approved unanimously.

AMERICAN RESCUE PLAN ACT UPDATE:

- Gast will continue to refine requests and is being aggressive in asking for resources with \$3 million in current fiscal year to cover the Irving Convention Center shortfall, pay back the loan from the City, conduct a Hotel Tax Projections Study and various other items.
- Expenses through December 31, 2024 can be requested.
- Asked for funding annually for the Convention Center operating shortfall.
- Aggressive requests for considerable sales and marketing resources, as the hotel tax collections will not be sufficient to support the programming that is needed
- Gast indicated City management has been very supportive and believes that the full current Fiscal Year and FY2021-22 requests will be recommended by the City Manager to the Council, and that action on the future years' commitments will be tabled for a year to see if and how hotel occupancy taxes recover.
- Goal is to acquire the maximum out of the Bill and use what Hotel Occupancy Taxes are collected to begin to rebuild all the Reserve and Capital funds. She would like to see the Catastrophic Reserves ultimately built up to \$5 million and to maintain a baseline of \$3 million in the ICC's CIP fund.
- Because the submitted request for FY 2021-22 includes modernization of all computer systems, hardware, and software, we would be able to buy additional time before the Computer Replacement Fund would need to be rebuilt. Funds are also being requested for activities such as BizDIP, bid fees, etc. We hope to be able to write checks directly from the ARPA accounting string and not have to float money to get reimbursed.
- Reporting within Munis will be very easy to track and see any transactions.

Discussion was held on the Irving Convention Center events. There are no financial reports this month due to the earlier Committee meeting date. ICC financial reports for June and July will be presented at the August Committee Meeting. Director of Sales Matt Tungett noted that the update for May will be good. There were several events in June: Cornhole tournament - \$60,000 in Concessions/Bar sales in two days; Texas USA Gymnastics – \$75,000; Steubenville event - \$107,000 in F&B and hoping for 1,200 hotel room nights. To date in July, the Latin American Motorcycle Association (LAMA) held a dinner at ICC and the Fourth of July celebration went much better than anticipated with \$12,000 in bar sales. There was a good crowd for the Lucky Leaf Expo, and they will be back next year. Late August and September look good for events. A drone video was shared from the Westin Irving Convention Center of the LAMA event through as they departed the hotel for one of their daily rides.

Cooperstein asked for a motion to approve the ICVB Executive Committee minutes from June 25, 2021. On a motion from Board member Bob Bourgeois and a second from Stewart, the motion was approved unanimously.

CHAIR REPORT:

Cooperstein reviewed the July 19, 2021, agenda. The meeting will be in-person only at the Irving Convention Center. There will be one High Spirited Citizen nomination for approval and Cooperstein will be addressing the next steps for nominations to the Board Chair and Vice Chair positions in the coming years.

CITY COUNCIL UPDATES:

Deputy Mayor Pro Tem Al Zapanta reported City Council is working on finalizing the budget and will continue with their normal schedule in September for Work Session and Council meetings. There are interesting discussions around pension obligation bonds.

Councilman Mark Zeske thanked Zapanta and ICVB staff for their work on Irving Olympic Day. It was a fantastic event. COVID is still devastating towns and schools, and it may take years to get back to normal, but he thinks the quality of life in Irving has sustained. Tourism attractions on his recent vacation were open and flights were full, so travel is returning and is encouraging. Gast noted she believes Governor Abbott won't shut down meetings and events or the state again, but if people are uncomfortable traveling with the rising COVID case count, meetings will cancel, and it leaves the ICVB vulnerable. She believes sports tournaments this summer in Irving got the benefit from other state lock downs.

Zapanta added the importance of marketing and salespeople is critical and important for Irving Olympic Day. He was disappointed in corporate responses for support, and he learned that people are still working remote and haven't been in the office to receive their mail and are overwhelmed with emails. He also noticed the impact of the stimulus money and people not going back to work in the service industry. Restaurants are suffering with short staff and closing permanently. Irving is lucky compared to other cities as a center point for North America. He thanked Bourgeois and Board member Rick Lindsey for their assistance with Olympic flag posting.

Cooperstein adjourned the meeting at 10:00 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME
Executive Director