

MINUTES
IRVING CONVENTION AND VISITORS BUREAU
BOARD OF DIRECTORS – EXECUTIVE COMMITTEE MEETING
IRVING CONVENTION CENTER
Monday, July 25, 2022

Attendance: David Cole – Board Chair; Greg Malcolm, and Richard Stewart, Jr. – Committee Members; Stephanie Finley-Garcia, Herb Gears, Colvin Gibson, Julia Kang, William Mahoney, and Sam Reed – Board Members; Tom Meehan – ASM/ICC; Maura Gast, Carol Boyer, Marianne Lauda, Brice Petty, and Susan Rose – ICVB; Mayor Pro Tem Kyle Taylor, Deputy Mayor Pro Tem Al Zapanta, and Councilman Mark Zeske – City Council.

Board Chair David Cole called the meeting to order at 10:00 a.m. and inquired if there were any citizens that would like to comment on any subject on the agenda. There were none.

Cole asked for a motion to approve the ICVB Executive Committee meeting minutes of June 24, 2022. On a motion from Board member Julia Kang and a second from Board member Greg Malcolm, the motion was unanimously approved.

ICVB FINANCIAL REPORTS

Director of Accounting Marianne Lauda reported for June 2022:

- General Fund:
 - Ending Fund Balance of \$331,927.73.
 - Staff is traveling more but team continues to keep an eye on expenses.
- ICC Reserve/CIP Fund:
 - Fund is 66.3% expended year-to-date.
 - Ending Fund Balance is \$156,349.34.
 - \$363,000.00 was transferred from the General Fund into this fund.
 - This fund will be close to 100% expended by end of the fiscal year.
- Check Register:
 - It was noted 91% of checks were ARPA fund-related programs and promotions and 9% were from Hotel Occupancy Tax.
 - Checks to SMG for travel and training, property management services, Business Development Incentive Program (BizDIP) payment, building repair and maintenance.
 - Regular payments to media advertising, BizDIP payments, media advertising, and staff reimbursements.
 - Gast noted the check for The Libertarian Party of Texas was for a BizDIP payment.
- Cash Flow Report for Fiscal Year-End September 2021:
 - Not much change in this report with ending cash estimate of \$7,081,230.
 - Gast added the ARPA-funded expenditures are taking longer to get through the City's process. Lauda noted that BizDIP payments and media advertising have been active, which will consume most of the ARPA dollars. Hotel Occupancy Tax is used to cover salaries and ICVB Reserve fund transfers and ARPA funds are for programs.

- 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.
 - General Fund Balance: Goal \$2,000,000 – Current: \$331,928. Lauda confident goal can be reached.
 - Catastrophic Reserve: Goal: \$5,000,000 – Current: \$710. Lauda confident 2026 goal can be reached assuming future ARPA funds are received and the reallocation of the excess \$1.6 million at that time.
 - Computer Fund – Goal: \$500,000 – Current: \$207. Computers for staff have been replaced and not anticipating needing significant funds in the short-term. The proposed budget would have this fund replenished in FY 2023.
 - ICC Reserve/CIP Fund: Goal: \$3,000,000 – Current --\$107,886 and FY22 Year End Goal of \$1,000,000.

Cole asked for a motion to accept the ICVB financial reports for June 2022. On a motion from Kang and a second from Malcolm, the motion passed unanimously .

HOTEL OCCUPANCY TAX COLLECTIONS

The Hotel Occupancy Tax Collections reports were reviewed through May 2022. Lauda reported:

- Collections are up and making progress with payments from the Doubletree DFW Airport North through November and the Sheraton DFW Airport North reporting payments through March on past due balances. The City has been consistent with their actions.
- Luxury & Full-Service properties reporting down slightly.
- All Suite / Extended Stay properties have all paid and holding steady.
 - The Comfort Inn DFW Airport North had a recent fire with everyone evacuated successfully. Investigations to the cause are still underway.
- Budget Services properties have all paid.
- Limited Service properties have all paid.
- Summary: collected \$732,757.13 for May 2022, up 33% from budget.
- For the year, collections are 41% over budget.

Lauda added collections are still not where they were prior to COVID, and ARPA funds are still needed to continue business successfully. Executive Director Maura Gast added Corporate business is still missing and reports the highest volume. With the new virus variant, monkey pox as a global health issue and a recession looming, we are moving forward cautiously. Staff will continue to be aggressive in asking for ARPA funds to fund programming so that hotel taxes can be utilized to replenish the Reserves.

ICC FINANCIALS

General Manager Tom Meehan reported on the June 2022 financial reports:

- There were five events budgeted and the actual was 15, and 28 event days.
- Year-to-date showing \$580,994 better than budget for the year with 155 events.
- Rental Income was \$168,150 for the month, which is \$38,775 above budget.
- Catering and Concessions are higher as the months go on and will continue to climb.
- Indirect Expenses are steady.

- Year-over-year comparison reports Rental Income higher than last year and significantly higher prior five years.
- Total Event Income is climbing as the types of events have changed. There are more events, which drives expenses. Rental, Concessions, and Parking are the driving forces for revenue.
- Forecasting for the future is challenging.
- The forecast number of +\$211,536 is a very conservative number.
- There were two significant events in August and September that cancelled, one due to the Texas abortion legislation.

Gast noted there will most likely be a universal contract template if legal issues arise that gives groups the right to cancel their event. It is not a political statement from the ICVB or ICC and there is great discussion among Associations and Sports markets. Legislative policies that members are opposed to, will not consider those destinations for their events. In response to a question from Cole, Meehan replied if this legislation cancellation clause is in a contract, it is a challenge and a gamble worth taking to work with groups on the language of their contract, so it is fair for both sides. Board member William Mahoney asked if there is a referral network among other states when the contract language does not fit a group and Gast replied ASM Global has a network of referrals between their buildings.

Brief discussion was held on labor costs, the different types of events, and hotel room performance. Gast added groups tend to be more risk-adverse to room block agreements, rather than labor costs. In the future, data may be collected that will allow post-event tracking on rooms utilized that would reflect a more accurate hotel impact. Room block performance can impact event booking and priority booking for future years. Meehan added labor is the number one controllable expense and adaptable by event, i.e., staff working Concessions, room settings, etc. Overall, this fiscal year the building has made budget eight out of the nine months and is in a solid position.

Cole asked for a motion to accept the ICC reports for June 2022. On a motion from Richard Stewart, Jr. and a second from Malcolm the motion was unanimously passed.

BOARD MEETING AGENDA REVIEW

Irving Police Chief Derick Miller will attend the Board meeting and be introduced.

EXECUTIVE DIRECTOR REPORT

Gast reported Frisco, Texas has restarted their Tourism Public Improvement District (TPID) effective October 1, which is estimated to generate an additional \$2 million a year for Marketing efforts. Dallas is also in the process of renewing their TPID. Board member Herb Gears asked if Irving hotel community is on board with the program. Gast noted they are not in agreement and business is not in a successful state to revisit at this time but will approach the program again in the future. Digital programming that TPID dollars were going to be used are now using ARPA funds. Data shows the digital marketing campaigns work and can be highly effective throughout the city.

CITY COUNCIL UPDATE

Mayor Pro Tem Kyle Taylor reported City Council and the Parks and Recreation Department toured different cities to view their parks and playgrounds. The City is reviewing the cost and attendance of the aquatic programs, as well as some needed changes.

Irving CVB Executive Committee

July 25, 2022

Page 4 of 4

Brief discussion was held on the noted North Irving improvements and improvements slated for South Irving. Taylor noted there have been funds spent in South Irving making improvements.

Cole noted the next Executive Committee meeting will be held on Monday, August 22 before the Board meeting in the first-floor conference room. With no further discussion, Cole adjourned the meeting at 10:45 a.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Maura Allen Gast". The signature is written in a cursive, flowing style.

Maura Allen Gast, FCDME
Executive Director