

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: February 24, 2021

Authority Memo Number **050-2021 February 24, 2021 Regular Meeting**

The February 24, 2021 regular meeting of the Will County Metropolitan Exposition and Auditorium Authority Board was held via ZOOM meetings. Board Chair Bob Filotto called the meeting to order at 4:01pm. Board members and staff were invited to rise for the Pledge of Allegiance to the Flag. There was no public present on the ZOOM call. Present: Bob Filotto, Tim Broderick, Donnie Chestnutt, Jane Condon, Kathy Trizna, and Legal Counsel David Silverman - Mahoney, City Liaison Pat Mudron.

Staff: Val Devine, Karen Leno

Absent: Jeff Pierson

APPROVAL OF MINUTES

Authority Memo Number **044-2021 January 27, 2021 Regular Meeting Minutes**

Discussion and Vote:

The Chair invited discussion and, hearing none, he directed roll be called. Motion passed unanimously.

Motion: T. Broderick moved and J. Condon seconded approval of January 27, 2021 minutes as presented.

AYES: Members Filotto, Broderick, Chestnutt, Condon, and Trizna

Nays: NONE

APPROVAL OF MINUTES

Authority Memo Number **045-2021 February 10, 2021 Special Meeting Minutes**

Discussion and Vote:

The Chair invited discussion and, hearing none, he directed roll be called. Motion passed unanimously.

Motion: T. Broderick moved and J. Condon seconded approval of February 10, 2021 Special Meeting minutes as presented.

AYES: Members Filotto, Broderick, Chestnutt, Condon, and Trizna

Nays: NONE

Public to be Heard Re: Agenda Items – No response.

FINANCIAL REPORTS

Authority Memo Number **046-2021 Operational Bills Paid, and Payable Age Listing**

Discussion and Vote:

Leno reported that payables are down as of the 24th they were at \$3,000. Two payroll and check details include highlighted refunds to remove from operating expenses.

The Chair invited further discussion and, hearing none, he directed roll be called. Motion passed unanimously.

Motion: D. Chestnutt moved and T. Broderick seconded approval of accounts paid in the amount of \$37,509.94 and payables in the amount of \$3,056.47.

AYES: Members Filotto, Broderick, Chestnutt, Condon, and Trizna

Nays: NONE

Authority Memo Number **047-2021 January 2021 Financial Statements**

Discussion and Vote:

Leno noted that the only two items of note were the \$15,000 from Will County (small business grant) and \$5,000 from Adler which normally goes to the RSFT but this year was given to the theatre to offset the COVID impact. Filotto followed up on the question he raised from last month regarding classification of grant revenue. Leno reported that T, Lancaster (Wermer) confirmed that grants should not be miscellaneous revenue. Filotto clarified that he was referring to the example that \$15k is in the ordinary income and one below in "other income." Leno said she would follow up with the auditors for clarification. Filotto suggested that we needed to be more firm in our communications and tell them what we want to do so that if/when we need to present financials for the purposes of financial support the revenue is correctly represented. Leno reported that in reaching out to Corporate regarding the SVOG that currently the grant will be based on earned income not gross revenue (which was how it was last week). Chestnutt looked for clarification with regard to the SVOG that grant revenue would not be considered as income and Leno responded that "as of this week" that is correct. The SVOG guidelines change weekly. Chestnutt also questioned our ability to be caught "off guard" and miss out on the PPP loan. It was explained that the monies realized from the SVOG (maybe \$800,000?) are much greater than the PPP for us and that hopefully, SBA will finalize guidelines and begin the process soon so that if we don't qualify, we can still get PPP funding.

The Chair invited further discussion and, hearing none, he directed roll be called.

Motion: D. Chestnutt moved and J. Condon seconded approval of the January 2021 Financial Statements

AYES: Members Filotto, Broderick, Chestnutt, Condon, and Trizna.

Nays: NONE

BUSINESS ITEMS

Authority Memo Number **048-2021 State of IL/Build Illinois Bond Fund/DLR**

Discussion and Vote:

Devine reported that she and Leno followed up with DCEO (grant administrators) for a more in-depth clarification of the money and the process. 1. NO money is received up front, 2. When a budget is submitted (12 pages) outlining the costs for each of the category (plumbing, HVAC, etc) there is a possibility of a 25% advance. 3. We would need to ensure that DLR could provide these estimates. 4. DCEO did confirm that only 1 entity was not awarded their grant as they delayed submission so long that political parties in charge had changed. At this point, agreeing to spend the \$38K, with the assurance that DLR is able to complete the budget, is the least we can expect to spend "up front." Given the current economic uncertainty and without any confirmed financial assistance and monies depleted by September maybe this needs to be put off. Also, to keep engaging DLR at this point seems unfair. Broderick requested clarification regarding the \$3K investment dilemma being based on "where" the money would come from, which is correct. It was decided that the project would be put on hold until we have a better understanding of our financial future.

Motion: No vote required as this was a discussion for informational purposes

AYES:

Nays:

Authority Memo Number **049-2021 Tenant Leases**

Discussion and Vote:

Devine reported that the Brauer lease expired in March 2020 and due to the pandemic, it was not addressed at the time of the renewal. Audio Phil lease will expire in May of 2021. Both tenants have remained current with their payments. She suggested that both tenants be offered lease extensions at their current rates since, Brauer had been patient with the cleaning schedule (now done in house) that is not always as consistent as it should be and Audio Phil has assisted with snow removal and also was instrumental in the removal of the awning on Van Buren during one of the many storms. She confirmed she would get direction from David Silverman as the proper way to address each lease since one is a simple extension and the other, given the year lapse with any documentation, would need to be addressed differently.

With regard to the Audio Phil lease extension, the Chair invited further discussion and, hearing none, he directed roll be called with regard to extending the lease for Audio Phil's for an additional year (5/16/21-5/16/22) at the current monthly rate of \$541.

Motion: J. Condon moved and T. Broderick seconded approval of the Audio Phil Tenant Lease

AYES: Members Filotto, Broderick, Chestnutt, Condon, and Trizna.

Nays: NONE

With regard to the Brauer lease, the Chair invited further discussion and, hearing none, he directed roll be called with regard to extending the lease for Brauer for an additional year at the current monthly rate of \$451.

Motion: D. Chestnutt moved and T. Broderick seconded approval of the Brauer Tenant Lease

AYES: Members Filotto, Broderick, Chestnutt, Condon, and Trizna.

Nays: NONE

EXECUTIVE REPORTS

RSTF Report: Condon took the opportunity to affirm what a loss we have experienced with the passing of Lynne Lichtenauer. Filotto then questioned where we are at with the volunteer award the RSTF had discussed. Devine reported that with Lynne's passing S. Randich had sent out an email:

The herald news today had a very nice article on Lynne. She really was a champion for Joliet thru her radio show, her involvement with the Rialto, the Museum, Joliet Township and many other worthwhile causes.

I thought I would ask you to think about a proper way to honor Lynne. We have committed to James V. Smith Volunteer of the Year Award which is fitting for Jim. Instead of an award, maybe something named in the theatre??

The other thing that I think we should talk about is finally doing something in honor of Dorothy Mavrich. When I think about Dorothy who paved the way to saving the theatre and both Jim and Lynne's involvement and service I don't know if there are three more important people in all of the history of the Rialto.

I don't know if photo's or something that could be in a place on honor is appropriate but I hope we can find a way to honor all three in some way.

Your thoughts and ideas would be great.

Thanks, Steve

Devine also mentioned she is working with Bob Novarro to submit Lynne's name to

IL Department on Aging Seeks Nominations for 2021 Senior Hall of Fame Awards

Filotto indicated he thought a physical presence at the theatre that everyone passes/sees would be appropriate featuring, Maverich, Smith, Lichtenaur and Wadsworth and that it should be in place when we are ready to open. Chestnutt suggested the lobby. Devine said she would research space. Trizna suggested local artist Reuben could be approached with ideas.

Executive Director's Report:

Devine reported The Big Leap (TBL) will be here for the next 6 days with anywhere from 12-18 hour days. She and Leno will be dividing the hours for coverage.

Dance Competition staffing for March and April are being worked on. Since the concept, one studio/parents in the audience at a time, is very different and the COVID precautions that need to be taken, it's difficult to know how many people will be needed. Thanks to Chestnutt and Condon for volunteering to help. Nancy has been very busy with weddings and it appears that our first two will be coming in April. We are trying to work with the brides on pricing (i.e., the cost of a rotunda wedding is \$700) but since only 35 people are attending, we have opted to waive that fee. Devine will work events with Nancy to help reduce staff costs. Canned sodas will be served versus using the guns and the bagged product we normally use. Donny Osmond is looking for a place to tech his new Vegas show. His manager is proposing use of the theatre for the week to prepare the show, NO cost to them, and then they would do 2 shows on the weekend we could sell tickets to. The issues are, we have union labor and 50 people in the audience would not allow us to recover a week's worth of expenses. Not a dead deal yet. Broderick requested clarification on the amount being charged for the rental of TBL and Devine explained that it is a total of labor, rental, miscellaneous additional expenses (stagehand meals on non-shooting days, additional garbage pick-ups, etc.).

Chairman's Report:

Filotto requested that Devine share the history behind the current insurance issue and that P. Mudron would follow up with some insights. Devine reported that about a year ago our current carrier requested we perform infrared/thermographic testing. Chuck, our engineer, had grave reservations as he knew it would uncover some issues that could/would be costly. Due to the pandemic we needed to beg off on initial testing but ultimately had MKD in to do the testing. To clarify, infrared testing is a fuse in the boxes/wiring test that detects heat/temperature being emitted (possible hot spots) and then these emissions prioritize the need to be addressed. Mudron explained that the two separate issues (sprinkler and infrared) that are frequently issues in the insurance renewals for older buildings. Condon asked if this process detects wire issues behind a wall and Mudron confirmed it does.

Filotto relayed that we have received notice that we are going to be cancelled because we have not addressed these issues. In addition, he questioned what responsibilities (moral) we as individuals, in addition to the theatre and the city to ensure a safe environment for our patrons. Filotto suggested it is now time for the City to be made aware of this situation and be firm that there is a distinct possibility for our ability to continue operating at this current status. Our carrier did indicate that if we make efforts to show that we are attempting to accommodate the repair of these issues, they *might* continue coverage. While Mudron indicated we *might* be able to find other coverage, it could be as much as 3x the current rate which is around \$72,000. Filotto asked if the theatre could piggy back on the city's plan, Mudron indicated he would check.

New FY starts July 1 of 2021. Filotto suggested he would like to see any/all staff employed at that time returned to their original salaries as they have been working at a reduction for, at that time, over a year. The original 25% was reduced to 15% at the first of the year. **As we originally led to believe when our subsidy was but that is was due to the impending financial hit the city was going to take, which retrospectively turned out not to be the case.** Devine was allowed to speak and stated that she did not mind incurring a salary reduction as she believed it was the right thing to do. While Broderick did validate Devine's suggested, he over ruled her and agreed with Bob. Filotto indicated that the County currently has and is getting more financial COVID support and possibly we could

tap into them for “kick start” funds. He also mentioned that there is a meeting next month with the city manager, initially arranged for another discussion and asked Mudron to clarify. Mudron stated that the original intent of the meeting was to address fireworks and the car raffle and that he did not expect the meeting to be lengthy, and possibly we, the Rialto, can stay and talk with him. If not, possibly a visit to the Rialto could be scheduled. Filotto questioned that if the city took over the raffle was there the expectation our funding could be reinstated? Devine commented that it was her understanding that the city wanted no part of the raffle which would mean that if we are not responsible for the raffle, it would not be happening at all. Mudron concurred.

Committee Reports: No reports.

PUBLIC TO BE HEARD – No response.

Motion: Board Chair requested a motion to adjourn the regular meeting. J. Condon moved and D. Chestnutt seconded the motion.

AYES: Members Filotto, Broderick, Chestnutt, Condon, and Trizna.

NAYS: NONE

The meeting adjourned at 5:00 P.M.

Minutes respectfully submitted by Val Devine, Recording Secretary.

Kathy Trizna, Board Secretary

*Unapproved minutes distributed in Board Packets are subject to change.
Approved minutes shall be posted on www.rialtosquare.com /Public Information/Approved Minutes.*