

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: January 27, 2021

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

The January 27, 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 4:00pm. 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, Jeff Pierson, Kathy Trizna, and Legal Counsel David Silverman - Mahoney, Silverman, Cross Law Firm, City Liaison Pat Mudron.

Staff: Val Devine, Karen Leno

Absent:

APPROVAL OF MINUTES

Authority Memo Number **039-2021 December 16, 2020 Regular Meeting Minutes**

Discussion and Vote:

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

Motion: J. Condon moved and T. Broderick seconded approval of December 16, 2020 minutes as presented.

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

Nays: NONE

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

FINANCIAL REPORTS

Authority Memo Number **040-2021 January 2021 Operational Bills Paid, Payable and Payable Age Listing**

Discussion and Vote:

Regarding the Check Detail: Filotto questioned the NICOR amount asking if it was one month. Leno clarified that although the \$3900 paid was noted as paid in last month's check detail, NICOR never received the check and this amount was for 2 months. Event refunds have been minimal. AP Aging notables were the final payment to Korellis (\$2,907.21) and the Ungerboeck System (\$4,920), our software system that is usually an annual payment of approximately \$9,000, so this is a reduction.

Motion: J. Pierson moved and J. Condon seconded approval of accounts paid in the amount of \$37,773.15 and payables in the amount of \$9,571.31

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

Nays: NONE

Authority Memo Number **041-2021 December 2020 Financial Statements**

Discussion and Vote:

P & L question came from Filotto about Account 4560 (Grant Revenue) and should it be classified as "other income" in addition to how will these one-time monies impact the SVOG. Leno said Corporate had instructed her to place these revenues here. Filotto suggested she check with the Auditors. Leno stated that she was aware that "we" could only apply for EITHER PPP or SVOG. Clarification about the fact that if we proceed with SVOG, we would be applying under WCMEAA, PPP would come via VW application. Further discussion about where monies

should be allocated to was had and Leno was asked to follow up with these questions to corporate/auditors. Condon asked for further clarification, which Filotto explained that the SVOG a \$15 billion dollar program (administered by the SBA) was a grant that makes it possible for venues who lost of 90% of their revenue from April-December to receive up to \$10Mil dollars. The more the loss the greater the grant potential so Filotto clarified he was trying to ensure we accurately represented the greatest amount of loss.

Filotto stated that current cash flow with the first payment of the city subsidy in January and the second in June and continued rental income we are able to maintain through about mid-October, unless we need to start bringing additional staff back as we slowly open up. However, the proposed raffle project "could" influx a maximum of an additional \$100k. There is, while we try to maintain optimism about this event, a fair amount of concern about its viability by the parties tasked with the selling of tickets. Devine explained that there are a few events pending in the near future (16 person wedding and a "modified" Dance Competition) but these could/ would be done with either staff already on hand or with revenues, built into the event pricing, to cover staff needed for the event.

Filotto asked about the \$5000 Adler roofing donation. Leno clarified that Adler traditionally makes a Foundation donation but this year directed it to the theatre.

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

Motion: J. Pierson moved and J. Condon seconded approval of the December 2020 Financial Statements

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

Nays: NONE

BUSINESS ITEMS

Authority Memo Number **042-2021 PPP versus SVOG**

Discussion and Vote:

If we were to go the PPP route, since we received \$265k (last received in June 2020) in round 1, we would get about \$176k from round 2. With the SVOG you need under 50 FT, gross revenues between April 2019-Dec 2019 vs April 2020-Dec 2020. If you have a 90% or greater loss you are in priority one, 70-89% you are second and 50-69% is 3rd then open to everyone. YOU MAY NOT APPLY FOR BOTH. The issue for us is that being a governmental entity may preclude us (WCMEAA) from applying for SVOG. They have not finalized or opened up grant applications for SVOG yet. Based on preliminary calculations we would be eligible for about \$1mil from SVOG, IF WE ARE APPROVED TO APPLY. Devine reported that Bob Novarro was participating in the next Webinar at 4pm today and that he had agreed to report back to us if he learned anything we are still waiting to hear back on. Lastly, Leno reported that VW, Corp. seemed optimistic that if we ultimately find out we are ineligible for SVOG, there would be monies left in PPP for us to apply. Filotto added/asked if VW, Corp had other venues in the same "wait and see" position and Leno confirmed about ½ were in the same spot.

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

AYES:

Nays:

Authority Memo Number **043-2021 DLG Group Discussion/Approval**

Discussion and Vote:

Devine reported that a ZOOM meeting had taken place with the 2 reps from DLG in addition to J. Pierson and D. Chestnutt. The meeting consisted of an explanation/clarification of our structure (RSTF, WCMEAA, VW and being a governmental agency) in addition to a clarification that their services were considered "professional" and therefore did not fall under the \$10k amount before needing to go to bid. They discussed some of their prior "local" projects (Springfield, Rockford and Downers Grover, IL) and outlined a bit of how they operate and do

business. Follow up conversations with Devine, Chestnutt and Pierson did not indicate any concerns about proceeding with this company. Chestnutt asked for a clarification on their role and Pierson/Devine confirmed it was less General Contractor and more Project Manager which would make some sense and they are based in Ohio and having them onsite daily would be cost prohibitive. Condon requested clarification about the \$10k bid and it was reiterated that professional services are based at a \$40k amount.

After a fair amount of discussion about the pros/cons to approving to proceed if the estimate comes in at \$X dollars, it was ultimately decided that should the bid be received in the next 2 weeks, in the interest of time, a special meeting could be called, otherwise it could be addressed at the next meeting.

Motion: No vote was required as no action was taken

AYES:

Nays:

EXECUTIVE REPORTS

RSTF Report: Condon reported that most of the recent RSTF meeting was spent discussing the Car Raffle. Devine was tasked with following up with the other entities to gage their respective thoughts. Devine then reported that there seems to be consensus regarding the following issues: 1. It is almost February 1 and no company has been “interviewed” to take on the heavy lifting of the website, social marketing and set up of the program, 2. The museum and the Rialto have gone almost 10 months without seeing any of their patrons face to face making engagement with them difficult, 3. How much money will be left for the museum/theatre if this project is not as successful as it looks on paper, 4. Who will pay for the fireworks if adequate funds are not raised. There is an effort being formulated to address the concerns with the City Manager to speak on our behalf regarding our concerns. Mudron confirmed that the monies voted on for the raffle (car and taxes) could be rolled over into next year’s budget. Jen Howard did begin a discussion with J. Capparelli regarding the concerns. In addition, Mudron confirmed that JJC has NOT agreed to allow the fireworks to be set off and the trades that were allegedly confirmed for cleanup have NOT signed off yet. It was also clarified that the total amount of 5500 tickets MINUS 1000 that Terry D’Arcy has agreed to purchase, would leave a remainder of 4500 to be sold by the entities benefiting from the raffle.

Executive Director's Report:

Devine reported on her conversation earlier that day with Leader Manley which was initiated to address the \$150k in the Build Illinois Bond Fund, facilitated by her, with very specific wording about it being a grant to the City for work on the RST/USF Downtown Campus project. In an effort to be brought up to speed, the bulk of the 30 minutes was spent on theatre updates (how many staff, what do we see happening, etc.) and a promise to follow up with JBP about the vacant Board position in a call later that day. Filotto asked for clarification about Natalie’s concerns regarding our relationship with the city/council. It was the consensus of the Board that they are not aware of any “issues” the city has with us. Devine confirmed that she did inform Manley that we had met individually with the Council members (prior to the year of COVID) and that proved to be a good move in terms of our relationships with the council. Filotto also mentioned a “parting” comment by Hock that the majority of the Council would like to see the Rialto to be able to stand on its own which Filotto felt was incorrect and inappropriate. When asked, Mudron echoed that the majority of the council realizes their need to support and keep open the theatre for cultural and economic reasons.

Devine addressed the idea of being a COVID vaccination site. Given that we are operating on a very slim margin of funds and there would be no revenue to be gained, unlike traffic court, she was not in favor, as it would ultimately cost money we do not have to spend. Filotto commented that this could be a logistical as well as PR nightmare. Mudron updated us on the use of the Joliet West Field House being outfitted by the JFD for vaccination use and possibly Joliet Central.

Chairman's Report:

Filotto reported that he and Steve Randich (RSTF) met with newly elected Will County Executive Jennifer Bertino-Tarrant to discuss Capital Bill Funding, the possibility of the County including annual monies in their budget for the Rialto and support on a Federal level. Prior talks with Foster have not gotten any support. She indicated she would follow up with Foster and as she gets more familiar with her new position, she would report back on the County monies.

Filotto expressed the urgency to meet with the new City Manager to ensure he is aware of the economic impact that the theatre has on downtown in addition to its cultural contributions. Ed Jarot (RSTF) is a former partner with Mr. Capparelli and has agreed to facilitate a meeting with Mudron, Filotto and Devine as soon as the time seems appropriate. Filotto fears that upon our next City presentation we will be on the cusp of having spent all monies acquired and will need to insure the City Manager understands what the impact of our presence means. Thanks to Donnie and Jeff for agreeing to be on the bathroom remodel committee and work with the DLG Group. Chairman asked if there was anyone wishing to be heard, hearing nothing he moved to adjourn

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 T. Broderick seconded the motion.

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

NAYS: NONE

The meeting adjourned at 4:58 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.*