

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: August 23, 2023

Authority Memo Number **054-2023 August 23, 2023 Regular Meeting**

The August 23, 2023 regular meeting of the Will County Metropolitan Exposition and Auditorium Authority Board was held at 15 E. Van Buren Street, Joliet, Illinois 60432. Chairman Bob Filotto called the meeting to order at 4:00 pm with a quorum present. Board members and staff were invited to rise for the Pledge of Allegiance to the Flag.

Present: Bob Filotto, Tim Broderick, Donnie Chestnutt, Jane Condon, Kathy Trizna

Staff: Wade Welsh, Julie Quigley, Rafael Ramirez, Leann Hoffrogge, Nancy Lindmark, Christine Sturm

Absent: Bill Kent, Jeff Pierson (excused)

Others: H.R. Cook, VenuWorks; City Liaison, Sherri Reardon; Carol Mulvihill

APPROVAL OF MINUTES

Authority Memo Number **047-2023 July 26, 2023 Regular Meeting Minutes**

Discussion and Vote:

The Chairman asked if there were any changes to be made to the July 26, 2023 minutes. No corrections or changes were suggested.

The Chair invited further discussion and, hearing none, he called for a voice vote. No opposing votes were expressed. Motion passed unanimously.

Motion: T. Broderick moved and K. Trizna seconded approval of the July 26, 2023 regular meeting minutes.

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

Absent: Kent, Pierson

Nays: None

Authority Memo Number **048-2023 July 20, 2023 Special Meeting Minutes**

Discussion and Vote:

The Chairman asked if there were any changes to be made to the July 20, 2023 special meeting minutes. No corrections or changes were suggested.

The Chair invited further discussion and, hearing none, he called for a voice vote. No opposing votes were expressed. Motion passed unanimously.

Motion: T. Broderick moved and K. Trizna seconded approval of the July 20, 2023 special meeting minutes.

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

Absent: Kent, Pierson

Nays: None

Authority Memo Number **049-2023 August 2, 2023 Special Meeting Minutes**

Discussion and Vote:

The Chairman asked if there were any changes to be made to the August 2, 2023 special meeting minutes. No corrections or changes were suggested.

The Chair invited further discussion and, hearing none, he called for a voice vote. No opposing votes were expressed. Motion passed unanimously.

Motion: T. Broderick moved and K. Trizna seconded approval of the August 2, 2023 special meeting minutes.
AYES: Members Filotto, Broderick, Chestnutt, Condon, Trizna
Absent: Kent, Pierson
Nays: None

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

FINANCIAL REPORTS

Authority Memo Number **050-2023 Operational Bills Paid, Payable and Payable Age Listing**

Discussion and Vote:

The Chair asked if there were any questions regarding bills paid or accounts receivable. He pointed out to Board members that the total of the checks paid for August was a large amount due to \$900,000 in transfers. Chestnutt noticed that payroll had decreased and asked if a staff member had left. Filotto said that it varies with the number of shows. Welsh agreed but said he is also working to fill the Food & Beverage Manager position and the Marketing Manager position. He has a prospect that would be able to do both roles and hopes to have that person hired soon.

On the Accounts Receivable Aging Report, Filotto noted the total open receivable for the Rialto Square Theatre Foundation in the amount of \$95,593. He asked Business Manager, Julie Quigley, if she reconciles their account every quarter. She said she does it on a monthly basis. Chestnutt asked if the balance could be addressed by the end of the year.

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

Motion: T. Broderick moved and D. Chestnutt seconded approval of the Operational Bills Paid, Payable and Payable Age Listing.
AYES: Members Filotto, Broderick, Chestnutt, Condon, Trizna
Absent: Kent, Pierson
Nays: None

Authority Memo Number **051-2023 Financial Statements**

Discussion and Vote:

The Chair told Board members that report represents one month of operations in the new fiscal year. It is ahead of budget by \$120,000. Total expenses are over budget by \$108,000.

Welsh said that the \$44,000 in account #8260 was the first payment of the Employee Retention Tax Credit. That is additional money that was not budgeted. Filotto said that even with that number taken out, the numbers still look good. Welsh said there were three sold out shows in July and that F&B were strong across the board.

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

Motion: T. Broderick moved and J. Condon seconded approval of accepting the Financial Statements into the minutes.
AYES: Members Filotto, Broderick, Chestnutt, Condon, Trizna
Absent: Kent, Pierson
Nays: None

NEW BUSINESS

Authority Memo Number **052-2023 Rialto Facility Fee Increase**

Discussion:

Welsh informed Board members that he will be raising the facility/preservation fee on tickets from \$3.50 to \$4.00. He said that the fee has been at \$3.50 for at least the past ten years. By raising it to \$4.00, it would be an additional \$40,000-\$45,000 for the theatre. The new fee would go into effect immediately and be applied to tickets on any show that signs a contract going forward.

OLD BUSINESS

Authority Memo Number **053-2023 HR Cook, VenuWorks Update**

Discussion:

HR Cook told Board members that everything is going well at VenuWorks and he has nothing new to report. Broderick asked him what are the trends that he is seeing in the marketplace regarding shows. Cook said the bookings are levelling out. There was an oversaturation due to the enormous number of festivals that took place over the summer. Tours have been on the road for quite a while and are slowing down now to take a break. He said the Rialto should continue to do well because it is affordable and a destination site.

Renovation Project Update: Welsh said that the pipe work is finished in the USF section of the building. The work was done before students got back in session. R. Berti will do the finishing work in USF over the Christmas break when students are gone. He said that asbestos abatement has started and the contractors are finding more than anticipated. He has directed R. Berti to take care of anything costing less than \$5000 and then immediately inform either him or Raphael Ramirez about the situation. If it happens consistently, then Welsh will reevaluate. Filotto asked if the Board should promote the renovations. Welsh suggested doing it once the HVAC project is under way. Welsh informed the Board that the permit fees of \$62,000 were waived by the City due to the assistance of Sherri Reardon and Rod Tonelli.

EXECUTIVE REPORTS

RSTF Report: Condon told Board members that Home for the Holidays is moving forward. Tickets went on sale for the Merry Little Soirees. The Foundation has gotten ten sponsors for raffle baskets so far. The group planning the Hispanic event for October 29th continues to meet.

Condon said that Ramirez and Technical Director, Christopher Smith, approached the Foundation about donating money to renovate the dressing rooms. They asked for \$30,000. The Foundation saw the value in these improvements and agreed to give up to \$50,000 for the project. Ramirez said the biggest expense for the project would be painting the 20,000 square feet of space. Arnold Decorating would be doing the work. They are the contractor that won the bid to paint the fire escapes. Ramirez also assured Board members that the signatures in the stairwell to the green room and those in the green room would not be painted over. Welsh told Board members that he would like to thank the Rialto volunteers for donating the new ice machine and paying for the painting of the public areas in the theatre and Rotunda.

Executive Director's Report: Welsh said that he and Ramirez would be attending a meeting with JPD and JFD to discuss issues with the neighboring apartment building.

Welsh told the Board about an email he received from the State regarding the \$5 million grant. He said that if a grant is over \$250,000, the State can request that at least 39% of the work be done by minority owned companies. JLK is a woman-owned company and qualified for the State's requirement. The State revised the letter to reflect JLK's involvement. Welsh said that the requirement will have to be put in all future bid requests when it comes time for the bathroom project.

Chairman's Report: The Chair thanked Leann Hoffrogge for conducting the tours with US Senator Dick Durbin, US Representative Lauren Underwood, Illinois State Senator Rachel Ventura and Illinois State Representative Larry Walsh, Jr. He was very impressed with her knowledge of the history of the theatre. He said he would like to have an oral history of the theatre done professionally. Chestnutt said that she also appreciated the tours given by Hoffrogge and agreed that they should be recorded.

Filotto also thanked Reardon and Mayor D'Arcy for setting up the meeting with Rod Tonelli and Kevin Sing. He said that shortly after the meeting, he got word that the theatre would be receiving a \$3.5 million dollar grant from the County for the HVAC system. The County Board has approved the grant and the WCMEAA will have a consultant that will help to get the grant money from the County.

Committee Reports: No reports.

City of Joliet Liaison's Report: Reardon wanted the Board to know that there are discussions going on at the City and the City Council will be taking responsibility with issues pertaining to the Rialto. There were talks about assuming the costs for inspecting the outside of the building; making up the \$100,000 shortfall from FY23; and making the money to the Rialto a yearly grant. She said that by making the grant yearly, the City will have expectations for the Rialto to meet. Filotto said he welcomes the opportunity to tell the City Council about all the good things that are going on at the Rialto.

Lobbyists' Report: The Chair told Board members that Condon and Broderick have been doing quite a bit of work with the grant writers and on the issue of the lobbyists. Filotto asked Broderick to give further explanation. Broderick said that he and Condon have identified and secured a consultant to help the Board navigate the private dollars that are available and align with the Board's mission and critical capital needs. They have developed that relationship and formed a group made up of RST Foundation and Authority Board members to engage more tactically in how to go after those grants. Chestnutt asked who is in the group. Broderick said Foundation Board members Steve Randich, Jen Howard, Jack Ericksen, Dale Evans; Authority Board members Jane Condon and Tim Broderick along with Executive Director, Wade Welsh.

Broderick thought the biggest advantage for this group is making organizations aware of the Rialto and putting it on their radars. He said the group's focus is still evolving and he will keep everyone updated on a monthly basis. The group will have weekly meetings and a monthly meeting with the consultant the second week of the month so that they are able to update the Board at every Board meeting.

Welsh told the Board that the grant writers applied for the B2B grant for the arts and entertainment industry through the State of Illinois. He got notice that the RST Foundation received the grant and will find out the exact dollar amount sometime in September.

Chestnutt asked if the Board would continue with the lobbyists. Condon said that she had met with Hugh O'Hara of the Will County Governmental League who gave her an objective perspective on the lobbyist landscape. Condon said he had some good advice on how to proceed and gave names of lobbyists who have worked very well in this area. Condon said that the Board is aware of the issues that they are facing with the current lobbyists and asked if they felt it was time to move on from them and bring in someone new. She was looking for their feedback.

Chestnutt said that government does not work quickly, so when the Board hired the lobbyists, she feels that the \$5 million grant was already in the works. She believes that the conversation began with Jennifer Bertino-Tarrant. She cannot give them credit for it. She feels that the contract should be ended because the

lobbyists aren't providing the reports of what they are doing for the Board. Filotto said that the question of who initiated the grant should be posed to Larry Walsh.

Welsh said that the lobbyists told him that the representatives and senators do not like their names being put in black and white on documents. The lobbyists don't feel comfortable saying who they are talking to about the Rialto. Chestnutt felt that the Board should have been told that 18 months ago. Condon said that doesn't prevent them from letting the Board know what they are doing, specific names do not need to be given. Welsh said there should be a conversation with Larry Walsh and the other legislators to be certain there is no relationship there so that if the Board does end the contract, that line of communication stays open.

PUBLIC TO BE HEARD: Carol Mulvilhill asked Filotto how much was the grant from the County. Filotto said there were two grant totals - \$149,000 and \$3.5 million, which was specifically earmarked for the HVAC project.

Hoffrogge told Board members that 109 tickets have been sold for the 8:30 am seating of the Teddy Bear Tea and 130 tickets sold for the 12:00 pm seating. She said that 18 tickets or 9 tables have been sold for the Monday night Merry Little Soiree; 56 tickets or 28 tables for the Tuesday night Merry Little Soiree; and 39 tickets or 19 tables for the Wednesday night Merry Little Soiree. She said that an additional 20 tickets or 10 tables have been added to each Soiree and ticket sales are going great.

Motion: The Chairman requested a motion to adjourn the regular meeting. J. Condon moved and T. Broderick seconded the motion.

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

Absent: Kent, Pierson

Nays: None

The meeting adjourned at 5:02 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

Kathy Trizna, Board Secretary

*Unapproved minutes distributed in Board Packets are subject to change.
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