

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: July 26, 2023

Authority Memo Number **042-2023 July 26, 2023 Regular Meeting**

The July 26, 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, Donnie Chestnutt, Jane Condon, Jeff Pierson, Kathy Trizna

Staff: Wade Welsh, Julie Quigley, Rafael Ramirez, Jack Ericksen, Christine Sturm, Kelly Urquidi

Absent: Tim Broderick, Bill Kent (excused)

Others: City Liaison, Sherri Reardon; Legal Counsel, David Silverman; Carol Mulvihill

APPROVAL OF MINUTES

Authority Memo Number **036-2023 June 28, 2023 Regular Meeting Minutes**

**Discussion:**

The Chairman asked if there were any changes to be made to the June 28, 2023 minutes. He said that he had several follow-up questions from the last meeting. Filotto asked what was happening with the lighting project. Welsh said he is waiting on a final contract and then he can proceed with the order. Filotto asked if a decision was made on lowering the Duchess. Welsh said he is still looking into getting an inspection done on it. Once the chandelier is fully inspected, he will know if the clamp is strong enough for the weight of the chandelier or if a new hoist system will be needed. He has decided to rent the lift to replace all the bulbs on it. Filotto said that his last comment concerns the statute brought up by State Senator Rachel Ventura which allows the Board to ask the City of Joliet for \$250,000. He wanted to make sure that Board members understood that the Board can ask in excess of that amount or that it's not part of the money that they already give to the Board. Condon said she felt that Ventura was only pointing out the statute for the Board.

Filotto had one change in the minutes. He said that Dan Malinowski was identified as an architect when he is actually an engineer. No other corrections or changes were suggested.

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

**Motion:** D. Chestnutt moved and J. Condon seconded approval of the June 28, 2023 regular meeting minutes with the requested correction.

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

Absent: Broderick, Kent

Nays: None

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

FINANCIAL REPORTS

Authority Memo Number **037-2023 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. Regarding the check detail, Filotto asked why there were two payments made to Busey Bank. Quigley said she paid one at the end of June to get it into the fiscal year since there were only eleven payments made.

Filotto said that the accounts receivable aging report was for just under \$98,000, with \$95,000 being due from the Rialto Square Foundation. He noted the \$4,000 due from Window World. Ericksen said it is for sponsorship for the Christmas movies in 2022 and Reelz at the Rialto in 2023. He told Filotto that Window World was on a payment plan.

Filotto told Board members that accounts payables were about \$102,000: \$55,000 to VenuWorks; \$13,000 to the Foundation; and \$9,142 to Mammoth, Inc. for the Eddie Griffin show.

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

**Motion:** J. Pierson moved and D. Chestnutt seconded approval of the Operational Bills Paid, Payable and Payable Age Listing.

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

Absent: Broderick, Kent

Nays: None

#### Authority Memo Number **038-2023 Financial Statements**

##### **Discussion and Vote:**

The Chair asked if there were any questions regarding the financial statement which was actually the end of year report. He said that total income exceeded budget by \$234,000. There were significant savings in several accounts: 7500 (Repair/Custodial/Production) was \$86,375 under budget; 6000 (Payroll & Benefits) was \$53,000 under budget; 7100 (Insurance) was \$41,406 under budget due to a switch in insurance companies. Net ordinary income was a net loss of \$93,000 but was projected to be a loss of \$497,000. Net income should have been a \$421,000 loss but was a profit of \$157,000. Filotto said that \$475,000 was budgeted from the City of Joliet but only \$375,000 was received. There was a one-time adjustment from the Foundation. He said that there is a very positive cash flow and everything is going in the right direction.

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

**Motion:** J. Condon moved and D. Chestnutt seconded approval of accepting the Financial Statements into the minutes.

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

Absent: Broderick, Kent

Nays: None

#### Authority Memo Number **039-2023 Cash Flow Statement**

##### **Discussion and Vote:**

The Chair said the Cash Flow Statement was not ready for the meeting. He told Board members that it is a document that is provided to Busey Bank quarterly because of the Board's loan. It is also provided to VenuWorks along with the audit report. He said adjustments are still being made to it but it will be ready for the next meeting.

#### **NEW BUSINESS**

##### Authority Memo Number **040-2023 Employee Retention Tax Credits**

##### **Discussion:**

Welsh told Board members that he has received the initial payment of \$37,673 from the Employee Retention Tax Credit for Quarters 2 and 3 of 2020. The Authority will receive a second payment of \$132,210 in the fourth Quarter of 2023. The net total to the Authority is \$169,883. The gross amount for the first

payment was \$58,319 and \$155,541 for the second payment for a total of \$213,860. Welsh said that there was a one-time flat fee for processing to Paychex of \$14,000. VenuWorks will be billing the Authority for 15% of the remaining amount due to the hours of time they spent on filing on the Authority's behalf. Welsh said it was explained to him that VenuWorks came to the 15% figure for also filing the paperwork for the PPP funds in 2020. Filotto said that 20% of the funds ended up going to VenuWorks and Paychex. He said that he feels that VenuWorks is entitled to a 10% fee. He feels that the 20% was excessive. He will reach out to HR Cook.

#### OLD BUSINESS

Authority Memo Number **041-2023 HVAC Project: Approval of Costs for Drawings**

#### Discussion and Vote:

Welsh told the Board that the first step in beginning the HVAC project is to approve the cost for the drawings, a total of \$415,239. Filotto said that the SVOG money will be used to pay for the drawings. He asked how much of the money has been spent so far. Welsh said it was \$67,000 on the fire escapes and \$85,000 for the stage lights for a total of \$152,000. He reminded Board members that the Authority will be getting \$149,000 from the Will County ARPA Grant and the \$169,000 from the Employee Tax Credits. He said that other positive news is that the roof and masonry project is coming under budget and there could be around \$400,000 available for the HVAC project. He is waiting for confirmation from the State that money from Phase I can be transferred over to Phase II. Filotto said that he recommends moving forward with the HVAC project.

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

**Motion:** D. Chestnutt moved and J. Pierson seconded approval of costs for the HVAC drawings.

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

Absent: Broderick, Kent

Nays: None

**Renovation Project Update:** Welsh said a preliminary schedule was provided to Board members in their packets. It shows the roof and masonry project beginning on August 7<sup>th</sup> and ending December 21<sup>st</sup>. He will share updates to the schedule as he receives them. Chestnutt asked if the project will impact the shows. Welsh said there is no impact to the shows but it will affect USF. He will be talking with USF officials soon to discuss the construction. Condon asked how long USF would be affected. Welsh said the contractors have to inspect the area before they know for certain.

Filotto asked Welsh if he received a quote for inspecting the terra cotta on the exterior of the building. Welsh said he received one from Bulley & Andrews for \$38,000. He sent a copy of the quote to the City but has gotten no response yet. Filotto said that the Board could not wait for the City. It has to be done whether or not the City reimburses the Authority or not.

Welsh told Board members that Bill Kent had contacted him about the chimney issue. Kent asked if the Board could just have the chimney fixed rather than paying \$56,000 for an inspection. Welsh talked with JLK and R. Berti about it. They both said no, they needed the inspection to let them know what the situation is with it. Rich Berti had gotten additional quotes for an inspection and they ranged from \$41,000-\$56,000. Berti recommended going with the \$56,000 quote that was approved with the roofing project.

Welsh informed Board members that another special meeting will probably have to be called to approve a contract for the asbestos abatement. He said the abatement has to be done before the roofing can begin so

the approval of a contract has to be done as soon as possible. He said he would notify everyone when he received the quotes from R. Berti.

#### EXECUTIVE REPORTS

**RSTF Report:** Condon said the Foundation Board did not meet in June but will be meeting in August for the annual meeting. The theme for the Hispanic event will be “Dia de los Muertos”, Day of the Dead. Ericksen said that Steve Randich, Nancy Lindmark and Leann Hoffrogge will be meeting to determine pricing for the Soirees. Welsh said that the schedule for Home for the Holidays was going to be announced on July 28<sup>th</sup>.

Condon said that Tim Placher will not be involved with the Shamrockin’ Good Time event any longer. Randich met with a woman who is involved with Manhattan’s Irish Fest. She was very interested in helping the Foundation plan the next Shamrockin’ event.

Ericksen said that Old National Bank is in year two of a three-year sponsorship of the theatre. They have agreed to extend the sponsorship for two more years. Their sponsorship over the five-year period will be \$750,000.

Filotto asked if the Foundation was in charge of planning the 100-year celebration of the Rialto and if was there a committee. Condon said they are, but they have not yet met formally. Ericksen said it would probably be a topic at the annual meeting. Filotto said that he had met with Randich and discussed getting a contractor to help the committee with the planning. Ericksen said he would talk with Randich about getting it on the agenda.

**Executive Director's Report:** Welsh told the Board Kelly Urquidi will be leaving her position on July 28<sup>th</sup>. She will be working on a contractual basis for a few months until someone can be found for the Marketing Manager position.

**Chairman's Report:** The Chair also thanked Urquidi for her time at the Rialto and said she will be missed. Filotto mentioned that he heard the mayor on the radio saying that he and Kevin Sing were beginning the budget process. He said that he and Welsh would like to meet with the mayor and Sing next week. Reardon said she would arrange a time for the meeting.

**Committee Reports:** No reports.

**City of Joliet Liaison's Report:** Reardon told Welsh that she received his email regarding the tents on Chicago Street on July 22<sup>nd</sup> and 23<sup>rd</sup>. Welsh said he was aware of the Hot Sauce festival that was planned but he was not aware that it was going to block off the street and sidewalk in front of the building that weekend when there was a wedding planned in the theatre. The bride and groom were unable to take pictures under the marquee. He refunded \$2,500 to the couple for the inconvenience. He would like more communication with the City to avoid such problems. He said he was unaware of a festival that was planned for this coming weekend until he got a postcard in the mail. He was able to have wedding coordinator, Nancy Lindmark, call and work something out for another wedding planned at the same time. Reardon said it was very reasonable to notify all businesses that will be affected by a street closure. She told Welsh she would look into it.

**Lobbyists' Report:** Welsh said he did not have a lobbyist report because he was unable to contact them due to the construction project. He said he would draw up a list of duties to present to them and have a report for everyone next week. Condon said there has been no action for several months. She wanted to know if it was worth continuing the relationship or should the Board give them a 30-day notice. She said she was

going to meet with Hugh O’Hara from the Will County Governmental League to talk to him about lobbyists. Filotto said Welsh should speak with them and ask what they are working on. Condon said that if they have nothing in the works, Welsh should tell them the Board will get back to them. Chestnutt agreed.

PUBLIC TO BE HEARD: Carol Mulvilhill asked if VenuWorks would be getting 15% again next year from the money discussed earlier. Welsh told her it was only a one-time payout.

The Chairman told Board members that past Executive Session minutes were handed out for their review. He said that the Board could go into Executive Session to discuss them further if a Board member thought it was necessary or the Board could approve them to be released. Silverman said the Board could have the discussion now but would have to wait until the next meeting to vote on it since it was not on the agenda. Board members did not see a need to go into closed session. It was decided to put it on the next special meeting agenda for a vote.

**Motion:** The Chairman requested a motion to adjourn the regular meeting. D. Chestnutt moved and J. Condon seconded the motion.

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

Absent: Broderick, Kent

Nays: None

The meeting adjourned at 4:59 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

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Kathy Trizna, Board Secretary

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