

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: June 26, 2024

Authority Memo Number **041-2024 June 26, 2024 Regular Meeting**

The June 26, 2024 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, Bill Kent, Jeff Pierson, Kathy Trizna
Staff: Wade Welsh, Rafael Ramirez, Kathleen Drozd, Jack Ericksen, Leann Hoffrogge, Lisa Murphy, Christine Sturm
Others: Pete Bohler, R. Berti; Violet Champion, R. Berti; Carol Mulvihill

APPROVAL OF MINUTES

Authority Memo Number **033-2024 May 22, 2024 Regular Meeting Minutes**

Discussion and Vote:

The Chairman asked if there were any changes to be made to the May 22, 2024 minutes. The Chair said that he had one change to make. He wanted to clarify that it was Nick Weis from Suburban Real Estate Services that he had spoken to regarding the increase in lease rates.

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 J. Condon seconded approval of the May 22, 2024 regular meeting minutes.

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

NAYS: None

Public to be Heard Re: Agenda Items – None.

FINANCIAL REPORTS

Authority Memo Number **037-2024 Operational Bills Paid, Payable and Payable Age Listing**

Discussion and Vote:

The Chairman said that checks paid in the month of May totaled \$861,000. The largest checks were: Nitelite \$370,000; VenuWorks \$208,000; Elliott Electric \$26,000; Busey Bank \$22,000; Chubb \$13,000; and \$99,000 to four other vendors for performance related expenses.

The accounts payable by vendor report totaled \$161,000. Busey Bank, Chubb and VenuWorks accounted for 83% of the total checks written.

Open receivables totaled \$35,000. The largest outstanding balance was \$25,000 for the Rainbow National Dance Competition. Welsh told the Board that Rainbow has paid, the University of St. Francis has paid and Midland States Bank made a prepayment.

The Chairman invited further discussion and, hearing none, he directed roll to be called. No opposing votes were expressed. Motion passed unanimously.

Motion: T. Broderick moved and B. Kent seconded approval of the Operational Bills Paid, Payable and Payable Age Listing.

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

NAYS: None

Authority Memo Number **038-2024 Financial Statements**

Discussion and Vote:

The Chairman said that the numbers continue to look good through eleven months of operation. Total income is ahead of budget \$849,000 and still strong for the month. While expenses are over budget by \$270,000, NET ordinary income is ahead of budget by \$577,000. Cash flow remains positive and the statements continue to be strong.

Broderick commented on the significant increase on item #4400 Food & Beverage Income which was \$178,000 ahead of budget. Welsh attributed the number to robust beer sales at the Ashley McBryde concert and with getting aggressive in the pricing for food and beverages.

Welsh said that the \$12,955 listed under #8260 was interest paid on the ERT payment. He said that the State was so late in paying on the funds that they paid out interest. He said he is still waiting for one payment which will be about \$20,000. He did not include that payment in the FY25 budget.

The Chairman invited further discussion and, hearing none, he directed roll to be called. No opposing votes were expressed. Motion passed unanimously.

Motion: J. Pierson moved and B. Kent seconded approval of accepting the Financial Statements into the minutes.

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

NAYS: None

OLD BUSINESS

Renovation Project Update:

Welsh told Board members that the roof project is 99% complete. He said that the workers only have scuppers left to install. Pete Bohler explained that the scuppers are openings in the walls of the building which allow any overflow of water to drain off the roof. He said there were four scuppers on roof six that needed to be finished and should be done by the end of June.

Welsh said that the bathroom project and terrazzo floor restoration will begin on July 1st. The crew from R. Berti has begun clearing out the area where the new men's bathroom will be built. The removal of asbestos from the old pipework will begin in mid-July.

Chestnutt asked if the Foundation was planning an open house to showcase the renovation. Welsh said that a Business After Hours was planned for November. He said that once the bathrooms are completely finished, there may be some type of ceremony to celebrate it.

Welsh said that he has received the 100% drawings for the HVAC project from JLK. He said there will be a meeting with JLK, Calor and R. Berti to go through the documents before the bids go out later in the summer. He presented Board members with an updated schedule for the HVAC project.

NEW BUSINESS

Authority Memo Number **039-2024 Approval of Contract for Asbestos Abatement Project Between R. Berti Building Solutions and the WCMEAA**

Discussion and Vote:

Welsh explained to the Board that R. Berti was asking for a separate contract for the asbestos removal since it is the only work being performed this summer. Welsh negotiated a 4% management fee with R. Berti. He said that they added a 20% contingency allowance and a performance bond since the low

bid came in very low at \$184,000. The total for the removal is estimated to be \$308,000. The project was originally budgeted at \$375,000.

The Chairman invited further discussion and, hearing none, he directed roll to be called. No opposing votes were expressed. Motion passed unanimously.

Motion: D. Chestnutt moved and T. Broderick seconded motion to approve the contract for the asbestos abatement between R. Berti Building Solutions and the WCMEAA.

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

NAYS: None

Authority Memo Number **040-2024 FY2025 Budget Discussion and Vote**

Discussion and Vote:

The Chairman said there was an expected shortfall of \$481,000 for the FY2025 budget. This is due to the three-month shut-down of the theatre for the HVAC installation. He said that staff will be paid during the shut-down. Filotto said that he is optimistic that Welsh and the staff will continue to excel next year and bring that number down.

The Chairman invited further discussion and, hearing none, he directed roll to be called. No opposing votes were expressed. Motion passed unanimously.

Motion: T. Broderick moved and D. Chestnutt seconded motion to approve the budget for FY2025.

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

NAYS: None

EXECUTIVE REPORTS

RSTF Report: Jane Condon said that the Foundation Board has begun talking about the 100-year anniversary. A consultant was contacted to discuss the possibility of a capital campaign. It was determined that the Foundation was not in a position to do a capital project. The Foundation is considering hosting a gala event during 2026. They are determining what time of year would be best. Condon said that Richards is working with one of the Foundation board members to put raffle basket ticket sales online this year. If this happens, the raffle baskets will be needed earlier. Welsh told Board members that Home for the Holidays will be starting in early November in order to get the raffle baskets more exposure. Ericksen said the Home for the Holidays window cling will be up at the end of July and shows will start to be announced soon after.

Ericksen said that the Foundation is looking to do something different from the Day of the Dead event. They are considering a Hispanic expo geared toward quinceaneras with vendors paying for booths. The Foundation consulted with some in the Hispanic community, and they felt it would be a good idea and could be very successful. Steve Randich has reserved Sunday, September 29th for the event.

Executive Director's Report: Welsh invited Board members to an outing at the Joliet Slammers Stadium on July 10th with the staff. Condon asked if Welsh was planning a year-end presentation for the Board. He said the year-end financials will be ready for the next Board meeting in July. He will have a year-end presentation which will include the number of shows and his impressions of the past year. Filotto said he would like to make a presentation to the Joliet City Council to inform them about the happenings at the Rialto.

Chairman's Report: The Chair said he has talked with Bob Rubens again. David Silverman has provided a two-page agreement for the chest and antique clock. Filotto went through the agreement with Rubens and clarified a few things. He said that discussions are still very positive and he hopes to have the items in place for the 100-year anniversary, if not sooner. Filotto said the items will be loaned to the Board as Rubens does not want to give up ownership. Chestnutt asked if Rubens would be paying for the insurance policy for the items. Welsh said that the items are covered under the current insurance policy but since there is a \$50,000 deductible, the Board would have to pay that amount in the event something happens to the items. It would be \$800-\$1200 for a rider and would need an appraisal to confirm the \$60,000 value Rubens is putting on them. Condon said she was not aware that the items were only going to be loaned to the Board. She thought they were going to be a gift. Filotto said that Rubens said that as long as the Board remains good stewards of the items, they will remain here. Chestnutt asked if the arrangement can become a legacy gift with Rubens leaving it to the Rialto in his will. Filotto said that he will discuss the legacy issue with Silverman. Broderick thought that patrons would be appreciative of the items. Pierson said that any time the Board has the opportunity to get something back that was once here, the Board should take it.

Committee Reports: No report.

City of Joliet Liaison's Report: No report.

Lobbyists' Report: Broderick said that the relationship with the lobbyists has been terminated. There will be a search conducted for new lobbyists. He said that the interviewing process will begin in about two months. He will keep the Board and staff informed of the progress. He said it was a good relationship but it's now time to see how someone new could help the Board secure more dollars.

PUBLIC TO BE HEARD: Carol Mulvihill said that she also thought that the items from Bob Rubens were a gift to the theatre. She asked if the bathroom project was going to be finished this year. Welsh said that the project was starting on July 1st and will hopefully be done in August but may go into September. The bathrooms will be done before Home for the Holidays begins.

Condon said that she is amazed by the great strides made in management of the theatre. She said the budget was around \$2 million when she joined the Board. It has now doubled to \$4 million.

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

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

NAYS: None

The meeting adjourned at 4:38 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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