

**RIALTO SQUARE THEATRE FOUNDATION  
(AN ILLINOIS NOT-FOR-PROFIT CORPORATION)**

**COMPONENT UNIT  
FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

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To the Board of Directors  
Rialto Square Theatre Foundation  
Joliet, Illinois

## **Independent Auditor's Report**

### ***Opinion***

We have audited the accompanying financial statements of Rialto Square Theatre Foundation (an Illinois not-for-profit corporation) (the Foundation), a component unit of Will County Metropolitan Exposition and Auditorium Authority, which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Rialto Square Theatre Foundation as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, in 2021 the entity adopted new accounting guidance as issued by the Financial Accounting Standards Board (FASB) under Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers, and ASU No. 2018-13, Changes to the Disclosure Requirements for Fair Value Measurements. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rialto Square Theatre Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rialto Square Theatre Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of organization data is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

February 24, 2023

*Warner, Rogers, Aron & Ruzon, LLC*

# RIALTO SQUARE THEATRE FOUNDATION

Statements of Financial Position  
June 30,

## ASSETS

	2022	2021
<b>Current Assets</b>		
Cash	\$ 842,370	\$ 599,270
Accrued Interest Receivable	4	4
Grant Advance	-	9,456
Inventory	7,984	18,162
Prepaid Expenses	-	2,791
Due from WCMEAA	360,874	435,862
Total Current Assets	1,211,232	1,065,545
<b>Non-Current Assets</b>		
Endowment Investments	945,286	988,024
Total Non-Current Assets	945,286	988,024
Total Assets	\$ 2,156,518	\$ 2,053,569

## LIABILITIES AND NET ASSETS

<b>Current Liabilities</b>		
Accounts Payable	\$ 292	\$ -
Custodial Accounts	57,287	49,673
Deferred Revenue	98	98
Total Current Liabilities and Total Liabilities	57,677	49,771
<b>Net Assets</b>		
Without Donor Restrictions	1,035,877	940,641
With Donor Restrictions	1,062,964	1,063,157
Total Net Assets	2,098,841	2,003,798
Total Liabilities and Net Assets	\$ 2,156,518	\$ 2,053,569

The Accompanying Notes are an Integral Part of These Statements.

## RIALTO SQUARE THEATRE FOUNDATION

Statements of Activities  
For the Years Ended June 30,

<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<u>2022</u>	<u>2021</u>
<b>Support and Revenue:</b>		
<b>Direct Support</b>		
Grants	\$ 5,000	\$ 19,055
Fundraising, Net	6,305	-
Donations	<u>276,461</u>	<u>159,011</u>
Total Direct Support	<u>287,766</u>	<u>178,066</u>
<b>Revenue</b>		
Dividends	6,163	3,671
Other Income	12,581	55,617
Interest	6,578	5,571
Net Realized and Unrealized Gain (Loss) on Long-Term Investments	( 140,632)	<u>69,010</u>
Total Revenue	<u>( 115,310)</u>	<u>133,869</u>
Total Support and Revenue	<u>172,456</u>	<u>311,935</u>
<b>Expenses</b>		
Program Services	27,747	50,873
Support Services		
Management and General	<u>49,473</u>	<u>25,748</u>
Total Expenses	<u>77,220</u>	<u>76,621</u>
Increase in Net Assets without Donor Restrictions	<u>95,236</u>	<u>235,314</u>
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
<b>Direct Support</b>		
Fundraising, Net	( 9,730)	11,937
Endowment Donations	100	150
Preservation Dues	<u>9,437</u>	<u>5,898</u>
Increase (Decrease) in Net Assets with Donor Restrictions	<u>( 193)</u>	<u>17,985</u>
Increase in Net Assets	95,043	253,299
<b>Net Assets, Beginning of Year</b>	<u>2,003,798</u>	<u>1,750,499</u>
<b>Net Assets, End of Year</b>	<u>\$ 2,098,841</u>	<u>\$ 2,003,798</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

## RIALTO SQUARE THEATRE FOUNDATION

Statement of Functional Expenses  
For the Year Ended June 30, 2022

	Program Services	Support Services	
		Management and General	Fund Raising
Support to Primary Government	\$ 27,747	\$ -	\$ -
Professional Fees	-	7,730	-
Outside Services	-	9,500	-
Office Supplies	-	3,190	-
Licensing and Permits	-	510	-
Development Expenditures	-	2,500	-
Catering	-	1,363	-
Public Relations	-	275	-
Insurance	-	905	-
Printing	-	315	-
Miscellaneous	-	23,185	-
	\$ 27,747	\$ 49,473	\$ -

Statement of Functional Expenses  
For the Year Ended June 30, 2021

	Program Services	Support Services	
		Management and General	Fund Raising
Support to Primary Government	\$ 50,873	\$ -	\$ -
Professional Fees	-	14,250	-
Office Supplies	-	3,112	-
Licensing and Permits	-	510	-
Public Relations	-	78	-
Miscellaneous	-	7,798	-
	\$ 50,873	\$ 25,748	\$ -

The Accompanying Notes are an Integral Part of These Statements.



<u>Total Support Services</u>	<u>Total</u>
\$ -	\$ 27,747
7,730	7,730
9,500	9,500
3,190	3,190
510	510
2,500	2,500
1,363	1,363
275	275
905	905
315	315
<u>23,185</u>	<u>23,185</u>
<u>\$ 49,473</u>	<u>\$ 77,220</u>

<u>Total Support Services</u>	<u>Total</u>
\$ -	\$ 50,873
14,250	14,250
3,112	3,112
510	510
78	78
<u>7,798</u>	<u>7,798</u>
<u>\$ 25,748</u>	<u>\$ 76,621</u>

## RIALTO SQUARE THEATRE FOUNDATION

Statements of Cash Flows  
For the Years Ended June 30,

<u>Increase (Decrease) in Cash</u>	<b>2022</b>	<b>2021</b>
<b>Cash Flows from Operating Activities</b>		
Increase in Net Assets	\$ 95,043	\$ 253,299
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
Net Realized and Unrealized Gain (Loss) on Long-Term Investments	140,632 (	69,010)
Changes in Assets and Liabilities		
Contributions Receivable	-	5,000
Pledges Receivable	-	350
Grant Advance	9,456	-
Inventory	10,178	-
Prepaid Expenses	2,791	-
Due from WCMEAA	74,988 (	1,190)
Custodial Accounts	7,614 (	2,946)
Accounts Payable	292	-
Deferred Revenue	-	(16,900)
Total Adjustments	245,951 (	84,696)
Net Cash Provided by Operating Activities	340,994	168,603
<b>Cash Flows from Investing Activities</b>		
Purchase of Investments	( 101,234) (	573,924)
Proceeds from Sale of Investments	3,340	497,123
Net Cash Used in Investing Activities	( 97,894) (	76,801)
<b>Net Increase in Cash</b>	243,100	91,802
<b>Cash, Beginning of Year</b>	599,270	507,468
<b>Cash, End of Year</b>	\$ 842,370	\$ 599,270

The Accompanying Notes are an Integral Part of These Statements.

# RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

## 1. Summary of Significant Accounting Policies

### ***Organization***

The Rialto Square Theatre Foundation (“RSTF” or “Foundation”) was established January 1, 1989 by the Will County Metropolitan Exposition and Auditorium Authority (WCMEAA). WCMEAA is a unit of local government created by the State of Illinois in 1978 and is the owner of the Rialto Square Theatre Complex, a grouping of commercial, office and theatre buildings in Joliet, Illinois. The RSTF currently has a 17 member Board of Directors, including an emeritus and WCMEAA liaison.

The WCMEAA with the assistance of several community leaders and professional consultants, worked to establish RSTF to manage the theatre operations. As of January 1, 1994, the role of RSTF was significantly modified. This modification is a result of an agreement between WCMEAA and the City of Joliet. The revised purpose of RSTF is to conduct fundraising. All other activities that were the responsibility of the RSTF are now performed by the WCMEAA.

### ***Financial Reporting Entity***

Accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board, defines a financial reporting entity and other entities that qualify as potential component units. The criterion for an entity to be a component unit of another entity (primary government) is for that primary government entity to have responsibility to oversee, this responsibility includes but is not limited to the following considerations: financial interdependency; selection of governing authority; designation of management; ability to significantly influence operations; accountability for fiscal matters; the scope of an organization’s public service; and/or special financing relationships.

Based on the above criterion, the Rialto Square Theatre Foundation, for the years ended June 30, 2022 and 2021, has met the definition as a component unit of the Will County Metropolitan Exposition and Auditorium Authority. The considerations for the Rialto Square Theatre Foundation to be a component unit of the Will County Metropolitan Exposition and Auditorium Authority are: ability to significantly influence operations and accountability for financial matters.

### ***Income Taxes***

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. The Foundation currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded. The Foundation is not considered a private foundation.

Annually, the Foundation files Form 990, *Return of Organizations Exempt from Income Tax*, with the Internal Revenue Service. This form is open for public inspection. The Foundation believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

# RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

## 1. Summary of Significant Accounting Policies

### ***Accounting Basis***

Assets and liabilities and revenues and expenses are accounted for on the accrual basis.

### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from estimated amounts.

### ***Endowment Investments***

Endowment investments consists of all donor restricted endowment contributions as well as any undistributed earnings. Earnings of the fund are unrestricted and may be used as directed by the Foundation Board of Directors. The endowment investments had net income (loss) of (\$117,108) and \$133,624 for the years ended June 30, 2022 and 2021, respectively. These amounts include trust fees of \$6,987 and \$6,330 for the years ended June 30, 2022 and 2021, respectively.

### ***Cash Equivalents***

Cash equivalents consist of short-term, highly liquid investments that are readily convertible into cash within ninety days of purchase. Cash and cash equivalents are presented on both the Statement of Financial Position and the Statement of Cash Flows as "Cash".

### ***Investments***

Investments of the Foundation are stated at fair value (See note 4). Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value. Unrealized gains and losses are included in the change in net assets.

### ***Inventory***

Inventories represent souvenirs for sale purchased by the Rialto Square Theatre Volunteers Organization. Inventories are stated at the lower of cost (first-in, first-out basis) or market.

### ***Custodial Accounts***

Custodial accounts are presented as a liability on the balance sheet. They represent amounts on deposit of the Rialto Square Theatre Volunteers Organization. The Rialto Square Theatre Volunteers Organization and Fund was established by the Board of Directors of the Rialto Square Theatre Foundation. The purpose of the organization is to provide volunteer manpower and to promote and support programs of the Rialto Square Theatre. The income generated is transferred to the Will County Metropolitan Exposition and Auditorium Authority to be used as directed by the Volunteer Board of Directors. At June 30, 2022 and 2021, \$49,303 and \$26,505 included in "Cash" represents volunteer funds.

# RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

## 1. Summary of Significant Accounting Policies

### ***Revenue Recognition***

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the fiscal year in which the contributions are recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a donor restriction expires, temporarily restricted net assets are reclassified to net assets without donor restrictions. Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the income is recognized.

### ***Functional Expenses***

Functional expenses have been allocated between program services and supporting services based on a method developed by the Foundation.

### ***Adoption of New Accounting Pronouncements***

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, as amended by ASU No. 2015-14, which supersedes or replaces nearly all US GAAP revenue recognition guidance. This standard establishes a new contract and control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, and will expand disclosures about revenue. ASU No. 2014-09, as amended by ASU 2020-05, is effective for nonpublic companies for annual reporting periods beginning after December 15, 2019 and interim periods within the annual period beginning after December 15, 2020. The Foundation implemented this standard retrospectively for the year ended June 30, 2021.

In August 2018, FASB issued ASU No. 2018-13, *Changes to the Disclosure Requirements for Fair Value Measurements*. This standard is intended to improve the effectiveness of disclosures in the notes to the financial statements and modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurements. ASU No. 2018-13 is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. The Foundation implemented this standard retrospectively for the year ended June 30, 2021.

## 2. Restrictions on Assets

Net assets with donor restrictions consist of permanently restricted Endowment fund contributions.

## RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

### 3. Endowment Investments

Endowment Investments at year-end are as follows:

	2022		2021	
	Cost	Market Value	Cost	Market Value
Money Market	\$ 105,503	\$ 105,503	\$ 105,384	\$ 105,384
Government Money				
Market Funds	11,978	11,978	10,801	10,801
Mutual Funds	380,096	387,652	302,733	416,392
Fixed Income Mutual Funds	<u>472,056</u>	<u>440,153</u>	<u>442,513</u>	<u>455,447</u>
 Total Investments	 <u>\$ 969,633</u>	 <u>\$ 945,286</u>	 <u>\$ 861,431</u>	 <u>\$ 988,024</u>

The RSTF's investment policy requires that long-term investments may only be invested in:

- 1) Common stocks, with primary emphasis on high quality, investment grade, dividend-paying stocks in companies that are financially sound.
- 2) U.S. treasury securities, commercial paper rated A-1 or P-1, and money market securities.
- 3) Securities rated in the three highest categories by Moody's Investors Service or Standard and Poor's corporation.

Accounting principles generally accepted in the United States of America provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under U.S. GAAP are described as follows:

# RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

### 3. Endowment Investments

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in active markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following descriptions of the valuation methods and assumptions used by the Foundation to estimate the fair values of investments apply to investments held directly by the Foundation.

*Mutual Funds:* The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (level 1 inputs).

*Money Market:* Fair values of money market deposit account balances have been determined based upon their quoted redemption prices and recent transaction prices of \$1.00 per share (level 1 inputs), with no discounts for credit quality or liquidity restrictions.

Each year, the investing plan will include a spending rate. Annual distributions may not exceed 5% equities of the fund balance after adjusting for inflation.

The following are the major categories of assets measured at fair value on a recurring basis in the financial statements as of June 30, 2022 and 2021, respectively:

## RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

### 3. Endowment Investments

	Level 1	Level 2	Level 3	Total
Government Money Market Funds	\$ 11,978	\$ -	\$ -	\$ 11,978
Mutual Funds	387,652	-	-	387,652
Fixed Income Mutual Funds	440,153	-	-	440,153
Money Market	105,503	-	-	105,503
	<u>\$ 945,286</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 945,286</u>

	Level 1	Level 2	Level 3	Total
Government Money Market Funds	\$ 10,801	\$ -	\$ -	\$ 10,801
Mutual Funds	416,392	-	-	416,392
Fixed Income Mutual Funds	455,447	-	-	455,447
Money Market	105,384	-	-	105,384
	<u>\$ 988,024</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 988,024</u>

Endowment net asset composition by type of fund as of June 30, 2022 and 2021 are as follows:

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions: Permanently Restricted	Total Endowment Net Assets
Endowment Net Assets, Beginning of Year	\$ 327,660	\$ 1,063,157	\$ 1,390,817
Contributions	-	9,537	9,537
Investment Income	30,511	-	30,511
Net Appreciation	( 140,632)	-	( 140,632)
Trust Fees	( 6,987)	( 9,730)	( 16,717)
Endowment Net Assets, End of Year	<u>\$ 210,552</u>	<u>\$ 1,062,964</u>	<u>\$ 1,273,516</u>



## RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

### 3. Endowment Investments

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions: Permanently Restricted	Total Endowment Net Assets
Endowment Net Assets, Beginning of Year	\$ 194,036	\$ 1,045,172	\$ 1,239,208
Contributions	-	17,985	17,985
Investment Income	70,943	-	70,943
Net Appreciation	69,011	-	69,011
Trust Fees	( 6,330)	-	( 6,330)
Endowment Net Assets, End of Year	\$ 327,660	\$ 1,063,157	\$ 1,390,817

#### *Implementation of FSP FAS 117-1*

In August 2008, the Financial Accounting Standards Board (FASB) issued FASB Staff Position No. FAS 117-1, "Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds" (FSP FAS 117-1). FSP FAS 117-1 provides guidance on the net asset classification of donor-restricted endowment funds of a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management Institutional Funds Act of 2006 (UPMIFA). FSP FAS 117-1 also requires additional disclosures about an organization's endowment funds (both donor restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

The State of Illinois enacted UPMIFA effective June 30, 2009, the provisions of which apply to endowment funds existing or established after that date. The Foundation adopted FSP FAS 117-1 for the year ending June 30, 2011. The board of directors has determined that the Foundation's permanently restricted net assets meet the definition of endowment funds under UPMIFA.

During fiscal year 2017, the Endowment Fund loaned \$600,000 to the Will County Metropolitan Exposition and Auditorium Authority (Primary Government) for the specific purpose of paying past due bills. Beginning December 31, 2017, the Primary Government shall pay a minimum of \$50,000 on the outstanding principal and accrued interest on an annual basis. Interest accrues at 1% annually. As of June 30, 2022, the Primary Government owed the Endowment Fund \$304,719.

## RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

### 4. Return on Investments

Return on investments consists of the following:

	June 30,	
	2022	2021
Interest Earned on Cash Equivalents	\$ 6,578	\$ 5,571
Dividends and Interest	25,731	65,618
Net Unrealized and Realized Gain (Loss)	( 140,632)	69,010
Management Fees	( 6,987)	( 6,330)
Return on Investments	(\$ 115,310)	\$ 133,869

*Reconciliation of Above Note to Statement of Activities:*

	June 30,	
	2022	2021
Dividends	\$ 6,163	\$ 3,671
Other Income	12,581	55,617
Interest	6,578	5,571
Net Unrealized and Realized Gain (Loss) on Long-Term Investments	( 140,632)	69,010
Return on Investments	(\$ 115,310)	\$ 133,869

### 5. Transactions with Primary Government

The Rialto Square Theatre Foundation transferred \$44,098 and \$50,873 (net) to the Will County Metropolitan Exposition and Auditorium Authority (Primary Government) for the years ended June 30, 2022 and 2021, respectively.

### 6. Donated Services

The Foundation receives a significant amount of donated services from unpaid volunteers. No amounts have been recognized because the criteria for recognition under ASC 958-605 have not been satisfied.

# RIALTO SQUARE THEATRE FOUNDATION

Notes to Financial Statements  
June 30, 2022 and 2021

## 7. Liquidity and Availability

The Foundation has not formally adopted a liquidity policy. Funds are maintained in Foundation cash accounts until needed. The following assets are available to meet cash needs for general expenditures within one year, without contractual or donor restrictions:

	June 30,	
	<u>2022</u>	<u>2021</u>
Cash	\$ 842,370	\$ 599,270

## 8. Subsequent Events

Subsequent events were evaluated through February 24, 2023 which is the date the financial statements were available to be issued.

# RIALTO SQUARE THEATRE FOUNDATION

Schedule of Organization Data  
June 30, 2022

## Board of Directors

Steve Randich	President
Jen Howard	Vice President
Tim Shanahan	Treasurer
Ava Paris	Secretary
Jane Condon	WCMEAA Liaison
Pete Colarelli	Director
Dale T. Evans	Director
Ed Jarot	Director
Kate Meehan	Director
Krystin Gilbert	Director
Debbie Highland	Director
John Simpson	Director
Jen Hannon	Director
Anna Rocha-Gray	Director
Dan Stevenson	Director
Robert Diedrich	Director
Tricia Simpson	Emeritus