

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE ILLINOIS SPORTS FACILITIES AUTHORITY  
December 8, 2023**

A meeting of the Board of Directors of the Illinois Sports Facilities Authority was held on December 8, 2023, at 10:00 a.m.

**Item 1. Call to Order**

Chair Darling called the meeting to order at approximately 10:00 a.m.

**Item 2. Roll Call**

Call of the Roll was taken, and the following members of the Board were present: Leslie Darling, Norm Bobins, Aarti Kotak, and Coco Soodek. Board member Trisha Rooney joined after the call of Roll. Frank Bilecki, P.J. Frayer, Dana Phillips Goodum, Maureen Gorski, Maria Saldaña and Russell Levine of the Authority's staff were also present at the meeting. In addition, John Corvino and Maacah Scott from the Chicago White Sox staff also attended the meeting. Chair Darling announced that the Governor had recently appointed Roderick Hawkins to the Board, but that he was unable to attend December meeting but would be at the next Board meeting.

**Item 3. Approval of the Minutes**

Chair Darling called for a motion to approve the minutes of the Regular Board Meeting held on September 20, 2023. Ms. Soodek moved to approve, and Ms. Kotak seconded the motion. The minutes were unanimously approved.

**Item 4. Office Business**

Chair Darling noted that proposed Board meeting dates for 2024 were included in the Board Book under Tab 4 and asked Board members to let Ms. Frayer know if any of the proposed dates presented a conflict. Ms. Frayer stated that the Board meeting dates were required to be posted by the end of the year.

**Item 5. Chicago Park District**

Representatives from ASM Global, the management company for Soldier Field, were asked to present the proposed 2024 Soldier Field Capital Budget. Also, present was Steve Lux, the CFO for the Chicago Park District. Mr. McAndrews, from ASM Global, presented the proposed one-year capital plan for Soldier Field, which was included in the board book. He noted that usually the budget includes a 10% reserve amount. He reported that a lot of the 2024 projects like the 2023 projects are phased projects that take multiple years to complete. Mr. McAndrews also highlighted that most of the projects were related to the main building structure. Mr. McAndrews stated that the total budget request was \$3,671,337 which represents a 3% increase from the amount requested for 2023.

Mr. Steve Lux thanked the Authority for the funding support not only for the capital expenditures, but also for the operating maintenance subsidy.

Chair Darling asked for a motion to approve Resolution 24-05, A Resolution Approving Reimbursement for Certain Capital Improvements to be undertaken by the Chicago Park District. Ms. Soodek moved to approve, and Ms. Kotak seconded. Chair Darling called for a roll call vote.

A roll call vote was taken on the passage of Resolution 24-05.

*Ayes: Chair Darling, Mr. Bobins, Ms. Kotak, Ms. Soodek,*

*Nays: None*

*Abstention: None*

#### **Item 6. 2024 Capital Repairs/Improvements**

Ms. Gorski presented the status report of the 2024 Capital Projects. She reported that all the 2024 projects were well underway. She reviewed each of the capital projects and the status of each. She noted that projects were performing well in terms of MBE/WBE participation. Ms. Kotak asked whether there was any project or item in the capital program that was an issue or was a concern. Ms. Gorski noted that there was a new chiller ordered for installation in the left field that got delayed but would be delivered on time to be installed in July/August time frame. She also noted the fire panel alarm project would go into next year, but that had been anticipated because it is a large project.

#### **Item 7. ISFA Audited Financials as of June 30, 2023**

Ms. Phillips Goodum reported that Mueller & Co., LLP, and Prado & Renteria, performed the FY 2023 financial audit for the Authority. Ms. Phillips Goodum reported that the Authority's Financials are not prepared in accordance with GAAP and are prepared instead in accordance with the bond indenture basis of accounting. She stated that because of this, the auditors issued an adverse opinion based on GAAP and issued an unmodified opinion under the Indenture basis of accounting, which is a clean opinion.

John Fedus from PKF Mueller reported that PKF had merged with Cherry Bekaert, a top 25 accounting firm in the country. He also noted that Cherry Bekaert has a dedicated government and not profit practice. He indicated that going forward everything would be conducted under the Cherry Bekaert name. Mr. Fedus thanked Ms. Phillips Goodum for all her work during the audit process. Kevin Bissell from PKF Mueller was then asked to review the financial statements for the Board. Mr. Bissell gave an overview of pages 1-3 of the audit, which he stated is the Independent Auditor's Report. He noted that this portion of the audit contains the opinion of the auditors and describes Management's Responsibilities and the Auditor's Responsibilities.

Mr. Bissell reviewed the statements themselves. He noted that pages 4-5 show the assets of the Authority as of June 30<sup>th</sup> and also presents prior year comparative information. He highlighted that cash and cash equivalents were at very similar levels in total at the end of FY 2022 and FY 2023. Mr. Bissell reported that hotel tax revenue continued to bounce back from the effects of Covid. He noted that the receivable increased at year end from \$15.4 million in FY 2022 to \$18.5 million in FY 2023. He also pointed out that interest and other receivables was up \$940K that included an insurance reimbursement for water damage that was received in August.

Mr. Bissell reported that long-term assets are up from the prior year primarily due to stadium improvements and that the Authority has more than \$350 million in long-term assets at year end.

Mr. Bissell then went on to review the schedule of liabilities. He indicated that accounts payable were up \$1 million from the prior year, noting that this increase is mostly in the Comiskey Park Capital Improvement Fund. Mr. Bissell noted that long-term liabilities were down \$8.8 million, noting that this was related to debt payments that were made during the year. Mr. Bissell then highlighted that the fund deficit decreased by \$15.4 million in total and noted that this improvement in equity can be seen in the large increase in fund balances of the General Fund and the Revenue Funds.

Mr. Bissell then went on to review the schedule of revenue and expenses, noting that hotel tax revenues for the year were up \$17.5 million. He noted that the revenues also reflected the \$8.7 million that was received from the City of Chicago's share of the Local Government Distributive Fund. Mr. Bissell also noted that as a result of increasing interest rates investment income was up \$2.4 million.

As far as expenditures, Mr. Bissell noted that FY 2023 general expenditures were up \$4 million from the prior year, primarily related to debt service.

Mr. Bissell then reviewed the schedule of Other Financing Sources noting that this is where the in-kind donation of capital assets from the White Sox is also reflected.

Mr. Bissell then commented on the Notes section of Financials which he explained provides information related to the organization of the Authority, establishment of funds and accounting policies. Related to accounting policies he stated that the Notes section discusses the Bond Indenture Basis of accounting and some of the differences with GAAP. He also points out that the Notes section shows the future debt services payments due on the bonds issued by the Authority. He stated that the remainder of the Financial Statements included fund analysis that provides additional detail for information already covered.

The in-kind donation of capital assets from the White Sox was discussed further. Ms. Phillips Goodum explained that it reflects improvements made and paid for by the White Sox. She stated that the amount on a year-to-year basis is entirely dependent on improvements that the White Sox may want to make for the year.

Hilda Renteria then reviewed the letter from the auditors dated October 27, 2023, to the Authority and included with the audit. She explained that the letter contained information required to be communicated pursuant to professional standards governing the auditors. She noted that there were no significant difficulties in dealing with management in performing and completing the audit. She further stated that discussions with management occurred in the normal course of auditor's professional relationship and responses were not a condition to retention of the auditors. She noted that the last section of the letter related to supplementary information.

Chairman Darling asked for a motion to accept the Audited Financials, Mr. Bobins moved to accept, and Ms. Soodek seconded. Chair Darling called for a roll call vote to accept the Audited Financials.

A roll call vote was taken.

*Ayes: Chair Darling, Mr. Bobins, Ms. Kotak, Ms. Rooney, Ms. Soodek*

*Nays: None*

*Abstention: None*

**Item 8. Fiscal Year 2024 ISFA Operating Results through September 30, 2023**

Ms. Phillips Goodum stated the net operating results for the 1<sup>st</sup> quarter of fiscal year 2024 totaled \$23.1 million. She noted that compared to the budget, actual results were favorable by \$3.3 million. On the revenue side, Ms. Phillips Goodum reported that investment income was favorable by \$408K and that special events revenue was favorable by \$1 million primarily due to the RBD concert. Chair Darling congratulated Mr. Bilecki and the staff for the success of the concert.

On the expenditure side Ms. Phillips Goodum reported there were operational savings of \$83.1k, before consideration of the special event costs due to the RBD concert. She reported that there were favorable variances in expenditures for Soldier Field and Guaranteed Rate Field capital projects of \$2.5 million as result of timing of the start dates for some projects and in addition she noted that there had some credits related to Soldier Field improvements.

In terms of hotel tax revenue, she reported that through September 2023 hotel taxes are favorable by \$2.8 million. Ms. Phillips Goodum noted that at the end of September hotel taxes were 20.3% higher than the same period last year, but that as of end of November that number had dropped to 9.1% higher than the same period last year. She reported that even with the higher hotel tax revenue, there is a projected amount that would have to be drawn from the City's LGDF to pay the State Advance. She reported that the current estimated shortfall is \$12.3 million, which was down from the budgeted shortfall amount of \$14.3 million.

Mr. Bilecki reported that he has had recent conversations with the City's CFO related to the projected shortfall. He stated that they will continue to have conversations to make sure the Authority and the City are on the same page regarding hotel tax numbers and the projected shortfall. Ms. Phillips Goodum reported that the Authority had been pursuing legislation in Springfield to allow it to extend the term of the Soldier Field debt in order to level off debt service in coming years to eliminate projected shortfalls that City would need to cover. The legislation was not adopted. Mr. Bilecki reported that under the current statute the Authority can extend debt to 2033 from the current term of 2032 and the Authority is exploring potential refundings and ways to mitigate the amount the City has to contribute at least in the short term.

Ms. Kotak asked for a schedule of debt service payments and for a summary of the potential shortfall that City would have to cover in future years if debt is not restructured or extended. She wanted to understand impact to the City. Chair Darling asked staff to send the summary of the projected shortfall to all board members along with the debt service schedule.

**Item 9. Other Business**

Chair Darling noted that there were Real estate Disclosure forms included in the Board Book that needed to be completed by Board members and returned to PJ Frayer.

Mr. Corvino reported that the team's performance was less than expected. He noted that they are in the middle of their budget process and several areas are getting evaluated.

Mr. Bilecki reported that as noted earlier the RBD concert had been a great success and that he was in contact with a promoter for a concert this year and has reserved a date. He also reported that parking lots A & B had been rented out for a drive through holiday light event that was taking place from after Thanksgiving through right after January 1. In terms of other rentals and events he reported that productions studios had started to call back regarding rentals of the lots, and he had also been contacted by Stadium Links which is an entity that hosts golf events at stadiums.

**Item 10. Public Comment**

None

**Item 11. Executive Session**

Chair Darling asked for a motion to go into an Executive Session to discuss matters that are allowed to be discussed in executive session pursuant to section 2(c)(21) of the Open Meeting Act, review of Minutes of Closed Meetings. Ms. Rooney moved to go into executive session, and motion was seconded by Ms. Kotak. Motion was unanimously approved.

**Item 12. Matters Arising out of Executive Session**

Chair Darling asked for motion to keep executive session minutes reviewed in executive session confidential. Ms. Rooney moved to approve and Ms. Kotak seconded. Motion was unanimously approved.

**Item 13. Adjournment**

Chair Darling adjourned the meeting at approximately 11:45 a.m.

  
Chair, Leslie Darling

ATTEST

  
Assistant Secretary, Trisha Rooney

*Minutes 12-8-23*