

SPRINGFIELD METROPOLITAN EXPOSITION  
AND AUDITORIUM AUTHORITY  
SPRINGFIELD, ILLINOIS

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT

July 31, 2019 and 2018

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## Independent Auditors' Report

Board of Directors  
Springfield Metropolitan Exposition  
and Auditorium Authority  
Springfield, Illinois

We have audited the accompanying financial statements of the Springfield Metropolitan Exposition and Auditorium Authority (the Authority), as of and for the year ended July 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents. The basic financial statements of the Authority as of and for the year ended July 31, 2018, were audited by other auditors whose report dated January 16, 2019, expressed an unmodified opinion on those statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Springfield Metropolitan Exposition and Auditorium Authority, as of July 31, 2019, and the changes in financial position and the cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the Authority's financial statements that collectively comprise the Authority's basic financial statements. The supplementary information and additional information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Eck, Schafer, + Punke, LLP*

Springfield, Illinois  
January 7, 2020

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS

July 31, 2019 and 2018

Management's Discussion and Analysis (MD&A) regarding the Authority's financial statements, which follows, is intended to provide an objective and easily readable analysis of the Authority's financial activities based on facts, decisions and conditions known at the date of the audit report. Readers should consider *Management's Discussion and Analysis*, the *Notes to the Financial Statements* and the *Required Supplementary Information* when reviewing the Authority's financial statements in order to gain a full understanding of the Authority's results of operations and financial position.

**FINANCIAL HIGHLIGHTS**

Condensed financial information comparing balances at July 31, 2019, 2018 and 2017, and activities for the years then ended are provided below to facilitate analysis of the 2019 and 2018 results of operations.

Net position decreased \$ 84,146 to \$ 15,354,005 and \$ 28,946 to \$ 15,438,151 during the years ended July 31, 2019 and 2018, respectively, as follows:

|                                  | <u>2019</u>          | <u>2018</u>          | <u>2017</u>          |
|----------------------------------|----------------------|----------------------|----------------------|
| Net investment in capital assets | \$ 11,408,645        | \$ 11,879,640        | \$ 12,270,392        |
| Restricted for                   |                      |                      |                      |
| Insurance                        | 1,589,588            | 1,436,906            | 1,271,638            |
| Debt service                     | 408,652              | 305,772              | 205,200              |
| Retirement                       | 189,918              | 180,838              | 141,430              |
| Annual audit                     | 16,226               | 16,352               | 17,464               |
| Unrestricted                     | <u>1,740,976</u>     | <u>1,618,643</u>     | <u>1,560,973</u>     |
| Net position at end of year      | <u>\$ 15,354,005</u> | <u>\$ 15,438,151</u> | <u>\$ 15,467,097</u> |

The net investment in capital assets decreased during the years ended July 31, 2019 and 2018, as follows:

|  |                      |
|--|----------------------|
| Net investments in capital assets at July 31, 2018 | \$ 11,879,640        |
| Depreciation                                       | (1,045,488)          |
| Acquisition of capital assets                      | 91,012               |
| Long-term debt principal repayments                | 485,567              |
| Change in accrued interest                         | <u>(2,086)</u>       |
| Net investments in capital assets at July 31, 2019 | <u>\$ 11,408,645</u> |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

July 31, 2019 and 2018

**FINANCIAL HIGHLIGHTS - Continued**

|  |                          |
|--|--------------------------|
| Net investments in capital assets at July 31, 2017     | \$ 12,270,392            |
| Depreciation   | (1,071,499)              |
| Acquisition of capital assets                          | 164,226                  |
| Long-term debt principal repayments                    | 514,291                  |
| Change in accrued interest                             | <u>2,230</u>             |
| <br>Net investments in capital assets at July 31, 2018 | <br><u>\$ 11,879,640</u> |

Total assets and deferred outflows of resources decreased \$ 260,944 to \$ 23,794,466 and \$ 90,173 to \$ 24,055,410 during the years ended July 31, 2019 and 2018, respectively, as follows:

|  | <u>2019</u>              | <u>2018</u>              | <u>2017</u>              |
|--|--------------------------|--------------------------|--------------------------|
| Cash and cash equivalents                              | \$ 3,588,815             | \$ 3,186,166             | \$ 2,506,230             |
| Investments  | 89,676                   | 89,380                   | 89,237                   |
| Property tax receivables                               | 885,917                  | 810,676                  | 835,894                  |
| Capital assets, net of accumulated depreciation        | 18,327,856               | 19,282,332               | 20,189,604               |
| Net pension asset                                      | -                        | 165,687                  | -                        |
| Other assets   | <u>236,769</u>           | <u>233,411</u>           | <u>253,626</u>           |
| Total assets   | <u>23,129,033</u>        | <u>23,767,652</u>        | <u>23,874,591</u>        |
| <br>Deferred outflows of resources                     | <br><u>665,433</u>       | <br><u>287,758</u>       | <br><u>270,992</u>       |
| <br>Total assets and deferred outflows<br>of resources | <br><u>\$ 23,794,466</u> | <br><u>\$ 24,055,410</u> | <br><u>\$ 24,145,583</u> |



Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

July 31, 2019 and 2018

**FINANCIAL HIGHLIGHTS - Continued**

Total liabilities and deferred inflows of resources decreased \$ 176,798 to \$ 8,440,461 and \$ 61,227 to \$ 8,617,259 during the years ended July 31, 2019 and 2018, as follows:

|  | <u>2019</u>         | <u>2018</u>         | <u>2017</u>         |
|--|---------------------|---------------------|---------------------|
| Accounts payable and accrued expenses                          | \$ 187,501          | \$ 191,116          | \$ 375,164          |
| Deposits received  | 119,050             | 103,725             | 85,125              |
| Ticket escrow payable  | 56,650              | 110,598             | 2,304               |
| Unearned revenue   | 128,542             | 16,208              | 15,625              |
| Long-term obligations and accrued interest due within one year | 531,523             | 522,181             | 553,024             |
| Long-term obligations due in more than one year                | 6,387,688           | 6,880,511           | 7,366,188           |
| Postemployment health insurance plan liability                 | 300,167             | 304,090             | -                   |
| Net pension liability  | <u>492,814</u>      | <u>-</u>            | <u>229,190</u>      |
| Total liabilities  | 8,203,935           | 8,128,429           | 8,626,620           |
| Deferred inflows of resources                                  | <u>236,526</u>      | <u>488,830</u>      | <u>51,866</u>       |
| Total liabilities and deferred inflows of resources            | <u>\$ 8,440,461</u> | <u>\$ 8,617,259</u> | <u>\$ 8,678,486</u> |

**ACTIVITIES**

|                             | <u>2019</u>    | <u>2018</u>    | <u>2017</u>    |
|-----------------------------|----------------|----------------|----------------|
| Operating Revenues          |                |                |                |
| Center                      | \$ 2,393,395   | \$ 1,795,394   | \$ 2,105,487   |
| Parking garage              | <u>592,818</u> | <u>618,424</u> | <u>619,146</u> |
| Total operating revenues    | 2,986,213      | 2,413,818      | 2,724,633      |
| Operating Expenses          |                |                |                |
| Center                      | 4,782,408      | 3,939,034      | 4,474,328      |
| Parking garage              | <u>120,963</u> | <u>134,503</u> | <u>178,739</u> |
| Total operating expenses    | 4,903,371      | 4,073,537      | 4,653,067      |
| Net Operating Loss          |                |                |                |
| Center                      | (2,389,013)    | (2,143,640)    | (2,368,841)    |
| Parking garage              | <u>471,855</u> | <u>483,921</u> | <u>440,407</u> |
| Combined net operating loss | (1,917,158)    | (1,659,719)    | (1,928,434)    |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

July 31, 2019 and 2018

**ACTIVITIES - Continued**

|   | <u>2019</u>        | <u>2018</u>       | <u>2017</u>         |
|---|--------------------|-------------------|---------------------|
| Non-Operating Activities                            |                    |                   |                     |
| Tax revenues  | \$ 1,951,687       | \$ 1,901,365      | \$ 1,845,135        |
| Investment income                                   | 16,278             | 7,409             | 7,951               |
| Interest expense                                    | (234,953)          | (231,537)         | (237,915)           |
| Loss on asset disposal                              | -                  | -                 | (6,580)             |
| Net non-operating activities                        | <u>1,733,012</u>   | <u>1,677,237</u>  | <u>1,608,591</u>    |
| Change in net position before capital contributions | (184,146)          | 17,518            | (319,843)           |
| Capital contributions                               | <u>100,000</u>     | <u>100,000</u>    | <u>100,000</u>      |
| Change in net position                              | <u>\$ (84,146)</u> | <u>\$ 117,518</u> | <u>\$ (219,843)</u> |

Property tax revenue increased in fiscal year 2019 from the prior fiscal year. The equalized assessed valuation of property in the tax district was up 1.80% in 2019. Property tax revenue also increased in fiscal year 2018 from the prior fiscal year. The equalized assessed valuation of property in the tax district was up 2.13% in 2018. Contributed capital from the City of Springfield from hotel/motel taxes of \$ 100,000 were received in all three fiscal years.

In fiscal year 2019, the Center had a 23.7% increase in operating revenues primarily due to revenues from self-promoted shows being up 322% from the prior year. The increase resulted from hosting concerts with higher profile artists than in the prior fiscal year. In fiscal year 2018, the Center had a 15% decrease in operating revenues primarily due to revenues from self-promoted shows being down 76.8% from the prior year. The decrease resulted from hosting five fewer self-promoted events in fiscal year 2018 than in the prior fiscal year. Revenue from the parking garage was down 4.1% in fiscal year 2019 and down by 0.1% in fiscal year 2018, due to general economic conditions.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

July 31, 2019 and 2018

**ACTIVITIES - Continued**

Operating expenses for the center increased 21.4% in fiscal year 2019 primarily due to increased expenses related to self-promoted shows; however, significant increases in retirement and utilities expenses compared to the prior fiscal year were also a factor. The increase in promotion expense resulted from the cost of higher profile artists hired for events in fiscal year 2019 than in the prior fiscal year. Increased retirement expenses resulted from poor performance in the retirement fund investments. Utilities expense increased as a result from higher market prices and increased utilization of the facilities. Operating expenses for the parking garage decreased 10.1% in 2019, primarily due to a decrease in depreciation expense compared to the prior year.

Operating expenses for the Center decreased 12% in fiscal year 2018 due largely to decreased promotion expenses compared to the prior fiscal year. The decrease is a direct result of hosting five fewer self-promoted events in fiscal year 2018 than in the prior fiscal year. Operating expenses for the parking garage decreased 25% in 2018 due to a decrease in depreciation expense compared to the prior year. Interest expense on long-term debt and capital contributions remained relatively consistent in 2019 and 2018.

**USING THE FINANCIAL STATEMENTS**

The Authority's financial statements consist of the statement of net position, statement of revenues, expenses and changes in net position, statement of cash flows, and the notes to the financial statements. Pursuant to GASB Statement 34, Paragraph 138, *Reporting by Special-purpose Governments Engaged Only in Business-type Activities*, the Authority presents only financial statements required for enterprise funds. Further, management's discussion and analysis and required supplementary information are limited to areas appropriate in such circumstances.

Readers should consider Management's Discussion and Analysis and the other Required Supplementary Information when reviewing the Authority's financial statements in order to gain a full understanding of the Authority's results of operations and financial position.

**CAPITAL ASSETS**

At July 31, 2019, 2018 and 2017, the Authority had approximately \$ 18.3 million, \$ 19.3 million and \$ 20.2 million invested in a broad range of capital assets, including land, buildings, furniture, computers and equipment net of accumulated depreciation at those dates. Increases represent additions to those categories, decreases represent retirements of assets during the year and depreciation recognized for certain assets during the year. The following table shows the net book value of capital assets at the end of the 2019, 2018 and 2017 fiscal years.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

July 31, 2019 and 2018

**CAPITAL ASSETS - Continued**

Capital Assets, Net of Depreciation (In Thousands)

|                          | <u>2019</u>      | <u>2018</u>      | <u>2017</u>      |
|--------------------------|------------------|------------------|------------------|
| Land                     | \$ 2,541         | \$ 2,541         | \$ 2,541         |
| Center building          | 13,605           | 14,412           | 15,210           |
| Parking garage           | 1,135            | 1,190            | 1,255            |
| Center equipment         | 838              | 914              | 949              |
| Parking garage equipment | <u>209</u>       | <u>225</u>       | <u>234</u>       |
| Total                    | <u>\$ 18,328</u> | <u>\$ 19,282</u> | <u>\$ 20,189</u> |

During fiscal years 2019 and 2018, additions of \$ 91 thousand and \$ 164 thousand were capitalized. The Authority did not dispose of any capital assets during fiscal year 2019 or 2018. Depreciation for the years ended July 31, 2019 and 2018 was \$ 1.05 million and \$ 1.07 million, respectively.

Additional information on capital assets may be found in Note E in the Notes to the Financial Statements.

**LONG-TERM OBLIGATIONS**

At July 31, 2019, 2018 and 2017, the Authority had outstanding bonds and capital lease obligations totaling \$ 6.88 million, \$ 7.37 million and \$ 7.88 million, respectively. Regular principal and interest payments on the 2011 revenue bonds totaled \$ 362 thousand and \$ 177 thousand, respectively, in fiscal year 2019, and \$ 353 thousand and \$ 187 thousand, respectively, in fiscal year 2018. Regular principal and interest payments on the 2013 debt certificates totaled \$ 92 thousand and \$ 53 thousand, respectively, in fiscal year 2019, and \$ 92 thousand and \$ 40 thousand, respectively, in fiscal year 2018. In fiscal years 2016 and 2015, the Authority entered into capital lease agreements totaling \$ 169 thousand and \$ 161 thousand, respectively, which provided financing for equipment. Regular principal and interest payments on the capital leases totaled \$ 31 thousand and \$ 3 thousand, respectively, in fiscal year 2019, and \$ 68 thousand and \$ 6 thousand, respectively, in fiscal year 2018.

Additional information on long term debt may be found in Note J in the Notes to the Financial Statements.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

July 31, 2019 and 2018

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The financial well being of the Authority is tied in large measure to the economy and the property tax base. The Authority operates the Bank of Springfield Center, (BOS Center) which was opened in November 1979 in Downtown Springfield with approximately 62,000 square feet of multifunctional space used for events ranging from conventions and tradeshow to family entertainment such as The Harlem Globetrotters, as well as nationally recognized touring events. The BOS Center is the largest indoor multi-purpose space in the greater Springfield area with two hotels containing over 600 combined housing rooms located next door to the property. A wide variety of restaurants, shopping, and tourist attractions are located all within walking distance of the BOS Center.

The main draws of the BOS Center are conventions and meetings. The BOS Center is a smaller building with approximately 7,000 seats, compared to the over 13,000 seat facilities in the surrounding areas. The BOS Center brings a significant economic impact on the City of Springfield. Most events at the BOS Center are large conventions, which contribute revenues to Springfield hotels, restaurants and retail stores.

The BOS Center is a 40-year-old building that requires constant updating and repair, not only of the structure and décor, but also of the equipment needed to sustain the business (i.e. forklifts, computers, etc.). Due to a Downtown TIF district award of \$5 million, a State of Illinois economic development grant of \$4 million, and bond issues to retire the old bonds and provide approximately \$8.1 million, the BOS Center was able to address these long overdue operational issues. A \$16 million renovation was completed in the fall of 2014. Adding restroom facilities in the main hall, updating the lighting, décor, and sound system in the lower level meeting rooms, and expanding the main lobby are just a few of the improvements that management expect to contribute to an increase in the BOS Center's revenues for years to come.

**CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT**

While this report is designed to provide full and complete disclosure of the financial position, changes in financial position and cash flows of the Authority, citizens groups, taxpayers or creditors may need further details. To obtain such details, please contact the Authority at One Convention Center Plaza, Springfield, Illinois 62701, or by calling (217) 788-7800 during regular office hours.

## BASIC FINANCIAL STATEMENTS

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois  
STATEMENTS OF NET POSITION

July 31

|  | <u>2019</u>          | <u>2018</u>          |
|--|----------------------|----------------------|
| <b>ASSETS</b>  |                      |                      |
| <b>Current assets</b>                                    |                      |                      |
| Cash and cash equivalents                                | \$ 3,588,815         | \$ 3,186,166         |
| Investments  | 89,676               | 89,380               |
| Receivables  |                      |                      |
| Property tax   | 885,917              | 810,676              |
| Trade, net of allowance                                  | 155,926              | 153,352              |
| Inventories  | 22,437               | 35,841               |
| Prepaid expenses   | <u>58,406</u>        | <u>44,218</u>        |
| Total current assets                                     | 4,801,177            | 4,319,633            |
| <b>Capital assets</b>                                    |                      |                      |
| Land   | 2,541,404            | 2,541,404            |
| Center building  | 33,029,464           | 33,025,672           |
| Parking garage   | 8,010,798            | 8,010,798            |
| Center equipment   | 5,223,458            | 5,136,238            |
| Parking garage equipment                                 | <u>273,413</u>       | <u>273,413</u>       |
| Total capital assets                                     | 49,078,537           | 48,987,525           |
| Accumulated depreciation                                 | <u>(30,750,681)</u>  | <u>(29,705,193)</u>  |
| Total capital assets, net of<br>accumulated depreciation | 18,327,856           | 19,282,332           |
| Pension plan, net  | <u>-</u>             | <u>165,687</u>       |
| Total assets   | 23,129,033           | 23,767,652           |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                    |                      |                      |
| Pension plan   | 528,044              | 143,315              |
| Postemployment health insurance plan                     | <u>137,389</u>       | <u>144,443</u>       |
| Total deferred outflows of resources                     | <u>665,433</u>       | <u>287,758</u>       |
| Total assets and deferred outflows of resources          | <u>\$ 23,794,466</u> | <u>\$ 24,055,410</u> |

See accompanying notes to financial statements.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois  
STATEMENTS OF NET POSITION (CONTINUED)

July 31

|   | <u>2019</u>    | <u>2018</u>   |
|---|----------------|---------------|
| <b>LIABILITIES</b>  |                |               |
| Current liabilities   |                |               |
| Accounts payable  | \$ 71,779      | \$ 45,193     |
| Accrued expenses  | 115,722        | 145,923       |
| Deposits received   | 119,050        | 103,725       |
| Ticket escrow payable   | 56,650         | 110,598       |
| Unearned revenues   | 128,542        | 16,208        |
| Current maturities of long-term obligations                           | 492,934        | 485,678       |
| Current portion of accrued<br>postemployment health insurance plan    | 3,900          | 9,000         |
| Accrued interest  | <u>38,589</u>  | <u>36,503</u> |
| Total current liabilities   | 1,027,166      | 952,828       |
| Long-term obligations, less current portion                           | 6,387,688      | 6,880,511     |
| Accrued postemployment health insurance<br>plan, less current portion | 296,267        | 295,090       |
| Pension plan, net   | <u>492,814</u> | <u>-</u>      |
| Total liabilities   | 8,203,935      | 8,128,429     |

**DEFERRED INFLOWS OF RESOURCES**

|   |                         |                         |
|---|-------------------------|-------------------------|
| Pension plan  | 73,294                  | 312,388                 |
| Postemployment health insurance plan                    | <u>163,232</u>          | <u>176,442</u>          |
| Total deferred inflows of resources                     | <u>236,526</u>          | <u>488,830</u>          |
| <br>Total liabilities and deferred inflows of resources | <br><u>\$ 8,440,461</u> | <br><u>\$ 8,617,259</u> |

**NET POSITION**

|                                  |                      |                      |
|----------------------------------|----------------------|----------------------|
| Net investment in capital assets | 11,408,645           | 11,916,143           |
| Restricted for                   |                      |                      |
| Insurance                        | 1,589,588            | 1,436,906            |
| Debt service                     | 408,652              | 269,269              |
| Retirement                       | 189,918              | 180,838              |
| Annual audit                     | 16,226               | 16,352               |
| Unrestricted                     | <u>1,740,976</u>     | <u>1,618,643</u>     |
| Total net position               | <u>\$ 15,354,005</u> | <u>\$ 15,438,151</u> |

See accompanying notes to financial statements.



Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Years Ended July 31

|   | <u>2019</u>          | <u>2018</u>          |
|---|----------------------|----------------------|
| <b>OPERATING REVENUES</b>               |                      |                      |
| Event services                          | \$ 564,971           | \$ 477,535           |
| Catering, concessions and novelties     | 345,817              | 303,924              |
| Catering commissions                    | 111,273              | 107,115              |
| Garage parking                          | 592,769              | 618,424              |
| Rental                                  | 571,884              | 525,883              |
| Promotion                               | 555,451              | 131,744              |
| Advertising                             | 188,667              | 199,917              |
| Other                                   | 55,381               | 49,276               |
| Total operating revenues                | <u>2,986,213</u>     | <u>2,413,818</u>     |
| <b>OPERATING EXPENSES</b>               |                      |                      |
| Salaries and benefits                   | 1,436,039            | 1,335,791            |
| Direct costs of sales and services      | 1,340,906            | 717,883              |
| Facilities                              | 932,196              | 802,855              |
| Depreciation                            | 1,045,488            | 1,071,499            |
| Other administrative                    | 148,742              | 145,509              |
| Total operating expenses                | <u>4,903,371</u>     | <u>4,073,537</u>     |
| Net operating loss                      | (1,917,158)          | (1,659,719)          |
| <b>NONOPERATING REVENUES (EXPENSES)</b> |                      |                      |
| Tax revenues                            | 1,951,687            | 1,901,365            |
| Investment income                       | 16,278               | 7,409                |
| Interest expense                        | (234,953)            | (231,537)            |
| Net nonoperating revenues (expenses)    | <u>1,733,012</u>     | <u>1,677,237</u>     |
| <b>CHANGE IN NET POSITION</b>           |                      |                      |
| BEFORE CAPITAL CONTRIBUTIONS            | (184,146)            | 17,518               |
| CAPITAL CONTRIBUTIONS                   | <u>100,000</u>       | <u>100,000</u>       |
| CHANGE IN NET POSITION                  | (84,146)             | 117,518              |
| NET POSITION, BEGINNING OF YEAR         | <u>15,438,151</u>    | <u>15,320,633</u>    |
| NET POSITION, END OF YEAR               | <u>\$ 15,354,005</u> | <u>\$ 15,438,151</u> |

See accompanying notes to financial statements.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois  
STATEMENTS OF CASH FLOWS

For the Years Ended July 31

|   | <u>2019</u>         | <u>2018</u>         |
|---|---------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                     |                     |
| Customer and user receipts                                      | \$ 3,028,770        | \$ 2,517,466        |
| Other receipts  | 55,381              | 49,276              |
| Employee-related payments                                       | (1,441,856)         | (1,348,704)         |
| Vendor payments   | <u>(2,422,628)</u>  | <u>(1,659,667)</u>  |
| Net cash flows from operating activities                        | (780,333)           | (441,629)           |
| <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>         |                     |                     |
| Tax receipts  | <u>1,876,446</u>    | <u>1,926,583</u>    |
| Net cash flows from non-capital financing activities            | 1,876,446           | 1,926,583           |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b> |                     |                     |
| Long-term debt principal repayments                             | (485,567)           | (514,290)           |
| Interest paid on long-term debt                                 | (232,867)           | (233,767)           |
| Capital contributions   | 100,000             | 100,000             |
| Acquisition of capital assets                                   | <u>(91,012)</u>     | <u>(164,227)</u>    |
| Net cash flows from capital and related financing activities    | (709,446)           | (812,284)           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                     |                     |
| Investment earnings   | 16,278              | 7,266               |
| Proceeds from maturity of investments                           | 89,380              | 178,616             |
| Purchase of investments   | <u>(89,676)</u>     | <u>(178,616)</u>    |
| Net cash flows from investing activities                        | 15,982              | 7,266               |
| <b>NET CASH FLOWS</b>   | 402,649             | 679,936             |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>             | <u>3,186,166</u>    | <u>2,506,230</u>    |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>                   | <u>\$ 3,588,815</u> | <u>\$ 3,186,166</u> |

See accompanying notes to financial statements.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois  
STATEMENTS OF CASH FLOWS (CONTINUED)

For the Years Ended July 31

|   | <u>2019</u>         | <u>2018</u>         |
|---|---------------------|---------------------|
| RECONCILIATION OF NET OPERATING LOSS TO<br>NET CASH FLOWS FROM OPERATING ACTIVITIES                           |                     |                     |
| Net operating loss  | \$ (1,917,158)      | \$ (1,659,719)      |
| Adjustments to reconcile net operating loss to<br>net cash flows from operating activities                    |                     |                     |
| Depreciation expense  | 1,045,488           | 1,071,499           |
| Changes in operating assets, liabilities, deferred outflows<br>of resources and deferred inflows of resources |                     |                     |
| Receivables   | (2,574)             | 25,447              |
| Inventories   | 13,404              | 1,421               |
| Prepaid expenses  | (14,188)            | (6,653)             |
| Pension plan, net asset   | 165,687             | (165,687)           |
| Deferred outflows of resources  | (377,675)           | (16,766)            |
| Accounts payable  | 26,586              | 10,492              |
| Accrued expenses  | (30,201)            | 4,751               |
| Deposits received   | 15,325              | 18,600              |
| Ticket escrow payable   | (53,948)            | 108,294             |
| Unearned revenues   | 112,334             | 583                 |
| Accrued postemployment health insurance plan  | (3,923)             | (41,665)            |
| Pension plan, net liability   | 492,814             | (229,190)           |
| Deferred inflows of resources   | (252,304)           | 436,964             |
| Net cash flows from operating activities  | <u>\$ (780,333)</u> | <u>\$ (441,629)</u> |

See accompanying notes to financial statements.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS

July 31, 2019 and 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Springfield Metropolitan Exposition and Auditorium Authority (the Authority), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units hereinafter referred to as generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting principles and financial reporting practices. The more significant of the Authority's accounting policies are described below.

1. Reporting Entity

The Authority was created by statute, 70 ILCS 345, as amended by public act 90-328. The Authority Board is an elected body which has the responsibility for directing the operation of the Bank of Springfield Center (the Center) and the adjacent Plaza Parking Garage (the Parking Garage).

The Authority receives funding from local and state government sources and must comply with the requirements of these funding source entities. However, since Authority Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters of the Authority, the Authority is not included in any other governmental reporting entity as defined by GASB.

2. Financial Statement Presentation

Pursuant to GASB Statement 34, Paragraph 138, *Reporting by Special-purpose Governments Engaged Only in Business-type Activities*, the Authority presents only financial statements that are required for enterprise funds. Further, management's discussion and analysis and required supplementary information are limited to areas appropriate in such circumstances.

3. Basis of Accounting and Measurement Focus

The economic resources measurement focus and the accrual basis of accounting are used by the Authority, where all assets, liabilities, deferred outflows of resources and deferred inflows of resources associated with the operation of the Authority are included on the statement of net position, revenues are recognized when earned and expenses are recognized when the liability was incurred.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Assets, Liabilities and Net Position

*a. Cash and Cash Equivalents*

The Authority's policy is to report cash on hand, demand deposits, and short-term investments with original maturities of three months or less as cash and cash equivalents.

*b. Investments*

Authority investments are reported at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, except for nonnegotiable certificates of deposit, which are reported at cost.

*c. Receivables*

Accounts receivable are carried at original invoice amount less an estimate for uncollectible accounts. Management determines the allowance for uncollectible accounts by reviewing past due accounts, identifying troubled creditors and using historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible. An account receivable is considered past due if any portion of the receivable balance is outstanding for more than 30 days.

*d. Inventories and Prepaid Expenses*

Inventories are valued at cost using the first-in/first-out method and consist of items used in the concession activities of the Center. The cost of inventories is recorded as an expense when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the financial statements. These prepaid items are recorded as expenses when consumed rather than when purchased.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Assets, Liabilities and Net Position - Continued

e. *Capital Assets*

Capital assets, which include buildings, machinery and equipment, are defined by the Authority as assets with an initial, individual cost of \$ 1,000 or more and an estimated useful life in excess of one year. Donated capital assets are recorded at fair value at the date of donation.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. Other capital assets items are depreciated using the straight-line method over the following estimated useful lives:

|                         | <u>Years</u> |
|-------------------------|--------------|
| Center buildings        | 10-40        |
| Parking garage          | 10-25        |
| Machinery and equipment | 3-10         |

f. *Accrued Compensated Absences*

Eligible employees are granted vacation and sick leave in varying amounts. Vacation and sick leave is awarded on January 1 of each year. Employees may accumulate a maximum of two years of vacation leave and unlimited sick leave, however sick leave is not paid upon termination. Vested or accumulated vacation leave is recorded as an expense and liability as the benefits accrue to employees. Accrued vacation leave is reported within accrued expenses on the statements of net position.

g. *Ticket Escrow Payable*

Monies received for ticket sales are booked to a ticket escrow payable account until the events occur. After each event, a settlement is prepared. The settlement determines the amount to be paid to the promotor and the amount that the Authority will recognize as revenue.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Assets, Liabilities and Net Position - Continued

*h. Unearned Revenues*

Unearned revenues represent monies received for sponsorships which have not yet been earned.

*i. Long-Term Obligations*

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed as incurred.

*j. Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until then. The Authority recognizes deferred outflows and inflows of resources related to the pension plan and the postemployment health insurance plan (refer to Notes G and H).

*k. Net Position*

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term obligations used for acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent bond proceeds, if any. Net position is reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Assets, Liabilities and Net Position - Continued

*k. Net Position - Continued*

The Authority first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

5. Revenues and Expenses

*a. Operating Revenues and Expenses*

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations. Principal Center operating revenues are from event services, promoting events, hall, meeting room and equipment rental, catering and concessions. Parking garage operating revenues include monthly, daily and event parking fees. Operating expenses include salaries and benefits, the cost of sales and services, depreciation, other facilities expenses, and other administrative expenses.

*b. Nonoperating Revenues and Expenses*

Nonoperating revenues and expenses include property tax revenues, investment income, capital contributions from hotel/motel tax funds, interest expense and other revenues and expenses that do not meet the definitions of operating revenues and expenses above. Property taxes are recognized as revenues in the year for which they are intended to finance.

*c. Trade/In-Kind Agreements*

As part of doing business, the Authority has entered into trade/in-kind agreements. These agreements primarily provide advertising services to the Authority in exchange for facility rental provided by the Authority to the third parties. The Authority recognizes revenue as services are provided to the third parties and recognizes expenses as the Authority redeems advertising services.



Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

6. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

7. Subsequent Events

The Authority has assessed events that have occurred subsequent to July 31, 2019 through January 7, 2020, the date the financial statements were available to be issued, for potential recognition and disclosure in the financial statements. No events have occurred that would require adjustment to or disclosure in the financial statements.

NOTE B - CASH AND INVESTMENTS

*Authorized deposits/investments* - The Authority is allowed to make deposits of public funds in accounts as authorized by the Public Funds Deposit Act (30 ILCS 225). All of the Authority's deposits were held in accounts authorized by the Public Funds Deposit Act as of July 31, 2019 and 2018.

*Custodial credit risk for deposits* - Custodial credit risk for deposits is the risk that, in the event of bank failure, the Authority's deposits may not be returned to it. The Authority's investment policy requires 110% collateralization of all deposits in excess of FDIC coverage. As of July 31, 2019, the carrying amount of the Authority's deposits, including certificates of deposit, totaled \$ 3,678,491 and the bank balances totaled \$ 3,667,365. \$ 158,948 and \$ 278,379 of the Authority's bank deposits remained uninsured and uncollateralized at July 31, 2019 and 2018, respectively.

*Interest rate risk* - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the Authority's investment policy, the Authority minimizes interest rate risk by structuring their investment portfolio to ensure securities mature to meet cash requirements for ongoing operations. The Authority accomplishes this by investing primarily in short-term securities, money market mutual funds, or similar investment pools, limiting the weighted average maturity of the portfolio to no more than two years, and limiting the maximum maturity of any investment to three years from the date of purchase, unless matched to a specific future cash flow need.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE B - CASH AND INVESTMENTS - Continued

*Credit risk* - Credit risk is the risk that an entity in which an investment is held will not be able to honor the commitment to repay debt that is held as an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. In accordance with the Authority's investment policy, the Authority's minimizes credit risk by limiting investments to U.S. government obligations, U.S. government agency obligations, and U.S. government instrumentally obligations, which have a liquid market with a readily determinable market value and are rated A or better; certificates of deposit and other evidences of deposit at financial institutions, bankers' acceptances, and commercial paper, rated in the three highest tiers (e.g. A-1, P-1, F-1); investment-grade obligations rated A or better; money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities; and local government investment pools.

*Concentration of credit risk* - Concentration of credit risk is the risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. In accordance with the Authority's investment policy, the Authority minimizes concentration of credit risk by limiting investments in any one investment to 10% of the portfolio, limiting investments in securities with higher credit risks, investing in securities with varying maturities, and continuously investing a portion of the portfolio in readily available funds.

*Custodial credit risk for investments* - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Authority will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the Authority's investment policy requires securities be held by a third-party custodian separate from where the investment was purchased.

*Fair value hierarchy* - The Authority categorizes its fair value measurements within the fair value established by generally accepted accounting principles. The hierarchy of inputs are used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs. As of July 31, 2019 and 2018, the Authority did not hold any investments subject to fair value measurement.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE C - TRADE RECEIVABLES

Trade receivables, net of an allowance for uncollectible accounts, as of July 31 are comprised of the following amounts:

|   | <u>2019</u>       | <u>2018</u>       |
|---|-------------------|-------------------|
| Center operations   | \$ 141,193        | \$ 137,626        |
| Parking garage operations   | <u>14,733</u>     | <u>24,563</u>     |
|   | 155,926           | 162,189           |
| Allowance for uncollectible accounts                              | <u>-</u>          | <u>(8,837)</u>    |
| Trade receivables, net of allowance<br>for uncollectible accounts | <u>\$ 155,926</u> | <u>\$ 153,352</u> |

NOTE D - PROPERTY TAXES

The Authority's property taxes are levied each calendar year on all taxable real property located in the Authority's boundaries. The levy becomes an enforceable lien against the property as of the preceding January 1. These taxes become due and collectible in the following calendar year and are collected by the county collector who, in turn, remits to the Authority its respective share. Collection due dates for Sangamon County property taxes are in June and September and disbursements to the Authority are normally made within 30 days of collection.

Property taxes are recognized as revenue in the year they are intended to finance, regardless of when collected. The 2018 tax levy is intended to finance the 2019 fiscal year and, accordingly, is reported as revenue in fiscal year 2019. The 2019 tax levy was not recorded as receivable at July 31, 2019, because although the tax attached as a lien on the property January 1, 2019, the levy was not made, so the amount was not measurable.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE D - PROPERTY TAXES - Continued

Tax rate limits are set by Illinois statute. Following are the tax rates permitted and the actual rates levied by the Authority per \$ 100 of assessed valuation:

| <u>Purpose</u>       | <u>Limit</u> | <u>2018 Levy<br/>Actual</u> | <u>2017 Levy<br/>Actual</u> |
|----------------------|--------------|-----------------------------|-----------------------------|
| General              | \$ .0500     | \$ .0500                    | \$ .0500                    |
| Insurance            | None         | .0176                       | .0171                       |
| Municipal retirement | None         | .0042                       | .0041                       |
| Audit                | .0050        | <u>.0006</u>                | <u>.0006</u>                |
|                      |              | <u>\$ .0724</u>             | <u>\$ .0718</u>             |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE E - CAPITAL ASSETS

A summary of changes in capital assets for the years ended July 31, 2019 and 2018 are as follows:

|   | <u>Balance</u><br><u>July 31, 2018</u> | <u>Additions</u>    | <u>Disposals</u> | <u>Balance</u><br><u>July 31, 2019</u> |
|---|--|---------------------|------------------|--|
| Capital assets, not being depreciated:          |  |                     |                  |  |
| Land  | \$ 2,541,404                           | \$ -                | \$ -             | \$ 2,541,404                           |
| Total capital assets not<br>being depreciated   | 2,541,404                              | -                   | -                | 2,541,404                              |
| Capital assets, being depreciated:              |  |                     |                  |  |
| Center building                                 | 33,025,672                             | 3,792               | -                | 33,029,464                             |
| Parking garage                                  | 8,010,798                              | -                   | -                | 8,010,798                              |
| Center equipment                                | 5,136,238                              | 87,220              | -                | 5,223,458                              |
| Parking garage equipment                        | <u>273,413</u>                         | <u>-</u>            | <u>-</u>         | <u>273,413</u>                         |
| Total capital assets being depreciated          | 46,446,121                             | 91,012              | -                | 46,537,133                             |
| Less accumulated depreciation for:              |  |                     |                  |  |
| Center building                                 | (18,614,134)                           | (810,398)           | -                | (19,424,532)                           |
| Parking garage                                  | (6,820,471)                            | (55,130)            | -                | (6,875,601)                            |
| Center equipment                                | (4,222,494)                            | (163,531)           | -                | (4,386,025)                            |
| Parking garage equipment                        | <u>(48,094)</u>                        | <u>(16,429)</u>     | <u>-</u>         | <u>(64,523)</u>                        |
| Total accumulated depreciation                  | <u>(29,705,193)</u>                    | <u>(1,045,488)</u>  | <u>-</u>         | <u>(30,750,681)</u>                    |
| Total capital assets, being<br>depreciated, net | <u>16,740,928</u>                      | <u>(954,476)</u>    | <u>-</u>         | <u>15,786,452</u>                      |
| Total capital assets, net                       | <u>\$19,282,332</u>                    | <u>\$ (954,476)</u> | <u>\$ -</u>      | <u>\$18,327,856</u>                    |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE E - CAPITAL ASSETS - Continued

|   | <u>Balance</u><br><u>July 31, 2017</u> | <u>Additions</u>    | <u>Disposals</u> | <u>Balance</u><br><u>July 31, 2018</u> |
|---|--|---------------------|------------------|--|
| Capital assets, not being depreciated:          |  |                     |                  |  |
| Land  | \$ 2,541,404                           | \$ -                | \$ -             | \$ 2,541,404                           |
| Total capital assets not<br>being depreciated   | 2,541,404                              | -                   | -                | 2,541,404                              |
| Capital assets, being depreciated:              |  |                     |                  |  |
| Center building                                 | 32,992,659                             | 33,013              | -                | 33,025,672                             |
| Parking garage                                  | 8,008,642                              | 2,156               | -                | 8,010,798                              |
| Center equipment                                | 5,013,858                              | 122,380             | -                | 5,136,238                              |
| Parking garage equipment                        | <u>266,735</u>                         | <u>6,678</u>        | -                | <u>273,413</u>                         |
| Total capital assets being depreciated          | 46,281,894                             | 164,227             | -                | 46,446,121                             |
| Less accumulated depreciation for:              |  |                     |                  |  |
| Center building                                 | (17,783,249)                           | (830,885)           | -                | (18,614,134)                           |
| Parking garage                                  | (6,753,567)                            | (66,904)            | -                | (6,820,471)                            |
| Center equipment                                | (4,064,572)                            | (157,922)           | -                | (4,222,494)                            |
| Parking garage equipment                        | <u>(32,306)</u>                        | <u>(15,788)</u>     | -                | <u>(48,094)</u>                        |
| Total accumulated depreciation                  | <u>(28,633,694)</u>                    | <u>(1,071,499)</u>  | -                | <u>(29,705,193)</u>                    |
| Total capital assets, being<br>depreciated, net | <u>17,648,200</u>                      | <u>(907,272)</u>    | -                | <u>16,740,928</u>                      |
| Total capital assets, net                       | <u>\$20,189,604</u>                    | <u>\$ (907,272)</u> | <u>\$ -</u>      | <u>\$19,282,332</u>                    |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE F - ACCRUED EXPENSES

At July 31, accrued expenses were as follows:

|                      | <u>2019</u>       | <u>2018</u>       |
|----------------------|-------------------|-------------------|
| Payroll              | \$ 8,627          | \$ 37,179         |
| Compensated absences | 67,263            | 69,127            |
| Other                | <u>39,832</u>     | <u>39,617</u>     |
|                      | <u>\$ 115,722</u> | <u>\$ 145,923</u> |

NOTE G - PENSION OBLIGATIONS

IMRF Plan Description

The Authority's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multi-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as whole, but not for individual employers. That report may be obtained online at [www.imrf.org](http://www.imrf.org).

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE G - PENSION OBLIGATIONS - Continued

Employees Covered by Benefit Terms

At December 31, Authority employee membership in the IMRF plan consisted of:

|   | <u>2018</u> | <u>2017</u> |
|---|-------------|-------------|
| Retirees and beneficiaries currently receiving benefits | 18          | 17          |
| Inactive, non-retired members                           | 45          | 45          |
| Active plan members                                     | <u>28</u>   | <u>29</u>   |
| Total   | <u>91</u>   | <u>91</u>   |

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Contributions

As set by statute, the Authority's regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar years 2018 and 2017 was 8.20% and 8.11%, respectively. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute. For the fiscal years ended July 31, 2019 and 2018, the Authority contributed \$ 69,462 and \$ 75,843 to the plan, respectively.



Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE G - PENSION OBLIGATIONS - Continued

Net Pension Liability

The Authority's net pension liability was measured as of December 31. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date using the following actuarial methods and assumptions.

Methods and Assumptions Used to Determine Total Pension Liability

|                           |                   |                   |
|---------------------------|-------------------|-------------------|
| Actuarial valuation date  | December 31, 2018 | December 31, 2017 |
| Actuarial cost method     | Entry Age Normal  | Entry Age Normal  |
| Asset valuation method    | Market Value      | Market Value      |
| Price Inflation           | 2.50%             | 2.50%             |
| Salary increases          | 3.39% to 14.25%   | 3.39% to 14.25%   |
| Investment rate of return | 7.25%             | 7.50%             |

Retirement Age - Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

Mortality - For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disable Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE G - PENSION OBLIGATIONS - Continued

Single Discount Rate

A Single Discount Rate of 7.25% and 7.50% was used to measure the total pension liability as of December 31, 2018 and 2017, respectively. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for used with the long-term expected rate of return are not met).

For the purpose of the December 31, 2018 valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%. For the purpose of the December 31, 2017 valuation, the expected rate of return on pension plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE G - PENSION OBLIGATIONS - Continued

Changes in the Net Pension Liability

|  | Total<br>Pension<br>Liability<br><u>(A)</u> | Plan<br>Fiduciary<br>Net Position<br><u>(B)</u> | Net Pension<br>Liability<br>(Asset)<br><u>(A) - (B)</u> |
|--|---|---|---|
| Balances at December 31, 2017  | \$ 4,243,801                                | \$ 4,409,488                                    | \$ (165,687)  |
| Service cost   | 92,982                                      | -   | 92,982  |
| Interest on the total pension liability  | 313,077                                     | -   | 313,077   |
| Differences between expected and actual<br>experience of the total pension liability | 33,937                                      | -   | 33,937  |
| Changes of assumptions   | 150,358                                     | -   | 150,358   |
| Contributions - employer   | -   | 76,196  | (76,196)  |
| Contributions - employees  | -   | 44,004  | (44,004)  |
| Net investment income  | -   | (184,881)                                       | 184,881   |
| Benefit payments, including refunds of<br>employee contributions                     | (231,876)                                   | (231,876)                                       | -   |
| Administrative expense   | -   | (3,341)   | 3,341   |
| Other (net transfer)   | -   | (125)   | 125   |
| Net changes  | <u>358,478</u>                              | <u>(300,023)</u>                                | <u>658,501</u>  |
| Balance at December 31, 2018   | <u>\$ 4,602,279</u>                         | <u>\$ 4,109,465</u>                             | <u>\$ 492,814</u>                                       |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE G - PENSION OBLIGATIONS - Continued

Changes in the Net Pension Liability - Continued

|  | Total<br>Pension<br>Liability<br><u>(A)</u> | Plan<br>Fiduciary<br>Net Position<br><u>(B)</u> | Net Pension<br>Liability<br>(Asset)<br><u>(A) - (B)</u> |
|--|---|---|---|
| Balances at December 31, 2016  | \$ 4,072,268                                | \$ 3,843,078                                    | \$ 229,190  |
| Service cost   | 98,920                                      | -   | 98,920  |
| Interest on the total pension liability  | 301,310                                     | -   | 301,310   |
| Differences between expected and actual<br>experience of the total pension liability | 125,358                                     | -   | 125,358   |
| Changes of assumptions   | (145,528)                                   | -   | (145,528)   |
| Contributions – employer   | -   | 83,653  | (83,653)  |
| Contributions – employees  | -   | 43,005  | (43,005)  |
| Net investment income  | -   | 651,789   | (651,789)   |
| Benefit payments, including refunds of<br>employee contributions                     | (208,527)                                   | (208,527)                                       | -   |
| Administrative expense   | -   | (3,512)   | 3,512   |
| Other (net transfer)   | -   | 2   | (2)   |
| Net changes  | <u>171,533</u>                              | <u>566,410</u>                                  | <u>(394,877)</u>  |
| Balance at December 31, 2017   | <u>\$ 4,243,801</u>                         | <u>\$ 4,409,488</u>                             | <u>\$ (165,687)</u>                                     |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE G - PENSION OBLIGATIONS - Continued

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the years ended July 31, 2019 and 2018, the Authority recognized pension expense of \$ 104,139 and \$ 69,165, respectively.

At July 31, the Authority reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

| <u>2019</u>  | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> | <u>Net Deferred<br/>Outflows<br/>(Inflows)<br/>of Resources</u> |
|--|---|--|---|
| Deferred amounts to be recognized in pension expense in future periods           |   |  |   |
| Difference between expected and actual experience                                | \$ 89,750                                     | \$ -   |   |
| Changes of assumptions   | 111,192                                       | (73,294)                                     |   |
| Net difference between projected and actual earnings on pension plan investments | <u>290,003</u>                                | <u>-</u>                                     |   |
| Total at the plan measurement date   | 490,945                                       | (73,294)                                     | <u>\$ 417,651</u>   |
| Employer contributions after the measurement date                                | <u>37,099</u>                                 | <u>-</u>                                     |   |
| Total at the Authority's fiscal year end   | <u>\$ 528,044</u>                             | <u>\$ (73,294)</u>                           |   |
| <u>2018</u>  |   |  |   |
| Deferred amounts to be recognized in pension expense in future periods           |   |  |   |
| Difference between expected and actual experience                                | \$ 99,482                                     | \$ (13,192)                                  |   |
| Changes of assumptions   | -   | (109,411)                                    |   |
| Net difference between projected and actual earnings on pension plan investments | <u>-</u>                                      | <u>(189,785)</u>                             |   |
| Total at the plan measurement date   | 99,482  | (312,388)                                    | <u>\$ (212,906)</u>   |
| Employer contributions after the measurement date                                | <u>43,833</u>                                 | <u>-</u>                                     |   |
| Total at the Authority's fiscal year end   | <u>\$ 143,315</u>                             | <u>\$ (312,388)</u>                          |   |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE G - PENSION OBLIGATIONS - Continued

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources - Continued

Amounts reported by the Authority as deferred outflows of resources and deferred inflows of resources as of July 31, 2019 and 2018, include amounts based on reports from IMRF related to projected plan obligations and investment income as of the plan measurement dates of December 31, 2018 and 2017, respectively. Those amounts at December 31 were, or are projected to be, recognized in pension expenses as follows:

| 2019                        |  | 2018                        |   |
|-----------------------------|--|-----------------------------|---|
| Year Ending<br>December 31, | Net Deferred<br>Outflows of<br>Resources | Year Ending<br>December 31, | Net Deferred<br>Inflows of<br>Resources |
| 2020                        | \$ 139,078                               | 2019                        | \$ (26,483)                             |
| 2021                        | 84,669                                   | 2020                        | (25,874)                                |
| 2022                        | 76,957                                   | 2021                        | (80,283)                                |
| 2023                        | 116,947                                  | 2022                        | (80,266)                                |
| Total                       | \$ 417,651                               | Total                       | \$ (212,906)                            |

Employer pension contributions made after the plan measurement dates and prior to the Authority's fiscal years ended July 31, 2019 and 2018, totaling \$ 37,099 and \$ 43,833, respectively, are also reported in deferred outflows of resources related to the pension plan and were, or will be, recognized as a reduction of the net pension liability in the years ended July 31, 2020 and 2019, respectively.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE G - PENSION OBLIGATIONS - Continued

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability (asset) of the Authority calculated using the discount rate of 7.25% and 7.50% for July 31, 2019 and 2018, respectively, as well as what the Authority's net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

|                                | <u>1% Lower</u> | <u>Rate in Effect</u> | <u>1% Higher</u> |
|--------------------------------|-----------------|-----------------------|------------------|
| Net pension liability (asset): |                 |                       |                  |
| July 31, 2019                  | \$ 1,179,488    | \$ 492,814            | \$ (67,933)      |
| July 31, 2018                  | 463,561         | (165,687)             | (672,396)        |

NOTE H - POSTEMPLOYMENT HEALTH INSURANCE PLAN

The Authority recognizes the importance of available and affordable health insurance for its employees as they retire from employment. In 2004 the Authority adopted a postemployment health insurance plan that pays a portion of health insurance premium costs for retired employees who meet plan qualifications. The Authority follows guidance of Governmental Accounting Standards Board (GASB) Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which prescribes accounting, reporting and disclosures for the Authority's postemployment health insurance plan.

Plan Description

The Authority's Postemployment Health Insurance Plan is a single-employer, defined benefit plan. Benefits are paid monthly in an amount equal to the lesser of \$ 300 per month, or the monthly cost of individual premiums for health insurance for qualified retirees. Retirees qualify by having been employed by the Authority 15 years or more, who retire upon leaving employment and who wish to continue to be insured under the Authority's employer sponsored health insurance plan.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE H - POSTEMPLOYMENT HEALTH INSURANCE PLAN - Continued

Plan Description - Continued

The plan was implemented by action of the Board of Directors in 2004 and may be amended or terminated by action of the Board. No contributions are made by employees or the employer to fund a reserve for payment of benefits. Accordingly, there are no assets accumulated in a GASB-compliant trust. Premiums for retiree benefits are paid from operating funds when due. Since benefits are unfunded, no separate financial statements are prepared for the plan.

Members

All employees of the Authority are eligible to participate in the plan, and all retirees meeting the qualifications receive the same level of benefits. There is no provision for cost of living adjustments to benefits. At July 31, participants in the plan were as follows:

|   | <u>2019</u> | <u>2018</u> |
|---|-------------|-------------|
| Inactive employees currently receiving benefits               | 2           | 3           |
| Inactive employees entitled to but not yet receiving benefits | -           | -           |
| Active employees  | <u>18</u>   | <u>18</u>   |
| Total participants  | <u>20</u>   | <u>21</u>   |

Total Plan Liability

The Authority's liability for the postemployment health insurance plan totaled \$ 300,167 and \$ 304,090, respectively, as of July 31, 2019 and 2018, and was determined by an actuarial valuation as described below.

Methods and Assumptions Used to Determine Total Plan Liability

Since the plan is a single-employer plan with fewer than 100 members, the plan's actuarial accrued liability at July 31 is estimated using an "Alternative Measurement Method" (AMM), as provided for under provisions of GASB Statement 75.



Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE H - POSTEMPLOYMENT HEALTH INSURANCE PLAN - Continued

Methods and Assumptions Used to Determine Total Plan Liability - Continued

The Authority's total plan liability at July 31, 2019, was determined by an actuarial valuation as of August 5, 2019. The Authority's total plan liability at July 31, 2018, was determined by an actuarial valuation as of August 1, 2017, and the liability was rolled forward by the actuary to July 31, 2018 using updating procedures including updating the discount rate, as noted below. The following actuarial methods and assumptions and other inputs were applied to all periods included in the measurement unless otherwise specified.

|                          |                     |                     |
|--------------------------|---------------------|---------------------|
| Fiscal year end          | July 31, 2019       | July 31, 2018       |
| Actuarial valuation date | August 5, 2019      | August 1, 2017      |
| Actuarial cost method    | Entry Age Normal    | Entry Age Normal    |
| Asset valuation method   | Market Value        | Market Value        |
| Salary increases         | 4.00%               | 4.00%               |
| Discount rate            | 3.30%               | 3.51%               |
| Price inflation          | 3.00%               | 3.00%               |
| Health care trend        | 5.00% to 7.80%      | 5.00 to 7.80%       |
|                          | 5.00% Ultimate Rate | 5.00% Ultimate Rate |

Mortality rates were based on the RP2014 Combined Annuitant Mortality Table for males and females. The Mortality Table reflects recent rates developed by the Society of Actuaries.

The discount rate was based on an index rate for 20-year, tax exempt general obligation municipal bonds with an average rating AA/Aa or higher as of July 31, 2019 and 2018.

The assumptions in the August 1, 2017 actuarial report were used for the July 31, 2018 valuation using the retiree population at July 31, 2018.

The results are estimates based on assumptions about future events. Assumptions may be made about participant data or other factors. All approximations and assumptions are noted. Reasonable efforts were made in the valuation to ensure that significant items in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately. Actual future experience will differ from the assumptions used. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE H - POSTEMPLOYMENT HEALTH INSURANCE PLAN - Continued

Changes in the Total Plan Liability

|   | <u>Year Ended</u><br><u>July 31, 2019</u> | <u>Year Ended</u><br><u>July 31, 2018</u> |
|---|---|---|
| Balance at beginning of year                      | \$ 304,090                                | \$ 345,755                                |
| Service cost                                      | 19,466                                    | 18,213                                    |
| Interest  | 10,017                                    | 10,051                                    |
| Difference between expected and actual experience | -   | 155,551                                   |
| Changes in assumptions                            | 4,374                                     | (33,092)                                  |
| Benefit payments                                  | (37,393)                                  | (35,469)                                  |
| Other   | <u>(387)</u>                              | <u>(156,919)</u>                          |
| Net changes                                       | <u>(3,923)</u>                            | <u>(41,665)</u>                           |
| Balance at end of year                            | <u>\$ 300,167</u>                         | <u>\$ 304,090</u>                         |

Rate Sensitivity

The following is a sensitivity analysis of the total plan liability to changes in the discount rate and healthcare cost trend rate. The table below presents the total plan liability of the Authority calculated using the discount rate of 3.30% and 3.51% for July 31, 2019 and 2018, respectively, as well as what the Authority's total plan liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the rate in effect:

|                       | <u>1% Lower</u> | <u>Rate in Effect</u> | <u>1% Higher</u> |
|-----------------------|-----------------|-----------------------|------------------|
| Total plan liability: |                 |                       |                  |
| July 31, 2019         | \$ 321,662      | \$ 300,167            | \$ 279,817       |
| July 31, 2018         | 324,842         | 304,090               | 284,578          |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE H - POSTEMPLOYMENT HEALTH INSURANCE PLAN - Continued

Rate Sensitivity - Continued

The table below presents the total plan liability of the Authority calculated using the health care cost trend rate of 5.00% to 7.80% as well as what the Authority's total plan liability would be if it were calculated using a health care cost trend that is 1% lower or 1% higher than the rate in effect:

|                       | <u>1% Lower</u> | <u>Rate in Effect</u> | <u>1% Higher</u> |
|-----------------------|-----------------|-----------------------|------------------|
| Total plan liability: |                 |                       |                  |
| July 31, 2019         | \$ 271,066      | \$ 300,167            | \$ 335,534       |
| July 31, 2018         | 277,565         | 304,090               | 336,242          |

Plan Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the years ended July 31, 2019 and 2018, the Authority recognized a plan expense (credit) of \$ 21,920 and \$ (9,666), respectively. At July 31, 2019 and 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

|  | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> | <u>Net Deferred<br/>Outflows<br/>(Inflows)<br/>of Resources</u> |
|--|---|--|---|
| <u>2019</u>  |   |  |   |
| Deferred amounts to be recognized<br>in plan expense in future periods |   |  |   |
| Differences between expected<br>and actual experience                  | \$ 133,335                                    | \$ -   |   |
| Changes of assumptions   | 4,054   | (163,232)                                    |   |
| Total  | <u>\$ 137,389</u>                             | <u>\$ (163,232)</u>                          | <u>\$ (25,843)</u>  |
| <u>2018</u>  |   |  |   |
| Deferred amounts to be recognized<br>in plan expense in future periods |   |  |   |
| Differences between expected<br>and actual experience                  | \$ 144,443                                    | \$ -   |   |
| Changes of assumptions   | -   | (176,442)                                    |   |
| Total  | <u>\$ 144,443</u>                             | <u>\$ (176,442)</u>                          | <u>\$ (31,999)</u>  |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE H - POSTEMPLOYMENT HEALTH INSURANCE PLAN - Continued

Plan Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources -  
Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources at July 31 related to the plan were, or are projected to be, recognized in plan expense as follows:

| 2019                           |                         | 2018                           |                         |
|--------------------------------|-------------------------|--------------------------------|-------------------------|
| Fiscal Year<br>Ending July 31, | Net Deferred<br>Inflows | Fiscal Year<br>Ending July 31, | Net Deferred<br>Inflows |
| 2020                           | \$ (2,169)              | 2019                           | \$ (2,461)              |
| 2021                           | (2,169)                 | 2020                           | (2,461)                 |
| 2022                           | (2,169)                 | 2021                           | (2,461)                 |
| 2023                           | (2,169)                 | 2022                           | (2,461)                 |
| 2024                           | (2,169)                 | 2023                           | (2,461)                 |
| Thereafter                     | (14,998)                | Thereafter                     | (19,694)                |
| Total                          | \$ (25,843)             | Total                          | \$ (31,999)             |

NOTE I - RISK MANAGEMENT

The Authority is exposed to various risks of loss related to theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health, and natural disasters. These risks are covered by insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage during the fiscal year or the prior three fiscal years.

Springfield Metropolitan Exposition and Auditorium Authority  
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NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE J - LONG-TERM OBLIGATIONS

Changes in Long-Term Obligations

A summary of changes in long-term obligations for the years ended July 31, 2019 and 2018 were as follows:

|                   | <u>Balance</u><br><u>July 31, 2018</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance</u><br><u>July 31, 2019</u> | <u>Due Within</u><br><u>One Year</u> |
|-------------------|--|------------------|--------------------|--|--------------------------------------|
| 2011 Bonds Series | \$ 6,007,057                           | \$ -             | \$ 362,424         | \$ 5,644,633                           | \$ 371,666                           |
| 2013 Bond Series  | 1,291,888                              | -                | 92,277             | 1,199,611                              | 92,278                               |
| Capital Lease     | <u>67,244</u>                          | <u>-</u>         | <u>30,866</u>      | <u>36,378</u>                          | <u>28,990</u>                        |
|                   | <u>\$ 7,366,189</u>                    | <u>\$ -</u>      | <u>\$ 485,567</u>  | <u>\$ 6,880,622</u>                    | <u>\$ 492,934</u>                    |

|                   | <u>Balance</u><br><u>July 31, 2017</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance</u><br><u>July 31, 2018</u> | <u>Due Within</u><br><u>One Year</u> |
|-------------------|--|------------------|--------------------|--|--------------------------------------|
| 2011 Bonds Series | \$ 6,360,469                           | \$ -             | \$ 353,412         | \$ 6,007,057                           | \$ 362,424                           |
| 2013 Bond Series  | 1,384,166                              | -                | 92,278             | 1,291,888                              | 92,278                               |
| Capital Lease     | <u>135,844</u>                         | <u>-</u>         | <u>68,600</u>      | <u>67,244</u>                          | <u>30,976</u>                        |
|                   | <u>\$ 7,880,479</u>                    | <u>\$ -</u>      | <u>\$ 514,290</u>  | <u>\$ 7,366,189</u>                    | <u>\$ 485,678</u>                    |

The Authority issued \$ 8,000,000 Civic Center Revenue Bonds, Series 2011 in 2011 for the purpose of paying the costs of certain capital equipment, remodeling and additions and refunding outstanding bonds of the Authority. Principal payments ranging from \$ 311,604 to \$ 502,783 are due each December 1 from 2012 to 2031. Variable interest ranges from 2.55% to 5.85% and is due semi-annually in June and December. Interest of 2.55% is subject to adjustment on December 1, 2021 and December 1, 2026 to a rate of interest equal to sixty-five percent (65%) of the sum of the FHLB 5-year rate plus two hundred fifty basis points (2.50%); provided however, the interest rate shall not exceed 4.39% prior to December 1, 2021 and shall not exceed 5.85% prior to December 31, 2026. "FHLB 5-year rate" means the 5-year regular fixed rate advanced published by the Federal Home Loan Bank of Chicago.

Springfield Metropolitan Exposition and Auditorium Authority  
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NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE J - LONG-TERM OBLIGATIONS - Continued

Changes in Long-Term Obligations - Continued

The Authority issued \$ 1,661,000 General Obligation Debt Certificates, Series 2013 in 2013 for the purpose of paying the costs of acquisition, construction, and installation of building and facility improvements. Principal payments of \$ 92,278 are due each December 1 from 2014 to 2031. Variable interest ranges from 2.99% to 6.25% and is due semi-annually in June and December. Interest of 2.99% is subject to adjustment on June 1, 2023 and June 1, 2028 to a rate of interest equal to sixty-five percent (65%) of the sum of the FHLB 5-year rate plus three hundred fifty basis points (3.50%); provided however, the interest rate shall not exceed 4.71% prior to June 1, 2023 and shall not exceed 6.25% prior to June 1, 2028. "FHLB 5-year rate" means the 5-year regular fixed rate advanced published by the Federal Home Loan Bank of Chicago.

The revenue bonds and debt certificates are payable from revenues of any kind derived by the Authority such as catering, concessions, parking garage, rental activities, property taxes, investment income, and hotel-motel taxes received from the City of Springfield pursuant to an intergovernmental agreement. In addition, the Authority pledges TIF revenues from the City of Springfield pursuant to an intergovernmental agreement and state revenues for the project as defined in the bond ordinance as additional security for the revenue bonds and debt certificates.

The Authority incurred interest costs on the revenue bonds and debt certificates of \$ 231,684 and \$ 225,409 during fiscal year 2019 and 2018, respectively.

Bond Debt Service Requirements

The annual amounts required to pay all principal and interest on bonds outstanding as of July 31, 2019 were projected to be as follows:

| <u>Year ending July 31,</u> | <u>Principal</u>    | <u>Interest *</u>   | <u>Total</u>        |
|-----------------------------|---------------------|---------------------|---------------------|
| 2020                        | \$ 463,944          | \$ 173,688          | \$ 637,632          |
| 2021                        | 473,421             | 161,331             | 634,752             |
| 2022                        | 483,140             | 148,729             | 631,869             |
| 2023                        | 493,107             | 135,876             | 628,983             |
| 2024                        | 503,329             | 122,765             | 626,094             |
| 2025-2029                   | 2,679,317           | 407,688             | 3,087,005           |
| 2030-2032                   | <u>1,747,986</u>    | <u>69,318</u>       | <u>1,817,304</u>    |
| Total                       | <u>\$ 6,844,244</u> | <u>\$ 1,219,395</u> | <u>\$ 8,063,639</u> |

\* - Interest is computed using a rate of 3.035% for the Civic Center Revenue Bonds, Series 2011 and 4.238% for the General Obligation Debt Certificates, Series 2013.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - CONTINUED

July 31, 2019 and 2018

NOTE J - LONG-TERM OBLIGATIONS - Continued

Capital Leases

During the year ended July 31, 2015, the Authority entered into a capital lease agreement to finance the purchase of various equipment. The lease requires monthly payments of principal and interest of \$ 3,702 with interest at 5.0%. Equipment under the capital lease had a cost of \$ 160,717 and accumulated depreciation of \$ 53,573 and \$ 42,858 as of July 31, 2019 and 2018, respectively.

During the year ended July 31, 2016, the Authority entered into a capital lease agreement to finance an arena lighting upgrade. The lease requires monthly payments of principal and interest of \$ 2,525 with interest at 6.096%. Lighting upgrades under the capital lease had a cost of \$ 169,000 and accumulated depreciation of \$ 43,189 and \$ 31,922 as of July 31, 2019 and 2018, respectively.

The outstanding capital lease obligations mature as follows:

|   |                 |
|---|-----------------|
| July 31, 2020                           | \$ 30,305       |
| July 31, 2021                           | <u>7,577</u>    |
| Total minimum lease payments            | 37,882          |
| Less amount representing interest       | <u>1,504</u>    |
| Present value of minimum lease payments | 36,378          |
| Less current maturities                 | <u>28,990</u>   |
| Long-term portion                       | <u>\$ 7,388</u> |

NOTE K - CONTINGENCIES

The Authority is contingently liable with respect to lawsuits and other claims arising in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized and, in the opinion of management, would not materially affect the financial position of the Authority at July 31, 2019 and 2018.

REQUIRED SUPPLEMENTARY INFORMATION



Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

SCHEDULES OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Five Fiscal Years

| <u>Fiscal Year Ending July 31,</u>                                   | <u>2019</u>   | <u>2018</u>   | <u>2017</u>   | <u>2016</u>   | <u>2015</u>   |
|--|---------------|---------------|---------------|---------------|---------------|
| Actuarially determined contribution                                  | \$ 69,462     | \$ 75,843     | \$ 75,278     | \$ 75,821     | \$ 85,953     |
| Contributions in relation to the actuarially determined contribution | <u>69,462</u> | <u>75,843</u> | <u>75,278</u> | <u>75,821</u> | <u>85,953</u> |
| Contribution Deficiency (Excess)                                     | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   |
| Covered-employee payroll   | \$ 964,543    | \$ 929,252    | \$ 957,024    | \$ 980,611    | \$ 1,027,404  |
| Contributions as a percentage of covered-employee payroll            | 7.20%         | 8.16%         | 7.87%         | 7.73%         | 8.37%         |

Notes to Schedule:

The information presented was determined as part of the actuarial valuations as of December 31 of the prior year. Information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 26 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually and projected salary increases assumption of 3.39% to 14.25% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

SCHEDULES OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Five Calendar Years

| <u>Measurement Date December 31,</u>   | <u>2018</u>         | <u>2017</u>         | <u>2016</u>         | <u>2015</u>         | <u>2014</u>         |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Pension Liability  |                     |                     |                     |                     |                     |
| Service cost   | \$ 92,982           | \$ 98,920           | \$ 103,277          | \$ 110,050          | \$ 115,906          |
| Interest   | 313,077             | 301,310             | 286,383             | 280,089             | 257,412             |
| Differences between expected and actual experience                                 | 33,937              | 125,358             | 12,671              | (121,468)           | (26,585)            |
| Changes of assumptions   | 150,358             | (145,528)           | -                   | -                   | 119,239             |
| Benefit payments, including refunds of member contributions                        | <u>(231,876)</u>    | <u>(208,527)</u>    | <u>(193,719)</u>    | <u>(169,019)</u>    | <u>(152,341)</u>    |
| Net change in total pension liability  | 358,478             | 171,533             | 208,612             | 99,652              | 313,631             |
| Total pension liability at beginning of year                                       | <u>4,243,801</u>    | <u>4,072,268</u>    | <u>3,863,656</u>    | <u>3,764,004</u>    | <u>3,450,373</u>    |
| Total pension liability at end of year   | <u>\$ 4,602,279</u> | <u>\$ 4,243,801</u> | <u>\$ 4,072,268</u> | <u>\$ 3,863,656</u> | <u>\$ 3,764,004</u> |
| Plan Fiduciary Net Position  |                     |                     |                     |                     |                     |
| Contributions - employer   | \$ 76,196           | \$ 83,653           | \$ 72,263           | \$ 80,971           | \$ 91,704           |
| Contributions - member   | 44,004              | 43,005              | 59,864              | 45,432              | 46,682              |
| Net investment income  | (184,881)           | 651,789             | 213,871             | (251,535)           | 184,753             |
| Benefit payments, including refunds of member contributions                        | (231,876)           | (208,527)           | (193,719)           | (169,019)           | (159,133)           |
| Administrative expense   | (3,341)             | (3,512)             | (4,486)             | 35,975              | (2,440)             |
| Other income (expense)   | <u>(125)</u>        | <u>2</u>            | <u>2</u>            | <u>(583)</u>        | <u>2</u>            |
| Net change in plan fiduciary net position  | (300,023)           | 566,410             | 147,795             | (258,759)           | 161,568             |
| Plan fiduciary net position at beginning of year                                   | <u>4,409,488</u>    | <u>3,843,078</u>    | <u>3,695,283</u>    | <u>3,954,042</u>    | <u>3,792,474</u>    |
| Plan fiduciary net position at end of year   | <u>\$ 4,109,465</u> | <u>\$ 4,409,488</u> | <u>\$ 3,843,078</u> | <u>\$ 3,695,283</u> | <u>\$ 3,954,042</u> |
| Employer's net pension liability (asset)   | <u>\$ 492,814</u>   | <u>\$ (165,687)</u> | <u>\$ 229,190</u>   | <u>\$ 168,373</u>   | <u>\$ (190,038)</u> |
| Plan fiduciary net position as a percentage of the total pension liability (asset) | 89.29%              | 103.90%             | 94.37%              | 95.64%              | 105.05%             |
| Covered-employee payroll   | \$ 929,219          | \$ 955,665          | \$ 960,950          | \$ 1,009,613        | \$ 1,037,379        |
| Employer's net pension liability (asset) as percentage of covered-employee payroll | 53.04%              | (17.34%)            | 23.85%              | 16.68%              | (18.32%)            |

Year Ended December 31, 2018 - Changes in assumptions related to price inflation, salary increases, retirement age, mortality and municipal bond rate were made since the prior measurement date. Price inflation and salary increases remained constant at 2.5% and 3.39% to 14.25%. Retirement age assumptions were updated from the 2014 valuation pursuant to an experience study of the period 2011-2013 to the 2017 valuation pursuant to an experience study of the period 2014-2016. In addition, the municipal bond rate increased from 3.31% to 3.71%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

SCHEDULES OF CHANGES IN THE EMPLOYER'S  
TOTAL PLAN LIABILITY AND RELATED RATIOS  
POSTEMPLOYMENT HEALTH INSURANCE PLAN

Last Two Fiscal Years

|  | <u>2019</u>       | <u>2018</u>       |
|--|-------------------|-------------------|
| Measurement date July 31:  |                   |                   |
| Total Plan Liability   |                   |                   |
| Service cost   | \$ 19,466         | \$ 18,213         |
| Interest   | 10,017            | 10,051            |
| Differences between expected and actual experience                             | -                 | 155,551           |
| Changes of assumptions   | 4,374             | (33,092)          |
| Benefit payments   | (37,393)          | (35,469)          |
| Other  | <u>(387)</u>      | <u>(156,919)</u>  |
| Net change in total plan liability   | (3,923)           | (41,665)          |
| Total plan liability at beginning of year                                      | <u>304,090</u>    | <u>345,755</u>    |
| Total plan liability at end of year  | <u>\$ 300,167</u> | <u>\$ 304,090</u> |
| Plan fiduciary net position at end of year                                     | <u>\$ -</u>       | <u>\$ -</u>       |
| Employer's net plan liability  | <u>\$ 300,167</u> | <u>\$ 304,090</u> |
| Covered-employee payroll   | <u>\$ 832,821</u> | <u>\$ 658,277</u> |
| Employer's total plan liability as a percentage<br>of covered-employee payroll | 36.04%            | 46.19%            |

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as available.

SUPPLEMENTARY INFORMATION

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois  
COMBINING SCHEDULES OF NET POSITION - BY FUND

July 31, 2019

|   | General    | Insurance    | Construction | Bond and Interest | IMRF       | Audit     | Operating     | Parking Garage | Total         |
|---|------------|--------------|--------------|-------------------|------------|-----------|---------------|----------------|---------------|
| <b>ASSETS</b>   |            |              |              |                   |            |           |               |                |               |
| Current assets  |            |              |              |                   |            |           |               |                |               |
| Cash and cash equivalents                             | \$ 14,756  | \$ 1,323,109 | \$ 296       | \$ 408,652        | \$ 176,589 | \$ 8,885  | \$ 1,062,836  | \$ 593,692     | \$ 3,588,815  |
| Investments   | -          | -            | -            | -                 | -          | -         | 89,676        | -              | 89,676        |
| Receivables   |            |              |              |                   |            |           |               |                |               |
| Property tax  | 611,822    | 215,361      | -            | -                 | 51,393     | 7,341     | -             | -              | 885,917       |
| Trade, net of allowance                               | -          | -            | -            | -                 | -          | -         | 141,193       | 14,733         | 155,926       |
| Due (to) from other funds                             | -          | (1,007)      | -            | -                 | -          | -         | 1,356         | (349)          | -             |
| Inventories   | -          | -            | -            | -                 | -          | -         | 22,437        | -              | 22,437        |
| Prepaid expenses                                      | -          | 52,125       | -            | -                 | -          | -         | 6,281         | -              | 58,406        |
| Total current assets                                  | 626,578    | 1,589,588    | 296          | 408,652           | 227,982    | 16,226    | 1,323,779     | 608,076        | 4,801,177     |
| Capital assets  |            |              |              |                   |            |           |               |                |               |
| Land  | -          | -            | -            | -                 | -          | -         | 2,541,404     | -              | 2,541,404     |
| Center building                                       | -          | -            | -            | -                 | -          | -         | 33,029,464    | -              | 33,029,464    |
| Parking garage  | -          | -            | -            | -                 | -          | -         | -             | 8,010,798      | 8,010,798     |
| Center equipment                                      | -          | -            | -            | -                 | -          | -         | 5,223,458     | -              | 5,223,458     |
| Parking garage equipment                              | -          | -            | -            | -                 | -          | -         | -             | 273,413        | 273,413       |
| Total capital assets                                  | -          | -            | -            | -                 | -          | -         | 40,794,326    | 8,284,211      | 49,078,537    |
| Accumulated depreciation                              | -          | -            | -            | -                 | -          | -         | (23,810,558)  | (6,940,123)    | (30,750,681)  |
| Total capital assets, net of accumulated depreciation | -          | -            | -            | -                 | -          | -         | 16,983,768    | 1,344,088      | 18,327,856    |
| Total assets  | 626,578    | 1,589,588    | 296          | 408,652           | 227,982    | 16,226    | 18,307,547    | 1,952,164      | 23,129,033    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                 |            |              |              |                   |            |           |               |                |               |
| Pension plan  | -          | -            | -            | -                 | 528,044    | -         | -             | -              | 528,044       |
| Postemployment health insurance plan                  | -          | -            | -            | -                 | -          | -         | 137,389       | -              | 137,389       |
| Total deferred outflows of resources                  | -          | -            | -            | -                 | 528,044    | -         | 137,389       | -              | 665,433       |
| Total assets and deferred outflows of resources       | \$ 626,578 | \$ 1,589,588 | \$ 296       | \$ 408,652        | \$ 756,026 | \$ 16,226 | \$ 18,444,936 | \$ 1,952,164   | \$ 23,794,466 |

See accompanying notes to financial statements.

Springfield Metropolitan Exposition and Auditorium Authority

COMBINING SCHEDULES OF NET POSITION - BY FUND (CONTINUED)

July 31, 2019

|  | General    | Insurance    | Construction | Bond and Interest | IMRF       | Audit     | Operating     | Parking Garage | Total         |
|--|------------|--------------|--------------|-------------------|------------|-----------|---------------|----------------|---------------|
| <b>LIABILITIES</b>   |            |              |              |                   |            |           |               |                |               |
| Current liabilities  | \$ -       | \$ -         | \$ -         | \$ -              | \$ -       | \$ -      | \$ 70,427     | \$ 1,352       | \$ 71,779     |
| Accounts payable   | -          | -            | -            | -                 | -          | -         | 115,722       | -              | 115,722       |
| Accrued expenses   | -          | -            | -            | -                 | -          | -         | 119,050       | -              | 119,050       |
| Deposits received  | -          | -            | -            | -                 | -          | -         | 56,650        | -              | 56,650        |
| Ticket escrow payable  | -          | -            | -            | -                 | -          | -         | 128,542       | -              | 128,542       |
| Unearned revenues  | -          | -            | -            | 463,944           | -          | -         | 28,990        | -              | 492,934       |
| Current portion of long-term obligations                           | -          | -            | -            | -                 | -          | -         | -             | -              | -             |
| Current portion of accrued postemployment health insurance plan    | -          | -            | -            | -                 | -          | -         | 3,900         | -              | 3,900         |
| Accrued interest   | -          | -            | -            | 38,589            | -          | -         | -             | -              | 38,589        |
| Total current liabilities  | -          | -            | -            | 502,533           | -          | -         | 523,281       | 1,352          | 1,027,166     |
| Long-term obligations, less current portion                        | -          | -            | -            | 6,380,300         | -          | -         | 7,388         | -              | 6,387,688     |
| Accrued postemployment health insurance plan, less current portion | -          | -            | -            | -                 | 492,814    | -         | 296,267       | -              | 296,267       |
| Pension plan, net  | -          | -            | -            | -                 | 492,814    | -         | -             | -              | 492,814       |
| Total liabilities  | -          | -            | -            | 6,882,833         | 492,814    | -         | 826,936       | 1,352          | 8,203,935     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                               |            |              |              |                   |            |           |               |                |               |
| Pension plan   | -          | -            | -            | -                 | 73,294     | -         | -             | -              | 73,294        |
| Postemployment health insurance plan                               | -          | -            | -            | -                 | -          | -         | 163,232       | -              | 163,232       |
| Total deferred inflows of resources                                | -          | -            | -            | -                 | 73,294     | -         | 163,232       | -              | 236,526       |
| Total liabilities and deferred inflows of resources:               | \$ -       | \$ -         | \$ -         | \$ 6,882,833      | \$ 566,108 | \$ -      | \$ 990,168    | \$ 1,352       | \$ 8,440,461  |
| <b>NET POSITION</b>  |            |              |              |                   |            |           |               |                |               |
| Net investment in capital assets                                   | -          | -            | -            | (6,882,833)       | -          | -         | 16,947,390    | 1,344,088      | 11,408,645    |
| Restricted for   |            |              |              |                   |            |           |               |                |               |
| Insurance  | -          | 1,589,588    | -            | -                 | -          | -         | -             | -              | 1,589,588     |
| Debt service   | -          | -            | -            | 408,652           | -          | -         | -             | -              | 408,652       |
| Retirement   | -          | -            | -            | -                 | 189,918    | -         | -             | -              | 189,918       |
| Annual audit   | -          | -            | -            | -                 | -          | 16,226    | -             | -              | 16,226        |
| Unrestricted   | 626,578    | -            | 296          | -                 | -          | -         | 507,378       | 606,724        | 1,740,976     |
| Total net position   | \$ 626,578 | \$ 1,589,588 | \$ 296       | \$ (6,474,181)    | \$ 189,918 | \$ 16,226 | \$ 17,454,768 | \$ 1,950,812   | \$ 15,354,005 |

See accompanying notes to financial statements.

## Springfield Metropolitan Exposition and Auditorium Authority

## COMBINING SCHEDULES OF NET POSITION - BY FUND

July 31, 2018

|   | General    | Insurance    | Construction | Bond and Interest | IMRF       | Audit     | Operating     | Parking Garage | Total         |
|---|------------|--------------|--------------|-------------------|------------|-----------|---------------|----------------|---------------|
| <b>ASSETS</b>   |            |              |              |                   |            |           |               |                |               |
| Current assets  |            |              |              |                   |            |           |               |                |               |
| Cash and cash equivalents                             | \$ 110,315 | \$ 1,212,635 | \$ 246       | \$ 305,772        | \$ 137,932 | \$ 9,578  | \$ 874,494    | \$ 535,194     | \$ 3,186,166  |
| Investments   | -          | -            | -            | -                 | -          | -         | 89,380        | -              | 89,380        |
| Receivables   |            |              |              |                   |            |           |               |                |               |
| Property tax  | 564,538    | 193,072      | -            | -                 | 46,292     | 6,774     | -             | -              | 810,676       |
| Trade, net of allowance                               | -          | -            | -            | -                 | -          | -         | 128,789       | 24,563         | 153,352       |
| Due (to) from other funds                             | -          | (618)        | -            | -                 | -          | -         | 940           | (322)          | -             |
| Inventories   | -          | -            | -            | -                 | -          | -         | 35,841        | -              | 35,841        |
| Prepaid expenses                                      | -          | 31,817       | -            | -                 | -          | -         | 12,401        | -              | 44,218        |
| Total current assets                                  | 674,853    | 1,436,906    | 246          | 305,772           | 184,224    | 16,352    | 1,141,845     | 559,435        | 4,319,633     |
| Noncurrent assets                                     |            |              |              |                   |            |           |               |                |               |
| Capital assets  |            |              |              |                   |            |           |               |                |               |
| Land  | -          | -            | -            | -                 | -          | -         | 2,541,404     | -              | 2,541,404     |
| Center building                                       | -          | -            | -            | -                 | -          | -         | 33,025,672    | -              | 33,025,672    |
| Parking garage  | -          | -            | -            | -                 | -          | -         | 8,010,798     | -              | 8,010,798     |
| Center equipment                                      | -          | -            | -            | -                 | -          | -         | 5,136,238     | -              | 5,136,238     |
| Parking garage equipment                              | -          | -            | -            | -                 | -          | -         | 273,413       | 273,413        | 273,413       |
| Total capital assets                                  | -          | -            | -            | -                 | -          | -         | 40,703,314    | 8,284,211      | 48,987,525    |
| Accumulated depreciation                              | -          | -            | -            | -                 | -          | -         | (22,836,629)  | (6,868,564)    | (29,705,193)  |
| Total capital assets, net of accumulated depreciation | -          | -            | -            | -                 | -          | -         | 17,866,685    | 1,415,647      | 19,282,332    |
| Pension plan, net                                     | -          | -            | -            | -                 | 165,687    | -         | -             | -              | 165,687       |
| Total noncurrent assets                               | -          | -            | -            | -                 | 165,687    | -         | 17,866,685    | 1,415,647      | 19,448,019    |
| Total assets  | 674,853    | 1,436,906    | 246          | 305,772           | 349,911    | 16,352    | 19,008,530    | 1,975,082      | 23,767,652    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                 |            |              |              |                   |            |           |               |                |               |
| Pension plan  | -          | -            | -            | -                 | 143,315    | -         | -             | -              | 143,315       |
| Postemployment health insurance plan                  | -          | -            | -            | -                 | -          | -         | 144,443       | -              | 144,443       |
| Total deferred outflows of resources                  | -          | -            | -            | -                 | 143,315    | -         | 144,443       | -              | 287,758       |
| Total assets and deferred outflows of resources       | \$ 674,853 | \$ 1,436,906 | \$ 246       | \$ 305,772        | \$ 493,226 | \$ 16,352 | \$ 19,152,973 | \$ 1,975,082   | \$ 24,055,410 |

See accompanying notes to financial statements.

Springfield Metropolitan Exposition and Auditorium Authority

COMBINING SCHEDULES OF NET POSITION - BY FUND (CONTINUED)

July 31, 2018

|  | General    | Insurance    | Construction | Bond and Interest | IMRF       | Audit     | Operating     | Parking Garage | Total         |
|--|------------|--------------|--------------|-------------------|------------|-----------|---------------|----------------|---------------|
| <b>LIABILITIES</b>   |            |              |              |                   |            |           |               |                |               |
| Current liabilities  |            |              |              |                   |            |           |               |                |               |
| Accounts payable   | \$ -       | \$ -         | \$ -         | \$ -              | \$ -       | \$ -      | \$ 43,518     | \$ 1,675       | \$ 45,193     |
| Accrued expenses   | -          | -            | -            | -                 | -          | -         | 145,923       | -              | 145,923       |
| Deposits received  | -          | -            | -            | -                 | -          | -         | 103,725       | -              | 103,725       |
| Ticket escrow payable  | -          | -            | -            | -                 | -          | -         | 110,598       | -              | 110,598       |
| Unearned revenues  | -          | -            | -            | -                 | -          | -         | 16,208        | -              | 16,208        |
| Current portion of long-term obligations                           | -          | -            | -            | 454,702           | -          | -         | 30,976        | -              | 485,678       |
| Current portion of accrued postemployment health insurance plan    | -          | -            | -            | -                 | -          | -         | 9,000         | -              | 9,000         |
| Accrued interest   | -          | -            | -            | 36,503            | -          | -         | -             | -              | 36,503        |
| Total current liabilities  | -          | -            | -            | 491,205           | -          | -         | 459,948       | 1,675          | 952,828       |
| Long-term obligations, less current portion                        | -          | -            | -            | 6,844,244         | -          | -         | 36,267        | -              | 6,880,511     |
| Accrued postemployment health insurance plan, less current portion | -          | -            | -            | -                 | -          | -         | 295,090       | -              | 295,090       |
| Pension plan, net  | -          | -            | -            | -                 | -          | -         | -             | -              | -             |
| Total liabilities  | -          | -            | -            | 7,335,449         | -          | -         | 791,305       | 1,675          | 8,128,429     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                               |            |              |              |                   |            |           |               |                |               |
| Pension plan   | -          | -            | -            | -                 | 312,388    | -         | -             | -              | 312,388       |
| Postemployment health insurance plan                               | -          | -            | -            | -                 | -          | -         | 176,442       | -              | 176,442       |
| Total deferred inflows of resources                                | -          | -            | -            | -                 | 312,388    | -         | 176,442       | -              | 488,830       |
| Total liabilities and deferred inflows of resources                | \$ -       | \$ -         | \$ -         | \$ 7,335,449      | \$ 312,388 | \$ -      | \$ 967,747    | \$ 1,675       | \$ 8,617,259  |
| <b>NET POSITION</b>  |            |              |              |                   |            |           |               |                |               |
| Net investment in capital assets                                   | -          | -            | -            | (7,335,449)       | -          | -         | 17,799,442    | 1,415,647      | 11,879,640    |
| Restricted for   |            |              |              |                   |            |           |               |                |               |
| Insurance  | -          | 1,436,906    | -            | -                 | -          | -         | -             | -              | 1,436,906     |
| Debt service   | -          | -            | -            | 305,772           | -          | -         | -             | -              | 305,772       |
| Retirement   | -          | -            | -            | -                 | 180,838    | -         | -             | -              | 180,838       |
| Annual audit   | -          | -            | -            | -                 | -          | 16,352    | -             | -              | 16,352        |
| Unrestricted   | 674,853    | -            | 246          | -                 | -          | -         | 385,784       | 557,760        | 1,618,643     |
| Total net position   | \$ 674,853 | \$ 1,436,906 | \$ 246       | \$ (7,029,677)    | \$ 180,838 | \$ 16,352 | \$ 18,185,226 | \$ 1,973,407   | \$ 15,438,151 |

See accompanying notes to financial statements.



Springfield Metropolitan Exposition and Auditorium Authority

July 31, 2019

COMBINING SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BY FUND

|                                     | General | Insurance | Construction | Bond and Interest | IMRF      | Audit    | Operating   | Parking Garage | Total       |
|-------------------------------------|---------|-----------|--------------|-------------------|-----------|----------|-------------|----------------|-------------|
| <b>OPERATING REVENUES</b>           |         |           |              |                   |           |          |             |                |             |
| Event services                      | \$ -    | \$ -      | \$ -         | \$ -              | \$ -      | \$ -     | \$ 564,971  | \$ -           | \$ 564,971  |
| Catering, concessions and novelties | -       | -         | -            | -                 | -         | -        | 345,817     | -              | 345,817     |
| Catering commissions                | -       | -         | -            | -                 | -         | -        | 111,273     | -              | 111,273     |
| Garage parking                      | -       | -         | -            | -                 | -         | -        | -           | 592,769        | 592,769     |
| Rental                              | -       | -         | -            | -                 | -         | -        | 571,884     | -              | 571,884     |
| Promotion                           | -       | -         | -            | -                 | -         | -        | 555,451     | -              | 555,451     |
| Advertising                         | -       | -         | -            | -                 | -         | -        | 188,667     | -              | 188,667     |
| Other                               | -       | -         | -            | -                 | -         | -        | 55,332      | 49             | 55,381      |
| Total operating revenues            | -       | -         | -            | -                 | -         | -        | 2,393,395   | 592,818        | 2,986,213   |
| <b>OPERATING EXPENSES</b>           |         |           |              |                   |           |          |             |                |             |
| Salaries                            | -       | 130,501   | -            | -                 | -         | -        | 929,063     | 4,327          | 1,063,891   |
| Payroll taxes                       | -       | -         | -            | -                 | -         | -        | 91,010      | 131            | 91,141      |
| Retirement                          | -       | -         | -            | -                 | 104,139   | -        | -           | -              | 104,139     |
| Health, life and dental insurance   | -       | -         | -            | -                 | -         | -        | 141,010     | -              | 141,010     |
| Workers compensation insurance      | -       | 32,875    | -            | -                 | -         | -        | -           | -              | 32,875      |
| Unemployment insurance              | -       | 2,983     | -            | -                 | -         | -        | -           | -              | 2,983       |
| Salaries and benefits               | -       | 166,359   | -            | -                 | 104,139   | -        | 1,161,083   | 4,458          | 1,436,039   |
| Promotion                           | -       | -         | -            | -                 | -         | -        | 581,226     | -              | 581,226     |
| Event services                      | -       | -         | -            | -                 | -         | -        | 579,829     | -              | 579,829     |
| Catering, concessions and novelties | -       | -         | -            | -                 | -         | -        | 179,851     | -              | 179,851     |
| Direct costs of sales and services  | -       | -         | -            | -                 | -         | -        | 1,340,906   | -              | 1,340,906   |
| Property and casualty insurance     | -       | 110,897   | -            | -                 | -         | -        | -           | -              | 110,897     |
| Utilities                           | -       | -         | -            | -                 | -         | -        | 601,032     | 32,427         | 633,459     |
| Repairs, maintenance and supplies   | -       | -         | -            | -                 | -         | -        | 140,079     | 1,994          | 142,073     |
| Janitorial supplies                 | -       | -         | -            | -                 | -         | -        | 45,767      | -              | 45,767      |
| Facilities                          | -       | 110,897   | -            | -                 | -         | -        | 786,878     | 34,421         | 932,196     |
| Depreciation                        | -       | -         | -            | -                 | -         | -        | 973,930     | 71,558         | 1,045,488   |
| Advertising                         | -       | -         | -            | -                 | -         | -        | 799         | -              | 799         |
| Conference                          | -       | -         | -            | -                 | -         | -        | 7,473       | -              | 7,473       |
| Dues and subscriptions              | -       | -         | -            | -                 | -         | -        | 37,751      | -              | 37,751      |
| License, fees and taxes             | -       | -         | -            | -                 | -         | -        | 1,869       | -              | 1,869       |
| Office                              | -       | -         | -            | -                 | -         | -        | 7,033       | -              | 7,033       |
| Postage and office supplies         | -       | -         | -            | -                 | -         | -        | 4,140       | -              | 4,140       |
| Printing                            | -       | -         | -            | -                 | -         | -        | 779         | 73             | 852         |
| Telephone                           | -       | -         | -            | -                 | -         | -        | 19,235      | 2,820          | 22,055      |
| Trustee and professional services   | -       | -         | -            | -                 | -         | 22,300   | 12,000      | -              | 34,300      |
| Miscellaneous                       | -       | 11,519    | -            | -                 | -         | -        | 13,318      | 7,633          | 32,470      |
| Other administrative                | -       | 11,519    | -            | -                 | -         | 22,300   | 104,397     | 10,526         | 148,742     |
| Total operating expenses            | -       | 288,775   | -            | -                 | 104,139   | 22,300   | 4,367,194   | 120,963        | 4,903,371   |
| Net operating income (loss)         | -       | (288,775) | -            | -                 | (104,139) | (22,300) | (1,973,799) | 471,855        | (1,917,158) |

See accompanying notes to financial statements.

Springfield Metropolitan Exposition and Auditorium Authority

COMBINING SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BY FUND (CONTINUED)

July 31, 2019

|  | General            | Insurance           | Construction  | Bond and Interest     | IMRF              | Audit            | Operating            | Parking Garage      | Total                |
|--|--------------------|---------------------|---------------|-----------------------|-------------------|------------------|----------------------|---------------------|----------------------|
| <b>NONOPERATING REVENUES (EXPENSES)</b>                                  |                    |                     |               |                       |                   |                  |                      |                     |                      |
| Property tax revenue   | \$ 1,347,851       | \$ 474,443          | \$ -          | \$ -                  | \$ 113,219        | \$ 16,174        | \$ -                 | \$ -                | \$ 1,951,687         |
| Investment income  | 4,926              | 1,685               | -             | 2,931                 | 404               | 59               | 4,023                | 2,250               | 16,278               |
| Interest expense   | -                  | -                   | -             | (231,684)             | -                 | -                | (3,269)              | -                   | (234,953)            |
| Net nonoperating revenues (expenses)                                     | <u>1,352,777</u>   | <u>476,128</u>      | <u>-</u>      | <u>(228,753)</u>      | <u>113,623</u>    | <u>16,233</u>    | <u>754</u>           | <u>2,250</u>        | <u>1,733,012</u>     |
| <b>CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b> | 1,352,777          | 187,353             | -             | (228,753)             | 9,484             | (6,067)          | (1,973,045)          | 474,105             | (184,146)            |
| <b>CAPITAL CONTRIBUTIONS</b>   | -                  | -                   | -             | 100,000               | -                 | -                | -                    | -                   | 100,000              |
| <b>TRANSFERS</b>   |                    |                     |               |                       |                   |                  |                      |                     |                      |
| Transfers in   | -                  | -                   | 50            | 684,299               | -                 | 6,000            | 1,926,886            | -                   | 2,617,235            |
| Transfers out  | (1,401,052)        | (34,671)            | -             | (50)                  | (404)             | (59)             | (684,299)            | (496,700)           | (2,617,235)          |
| Net transfers  | <u>(1,401,052)</u> | <u>(34,671)</u>     | <u>50</u>     | <u>684,249</u>        | <u>(404)</u>      | <u>5,941</u>     | <u>1,242,587</u>     | <u>(496,700)</u>    | <u>-</u>             |
| <b>CHANGE IN NET POSITION</b>  | (48,275)           | 152,682             | 50            | 555,496               | 9,080             | (126)            | (730,458)            | (22,595)            | (84,146)             |
| <b>NET POSITION, BEGINNING OF YEAR</b>                                   | 674,853            | 1,436,906           | 246           | (7,029,677)           | 180,838           | 16,352           | 18,185,226           | 1,973,407           | 15,438,151           |
| <b>NET POSITION, END OF YEAR</b>   | <u>\$ 626,578</u>  | <u>\$ 1,589,588</u> | <u>\$ 296</u> | <u>\$ (6,474,181)</u> | <u>\$ 189,918</u> | <u>\$ 16,226</u> | <u>\$ 17,454,768</u> | <u>\$ 1,950,812</u> | <u>\$ 15,354,005</u> |

Springfield Metropolitan Exposition and Auditorium Authority

July 31, 2018

COMBINING SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BY FUND

|                                     | General | Insurance | Construction | Bond and Interest | IMRF     | Audit    | Operating   | Parking Garage | Total       |
|-------------------------------------|---------|-----------|--------------|-------------------|----------|----------|-------------|----------------|-------------|
| <b>OPERATING REVENUES</b>           |         |           |              |                   |          |          |             |                |             |
| Event services                      | \$ -    | \$ -      | \$ -         | \$ -              | \$ -     | \$ -     | 477,535     | \$ -           | 477,535     |
| Catering, concessions and novelties | -       | -         | -            | -                 | -        | -        | 303,924     | -              | 303,924     |
| Catering commissions                | -       | -         | -            | -                 | -        | -        | 107,115     | -              | 107,115     |
| Garage parking                      | -       | -         | -            | -                 | -        | -        | -           | 618,380        | 618,380     |
| Rental                              | -       | -         | -            | -                 | -        | -        | 525,883     | -              | 525,883     |
| Promotion                           | -       | -         | -            | -                 | -        | -        | 131,744     | -              | 131,744     |
| Advertising                         | -       | -         | -            | -                 | -        | -        | 199,917     | -              | 199,917     |
| Other                               | -       | -         | -            | -                 | -        | -        | 49,276      | 44             | 49,320      |
| Total operating revenues            | -       | -         | -            | -                 | -        | -        | 1,795,394   | 618,424        | 2,413,818   |
| <b>OPERATING EXPENSES</b>           |         |           |              |                   |          |          |             |                |             |
| Salaries                            | -       | 126,168   | -            | -                 | -        | -        | 879,986     | 5,376          | 1,011,530   |
| Payroll taxes                       | -       | -         | -            | -                 | -        | -        | 81,620      | 6              | 81,626      |
| Retirement                          | -       | -         | -            | -                 | 69,165   | -        | -           | -              | 69,165      |
| Health, life and dental insurance   | -       | -         | -            | -                 | -        | -        | 133,809     | -              | 133,809     |
| Workers compensation insurance      | -       | 36,217    | -            | -                 | -        | -        | -           | -              | 36,217      |
| Unemployment insurance              | -       | 3,444     | -            | -                 | -        | -        | -           | -              | 3,444       |
| Salaries and benefits               | -       | 165,829   | -            | -                 | 69,165   | -        | 1,095,415   | 5,382          | 1,335,791   |
| Promotion                           | -       | -         | -            | -                 | -        | -        | 75,984      | -              | 75,984      |
| Event services                      | -       | -         | -            | -                 | -        | -        | 498,681     | -              | 498,681     |
| Catering, concessions and novelties | -       | -         | -            | -                 | -        | -        | 143,218     | -              | 143,218     |
| Direct costs of sales and services  | -       | -         | -            | -                 | -        | -        | 717,883     | -              | 717,883     |
| Property and casualty insurance     | -       | 108,658   | -            | -                 | -        | -        | -           | -              | 108,658     |
| Utilities                           | -       | -         | -            | -                 | -        | -        | 511,623     | 33,351         | 544,974     |
| Repairs, maintenance and supplies   | -       | -         | -            | -                 | -        | -        | 116,793     | 1,684          | 118,477     |
| Janitorial supplies                 | -       | -         | -            | -                 | -        | -        | 30,746      | -              | 30,746      |
| Facilities                          | -       | 108,658   | -            | -                 | -        | -        | 659,162     | 35,035         | 802,855     |
| Depreciation                        | -       | -         | -            | -                 | -        | -        | 988,807     | 82,692         | 1,071,499   |
| Advertising                         | -       | -         | -            | -                 | -        | -        | 625         | -              | 625         |
| Conference                          | -       | -         | -            | -                 | -        | -        | 9,224       | -              | 9,224       |
| Dues and subscriptions              | -       | -         | -            | -                 | -        | -        | 31,753      | -              | 31,753      |
| License, fees and taxes             | -       | -         | -            | -                 | -        | -        | 1,923       | -              | 1,923       |
| Office                              | -       | -         | -            | -                 | -        | -        | 7,002       | -              | 7,002       |
| Postage and office supplies         | -       | -         | -            | -                 | -        | -        | 3,985       | -              | 3,985       |
| Printing                            | -       | -         | -            | -                 | -        | -        | 1,052       | 2,528          | 3,580       |
| Telephone                           | -       | -         | -            | -                 | -        | -        | 15,281      | 2,127          | 17,408      |
| Trustee and professional services   | -       | -         | -            | -                 | 19,000   | -        | 12,000      | -              | 31,000      |
| Miscellaneous                       | -       | 9,078     | -            | -                 | -        | -        | 23,192      | 6,739          | 39,009      |
| Other administrative                | -       | 9,078     | -            | -                 | -        | 19,000   | 106,037     | 11,394         | 145,509     |
| Total operating expenses            | -       | 283,565   | -            | -                 | 69,165   | 19,000   | 3,567,304   | 134,503        | 4,073,537   |
| Net operating income (loss)         | -       | (283,565) | -            | -                 | (69,165) | (19,000) | (1,771,910) | 483,921        | (1,659,719) |

See accompanying notes to financial statements.

Springfield Metropolitan Exposition and Auditorium Authority

COMBINING SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BY FUND (CONTINUED)

July 31, 2018

|   | General            | Insurance           | Construction  | Bond and Interest     | IMRF              | Audit            | Operating            | Parking Garage      | Total                |
|---|--------------------|---------------------|---------------|-----------------------|-------------------|------------------|----------------------|---------------------|----------------------|
| <b>NONOPERATING REVENUES (EXPENSES)</b>                           |                    |                     |               |                       |                   |                  |                      |                     |                      |
| <b>TAX REVENUES</b>   |                    |                     |               |                       |                   |                  |                      |                     |                      |
| Property tax revenue  | \$ 1,319,009       | \$ 451,050          | \$ -          | \$ -                  | \$ 108,151        | \$ 15,827        | \$ -                 | \$ -                | \$ 1,894,037         |
| TIF tax refunds received  | 5,060              | 1,783               | -             | -                     | 423               | 62               | -                    | -                   | 7,328                |
| Tax revenues  | <u>1,324,069</u>   | <u>452,833</u>      | <u>-</u>      | <u>-</u>              | <u>108,574</u>    | <u>15,889</u>    | <u>-</u>             | <u>-</u>            | <u>1,901,365</u>     |
| Investment income   | 2,330              | 821                 | -             | 621                   | 194               | 27               | 2,457                | 959                 | 7,409                |
| Interest expense  | -                  | -                   | -             | (225,409)             | -                 | -                | (6,128)              | -                   | (231,537)            |
| Net nonoperating revenues (expenses)                              | <u>1,326,399</u>   | <u>453,654</u>      | <u>-</u>      | <u>(224,788)</u>      | <u>108,768</u>    | <u>15,916</u>    | <u>(3,671)</u>       | <u>959</u>          | <u>1,677,237</u>     |
| CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS | 1,326,399          | 170,089             | -             | (224,788)             | 39,603            | (3,084)          | (1,775,581)          | 484,880             | 17,518               |
| <b>CAPITAL CONTRIBUTIONS</b>                                      |                    |                     |               |                       |                   |                  |                      |                     |                      |
| TRANSFERS   | -                  | -                   | -             | 100,000               | -                 | -                | -                    | -                   | 100,000              |
| Transfers in  | -                  | -                   | 50            | 673,330               | -                 | 2,000            | 1,678,883            | -                   | 2,354,263            |
| Transfers out   | (1,229,539)        | (4,821)             | -             | (50)                  | (195)             | (28)             | (673,330)            | (446,300)           | (2,354,263)          |
| Net transfers   | <u>(1,229,539)</u> | <u>(4,821)</u>      | <u>50</u>     | <u>673,280</u>        | <u>(195)</u>      | <u>1,972</u>     | <u>1,005,553</u>     | <u>(446,300)</u>    | <u>-</u>             |
| CHANGE IN NET POSITION  | 96,860             | 165,268             | 50            | 548,492               | 39,408            | (1,112)          | (770,028)            | 38,580              | 117,518              |
| NET POSITION, BEGINNING OF YEAR                                   | 577,993            | 1,271,638           | 196           | (7,578,169)           | 141,430           | 17,464           | 18,955,254           | 1,934,827           | 15,320,633           |
| NET POSITION, END OF YEAR   | <u>\$ 674,853</u>  | <u>\$ 1,436,906</u> | <u>\$ 246</u> | <u>\$ (7,029,677)</u> | <u>\$ 180,838</u> | <u>\$ 16,352</u> | <u>\$ 18,185,226</u> | <u>\$ 1,973,407</u> | <u>\$ 15,438,151</u> |

See accompanying notes to financial statements.

## Springfield Metropolitan Exposition and Auditorium Authority

SCHEDULE OF ACTIVITIES - BUDGET AND ACTUAL  
BANK OF SPRINGFIELD CENTER - OPERATING FUND

Year ended July 31, 2019

|  | Original and<br>Final Budget | Actual     | Variance<br>(Over) Under |
|--|------------------------------|------------|--------------------------|
| <b>OPERATING REVENUES</b>                |                              |            |                          |
| Event services                           | \$ 350,000                   | \$ 564,971 | \$ 214,971               |
| Catering, concessions and novelties      | 350,000                      | 345,817    | (4,183)                  |
| Catering commissions                     | 90,000                       | 111,273    | 21,273                   |
| Rental                                   |                              |            |                          |
| Main Hall                                | 360,000                      | 463,289    | 103,289                  |
| Meeting rooms                            | 40,000                       | 53,450     | 13,450                   |
| Equipment                                | 55,000                       | 55,145     | 145                      |
| Promotion                                | 600,000                      | 555,451    | (44,549)                 |
| Advertising                              | 200,000                      | 188,667    | (11,333)                 |
| Other                                    | 50,000                       | 55,332     | 5,332                    |
| Total operating revenues                 | 2,095,000                    | 2,393,395  | 298,395                  |
| <b>OPERATING EXPENSES</b>                |                              |            |                          |
| Salaries and benefits                    |                              |            |                          |
| Salaries                                 | 915,000                      | 929,063    | 14,063                   |
| Payroll taxes                            | 80,000                       | 91,010     | 11,010                   |
| Health, life and dental insurance        | 155,000                      | 141,010    | (13,990)                 |
| Total salaries and benefits              | 1,150,000                    | 1,161,083  | 11,083                   |
| Direct costs of sales and services       |                              |            |                          |
| Promotion                                | 500,000                      | 581,226    | 81,226                   |
| Event services                           | 436,200                      | 579,829    | 143,629                  |
| Catering, concessions and novelties      | 150,000                      | 179,851    | 29,851                   |
| Total direct costs of sales and services | 1,086,200                    | 1,340,906  | 254,706                  |
| Facilities                               |                              |            |                          |
| Utilities                                | 450,000                      | 601,032    | 151,032                  |
| Repairs, maintenance and supplies        | 139,400                      | 140,079    | 679                      |
| Janitorial supplies                      | 34,600                       | 45,767     | 11,167                   |
| Total facilities                         | 624,000                      | 786,878    | 162,878                  |
| Other administrative                     |                              |            |                          |
| Advertising                              | 1,000                        | 799        | (201)                    |
| Conference                               | 19,000                       | 7,473      | (11,527)                 |
| Dues and subscriptions                   | 15,000                       | 37,751     | 22,751                   |
| License, fees and taxes                  | 3,000                        | 1,869      | (1,131)                  |
| Office                                   | 19,000                       | 7,033      | (11,967)                 |
| Postage and office supplies              | 1,000                        | 4,140      | 3,140                    |

Springfield Metropolitan Exposition and Auditorium Authority

SCHEDULE OF ACTIVITIES - BUDGET AND ACTUAL  
BANK OF SPRINGFIELD CENTER - OPERATING FUND (CONTINUED)

Year ended July 31, 2019

|   | Original and<br>Final Budget | Actual                  | Variance<br>(Over) Under |
|---|------------------------------|-------------------------|--------------------------|
| OPERATING EXPENSES (CONTINUED)                                |                              |                         |                          |
| Other administrative (Continued)                              |                              |                         |                          |
| Printing  | \$ 1,000                     | \$ 779                  | \$ (221)                 |
| Telephone   | 20,000                       | 19,235                  | (765)                    |
| Trustee and professional services                             | 12,000                       | 12,000                  | -                        |
| Miscellaneous   | 15,000                       | 13,318                  | (1,682)                  |
| Other administrative  | <u>106,000</u>               | <u>104,397</u>          | <u>(1,603)</u>           |
| <br>Total operating expenses                                  | <br>2,966,200                | <br>3,393,264           | <br>427,064              |
| <br>Net operating loss  | <br>(871,200)                | <br>(999,869)           | <br>(128,669)            |
| NONOPERATING REVENUES (EXPENSES)                              |                              |                         |                          |
| Investment income   | 4,000                        | 4,023                   | 23                       |
| Interest expense  | -                            | (3,269)                 | (3,269)                  |
| Loss on asset disposal  | (450,834)                    | -                       | 450,834                  |
| Net nonoperating revenues (expenses)                          | <u>(446,834)</u>             | <u>754</u>              | <u>447,588</u>           |
| TRANSFERS   |                              |                         |                          |
| Transfers in from   |                              |                         |                          |
| General fund  | 1,390,127                    | 1,395,052               | 4,925                    |
| Garage fund   | 496,700                      | 496,700                 | -                        |
| Insurance fund  | -                            | 34,671                  | 34,671                   |
| IMRF fund   | -                            | 404                     | 404                      |
| Audit fund  | -                            | 59                      | 59                       |
| Transfers out to  |                              |                         |                          |
| Bond and interest fund  | <u>(568,793)</u>             | <u>(684,299)</u>        | <u>(115,506)</u>         |
| <br>Net transfers   | <br><u>1,318,034</u>         | <br><u>1,242,587</u>    | <br><u>(75,447)</u>      |
| <br>NET ACTIVITIES  | <br><u>\$ -</u>              | <br>243,472             | <br><u>\$ 243,472</u>    |
| RECONCILIATION OF NET ACTIVITIES<br>TO CHANGE IN NET POSITION |                              |                         |                          |
| Depreciation expense  |                              | <u>(973,930)</u>        |                          |
| <br>CHANGE IN NET POSITION                                    |                              | <br><u>\$ (730,458)</u> |                          |

Springfield Metropolitan Exposition and Auditorium Authority

SCHEDULE OF ACTIVITIES - BUDGET AND ACTUAL  
PLAZA PARKING GARAGE - GARAGE FUND

Year ended July 31, 2019

|                                   | <u>Original and<br/>Final Budget</u> | <u>Actual</u>  | <u>Variance<br/>(Over) Under</u> |
|-----------------------------------|--------------------------------------|----------------|----------------------------------|
| <b>OPERATING REVENUES</b>         |                                      |                |                                  |
| Parking garage                    |                                      |                |                                  |
| Hourly                            | \$ 420,000                           | \$ 427,883     | \$ 7,883                         |
| Event                             | 20,000                               | 17,183         | (2,817)                          |
| Monthly                           | 130,000                              | 147,703        | 17,703                           |
| Other                             | -                                    | 49             | 49                               |
| Total operating revenues          | <u>570,000</u>                       | <u>592,818</u> | <u>22,818</u>                    |
| <b>OPERATING EXPENSES</b>         |                                      |                |                                  |
| Salaries                          | 10,000                               | 4,327          | (5,673)                          |
| Payroll taxes                     | <u>100</u>                           | <u>131</u>     | <u>31</u>                        |
| Salaries and benefits             | 10,100                               | 4,458          | (5,642)                          |
| Utilities                         | 35,500                               | 32,427         | (3,073)                          |
| Repairs, maintenance and supplies | <u>10,000</u>                        | <u>1,994</u>   | <u>(8,006)</u>                   |
| Facilities                        | 45,500                               | 34,421         | (11,079)                         |
| Printing and supplies             | 200                                  | 73             | (127)                            |
| Tickets and cards                 | 5,000                                | -              | (5,000)                          |
| Telephone                         | -                                    | 2,820          | 2,820                            |
| Miscellaneous                     | <u>3,000</u>                         | <u>7,633</u>   | <u>4,633</u>                     |
| Other administrative              | 8,200                                | 10,526         | 2,326                            |
| Total operating expenses          | <u>63,800</u>                        | <u>49,405</u>  | <u>(14,395)</u>                  |
| <b>NET OPERATING INCOME</b>       | 506,200                              | 543,413        | 37,213                           |

Springfield Metropolitan Exposition and Auditorium Authority

SCHEDULE OF ACTIVITIES - BUDGET AND ACTUAL  
PLAZA PARKING GARAGE, - GARAGE FUND (CONTINUED)

Year ended July 31, 2019

|   | Original and<br>Final Budget | Actual             | Variance<br>(Over) Under |
|---|------------------------------|--------------------|--------------------------|
| NONOPERATING REVENUES (EXPENSES)                              |                              |                    |                          |
| Investment income   | \$ 500                       | \$ 2,250           | \$ 1,750                 |
| Capital outlay  | <u>(10,000)</u>              | <u>-</u>           | <u>(10,000)</u>          |
| Net nonoperating revenues (expenses)                          | (9,500)                      | 2,250              | (8,250)                  |
| TRANSFERS   |                              |                    |                          |
| Transfers out to  |                              |                    |                          |
| Bank of Springfield Center (Operating fund)                   | <u>(496,700)</u>             | <u>(496,700)</u>   | <u>-</u>                 |
| Net transfers   | <u>(496,700)</u>             | <u>(496,700)</u>   | <u>-</u>                 |
| NET ACTIVITIES  | <u>\$ -</u>                  | 48,963             | <u>\$ 48,963</u>         |
| RECONCILIATION OF NET ACTIVITIES<br>TO CHANGE IN NET POSITION |                              |                    |                          |
| Depreciation expense  |                              | <u>(71,558)</u>    |                          |
| CHANGE IN NET POSITION  |                              | <u>\$ (22,595)</u> |                          |



Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

NOTES TO SUPPLEMENTARY INFORMATION

July 31, 2019

A. Budgetary Controls and Fund Accounting

For internal financial reporting purposes, the Authority uses *Fund Accounting*. A fund is a self-balancing group of accounts, used to maintain control over resources segregated for specific activities or objectives, or to help ensure and demonstrate compliance with fiscal legal requirements. The Authority adopts annual budgets for the *Operating, Parking Garage, General, Insurance, Illinois Municipal Retirement (IMRF) and Audit* funds. The *Construction, Renovation Bond Payout and Bond and Interest* funds do not have appropriated budgets since other means control the use of these resources and they span a period of more than one fiscal year.

The budgeting process involves the General Manager submitting a proposed budget to the Authority Board prior to the beginning of the fiscal year, which includes proposed expenditures and the means to finance them. A public hearing is held to obtain taxpayer comments, which may result in changes in budget appropriation amounts, but the form of the budget may not be changed. Prior to October 31, the budget is adopted by resolution of the Board.

Budgetary integration into the internal financial reporting process is used as a management control during the year. The Authority Board may make transfers between budgeted items in a fund not exceeding 10% of the aggregate budgeted amount in the fund. The Board may further amend the budget using the same procedures required for its original adoption.

Appropriations in all budgeted funds lapse at the end of the fiscal year, even if they have related encumbrances. Encumbrances are commitments related to unperformed contracts for goods and services (i.e. purchase orders, contracts, and commitments). While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

ADDITIONAL INFORMATION

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

INSURANCE COVERAGE

July 31, 2019

| Type of Coverage and<br>Name of Company              | Policy<br>Policy Number | Policy Period |            | Detail of Coverage  | Liability Limits   | Annual<br>Premium |
|--|-------------------------|---------------|------------|---|--|-------------------|
|  |                         | From          | To         |   |  |                   |
| General Liability<br>National Casualty Co.           | KKO00000223156          | 09/15/2018    | 01/01/2020 | Commercial Liability  | Each Occurrence: \$ 1,000,000<br>Fire Damage: \$ 300,000<br>Personal & Advertising<br>Injury: \$ 1,000,000<br>General, Products, Completed<br>Operations Aggregate:<br>\$ 2,000,000<br>Crisis Response Aggregate<br>Limit: \$ 25,000<br>Liquor Liability:<br>\$ 1,000,000 per occurrence<br>\$ 2,000,000 aggregate<br>Employee Benefit Liability:<br>\$ 1,000,000 each occurrence<br>\$ 2,000,000 aggregate<br>\$ 1,000 deductible<br>Cyber Privacy & Client<br>Identity Theft:<br>\$ 10,000 each occurrence<br>\$ 100,000 aggregate | \$ 27,960         |
| Business Auto<br>National Casualty Co.               | KKO00000223157          | 09/15/2018    | 01/01/2020 | Automobile Liability  | \$ 1,000,000 combined<br>single limit  | \$ 2,087          |
| Excess Liability<br>National Casualty Co.            | XKO00000223155          | 09/15/2018    | 01/01/2020 | Excess Liability  | \$ 5,000,000 each occurrence   | \$ 11,109         |
| General Liability - Tenants<br>National Casualty Co. | KKO00000075802          | 09/15/2018    | 01/01/2020 | General Liability for<br>Tenants of the BOS<br>Center to purchase that<br>don't have their own<br>policy  | Each Occurrence: \$ 1,000,000<br>Fire Damage: \$ 300,000<br>Personal & Advertising<br>Injury: \$ 1,000,000<br>General, Products, Completed<br>Operations Aggregate:<br>\$ 1,000,000  | \$ 505            |
| Package<br>Chubb                                     | 3592-20-55 WUC          | 11/01/2018    | 01/01/2020 | Property Insurance<br>(Fire, Flood, Employee<br>Theft)<br>Includes building and<br>personal property,<br>accounts receivable,<br>money & securities,<br>valuable papers, business<br>income with extra expense<br>and electronic data<br>processing property<br>(Boilers, Outdoor Message<br>Center, Rented Equip.) | \$ 25,000,000 per occurrence   | \$ 81,400         |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

INSURANCE COVERAGE - CONTINUED

July 31, 2019

| <u>Type of Coverage and<br/>Name of Company</u>          | <u>Policy<br/>Policy Number</u> | <u>Policy Period</u> |            | <u>Detail of Coverage</u>                   | <u>Liability Limits</u>  | <u>Annual<br/>Premium</u> |
|--|---------------------------------|----------------------|------------|---|--|---------------------------|
|  |                                 | <u>From</u>          | <u>To</u>  |   |  |                           |
| Worker's Compensation<br>Illinois Public Risk Fund       | I-927                           | 01/01/2018           | 01/01/2019 | Workers Compensation<br>Employers Liability | Bodily Injury:<br>\$ 2,500,000 each accident<br>\$ 2,500,000 policy limit<br>\$ 2,500,000 each employee  | \$ 41,134                 |
| Public Officials Liability<br>Old Republic Insurance Co. | ALT 79407                       | 05/01/2019           | 05/01/2020 | Management Liability                        | \$ 1,000,000 per occurrence  | \$ 3,813                  |
| Cyber Liability<br>AXIS Insurance Co.                    | P-001-000030090-01              | 05/01/2019           | 05/01/2020 | Cyber Liability                             | \$ 1,000,000 aggregate<br>Enterprise Security Event<br>Website Media<br>PCI-DSS Fines<br>Privacy Regulation<br>Crisis Management Expense<br>Fraud Response Expense<br>Public Relations Expense<br>Forensic & Legal Expense<br>Extortion Loss<br>Ransomware Loss<br>Social Engineering Fraud Loss<br>Telecomm Theft Loss<br>Business Interruption<br>System Disruption<br>Data Recovery Expense | \$ 2,044                  |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

RATES

July 31, 2019

| ITEM   | RENTAL FEE  |
|--|---|
| Admin Services                                       | \$ 2.00 sheet/send fax; \$ 1.00 sheet/receive fax; \$ 0.20 sheet/copies   |
| Audio/Visual (A/V)                                   | See invoice from Tom Merz (ATS)<br>\$ 150.00 for 1 existing Projector with Screen (B11, B4, B6, B7)<br>\$ 50.00 for 1 existing Screen (B1, B2, B3, B8, B9, B10)<br>Laptop \$ 300.00                 |
| Catering   | See invoice from Concessions Manager or Preferred Caterer<br>18-20% Gratuity  |
| Curtains (Main Floor)                                | \$ 500.00 for entire hall or \$ 300.00 for half hall  |
| Dance Floor  | \$ 75.00 on Main Hall   |
| Deposit  | Roll-over or 50% of Rental Fee  |
| Easels/Chalkboards/Coatracks                         | No charge   |
| Electrical   | See electric, internet and forklift schedules   |
| Entire Facility Rental                               | \$ 5,000.00 per day or \$ 0.42 per square foot (trade show) or<br>12% of Gross Receipts (ticketed event)  |
| EMT's/Firewatch                                      | \$ 27.16/hour per firearm   |
| Exhibitor Tabletop Tables/Chairs                     | \$ 10.00/skirted table and \$ 5.00/chair  |
| Forklift   | \$ 50.00 per hour   |
| Freight Elevator                                     | 16'2" W x 8' D x 13'6" H  |
| Furniture  | \$ 300.00 for the set (couch, loveseat, overstuffed chair)  |
| Internet   | Free shared service of 50 Mbps fiber. One-time fee of \$ 200 to<br>increase speed to 100 Mbps.<br>Exhibitors must pay for connections. See Electrical, Internet,<br>Forklift Order form for prices. |
| Lower Level Rental                                   | See Price List (if catered meal, N/C)   |
| Main Hall Rental                                     | \$ 3,500.00 per day or \$ 0.42 per square feet (trade show) or<br>12% of Gross Receipts (ticket event)  |
| Move-In Fee (provided no<br>organized event planned) | Main Hall - \$ 1,500.00<br>Lower Level - ½ Room Rental Fee  |
| Organ  | \$ 300.00 per day   |
| Parking (PCCC Ramp)                                  | \$ 1.00 per hour/\$ 7.00 per day (maximum charge)<br>\$ 5.00 (Event Parking)  |
| Piano  | \$ 300.00 per day (grand)<br>\$ 200.00 per day (upright)  |
| Phones   | \$ 50.00 per day/phone or \$ 100.00 per multi-day event   |
| Phone Line   | \$ 100.00 per day/per line  |
| Radios   | 1 free; each additional \$ 50.00  |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

RATES - CONTINUED

July 31, 2019

| ITEM                            | RENTAL FEE   |
|---------------------------------|--|
| Retract-a-belt/Bike Rack        | No Charge  |
| Room Changeover                 | ½ Room Rental Fee  |
| Security                        | \$ 30.00 per hour off-duty police officers; min of 2 for beer events<br>\$ 12.00 per hour for t-shirt security;<br>\$ 15.00 per hour for in-house security |
| Spotlights                      | \$ 70.00 (Trouper)<br>\$ 85.00 (Super Trouper) + cost of stagehand to operate  |
| Stagehands/Loaders/Riggers      | \$ 17.00; \$ 25.50 OT/\$ 22.00/\$ 24.00; \$ 36.00 OT (+20%)  |
| Staging Above 32' x 40'         | \$ 100.00  |
| Tables with Skirts for exhibits | \$ 10.00 each  |
| Ushers                          | \$ 9.50 per hour   |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

RATES - CONTINUED

July 31, 2019

| Room Name             | Daily Rate   | Approx.<br>Dimensions                       | Square Footage |
|-----------------------|--------------|---|----------------|
| B1, B9                | \$ 200.00*   | 32' x 38' x 12'                             | 1,216          |
| B2, B10               | \$ 250.00    | 32' x 44' x 12'                             | 1,408          |
| B3, B8                | \$ 200.00    | 29' x 30' x 12'                             | 870            |
| B4W, B6W, B7W         | \$ 200.00*   | 29' x 30' x 12'                             | 870            |
| B4E, B6E, B7E         | \$ 200.00    | 29' x 30' x 12'                             | 870            |
| B4, B6, B7            | \$ 300.00*   | 29' x 59' x 12'                             | 1,711          |
| B11/Entire Room       | \$ 1,500.00* | 65' x 140' x 14'                            | 9,100          |
| B11A OR B11D          | \$ 350.00*   | 65' x 40' x 14'                             | 2,600          |
| B11B** OR B11C        | \$ 350.00*   | 65' x 30' x 14'                             | 1,950          |
| B11AB OR B11CD        | \$ 700.00*   | 65' x 70' x 14'                             | 4,550          |
| B11ABC OR B11BCD      | \$ 1,200.00* | 65' x 100' x 14'                            | 6,500          |
| Entire Lower Level    | \$ 2,500.00  |   | 21,830         |
| Main Hall             | \$ 3,500.00  | 200' x 200' x 40'                           | 40,000         |
| Main Hall w/ Risers   |              | 110' x 88' x 40'                            | 9,680          |
| Entire Facility       | \$ 5,000.00  |   | 61,830         |
| Move-In Fee           | \$ 1,500.00  |   |                |
| VIP Room              | \$ 300.00    |   |                |
| MH Lounge             |              |   |                |
| North Terrace & Patio | \$ 500.00    | 140' x 30' x 12'                            | 4,200          |
| South Terrace         | \$ 250.00    | 89' x 24' x 12'                             | 2,136          |
| Mezz Concourse        |              | 811' Circumference from Center of Concourse |                |

\* \$ 150.00 in addition to room rental for 1 projector with screen. (or \$ 100 projector/\$ 50 screen)

\*\* Clearance of door to storage room - 9'10"

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

RATES - CONTINUED

July 31, 2019

| <b>Electric</b>   | <b>Advance Fee *</b> | <b>Floor Order Fee **</b> |
|-------------------|----------------------|---------------------------|
| 100 Volt 20 Amps. | \$ 60.00             | \$ 80.00                  |
| 110 Volt 30 Amps. | \$ 85.00             | \$ 100.00                 |
| 220 Volt 60 Amps. | \$ 100.00            | \$ 125.00                 |
| 208V 3 Phase      | \$ 125.00            | \$ 150.00                 |

| <b>Internet Service</b> | <b>Advance Fee *</b> | <b># of CAT6 Cables</b> |
|-------------------------|----------------------|-------------------------|
| Wired Internet          | \$ 100.00/day/CAT6   |                         |

| <b>Forklift Service</b> | <b>Advance Fee *</b> | <b>Floor Order Fee **</b> |
|-------------------------|----------------------|---------------------------|
| Per Hour                | \$ 50.00             | \$ 75.00                  |

\* 5 days prior to Move-In Day

\*\* Within 4 days before event



Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

RATES - CONTINUED

July 31, 2019

| <b>Concessions Menu &amp; Price List</b> |                |
|--|----------------|
| <b>ITEM</b>                              | <b>PRICING</b> |
| Wine 9 oz                                | \$ 5.00        |
| Mixed Drinks 10 oz                       | \$ 7.00        |
| Beer 16 oz (Miller/Coors)                | \$ 5.00        |
| Bisc n Gravy FULL                        | \$ 5.00        |
| Bisc n Gravy HALF                        | \$ 3.00        |
| Bosco Pizza Stick                        | \$ 5.00        |
| Walking Taco                             | \$ 6.00        |
| Chicken/Tuna Croissant                   | \$ 5.00        |
| Sub Sandwich                             | \$ 5.00        |
| Italian Beef                             | \$ 5.00        |
| Chicken Sandwich                         | \$ 5.00        |
| BBQ Sandwich                             | \$ 5.00        |
| Hamburger/Cheeseburger                   | \$ 5.00        |
| Nachos                                   | \$ 4.00        |
| Breakfast Sandwich                       | \$ 3.00        |
| Pretzels                                 | \$ 3.00        |
| Corn Dog                                 | \$ 3.00        |
| Hot Dog                                  | \$ 3.00        |
| Popcorn                                  | \$ 3.00        |
| Bottled Water/Tea/Soda (Pepsi products)  | \$ 3.00        |
| Gatorade                                 | \$ 3.00        |
| Hot Chocolate                            | \$ 2.00        |
| Coffee LARGE                             | \$ 3.00        |
| Coffee SMALL                             | \$ 2.00        |
| Fruit Juice                              | \$ 2.00        |
| Milk                                     | \$ 1.00        |
| Yogurt                                   | \$ 2.00        |
| Danish/Muffin                            | \$ 2.00        |
| Donut                                    | \$ 1.25        |
| Fruit                                    | \$ 1.00        |
| Chips                                    | \$ 1.25        |
| Candy/Granola Bar                        | \$ 2.00        |
| Cookie                                   | \$ 1.00        |

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

RATES - CONTINUED

July 31, 2019

**Beverage Service**

Soft Drinks

- Pepsi products available in 12 oz cans \$ 2.00 per can
- 20 oz Bottled Water \$ 3.00 per bottle

Standard Keg Selection

- Miller Lite
  - Coors Light
  - Bud Light
  - Budweiser
- \$ 200.00 per Keg Host*  
*\$ 5.00 per 16oz cup cash*
- \* Other beer available, please ask

Premium Keg Selection

- Blue Moon
  - Leinenkugel
  - Heineken
  - Michelob Ultra
- \$ 250.00 per Keg*  
*\$ 6.00 per 16oz cup cash*

Wine Selection

- Patch Block Pinot Noir (Red)
  - BV Costal Estate Pinot Noir (Red)
  - Upper Cut Sauvignon Blanc (White)
  - Copper Ridge White Zinfandel (White)
- \$ 5 per 9 oz cup host or cash*

\* Champagne and other wines available at additional charge

Cash or Host Bar

- Standard liquor selection to include:
    - Jack Daniels, Jim Beam & Seagram's 7 Whisky
    - Smirnoff Vodka
    - Captain Morgan Rum
    - Fireball
- \$ 7 per 10 oz cup host or cash*

Additional Information

- Bar service subject to fee of \$ 45 per bartender (1 bartender per 150 people)
- BOS Center will provide plastic cups for beer, wine and mixed drink bar
- Sales Tax of 8.5% and 18% Gratuity will be added to final bill
- Orders for Kegs and Bar Service due no later than two weeks before event or a \$ 45 late fee will be assessed
- Don't see something? Special requests are welcomed but may be at a higher rate than listed above
- Corkage fee for champagne and wine at \$ 10 per bottle

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

RATES - CONTINUED

July 31, 2019

SERVICES INCLUDED IN RENTAL:

- Heating/Air Conditioning
- Lighting
- Event Coordinator on duty during entire event
- Maintenance Crew on duty during entire event for clean-up, changeovers, etc.
- One Security Guard on duty during the week from 4 pm to 8 am and 24 hours over the weekend to make rounds of the facility
- Tables (with or without skirting) and padded or metal chairs (unless for exhibits - exhibitor equipment needs to come from a decorator)
- Staging with stairs, safety rails and skirting
- Podiums (standing and tabletop)
- Coatracks & Retract-a-Belt (rope and stanchion)
- Flatbed carts for transporting materials
- Water stations upon request
- Event posted on the Outdoor Message Center at the corner of 9<sup>th</sup> and Adams upon request, on the automated phone system, on the website and in the Calendar of Events which is displayed in the Main Lobby
- Setup, tear down and clean-up of areas used in the facility.
- Chalkboards & Easels
- Risers with steps and skirting
- One standard microphone per room at no charge
- Wi-Fi Internet throughout the facility

ADDITIONAL SERVICES/EQUIPMENT NOT INCLUDED IN RENTAL:

- Telephone Line \$ 100.00 for the event (Telephone at \$ 50.00 per phone)
- 1 Hardline Internet Connection \$ 100.00 per day
- Copies: \$ 0.20 per copy
- Faxes: \$ 4.00 per page to send; \$ 1.00 per page to receive
- Parking: Plaza Parking Garage is \$ 7.00 max per day
- Room Setup Changeover: ½ normal rental
- "No Parking" bags on the parking meters around the building (\$ 4.50 per meter per day)
- Electrical for Exhibitors (4 outlets of 110 service) \$ 60.00 in advance or \$ 80.00 day of show
- LCD Projector & Screen \$ 150.00 per set per day (available in B4, B6, B7, B11A, B11B, B11C and B11D)
- Audio/Visual (price list attached)
- Catering: All food and beverage must be provided by one of BOS Center's Preferred Caterers (list attached)
- Spotlights on Main Hall: Stationary at \$ 70.00 each or Manned at \$ 85.00 each plus the cost of a stagehand to operate
- Forklift: \$ 50.00 per hour plus the cost of a stagehand to operate
- Main Hall Curtains: \$ 500.00 entire hall or \$ 300.00 half hall
- Staging above 32' x 40' on Main Hall: \$ 100.00

Springfield Metropolitan Exposition and Auditorium Authority  
Springfield, Illinois

RATES - CONTINUED

July 31, 2019

ADDITIONAL SERVICES/EQUIPMENT NOT INCLUDED IN RENTAL (Continued):

- Pipe and Drape (Black): \$ 1.00 per foot up to 200'
- EMT's: \$ 27.16 per hour for a 4-hour min. if required
- Off-Duty Police: \$ 30.00 per hour for a 4-hour min. if required
- Stagehand (required for a/v on Main Hall): \$ 19.80 per hour for hands, \$ 28.20 per hour for riggers plus the cost of a lift truck for the riggers (approx. \$ 800.00/day)
- Ushers/Ticket Takers: \$ 9.50 per hour for a 4-hour min. if required
- T-Shirt Security: \$ 12.00 per hour for a 4-hour min. if required
- Pianos: Concert Grand at \$ 300.00 per day or Upright at \$ 200.00 per day
- Organ at \$ 200.00 per day
- Tablecloths (please inquire with your chosen Preferred Caterer for availability)
- Anything else as requested