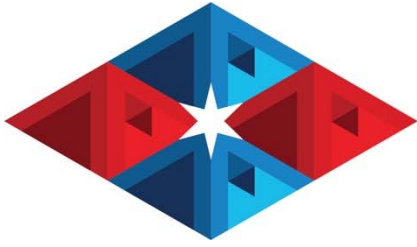


MODIFIED
FINANCIAL PLAN
FISCAL YEARS 2020, 2021, 2022

METROPOLITAN PIER & EXPOSITION AUTHORITY
AT McCORMICK SQUARE



METROPOLITAN PIER AND EXPOSITION AUTHORITY
AT McCORMICK SQUARE

The Metropolitan Pier and Exposition Authority

Modified Financial Plan

For Fiscal Years 2020, 2021 and 2022

Adopted by the Board of Directors

April 2020

Metropolitan Pier and Exposition Authority
Corporate Center • 301 East Cermak Road • Chicago, IL 60616 •
Telephone (312) 791-7000 • Fax (312) 567-8226

April 28, 2020

The Honorable J.B. Pritzker, Governor, State of Illinois
The Honorable Lori Lightfoot, Mayor, City of Chicago
The Honorable Members of the 101st General Assembly, State of Illinois

Ladies and Gentlemen:

On behalf of the Metropolitan Pier and Exposition Authority (the “Authority” or “MPEA”), I respectfully submit the Authority’s modified three-year Financial Plan for fiscal years 2020 through 2022 as adopted by the MPEA Board of Directors on April 28, 2020. In accordance with the MPEA Act, the Authority has reexamined the revenue and expenditure estimates included in the original fiscal years 2020 through 2022 Financial Plan and determined that there will be a material change in the revenue and expenditure estimates on which the Financial Plan was based. As a result, MPEA revised the revenue and expenditure estimates and is submitting a modified Financial Plan for fiscal years 2020 through 2022.

The COVID-19 pandemic significantly impacted the MPEA campus event schedule beginning in March 2020. As of April 20, 2020, 60 McCormick Place and Wintrust Arena events have been either cancelled or postponed and not yet rescheduled through the end of fiscal 2020. The estimated economic impact of these events and other campus cancellations to the city of Chicago and the state of Illinois is \$897 million. Approximately 467,000 attendees were expected to utilize 639,000 hotel room nights during these events. The majority of these shows are planning to return to McCormick Place. These event cancellations are not unique to Chicago or McCormick Place as meetings and events have been cancelled across the globe. Since the situation is still underway, we do not know the full impact. In an effort to mitigate the impact of lower operating revenue, MPEA immediately developed, and began implementing, campus-wide cost saving measures. The attached modified Financial Plan reflects these adjustments.

The Modified Financial Plan includes the following documents:

- MPEA: Summary of Canceled Events
- MPEA: Fiscal Years 2020-2022 Modified Operating Budget
- Fiscal Years 2020-2022 Modified Operating Budget for:
 - McCormick Place
 - Hyatt Regency McCormick Place Hotel
 - Marriott Marquis Chicago Hotel
 - Wintrust Arena/Arie Crown Theater
 - Energy Center
 - Corporate Center
- MPEA Cash Flow Forecast
- MPEA: Debt Service Funds Budget

OPERATING RESULTS

Prior to the COVID-19 outbreak, MPEA was anticipating a strong financial finish for FY20. Through the first eight months of the fiscal year ended February 29, 2020, the Authority’s operating revenues and operating income was \$25.0 million and \$14.1 million favorable to the original budget, respectively. For the entire fiscal year, MPEA was forecasting operating revenues of \$345.2 million, \$29.8 million greater than the original budget. The Authority also anticipated net operating income of \$774,000, \$50,000 in excess of the original budget, including an additional capital reserve contribution of \$10 million.



Following the cancellations primarily caused by the COVID-19 pandemic, the Authority revised its FY20 financial forecast to assume that all events from early March 2020 through the end of the fiscal year will cancel. These cancellations are responsible for most of the revisions to the fiscal 2020 budget. The attached *MPEA: Summary of Canceled Events* provides a list of the canceled shows along with the estimated impact on the Authority's operating results and the local economy. Additionally, the Authority revised its forecast to assume its Hyatt Regency McCormick Place and Marriott Marquis Chicago hotels will be closed during the months of May and June 2020. The modified FY20 budget reflects total combined revenue of \$222.5 million, a \$92.9 million reduction as compared to the original budget, and a total combined net operating loss of \$36.7 million, a \$37.4 million unfavorable variance as compared to the original budget.

CASH FLOW FORECAST AND DEBT SERVICE FUNDS BUDGET

Prior to the outbreak of COVID-19, the Authority forecasted tax collections of \$166.9 million for FY20. The Authority currently projects FY20 Authority Tax collections, including interest income earned in the Authority Tax Fund, of \$155.4 million. The adjustments are based on projected reductions in hotel, restaurant and airport departure tax revenues. The attached *MPEA Cash Flow Forecast* and *MPEA: Debt Service Funds Budget* reflects these revisions. In addition, the debt service budget includes the issuance of the Authority's Series 2019A (Taxable) and Series 2020A Expansion Project Bonds.

We will continue to monitor the impact of this unprecedented pandemic and inform you of any further budget modifications. MPEA is developing a strong recovery plan that will help stabilize the Authority and allow MPEA to continue delivering economic impact to the city of Chicago and the state of Illinois.

Sincerely,



Larita D. Clark
Chief Executive Officer



Metropolitan Pier and Exposition Authority Summary of Canceled Events

- The following list reflects events that have canceled since March 2020:

Event Name	Event Name
March	May
<ul style="list-style-type: none"> Fire Battalion Chief Exam Inspired Home Show Ace Hardware 2020 Spring Convention Bank of America Shamrock Shuffle 8K Expo Modern Business Experience Jordan Brand Classic Sommore American College of Cardiology 	<ul style="list-style-type: none"> Digestive Disease Week Salesforce Connections 2020 City Colleges of Chicago - Graduation Ford Fleet 2020 Preview Event EnPowered Games Access Intelligence 2020 Experiential Marketing Soul Jam Tyrese - Spring Fest National Restaurant Association Show The School of the Art Institute of Chicago Chicago Sky Media Day 2020 Sweets & Snacks Expo Crowe LLP Bike Building Event Four (4) Chicago Sky games
April	June
<ul style="list-style-type: none"> NCTM 2020 Centennial Annual Meeting National School Boards 2020 National Conference Black Women's Expo CoD League American Case Management - 2020 National Conference Adidas Windy City National Qualifier 2020 Microsoft Ignite The Tour FY20 2020 America's Beauty Show / IECSC SEIU 2020 International Convention The Millennium Tour - Omarion BAPS Choose Chicago Annual Meeting Chicago Neighborhood Development Awards IAHCMM 2020 Annual Conference & Expo 	<ul style="list-style-type: none"> American Society Of Clinical Oncology 2020 Morningstar Investment Conference CFA Exam Bellator MMA (Mixed Martial Arts) Sporting Event RetailX Pershing INSITE 2020 American Diabetes Association's 80th Scientific Sessions DePaul Graduation KeHE Holiday Show ASM Microbe 2020 American Library Association Annual Conference & Exhibits Plante Moran 2020 Annual Firm Conference Eight (8) Chicago Sky games R&B Concert - Brian McKnight

- The following provides the impact of events that have canceled to MPEA's combined operating results:

Impact to MPEA Combined Operating Results	
Revenue	\$ 94,136,047
Expense	(43,508,491)
Net Profit / (Loss)	50,627,556

- The following provides the impact of events that have canceled to the local economy:

Economic Impact - Local Economy	
Economic Impact	\$ 897,439,578
Total Forecast Attendance	466,578
Estimated Hotel Room Nights	639,467

Metropolitan Pier and Exposition Authority
Fiscal Years 2020 - 2022 Operating Budget

	Fiscal Year 2019	Original Fiscal Year 2020	FY2020-2022 Budget		
			Projected Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
<u>McCormick Place</u>					
Revenue	100,081,425	91,704,573	77,359,489	97,259,094	106,200,100
Expense	(151,526,458)	(146,995,436)	(129,694,698)	(149,178,574)	(166,998,828)
Operating Loss	(51,445,033)	(55,290,863)	(52,335,209)	(51,919,480)	(60,798,728)
<u>Hvatt Hotel</u>					
Revenue	93,748,770	99,104,876	58,094,112	86,747,973	102,452,939
Expense	(67,043,452)	(68,042,441)	(49,345,667)	(62,458,353)	(69,308,883)
Operating Income	26,705,318	31,062,435	8,748,445	24,289,620	33,144,056
<u>Marriott Hotel</u>					
Revenue	98,765,121	100,754,353	64,699,294	101,529,017	121,067,299
Expense	(71,851,665)	(71,703,650)	(55,535,795)	(72,745,609)	(82,597,288)
Operating Income	26,913,456	29,050,703	9,163,499	28,783,408	38,470,011
<u>Wintrust Arena/Arie Crown</u>					
Revenue	11,924,084	12,942,872	11,744,119	13,448,041	14,783,659
Expense	(12,488,599)	(12,005,581)	(12,021,476)	(13,191,070)	(14,128,808)
Operating Income/(Loss)	(564,515)	937,291	(277,357)	256,971	654,851
<u>Energy Center</u>					
Revenue	9,108,145	9,013,742	8,497,662	8,940,821	8,940,821
Expense	(1,017,567)	(2,624,486)	(1,380,333)	(2,362,005)	(2,039,529)
Operating Income	8,090,578	6,389,256	7,117,329	6,578,816	6,901,292
<u>Corporate Center</u>					
Revenue	2,172,457	1,904,963	2,082,801	583,536	1,060,096
Expense	(11,016,177)	(13,329,177)	(11,172,133)	(12,821,253)	(14,013,907)
Operating Loss	(8,843,720)	(11,424,214)	(9,089,332)	(12,237,717)	(12,953,811)
<u>Total Combined</u>					
Revenue	315,800,002	315,425,379	222,477,477	308,508,482	354,504,914
Expense	(314,943,918)	(314,700,771)	(259,150,102)	(312,756,864)	(349,087,244)
Operating Income (Loss)	856,085	724,608	(36,672,625)	(4,248,382)	5,417,671
Memo: Tax Surplus	0	0	0	0	0
Memo: Debt Service	0	0	0	0	(2,446,750)
Income (Loss) After Surplus	856,085	724,608	(36,672,625)	(4,248,382)	2,970,921
				(37,950,086)	

Note: Corporate Center revenues includes a lease payment of \$1 per year from Navy Pier, Inc.

Metropolitan Pier and Exposition Authority
Fiscal Years 2020 - 2022 Operating Budget
 McCormick Place

	Fiscal Year 2019	Original Fiscal Year 2020	FY2020-2022 Budget		
			Projected Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenue					
Rent	\$20,472,395	\$18,140,769	\$11,592,477	\$18,706,982	\$19,113,118
Services	21,778,666	19,702,483	13,676,507	20,271,391	21,667,328
Parking/Marshalling	10,805,873	8,598,772	6,305,054	8,775,153	8,523,818
Food & Beverage	40,235,105	40,666,293	41,473,210	44,689,340	51,819,418
Other Event Revenue	6,789,386	4,596,256	4,312,241	4,816,228	5,076,418
Total Revenue	100,081,425	91,704,573	77,359,489	97,259,094	106,200,100
Expense					
Rent	(12,527,481)	(10,447,514)	(8,294,215)	(10,085,225)	(11,593,595)
Services	(9,606,614)	(9,537,543)	(6,815,997)	(9,194,021)	(10,379,783)
Parking/Marshalling	(5,846,317)	(5,082,993)	(4,705,946)	(4,891,635)	(5,368,157)
Food & Beverage	(37,694,203)	(39,555,247)	(27,254,919)	(29,019,245)	(34,507,965)
Executive Department	(845,622)	(1,000,690)	(892,758)	(980,921)	(1,035,486)
Finance & Administration	(2,025,253)	(2,394,932)	(1,720,178)	(2,241,824)	(2,375,775)
Sales & Services	-	-	-	-	-
Sales	(3,027,433)	(3,354,780)	(3,141,124)	(3,499,607)	(3,577,678)
Event Management	(1,570,760)	(1,805,498)	(1,579,875)	(1,976,664)	(2,109,687)
Arie Crown Theater	(604,646)	-	-	-	-
Operations	-	-	-	-	-
Event Operations	(3,637,321)	(4,940,318)	(4,014,906)	(4,900,249)	(5,129,148)
Facility Operations - SMG	(10,729,085)	(11,256,659)	(10,438,411)	(11,664,515)	(11,964,685)
Facility Operations - MPEA	(17,940,010)	(22,423,485)	(17,648,217)	(23,042,168)	(24,042,596)
Information Technology	(3,156,541)	(3,839,899)	(3,177,221)	(3,443,590)	(3,593,124)
Security	(8,363,120)	(10,483,386)	(8,221,869)	(11,116,536)	(11,579,915)
Insurance	(2,483,317)	(2,581,767)	(2,430,074)	(2,794,017)	(2,866,401)
Utilities	(16,669,346)	(15,655,769)	(14,424,263)	(15,258,709)	(14,472,694)
Food & Beverage	-	-	(13,726,202)	(14,651,455)	(16,089,718)
Repair & Maintenance	(13,000,000)	(2,000,000)	-	-	(6,000,000)
Miscellaneous	(1,799,388)	(634,956)	(1,208,523)	(418,193)	(312,421)
Total Expense	(151,526,458)	(146,995,436)	(129,694,698)	(149,178,574)	(166,998,828)
Operating Loss	(51,445,033)	(55,290,863)	(52,335,209)	(51,919,480)	(60,798,728)

Metropolitan Pier and Exposition Authority
Fiscal Years 2020 - 2022 Operating Budget
Hyatt Regency McCormick Place Hotel

	Fiscal Year 2019	Original Fiscal Year 2020	FY2020-2022 Budget		
			Projected Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenue					
Rooms	\$63,647,459	\$69,374,000	\$40,601,759	\$59,216,563	\$71,819,000
Food and Beverage	25,360,658	24,812,000	14,326,069	22,946,640	25,638,000
Telephone	124,691	142,000	18,099	34,072	39,000
Rentals/Other Income	2,243,378	2,348,000	1,642,161	2,163,747	2,503,000
Parking	2,372,584	2,428,876	1,506,024	2,386,951	2,453,939
Total Revenue	93,748,770	99,104,876	58,094,112	86,747,973	102,452,939
Direct Expense					
Rooms	(20,534,409)	(22,398,000)	(14,349,444)	(19,151,705)	(23,003,000)
Food and Beverage	(20,371,956)	(21,074,000)	(14,074,565)	(19,572,607)	(21,178,000)
Telephone	-	-	-	-	-
Parking	(1,615,559)	(1,663,441)	(1,401,835)	(1,674,290)	(1,711,883)
Total Direct Expense	(42,521,924)	(45,135,441)	(29,825,844)	(40,398,602)	(45,892,883)
Contribution Margin	51,226,847	53,969,435	28,268,268	46,349,371	56,560,056
Contribution Margin %	54.6%	54.5%	48.7%	53.4%	55.2%
General & Admin Expense:					
Hotel Sales, Gen & Admin	(11,462,599)	(11,949,000)	(9,563,962)	(11,429,142)	(12,217,000)
Information Technology	(1,876,658)	(2,043,000)	(1,598,733)	(1,877,981)	(1,980,000)
Utilities	(1,905,435)	(1,989,000)	(1,797,279)	(1,781,312)	(1,958,000)
Maintenance & Operations	(3,683,037)	(4,156,000)	(3,816,343)	(4,106,751)	(4,298,000)
Capital Maintenance Reserve	(2,255,047)	-	-	-	-
Operating Insurance	(489,837)	(575,000)	(548,207)	(614,565)	(650,000)
Management Fees	(1,969,321)	(2,030,000)	(2,030,003)	(2,085,000)	(2,148,000)
Incentive Management Fees	(682,000)	-	-	-	-
Professional Fees	(197,595)	(165,000)	(165,296)	(165,000)	(165,000)
Total General & Admin	(24,521,529)	(22,907,000)	(19,519,823)	(22,059,751)	(23,416,000)
G & A as % of Sales	26.2%	23.1%	33.6%	25.4%	22.9%
Total Expense	(67,043,452)	(68,042,441)	(49,345,667)	(62,458,353)	(69,308,883)
Operating Income	26,705,318	31,062,435	8,748,445	24,289,620	33,144,056

Metropolitan Pier and Exposition Authority
Fiscal Years 2020 - 2022 Operating Budget
Marriott Marquis Chicago Hotel

	Fiscal Year 2019	Original Fiscal Year 2020	FY2020-2022 Budget		
			Projected Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenue					
Rooms	\$58,666,580	\$62,237,000	\$37,515,792	\$59,891,000	\$71,901,157
Food and Beverage	36,448,803	34,836,000	24,542,139	37,959,000	45,111,936
Telephone	382,733	368,000	149,263	285,000	326,327
Rentals/Other Income	2,257,432	2,270,000	1,864,115	2,384,000	2,692,107
Parking	1,009,573	1,043,353	627,985	1,010,017	1,035,772
Total Revenue	98,765,121	100,754,353	64,699,294	101,529,017	121,067,299
Direct Expense					
Rooms	(15,814,441)	(17,039,000)	(11,644,415)	(16,562,000)	(19,180,736)
Food and Beverage	(23,558,037)	(24,241,000)	(18,857,447)	(25,504,000)	(29,389,504)
Telephone	-	-	-	-	-
Parking	(1,051,532)	(1,039,570)	(1,005,282)	(1,110,609)	(1,130,226)
Total Direct Expense	(40,424,010)	(42,319,570)	(31,507,144)	(43,176,609)	(49,700,466)
Contribution Margin	58,341,111	58,434,783	33,192,150	58,352,408	71,366,833
Contribution Margin %	59.1%	58.0%	51.3%	57.5%	58.9%
General & Admin Expense:					
Hotel Sales, Gen & Admin	(14,953,396)	(15,406,000)	(13,126,871)	(15,985,000)	(18,071,873)
Information Technology	(2,579,983)	(2,403,000)	(2,056,789)	(2,469,000)	(2,716,286)
Utilities	(2,022,787)	(2,129,000)	(1,798,504)	(2,119,000)	(2,291,107)
Maintenance & Operations	(5,653,160)	(4,334,000)	(4,355,554)	(4,606,000)	(4,801,557)
Capital Maintenance Reserve	(2,541,644)	-	-	-	-
Replacement Reserve	-	(1,388,080)	(54,000)	(600,000)	(600,000)
Operating Insurance	(620,260)	(581,000)	(552,317)	(609,000)	(650,000)
Management Fees	(2,932,666)	(2,978,000)	(1,919,317)	(3,016,000)	(3,601,000)
Professional Fees	(123,760)	(165,000)	(165,299)	(165,000)	(165,000)
Total General & Admin	(31,427,655)	(29,384,080)	(24,028,651)	(29,569,000)	(32,896,823)
G & A as % of Sales	31.8%	29.2%	37.1%	29.1%	27.2%
Total Expense	(71,851,665)	(71,703,650)	(55,535,795)	(72,745,609)	(82,597,288)
Operating Income	26,913,456	29,050,703	9,163,499	28,783,408	38,470,011

Metropolitan Pier and Exposition Authority
Fiscal Years 2020 - 2022 Operating Budget
Wintrust Arena/Arie Crown Theater

	Fiscal Year 2019	Original Fiscal Year 2020	FY2020-2022 Budget		
			Projected Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenue					
Rent	1,609,861	\$2,527,417	\$1,789,879	\$2,288,352	\$2,525,917
Services	150,141	53,205	130,362	124,468	149,515
Parking/Marshalling	862,217	1,147,890	887,288	1,215,448	1,303,418
Food & Beverage	3,847,474	2,704,919	3,625,989	3,064,616	3,345,058
Other Event Revenue	5,454,391	6,509,441	5,310,601	6,755,157	7,459,751
Total Revenue	11,924,084	12,942,872	11,744,119	13,448,041	14,783,659
Expense					
Rent	(4,927,740)	(4,449,951)	(4,145,500)	(4,480,744)	(4,958,320)
Services	(900,025)	(395,214)	(454,184)	(418,182)	(435,449)
Parking/Marshalling	(300,835)	(504,395)	(344,972)	(491,494)	(605,296)
Food & Beverage	(3,567,351)	(2,282,555)	(3,125,545)	(2,954,452)	(3,128,302)
Other Event/Op Expenses	(153,587)	(243,494)	(490,829)	(320,037)	(334,492)
General & Admin / Operations	(2,524,130)	(4,001,972)	(3,377,380)	(4,394,321)	(4,533,471)
Miscellaneous	(114,930)	(128,000)	(83,066)	(131,840)	(133,478)
Total Expense	(12,488,599)	(12,005,581)	(12,021,476)	(13,191,070)	(14,128,808)
Operating Income/(Loss)	(564,515)	937,291	(277,357)	256,971	654,851

Metropolitan Pier and Exposition Authority
Fiscal Years 2020 - 2022 Operating Budget
Energy Center

	Fiscal Year 2019	Original Fiscal Year 2020	FY2020-2022 Budget		
			Projected Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenue	9,108,145	9,013,742	8,497,662	8,940,821	8,940,821
<u>Expense</u>					
Payroll & benefits	(1,849,899)	(2,297,741)	(2,050,514)	(2,295,300)	(2,400,176)
Energy Costs	(16,393,711)	(16,797,356)	(16,081,484)	(16,493,798)	(16,221,075)
General & Administrative	(908,760)	(1,929,992)	(1,174,787)	(1,331,078)	(1,562,366)
Total Expense	(19,152,370)	(21,025,089)	(19,306,785)	(20,120,176)	(20,183,617)
Internal Expense Alloc.	18,134,803	18,400,603	17,926,452	17,758,171	18,144,088
Net Expense	(1,017,567)	(2,624,486)	(1,380,333)	(2,362,005)	(2,039,529)
Operating Income	8,090,578	6,389,256	7,117,329	6,578,816	6,901,292

Metropolitan Pier and Exposition Authority
Fiscal Years 2020 - 2022 Operating Budget
Corporate Center

	Fiscal Year 2019	Original Fiscal Year 2020	FY2020-2022 Budget		
			Projected Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenue					
Interest Income	1,886,382	1,624,899	1,802,523	349,972	820,258
Other Income	286,075	280,064	280,278	233,564	239,838
Total Revenues	2,172,457	1,904,963	2,082,801	583,536	1,060,096
Expense					
Chief Executive Office	(1,078,973)	(1,177,165)	(888,982)	(1,171,703)	(1,317,406)
Labor Relations	(381,015)	(389,141)	(382,170)	(392,153)	(416,829)
Internal Audit	(457,402)	(796,935)	(475,186)	(647,847)	(857,752)
IT	-	-	(146,904)	(509,963)	(519,670)
Corporate Marketing	(798,790)	(776,441)	(763,632)	(759,421)	(819,138)
	(2,716,179)	(3,139,682)	(2,656,874)	(3,481,087)	(3,930,795)
Finance	(1,742,121)	(1,956,023)	(1,708,680)	(1,881,798)	(2,025,651)
Risk Management	(630,490)	(891,047)	(715,440)	(1,039,718)	(1,071,820)
Human Resources	(325,765)	(363,647)	(374,617)	(383,426)	(393,236)
Corporate Campus Sales	(37,508)	(371,109)	(248,862)	(414,800)	(533,924)
	(2,735,884)	(3,581,826)	(3,047,599)	(3,719,742)	(4,024,631)
Legal	(1,300,730)	(1,748,601)	(1,106,407)	(1,466,400)	(1,664,236)
Procurement/Diversity	(438,962)	(648,900)	(489,234)	(576,402)	(701,912)
	(1,739,691)	(2,397,501)	(1,595,641)	(2,042,802)	(2,366,148)
Development	(1,131,113)	(1,024,929)	(1,018,241)	(1,139,484)	(1,028,934)
Safety & Security	(800,013)	(751,228)	(881,234)	(782,767)	(873,593)
Maintenance & Operations	(802,109)	(1,069,694)	(885,248)	(664,242)	(795,697)
Utilities	(238,688)	(332,602)	(275,746)	(76,865)	(78,562)
Housekeeping	(179,632)	(216,715)	(236,037)	(99,264)	(100,547)
Other Expenses	(672,866)	(815,000)	(575,513)	(815,000)	(815,000)
	(2,693,309)	(3,185,239)	(2,853,778)	(2,438,138)	(2,663,399)
Total Expense	(11,016,177)	(13,329,177)	(11,172,133)	(12,821,253)	(14,013,907)
Operating Loss	(8,843,720)	(11,424,214)	(9,089,332)	(12,237,717)	(12,953,811)

MPEA Cash Flow Projection

	2019	2020	2021	2022
	(Actual)	(Estimate)	(Budget)	(Budget)
<u>Operating Fund</u>				
- McCormick Place	(51,445,033)	(52,335,209)	(51,919,480)	(60,798,728)
- Navy Pier	1	1	1	1
- Hyatt	26,705,318	8,748,445	24,289,620	33,144,056
- Marriott	26,913,456	9,163,499	28,783,408	38,470,011
- Wintrust Arena	(564,515)	(277,357)	256,971	654,851
- Energy Center	8,090,578	7,117,329	6,578,816	6,901,292
- Corporate Center	(8,843,720)	(9,089,332)	(12,237,717)	(12,953,811)
Subtotal Base Operating P&L	856,085	(36,672,624)	(4,248,381)	5,417,672
- PTO / Severance Impact	-	(2,500,000)	-	-
- Project Revenue Bonds Debt Service	-	-	-	(2,446,750)
Operating Fund Balance	66,676,102	27,503,478	23,255,097	26,226,019
<u>Repair & Maintenance Fund</u>				
- Receipt of Surplus Tax payment	4,988,732	-	-	2,824
- Transfer to Project Funds	(4,988,732)	-	-	(2,824)
- Transitional Operating Fund Support	-	-	-	-
- Provision for Repair & Maintenance	13,000,000	-	-	6,000,000
- Repair & Maintenance Spending	(804,917)	(486,616)	(1,500,000)	(5,000,000)
Repair & Maintenance Fund Balance	34,535,026	34,048,410	32,548,410	33,548,410
<u>Debt Service & Tax Collections</u>				
- MPEA Tax Collections	156,255,848	155,444,000	122,737,000	182,100,000
- Reduction Amounts	31,700,000	31,700,000	31,700,000	31,700,000
- Debt Service (Ded State & Expansion)	(196,596,324)	(189,920,234)	(143,017,466) ⁽¹⁾	(213,796,778) ⁽¹⁾
- (Replenish) / Draw on Reserve Balance	8,640,476 ⁽²⁾	2,776,234 ⁽²⁾	(11,416,710) ⁽²⁾	-
- Repayment of pre-2010 State Draws	-	-	-	-
- Surplus Tax Payment	-	-	(2,824)	(3,222)
Cumulative Draw on Sales Tax	-	-	-	-

⁽¹⁾ In anticipation that tax collections will be less than debt service in FY21 and FY22, MPEA intends to refinance portions of its Expansion Project Bonds.

⁽²⁾ The Authority used a portion of the \$30 million on deposit in the Authority Tax Fund to pay debt service during FY19. The Authority issued refunding bonds in FY20 with the intended goal of replenishing the Reserve Fund balance to \$30 million by the end of FY20. Due to the impact of COVID-19, the Authority now anticipates using a portion of the \$30 million on deposit in the Authority Tax Fund to pay debt service in FY20. The Authority plans to refinance debt in FY21 to replenish the Reserve Fund balance to \$30 million by the end of FY21.



Metropolitan Pier and Exposition Authority
Debt Service Funds Budget
Expansion Project Bonds
Revenues and Expenditures
\$ in 000's

	Original Fiscal Year 2020	FY2020-2022 Budget		
		Projected Fiscal Year 2020	Projected Fiscal Year 2021	Projected Fiscal Year 2022
Revenues				
Projected Authority Tax Collections				
Food & Beverage Tax	\$56,905	\$52,986	\$42,762	\$63,580
Auto Rental Tax	33,895	33,735	24,505	35,160
Hotel Tax	68,570	63,388	49,561	76,420
Airport Departure Tax	7,325	5,107	5,719	6,740
Capitalized Interest / Earned Interest	215	10,709	14,491	250
State Reduction Amount (Net of Ded. State Tax Bonds)	31,700	31,700	31,700	31,700
Total Revenues	198,610	197,625	168,738	213,850
Expenditures				
Principal and Sinking Fund Payments:				
Expansion Project Bonds, Series 1992A	54,095	54,095	33,875	0
Expansion Project Bonds, Series 1994	11,260	11,260	11,260	6,020
Expansion Project Bonds, Series 1996A	16,660	3,175	16,660	69,605
Expansion Project Bonds, Series 1998	3,395	3,395	3,625	3,825
Expansion Project Bonds, Series 1999	0	0	0	0
Expansion Project Bonds, Series 2002	5,295	0	0	64,245
Expansion Project Bonds, Series 2004	0	0	0	0
Expansion Project Bonds, Series 2010	0	0	0	0
Expansion Project Bonds, Series 2012	340	340	51,545	95
Expansion Project Bonds, Series 2015	0	0	0	0
Expansion Project Bonds, Series 2017	0	0	0	0
Expansion Project Bonds, Series 2019A	0	253	0	0
Expansion Project Bonds, Series 2020A	0	0	0	0
Total Principal and Sinking Fund Payments	91,045	72,518	116,965	143,790
Interest Expense:				
Expansion Project Bonds, Series 1992A	0	0	0	0
Expansion Project Bonds, Series 1994	0	0	0	0
Expansion Project Bonds, Series 1996A	0	0	0	0
Expansion Project Bonds, Series 1998	5,286	5,286	5,058	4,856
Expansion Project Bonds, Series 1999	0	0	0	0
Expansion Project Bonds, Series 2002	10,073	9,186	9,186	9,186
Expansion Project Bonds, Series 2004	0	0	0	0
Expansion Project Bonds, Series 2010	44,893	44,893	0	0
Expansion Project Bonds, Series 2012	37,152	35,902	34,608	33,317
Expansion Project Bonds, Series 2015	10,162	10,162	10,162	10,162
Expansion Project Bonds, Series 2017	12,421	12,421	12,421	12,421
Expansion Project Bonds, Series 2019A	0	279	0	0
Expansion Project Bonds, Series 2020A	0	9,710	39,725	39,725
Total Interest Expense Payments	119,987	127,839	111,160	109,667
Total Debt Service before Refinancing	211,032	200,357	228,125	253,457
less: Estimated Refinanced Debt Service	(17,357) ⁽¹⁾	0	(70,856) ⁽²⁾	(39,660) ⁽²⁾
Total Debt Service Payments	193,675	200,357	157,269	213,797
Trustee Fees:				
Expansion Project Bonds Series 1992A, Series 1994, Series 1996A, Series 1998, Series 2002, Series 2010, Series 2012, Series 2015, Series 2017, and Series 2020A	45	45	50	50
Total Expenditures	193,720	200,402	157,319	213,847
Net Revenues over (under) Expenditures	4,890	(2,777)	11,419	3

⁽¹⁾ Estimated Refinanced Debt Service represents debt service the Authority estimated to refinance in FY20. The Authority refinanced \$20.9 million as part of its issuance of Series 2019A and Series 2020A Expansion Project Bonds.

⁽²⁾ Estimated Refinanced Debt Service represents debt service the Authority intends to refinance from FY21 to FY22 in anticipation of current debt service exceeding Authority Tax Collections.