

**NATO of Illinois Annual Meeting Minutes**  
**Zoom / Virtual**  
**October 7, 2021**

**DRAFT**

Chris Johnson called the meeting to order at 10:02 a.m.

**ROLL CALL**

**Members Present:**

Chris Johnson, Classic Cinemas

T Kerasotes, T Johnson, F Meyers, Kerasotes

D Alleman, C Berngard, Regal

Trevor Baker, A LaVerde, Emagine

Willis Johnson, Classic Cinemas

Guy Austin, Cobb

John Scaletta, F & F

Vanessa Padgett, Cinemark

Chris G, V Emmons, P McCabe, Phoenix

Ryan Oestrich, Music Box

Alex Rich, NATO

Mary Ann Frank, NATO of Illinois

**Absent:**

Edge 5

Glen Theater

Pickwick Theatre

Marcus

NCG

Davis

LaGrange

ArcLight

Avon

RMC

Cinemark

Lory

**Roll Call and Antitrust Statement**

**Legislative Review**

Chris introduced Matt Murphy, one of our legislative consultants with Mac Strategies to present a review of 2021 legislative issues, the upcoming 2022 session and election.

2021 saw a new House Speaker, Chris Welch, who seems to be encouraging more member-driven action and coalition-building efforts. Covid had limited budget impact, as revenues were over budget and federal assistance of \$8.1B eliminated expected shortages. Previously enacted business friendly issues (NOL, decoupling and franchise tax legislation) were all taken away, but there were no new tax increases and no reduction of the retail discount for collecting sales tax. Pritzker is still not committing any federal funds to the UI trust fund deficit, and appears to be more focused on aiding small businesses and shuttered industries with B2B grants. (Chris noted that B2B grants were only for entities with less than \$20M in 2019, and most companies receiving other federal funds were ineligible). The upcoming Veto session in October may be more active than usual, as typical veto action occurred over the summer months. Congressional maps are likely to be approved, discussion of the legality of vaccine mandates may arise, and paid sick leave legislation is possible, although likely only if there is a pre-emption clause keeping Chicago from enacting their own standards.

2022 is likely to be off to a busier start, as election primaries moved from March to June, and legislators would like to finish the Spring Session in April for campaigning. Labor issues are still likely to arise in effort to increase voter turnout for Dems, but increased taxes (property or others) are not anticipated. Conservation issues involving plastics / straws may not be a priority after a big win for energy in 2021.

2022 Elections: Pritzker is still the definitive favorite against 4 Republican candidates at this time, but it is possible that an R candidate could become more of a threat in the coming months. The Senate Dems will remain veto proof, and the House is likely to maintain its Dem veto proof majority as well.

Chicago and Cook County are also likely to continue their focus on Property taxes and Scheduling issues, but could also act on plastic / straws.

Masks and Vaccines: Although the mask mandate is still in effect until further notice, Matt noted that the Governor is currently not in favor of a vaccine mandate, but there are no guarantees in Chicago. Chris noted that LA had recently enacted a vaccine requirement indoors.

Members are encouraged to closely monitor local units of government for additional proposals regarding new taxes or fees which would impact theatre operators.

### **Review of Federal Issues**

Chris reminded members that Open Caption legislation is increasing nationwide, and encouraged members to provide voluntary showings whenever possible, especially when interest is expressed by the community.

### **Approval of December 11, 2020 Minutes**

There were no corrections or changes to the minutes.

*Motion by John S, second by Tony K, to accept the minutes. All in favor.*

### **Membership Development**

Chris reviewed the recent dues structure, capping dues at \$15 per screen, due to NATO support. Dues had not yet been assessed for 2021 due to the ongoing industry issues from the pandemic. As the industry begins to emerge from the most severe losses, the NATO of IL Executive Board members met and proposed a \$5 per screen dues for 2021, with a return to \$15 per screen for 2022. With the assistance of continued NATO Supplemental funding, NATO of IL hopes to be able to retain all major theatre companies in Illinois and keep dues levels affordable for all, while still maintaining a strong voice with State legislators. There were no objections or concerns expressed.

*Motion by Tim J, second by Fred M, to accept the Board dues proposal. All in favor.*

Chris noted that NATO of IL has recently welcomed Emagine / Northwoods as a member and continues to seek out new members. A list of existing theatres companies not currently active with NATO will be distributed for members to review and assist with contacts or recruitment / encouragement to join.

### **Appointments to Board of Directors**

Term renewals (2020-2022):

Chris Johnson – John Scaletta – Willis Johnson

New terms: None

Chris noted that all members are eligible for a Board position, but no additional members volunteered or have requested to join the Board of Directors at this time.

*Motion by Willis J, second by Tony K, to approve the term renewals. All in favor.*

### **Election of Officers, effective through June 2022**

Nominations for all Officer positions were opened for all members to consider.

Receiving no other nominations from the floor, Officers were elected as follows:

Chris Johnson, President; Tony Kerasotes, V.P.; John Scaletta, Secretary; Mark Gramz, Treasurer.

*Motion by Willis J, second by Fred M, to approve the slate of officers. All in favor.*

### **Lobbyist Contract Review**

Chris reviewed the upcoming contract renewal for Mac Strategies as a lobbyist for NATO of IL for 2022. The contract price remains the same at \$35,000 for state lobbying representation and strategic consulting on issues in Chicago and Cook County. He and Mary Ann both noted that the experience this year was very positive and Mac Strategies proved themselves as responsive and effective representatives for our association.

*Motion by John S, second by Willis J, to approve the contract with Mac Strategies for 2022 Lobbyist services. All in favor.*

### **New Business**

Annual Budget / Financial Overview: Mary Ann noted that NATO of Illinois expenses are very minimal and funds are used strictly to support lobbyist expenses, actual hours worked by the Administrative Director, website maintenance and state business fees. Total annual budget is \$40,000, with dues revenue offset by \$15,000 in supplemental assistance from national NATO. Financial records are available upon request by any member.

John Scaletta noted that NATO of IL was able to maintain a lean budget due in large part to the support of Willis and Chris Johnson providing office space and personal time and energy as Presidents, thanking them for their leadership and commitment over many years.

#### **Administrative Director Review**

Mary Ann Frank was removed from the meeting for a closed session convened for her performance review and evaluation. No action was taken. Upon return, Mary Ann was thanked for providing valuable support.

#### **Old Business**

None

#### **Announcements**

CinemaCon 2022: April 25 - 28, 2022 – Caesar's Palace, Las Vegas, NV

Geneva Convention 2022: September 27 – 29, 2022 - Grand Geneva Resort and Spa, WI

*Motion by Willis J, second by John S, to adjourn. All in favor*

Meeting adjourned at 11:06 am.

Respectfully submitted by Mary Ann Frank