

**BERKS COUNTY CONVENTION CENTER AUTHORITY  
MINUTES OF THE REGULAR MEETING OF  
THURSDAY, JUNE 16, 2022**

The regular meeting of the Board of Directors (the “Board”) of the Berks County Convention Center Authority (the “Authority”) was called to order at 7:00 a.m. in the SMG Board Room, Santander Arena, 700 Penn Street, Reading, Pennsylvania.

The following members were present:

Mr. P. Michael Ehlerman  
Mr. Michael J. Gombar, Jr., Esquire  
Mr. Michael Fiucci  
Mr. Izzy Gonzalez  
Ms. Michele Richards  
Dr. Rodney Ridley  
Mr. John Ernesto

The meeting was chaired by Mr. Ehlerman.

Also present:

Mr. Matthew Mayer, Esquire, Barley Snyder, LLP  
Mr. David Farrar, ASM/Reading Royals  
Mr. John Long, Reading Royals  
Mr. Leonard Bonacci, ASM

The Chairman declared that a quorum was present and proceeded with the meeting.

**PUBLIC COMMENTS**

There were no comments from the public.

**APPROVAL OF MINUTES**

Upon a motion duly made and seconded, the minutes of the regular meeting of the Board of April 21, 2022 were unanimously approved.

**PEARLE BUILDING UPDATE**

Mr. Ehlerman provided the Board with an update on the Pearle Building. He advised the Board that the Pearle Building has been listed with NAI Keystone. He further advised that NAI Keystone is completing the marketing package and should have the property on the market very soon.

## TREASURER'S REPORT

Ms. Richards provided the Board with the Treasurer's Report, which contained the financials for the months of April and May 2022 and reviewed the report with the Board. Ms. Richards noted that the Authority had an increase in cash of \$150,009.33 in April resulting in total cash held of \$15,000,150.66 and a decrease in cash of \$374,177.31 in May resulting in total cash held of \$14,625,973.25. She noted that the Authority has begun making its bond payments again, including the increased amount due to the pause in bond payments during the COVID period.

Ms. Richards provided the Board with an update on the hotel tax receipts paid to the Authority for March and April 2022. She advised that the hotel tax receipts for March were \$167,116.85, which was an increase of \$28,758.10 over March 2021 and the hotel tax receipts for April were \$189,431.92, which was an increase of \$22,312.14 over April 2021. She noted that for the 2022 calendar year, the total hotel tax receipts are up by approximately 20% over 2021.

Upon a motion duly made and seconded, it was unanimously moved to approve all bills paid and to pay all bills listed that are scheduled to be paid. Secondly, upon a motion duly made and seconded, the Treasurer's Report was unanimously approved.

## ASM GLOBAL FINANCIAL REPORT

Mr. Farrar provided the Board with an update on the ASM Global financials. As of the end of April 2022, the Arena and SPAC had a combined profit of \$505,793, which was significantly higher than the budgeted profit of \$184,780. He noted that for the fiscal year to date the combined profit is \$1,089,193, which is much higher than the budgeted loss of \$43,068. Finally, he noted that he expects the final profit for the end of the fiscal year to be between \$750,000 and \$800,000. Upon a motion duly made and seconded, the ASM Global Financial Report was unanimously approved.

## ROYALS FINANCIAL REPORT

Mr. Long provided the Board with an update on the Reading Royals financials. He advised the Board that as of the end of April, the Royals had incurred a loss of \$341,103, which is less than the budgeted loss of \$556,551. He noted that while the Royals made the playoffs, they did not get far enough and the extension of the season into the playoffs actually increased the Royals' operating loss for the year. He is projecting a total loss of \$512,346 for the entire fiscal year, which is better than the budgeted loss of \$556,551; however, he noted that the playoffs will likely bring the total fiscal year loss to \$612,346. Upon a motion duly made and seconded, the Royals Financial Report was unanimously approved.

## BUDGETS

Ms. Richards, Mr. Farrar and Mr. Long also presented the 22/23 fiscal year budgets for the Authority, ASM and Royals, respectively to the Board, all of which were previously

discussed and reviewed at the Authority's budget meeting. After review, upon a motion duly made and seconded, all three budgets were unanimously approved.

### SOLICITOR'S REPORT

Mr. Mayer provided the Board with an update on the status of the Authority's bonds in regard to a question from Mr. Ehlerman. Mr. Mayer noted that the bonds will come due in 2030, but noted that the Authority will complete the repayment of the COVID-suspended portions of the bond payments in 2025. As a result of the foregoing, Mr. Mayer advised the Board that no action needs to be taken on the bonds until closer to 2027.

### ASM GLOBAL UPDATE

Mr. Farrar provided the Board with an update on the Arena/SPAC operations. Mr. Farrar noted that April was a very good month and that June will be slightly slower, but there are still events and graduations planned. He further noted that the event schedule for the Fall of 2022 is looking strong.

Mr. Bonacci advised the Board that he is working with Mr. Farrar to get some more large shows to the Arena. He also noted that they are working with Live Nation Philadelphia to try and get more shows to play in both Reading and Wilkes-Barre. Finally, he advised the Board that he was sorry that ASM did not provide a large show for the Arena, but stated they continue to work towards that goal.

Mr. Farrar provided the Board with a handout and some updates regarding the facilities' capital improvements. He noted that the new lighting and sound projects in the Arena have both been completed and look and sound great. He advised the Board that the ice plant is currently being removed. The new ice plant will be installed and that the work is slightly ahead of schedule. Mr. Farrar discussed the new airhandlers, which was originally budgeted for \$1,300,000; however, the bids came back at close to \$2,200,000. Finally, he noted that all other projects are currently still in the bid process.

### ROYALS UPDATE

Mr. Farrar provided the Board with an update on the Royals operations. He noted that the head coach recently resigned. He further noted that after a search, the plan is to hire the current assistant coach, James Henry, as the new head coach. Finally, he noted that the free agency period started today so they are working on signing players for next season.

### SCHOLARSHIP UPDATE

Mr. Fiucci provided the Board with an update on the Authority's Scholarship program. He noted that the Authority has made its last payment under the old scholarships and that all future payments will be made by the Berks County Community Foundation with the Authority providing funding.

## READING SYMPHONY ORCHESTRA REQUEST

Mr. Gombar advised the Board that the Reading Symphony Orchestra (RSO) is looking to purchase a new band shell for SPAC at the cost of \$800,000. RSO has existing commitments for approximately \$135,000 towards the cost and is requesting funds from the City and County. Additionally, RSO has asked the Authority to provide \$100,000. After discussion, a motion was made and unanimously approved to provide RSO with a commitment of \$35,000, provided they receive all other funding and complete the purchase of the new band shell.

## CHAIRMAN'S REPORT

Mr. Gombar announced the need to elect officers for the Authority for the next fiscal year. Mr. Ehlerman nominated Mr. Gombar for Chairman. Mr. Gombar nominated Mr. Fiucci for Vice Chairman, Ms. Richards for Treasurer and Mr. Gonzalez for Secretary. A motion was made and unanimously approved to name the foregoing Board members as officers beginning July 1, 2022.

Mr. Ehlerman noted that the next regular meeting of the Board would be held at the Santander Arena at 7:00 a.m., on August 18, 2022. At 8:00 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.