

**BERKS COUNTY CONVENTION CENTER AUTHORITY
MINUTES OF THE REGULAR MEETING OF
THURSDAY, AUGUST 17, 2023**

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

Ms. Marilu Rodriquez was excused.

The meeting was chaired by Mr. Gombar.

Also present:

Mr. Matthew Mayer, Esquire, Barley Snyder, LLP
Ms. Christina Gilfert, ASM
Mr. John Long, Reading Royals

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

PUBLIC COMMENTS

None.

APPROVAL OF MINUTES

Upon a motion duly made and seconded, the minutes of the regular meeting of the Board of June 15, 2023 were unanimously approved.

TREASURER’S REPORT

Ms. Richards provided the Board with the Treasurer’s Report, which contained the financials for the months of June and July 2023 and reviewed the report with the Board. Ms. Richards noted that the Authority had an increase in cash of \$246,792.22 in June, resulting in total cash held of \$13,608,605.75 and a decrease in cash of \$1,580,082.34 in July, resulting in total cash held of \$12,028,523.41. She noted that a lot of bills were paid in July, a list of which is provided with the report, which resulted in the large decrease in cash. She further noted that money will be transferred out of the Fulton Bank Money Market account into the Authority’s checking account

to replenish some of the monies spent in July. Ms. Richards also noted that the Authority's two checking accounts are earning a good amount of interest with Fulton Bank.

Ms. Richards provided the Board with an update on the hotel tax receipts paid to the Authority for the months of April, May and June 2023. She advised that the hotel tax receipts for April were \$250,150.37, which was an increase of \$60,718.45 against April 2022; the hotel tax receipts for May were \$189,518.42, which was a decrease of \$18,140.63 against May 2022; and the hotel tax receipts for June were \$275,952.77, which was an increase of \$63,295.41 against June 2022. She noted that for the first six months of the year, the hotel tax receipts have increased by \$157,529.32 over 2022, which is a 14.5% increase.

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

Ms. Gilfert provided the Board with an update on the ASM Global financials. For the month of June 2023, which is the end of ASM's fiscal year, the Arena and SPAC had a combined profit of \$1,204,586.00, which was significantly higher than the budgeted profit of \$199,993.00.00. She further noted that the actual profit was closer to \$2,400,000.00, but approximately \$1,200,000.00 was paid to ASM as part of its management fee.

Ms. Gilfert noted that for the month of July, ASM is ahead of its budgeted figures. She also noted that the Authority's audit is underway and will be concluded in September.

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 June 2023, the end of the fiscal year, the Royals had a loss of \$457,020.00, which is slightly more than the budgeted loss of \$392,979.00. He further noted that if you only look at the regular season, the Royals actually had a loss of \$391,059.00, which is just less than the budgeted loss of \$392,979.00, but the Royals incurred a loss of \$65,961.00 in the playoffs, which attributed to the higher loss figure for the entire fiscal year.

Upon a motion duly made and seconded, the Royals Financial Report was unanimously approved.

ASM GLOBAL UPDATE

Ms. Gilfert provided the Board with an update on the Arena/SPAC operations. She noted that there have been a lot of capital expenditures in the past two months. She further noted that one of the new air handlers the Arena received was damaged and needed to be returned and

replaced. Mr. Gombar stated that he will advise the County about this matter since the County grant funds were used to pay for the air handler project and need to be spent by the end of 2023.

HOCKEY COMMITTEE UPDATE

Mr. Fiucci noted that the Hockey Committee will have its first meeting in September and he will provide the Board an update at the next Board meeting.

Mr. Long provided the Board with an update on the housing situation for the Royals players. He advised the Board that he has been working with Berks Homes with regard to their Fairview Square townhome community in Mount Penn and the possibility of purchasing 6 townhomes which would provide sufficient housing for all Royals players. He is going to continue discussions with Berks Homes on this matter and provide the Board with a financial comparison of purchasing the townhomes versus renting properties.

Upon a motion duly made and seconded, it was unanimously approved to provide a \$5,000.00 deposit to reserve the purchase of 1 townhome with discussions to continue on the other 5 townhomes.

SOLICITOR'S REPORT

Mr. Mayer advised the Board that he will send the Royals Youth Hockey Profit and Loss Reports to Attorney Larry Miller in conjunction with Mr. Denike's bonus calculation.

PEARLE BUILDING UPDATE

Mr. Ridley advised the Board that there may be parties interested in the Pearle Building for a culinary institute/school. He is working with the interested parties and will provide the Board an update at the next Board meeting.

CHAIRMAN'S REPORT

Mr. Gombar advised the Board that the Reading Parking Authority reconsidered the Authority's proposal for a revenue sharing agreement and advised him that they were not interested in any agreement.

The Board went into executive session to discuss some personnel and contract matters and did not readjourn. Mr. Gombar noted that the next regular meeting of the Board would be held at the Santander Arena at 7:00 a.m., on October 19, 2023. At 8:20 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.