

**BERKS COUNTY CONVENTION CENTER AUTHORITY  
MINUTES OF THE REGULAR MEETING OF  
THURSDAY DECEMBER 16, 2021**

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. Gombar.

Also present:

Mr. Matthew Mayer, Esquire, Leisawitz Heller Abramowitch Phillips, P.C.  
Ms. Christina Gilfert, ASM  
Mr. David Farrar, ASM/Reading Royals  
Mr. John Long, Reading Royals

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 October 21, 2021 were unanimously approved.

**TREASURER’S REPORT**

Ms. Richards provided the Board with the Treasurer’s Report, which contained the financials for the months of October and November 2021, and reviewed the report with the Board. Ms. Richards noted that the Authority had an increase in cash of \$2,385,172.22 in October resulting in total cash held of \$6,804,849.88 and an increase in cash of \$5,169,852.39 in November resulting in total cash held of \$11,974,702.27. She noted that the increase in cash largely resulted from the Authority receiving the Shuttered Venues Grant and the \$3,000,000 grant from the City of Reading. She also noted that the documentation has been approved and

signed by the Authority, and the Authority expects to receive its \$3,000,000 grant from the County of Berks by the end of 2021. She also noted that the hotel tax receipts have increased significantly over the past few months.

Ms. Richards provided the Board with an update on the hotel tax receipts paid to the Authority for September 2021. She advised that the hotel tax receipts for September were \$221,599.24, which was an increase of \$80,478.65 over September 2020. More importantly, she noted that the hotel tax receipts for the past three months are up 16.4% over 2019, which was the pre-COVID year.

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. Ms. Gilfert noted that the months of September and October were both good months for ASM. As of the end of August, the Arena and SPAC had a combined profit of \$251,696, which was significantly higher than the budgeted profit of \$3,893. She noted that a good portion of the excess profit came from the Arena, which had a profit of \$119,975 compared to a budgeted loss of \$113,087. Ms. Gilfert noted that year to date, the Arena and SPAC are outperforming their budgeted figures, with an actual loss of \$35,351 compared to a budgeted loss of \$486,022. She noted that ASM has had a large number of events and still has low staff numbers so the profits were better than expected. She further noted that based on current operations, the Arena and SPAC are forecasted to beat their budget for the fiscal year. 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 October, the Royals had incurred a loss of \$147,561, which is less than the budgeted loss of \$183,490. He further noted that year to date, the Royals are beating their budgeted numbers showing a loss of \$362,094, compared to a budgeted loss of \$457,927. Upon a motion duly made and seconded, the Royals Financial Report was unanimously approved.

#### SUPPORT TO GREATER READING VISITOR'S BUREAU

Mr. Ehlerman led a discussion with the Board about the Authority's support for the Greater Reading Visitor's Bureau (the "Bureau"). He noted that historically, the Authority has provided funding in the amount of \$20,000 to the Bureau. In 2020 due to the COVID pandemic, the Authority reduced its support to the Bureau to \$10,000. Again due to the COVID pandemic, the Authority did not budget any support to the Bureau in 2021. Notwithstanding the foregoing, Mr. Ehlerman recommended that the Board approve a \$20,000 payment to the Bureau. Upon a motion duly made and seconded, the Board unanimously approved a \$20,000 payment to the Bureau.

## SOLICITOR'S REPORT

Mr. Mayer had nothing to report.

## ASM GLOBAL UPDATE

Mr. Farrar provided the Board with an update on the Arena/SPAC operations. Mr. Farrar advised the Board that the Spring event lineup is strong, and that ticket sales for the Winter shows has been good. He noted that ASM is still down 4 full-time staff members, but that the existing staff has been doing an excellent job with the reduced workforce. Mr. Farrar noted that despite the strong season so far, ASM does not have any shows or holds that were booked through AEG. Mr. Ehlerman advised the Board that he was going to address this issue with ASM's regional manager.

Mr. Farrar provided the Board with some updates regarding the facilities' capital improvements. He noted that the new lighting in the Arena was just completed and that the new sound system will be completed in January. He has several other capital expenditure projects pending and he advised the Board that his working with Q3, an outside company to help with the bid process for these projects. Mr. Farrar requested and received approval from the Board to spend approximately \$30,000 for new cocktail tables for the Arena to replace the existing tables, which are in bad repair. A meeting was scheduled for January 4, 2022 at 4:00 p.m. to review and discuss future capital expenditures.

## ROYALS UPDATE

Mr. Farrar provided the Board with an update on the Royals operations. He noted that the Royals have recently been affected by COVID, with 6 players, 1 coach and 1 trainer testing positive. He noted this resulted from the weekend series with Adirondack, where the Saturday game was cancelled due to positive COVID tests on the Adirondack team. The COVID outbreak also resulted in the Royals having to cancel its 3 weekend games for December 17-19. He noted the games should be rescheduled, but will not be weekend games, which will result in lower attendance and revenue. He is discussing this issue with the ECHL and trying to get funding from the ECHL to recover the lost revenue from missing the weekend games. Finally, he noted that the per capita spending at games has increased. He advised that food and beverage sales are up \$3.00 per person, merchandise sales are up \$4.37 per person and the drop numbers are up about \$1,500.

## PEARLE BUILDING

Mr. Ehlerman provided the Board an update on the status of the Pearle Building. He noted that Penn State Berks is still very interested in renting it for a culinary school, but that they need about \$6,000,000 in funding to do so, which they have not acquired yet. Dr. Ridley discussed this issue at length and volunteered to assist Penn State Berks in moving this project forward and helping to secure funding as he sees it is a vital part of the improvement of the downtown area. Mr. Ehlerman also mentioned the idea of listing the Pearle Building for rent with a commercial realtor, but agreed to hold off until the Board's next meeting to see if Penn State Berks makes any progress.

## CHAIRMAN'S REPORT

Mr. Gombar provided the Board with an update on his meeting with the Reading Parking Authority ("RPA"). He advised that RPA is working on an app and a new gateless system, but until that is finished and in place, which could be over a year, the RPA will not accept cash and all cars must pay at the gate by credit card. Mr. Farrar noted that this has caused long lines in the parking garages getting out of hockey games and events. The Board decided that Mr. Gombar should address the issue with City Council to try and get a resolution as the parking issues will deter people from attending events at the Arena and SPAC.

Mr. Ehlerman provided the Board with the dates for the Authority's 2022 meetings.

There being no further business before the Board at the public session, Mr. Gombar noted that the next regular meeting of the Board would be held at the Santander Arena at 7:00 a.m., on February 17, 2022. At 8:45 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.