

**BERKS COUNTY CONVENTION CENTER AUTHORITY  
MINUTES OF THE REGULAR MEETING OF  
THURSDAY, OCTOBER 20, 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 (via Zoom)  
Mr. Michael J. Gombar, Jr., Esquire  
Mr. Michael Fiucci  
Mr. Izzy Gonzalez  
Ms. Michele Richards  
Ms. Marilu Rodriguez

Dr. Rodney Ridley was excused.

The meeting was chaired by Mr. Gombar.

Also present:

Mr. Matthew Mayer, Esquire, Barley Snyder, LLP  
Mr. David Farrar, ASM/Reading Royals  
Ms. Christina Gilfert, ASM  
Mr. John Long, Reading Royals  
Mr. Mark Zettlemoyer, RKL  
Mr. Oliver Arthur, RKL

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 August 18, 2022 were unanimously approved.

**AUDIT REVIEW**

Mr. Zettlemoyer and Mr. Arthur provided the Board with the audit report for the Authority’s fiscal year audit and reviewed it with the Board. Mr. Zettlemoyer noted it was a clean audit opinion and there were no issues to discuss. He noted that the Authority’s net position increased by \$15,100,000, which was primarily due to the Authority’s receipt of various

grant funds. He further noted that the Authority's debt remains at approximately \$8,000,000 and that the Authority's operating revenue increased by \$4,000,000.

Upon a motion duly made and seconded, it was unanimously moved to approve the Authority's audit reports.

### TREASURER'S REPORT

Ms. Richards provided the Board with the Treasurer's Report, which contained the financials for the months of August and September 2022 and reviewed the report with the Board. Ms. Richards noted that the Authority had an increase in cash of \$179,925.10 in August, resulting in total cash held of \$13,706,770.80 and a decrease in cash of \$576,171.11 in September, resulting in total cash held of \$13,130,599.69. She noted that a significant amount of bills were paid in September including a partial payment for the new ice plant and a payment of \$150,000 to the Reading Royals. She also noted that she is working with Santander Bank to discuss possible investment options for the excess cash currently being held by the Authority.

Ms. Richards provided the Board with an update on the hotel tax receipts paid to the Authority for July 2022. She advised that the hotel tax receipts for July were \$303,701.22, which was an increase of \$73,392.22 over July 2021. She noted that for the 2022 calendar year, the total hotel tax receipts are up by approximately 21% 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

Ms. Gilfert provided the Board with an update on the ASM Global financials. As of the end of August 2022, the Arena and SPAC had a combined profit of \$456,965, which was significantly higher than the budgeted loss of \$14,150. She noted that the Arena ended with a profit of \$425,409, compared to a budgeted loss of \$2,730 and SPAC had a profit of \$31,556 compared to a budgeted loss of \$11,420. 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 August 2022, the Royals had incurred a loss of \$140,877, which is slightly less than the budgeted loss of \$164,837. However, Mr. Long noted that the loss may increase due to spending incurred in September to get ready for the hockey season which kicks off in October. Upon a motion duly made and seconded, the Royals Financial Report was unanimously approved.

## ASM GLOBAL UPDATE

Mr. Farrar provided the Board with an update on the Arena/SPAC operations. Mr. Farrar noted that the Fall is looking good for the Arena and December should be busy in SPAC, but that he is working on getting more shows to fill the Spring.

Mr. Farrar also provided the Board with an update on the recent and planned capital expenditures. He advised the Board that the new ice plant is installed and working great. He noted that CIMCO has been very good to work with and also stated that he is working with the Commonwealth of Pennsylvania on possible rebates from the installation of the ice plant. Mr. Farrar advised the Board of some emergency repairs that were completed since the last Board meeting: SPAC generator (\$11,000) and loading docks pumps (\$8,000). He noted that the second round of bids for capital expenditures are due on October 25<sup>th</sup> and he will discuss them with the Board and decide how to proceed. He further noted that the Ribbon Boards were supposed to be installed in October, but have been delayed and will be installed the second week of November. Finally, he noted that the rigging platform in SPAC need to be replaced at a cost of \$58,000. Upon a motion duly made and seconded, the replacement of the SPAC rigging platform was unanimously approved.

Mr. Farrar noted that the new gates have been installed by the Reading Parking Authority (“RPA”) and seem to be working ok so far. He has not received any complaints yet, but will advise the Board if he does. He also noted that RPA committed to a 3-year sponsorship at \$78,000/year.

Mr. Farrar also advised the Board that due to a great year last year, the Arena/SPAC are now a Top 30 venue for ASM. This results in more visibility and more reports provided to ASM, but not necessarily more support. In light of this announcement, the Board discussed having a discussion with ASM about it providing more support to the Arena/SPAC.

## ROYALS UPDATE

Mr. Farrar provided the Board with an update on the Royals operations. He noted that the Royals hit their budget for sponsorships, season tickets and flex groups, but noted that the attendance figures will be dependent on how well single game tickets sell. He also noted that merchandise sales and per capita sales are up.

Mr. Gombar advised the Board that having an event prior to the Royals opening game to welcome and recognize the City and County officials will not work due to scheduling conflicts, but that he will continue to work on this topic.

## PEARLE BUILDING UPDATE

Mr. Ehlerman provided the Board with an update on the Pearle Building. He noted that there was nothing significant to report and that he will advise the Board if anything occurs.

## SOLICITOR'S REPORT

Mr. Mayer and Mr. Gombar provided the Board with a summary of the ASM Bypass Data Sharing Agreement. Ms. Gilfert advised the Board that the purpose of the Agreement is to share food and beverage statistics and information with ASM. The Board decided to contact ASM to discuss the Agreement in further detail, but also determined that there was no reason not to sign the Agreement. Upon a motion duly made and seconded, the ASM Bypass Data Sharing Agreement was unanimously approved.

## CHAIRMAN'S REPORT

Mr. Gombar provided the Board with an update on the Authority's insurance renewal. He noted that the Authority's insurance agent suggested obtaining cyber insurance. Ms. Gilfert noted that ASM has cyber insurance, but she wasn't sure if it would also cover the Reading Royals. Mr. Gombar advised that he would discuss the issue with ASM, but after discussion, upon a motion duly made and seconded, the purchase of cyber insurance was unanimously approved.

Mr. Gombar advised the Board that the Authority's payment of the 5% City Admissions Tax was significant and is \$145,000 over what the City had budgeted for the previous fiscal year. He just noted this to advise the Board of the support the Authority is providing to the City via the tax payments.

The Board went into executive session to discuss some personnel and real estate matters. Upon conclusion of the executive 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 December 15, 2022. At 8:30 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.