

**BERKS COUNTY CONVENTION CENTER AUTHORITY
MINUTES OF THE REGULAR MEETING OF
THURSDAY, DECEMBER 21, 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. at the Doubletree Hotel, 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

The following member(s) were absent:

Ms. Marilu Rodriquez

The meeting was chaired by Mr. Gombar.

Also present:

Mr. Matthew Mayer, Esquire, Barley Snyder, LLP (via phone)
Mr. David Farrar, ASM
Ms. Christina Gilfert, ASM
Mr. John Long, Reading Royals

The Chairman declared that a quorum was present and proceeded with the meeting. He also noted that the change in location for the meeting was advertised in the Reading Eagle and posted at the Santander Arena entrance.

PUBLIC COMMENTS

None.

APPROVAL OF MINUTES

Upon a motion duly made and seconded, the minutes of the regular meeting of the Board of October 19, 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 October and November 2023 and reviewed the report with the Board.

Ms. Richards noted that the Authority had an increase in cash of \$38,155.05 in October, resulting in total cash held of \$10,652,030.02 and an increase in cash of \$4,888.68 in November, resulting in total cash held of \$10,656,918.70.

Ms. Richards provided the Board with an update on the hotel tax receipts paid to the Authority for the months of September and October 2023. She advised that the hotel tax receipts for September were \$236,163.12, which was a decrease of \$11,222.78 against September 2022 and the hotel tax receipts for October were 205,151.62, which was a decrease of \$19,680.77 against October 2022. She further noted that for the year through October the total hotel tax receipts for 2023 are \$11,602.45 lower than the same time period for 2022.

Ms. Richards also noted that the Berks County ARPA funding allocation of \$3,000,000 has been spent and is working on the reporting requirements to timely submit to the County per the terms of the Grant Agreement.

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 November 2023, the Arena and SPAC had a combined profit of \$1,161,145.00, which was significantly higher than the budgeted profit of \$182,575.00. She advised the Board that November was the best ever month for the Arena and SPAC, with two sold out shows in the Arena and four sold out shows in SPAC. She also noted that the year to date actual combined profit was \$1,901,737.00, which is significantly higher than the budgeted profit of \$321,088.00.

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 November 2023, the Royals had a loss of \$38,576.00.00, which is greater than the budgeted loss of \$18,131.00. He noted, however, that for the year to date, the Royals actual loss is \$529,555.00, which is slightly less than the budgeted loss of \$535,116.00.

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. He noted that the last few months have been very busy and very profitable for ASM. He advised that the next 6 months look good as well. He noted that the main complaint is still about parking and

exiting the Arena/SPAC area after shows/games. He said the biggest problem is there is no traffic plan in place so even when the garages clear out, visitors wait in long lines at lights to get out of the City. Finally, he noted that the Arena and SPAC have provided approximately \$800,000 in amusement tax revenue to the City. It was agreed to speak with the City Managing Director to work on getting some assistance from the City and its Police Department for future events.

Mr. Farrar noted that ASM provided gift cards to all staff as a holiday bonus and the staff was very appreciative. From an employee standpoint, he noted that a new Food and Beverage Director will be starting in January 2024 and that they lost 2 operations employees, but are looking to fill those roles.

Mr. Farrar noted that they have completed a lot of capital expenditures in the past few months. He also noted that the final air handler at the Arena will be completed in January 2024. Mr. Farrar provided an additional list of four capital expenditure items totaling approximately \$500,000. The Board discussed the items and approved the items subject to final review and approval of the Chairman and the Treasurer. It was noted that the Authority would be using the COSTARS system with the exception of the women's bathroom at SPAC. The Board acknowledged that the repairs to the women's bathroom in SPAC may be exigent and Mr. Mayer advised the Board that he would review and provide a legal opinion regarding the women's bathroom in SPAC.

HOCKEY COMMITTEE UPDATE

Mr. Fiucci provided the Board with an update from the Hockey Committee. He noted that the Royals are up in most revenue streams compared to last year. He also noted that per caps are up \$1.58, mostly due to food and beverage sales. The Board discussed transferring funds to RR Housing to use to purchase the townhouses for the Royals players and further discussed talking to banks about loans to complete the purchases of the townhouses.

SOLICITOR'S REPORT

Mr. Mayer had nothing to report.

PEARLE BUILDING UPDATE

Mr. Gombar noted that the RCAP audit was recently completed and approved by the State. So, the final retainage amounts should be released for payment within 45 days. There were no new updates regarding the leasing of the Pearle Building.

CHAIRMAN'S REPORT

Mr. Gombar provided the Board's meeting dates for 2024 and Mr. Mayer advised that he would have the dates published.

The Board went into executive session to discuss some personnel matters and real estate matters and did not reconvene after 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 February 15, 2024. At 9:00 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.