

**BERKS COUNTY CONVENTION CENTER AUTHORITY
MINUTES OF THE REGULAR MEETING OF
THURSDAY, AUGUST 17, 2017**

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, the Santander Arena, 700 Penn Street, Reading, Pennsylvania.

The following members were present:

Mr. P. Michael Ehlerman
Mr. Michael Fiucci
Mr. Carl Herbein
Mr. John Ernesto
Mr. Michael J. Gombar, Jr.
Ms. Michele Richards

Mr. Burlee Adams was absent.

The meeting was chaired by Mr. Herbein.

Also present:

Mr. Matthew Mayer, Esquire, Leisawitz Heller Abramowitch Phillips, P.C.
Mr. David Farrar, SMG
Ms. Christina Gilfert, SMG

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 June 15, 2017 were unanimously approved.

TREASURER’S REPORT

Ms. Richards distributed and reviewed the two-month Treasurer’s Report containing the financials for the months of June and July 2017. Ms. Richards reviewed and explained the report to the Board. Ms. Richards noted that there was an increase in cash in June in the amount of \$144,187.32, for a total cash balance of \$4,319,809.58. She reviewed the July statement as well, which indicated a decrease in cash of \$558,700.14, for a total cash balance of \$3,761,109.44. Ms. Richards explained that the large decrease in cash in July was due to the Authority having to make a bond principal payment in July.

Ms. Richards proceeded to review the hotel tax receipts for May and June 2017. She advised that the hotel tax receipts for May were \$182,498.56, which was an increase of \$18,067.94 as opposed to May 2016. She further advised that the hotel tax receipts for June were \$178,495.69, which was an increase of \$1,968.40 as opposed to April 2016. Ms. Richards further noted that the May and June hotel tax receipt figures contained approximately \$24,000 and \$19,000 in collected delinquent tax receipts, respectively. Mr. Ehlerman noted that there are still approximately \$25,000 in delinquent hotel tax receipts which have not been collected and advised that most of this figure is related to 5 or 6 hotels who are habitually late with their payments.

Ms. Richards noted that the auditors are currently working with SMG for the Authority's annual audit and that RKL's auditor will be attending the October Board meeting to discuss the audit results with the Board.

Mr. Ehlerman advised the Board that the Authority had a gross profit of \$250,000 for the fiscal year. He further noted that after paying 40% of the profit to SMG and accounting for a bonus accrual of \$48,000, the Board would have an approximate net operating profit of \$125,000 for the fiscal year.

Upon a motion duly made and seconded, it was unanimously moved to approve all bills paid in March, April, May and June and to pay all bills listed that had been unpaid during this period. Secondly, upon a motion duly made and seconded, the Treasurer's Report was approved.

SOLICITOR'S REPORT

Mr. Mayer had nothing of significance to report.

OTHER BUSINESS

Mr. Fiucci advised the Board that the Authority's BCTV show was up for renewal with a corresponding sponsorship contribution of \$1,000. Mr. Fiucci advised that the show was going well, he had received good feedback and he was willing to continue to organize the show. Upon a motion duly made and seconded, it was unanimously moved to approve the renewal of the Authority's BCTV show and pay the \$1,000 sponsorship fee.

Mr. Ernesto provided the Board with an update on the Reading Blues Fest. He said ticket sales have been slow over the summer, but he expects them to increase as they are starting their main marketing plan this month. He further advised that the Fest continues to raise sponsorship money and they have raised approximately \$60,000 of their \$75,000 goal.

Mr. Ehlerman and Mr. Gombar stated there was no new update on the Authority's RCAP application and that nothing would be known until the State's operating budget is approved.

MANAGEMENT REPORT

Mr. Farrar advised the Board that the Jehovah's Witnesses began their 5 weekend stay last weekend and have 4 more weekends coming up. He advised that everything has gone well and the Jehovah's Witnesses cleaned the carpets and did a lot of painting in the Arena. He further advised that the Jehovah's Witnesses have signed a contract for another 6 weekends in 2018. Mr. Ehlerman added that the Jehovah's Witnesses' leadership was very complimentary of the facility, management and the Reading Police Department during their stay.

Mr. Ehlerman advised the Board that they had received a RFP from the Franklin Street Station inquiring as to whether the Authority or SMG would have any interest in leasing their facility. Mr. Farrar noted it was a nice facility but opined that leasing it would not be a good idea and questioned the amount of use and cost of use that it would require. After some discussion, the Board agreed that it would not be interested in leasing the facility and Mr. Ehlerman agreed to advise Commissioner Barnhardt accordingly.

CHAIRMAN'S REPORT

Mr. Herbein advised the Board that pursuant to a letter dated August 14th, Mr. Adams resigned from the Board due to his ongoing health issues. The Board discussed Mr. Adams' longtime, valued service to the Board and decided to accept his resignation with regret. The Board would like to thank Mr. Adams for his 15 years of service on the Board and discussed various proposals to honor his service.

NEW BUSINESS

There was no new business to be discussed.

There being no further business before the Board at the public session, the Chairman announced that the next regular meeting of the Board would be held at the Santander Arena at 7:00 a.m., Thursday, October 19, 2017. At 8:00 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.