

**BERKS COUNTY CONVENTION CENTER AUTHORITY  
MINUTES OF THE REGULAR MEETING OF  
THURSDAY, OCTOBER 19, 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

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  
Ms. Rebecca Clouser, Reinsel Kuntz Leshner, LLP

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 17, 2017 were unanimously approved.

**AUDIT REPORT**

Ms. Rebecca Clouser of Reinsel Kuntz Leshner, LLP presented the Authority’s Financial Statements and Audit Report to the Board and proceeded to review both documents with the Board. Ms. Clouser began by reviewing the summary of the Authority’s financial statements with the Board. She noted that the Authority’s total operating revenues from FY2016 to FY2017 increased from approximately \$4,600,000 to \$5,200,000, which was due in large part to an increase in food and beverage revenues. Ms. Clouser also noted that the Authority’s expenses increased from approximately \$3,000,000 to \$3,260,000. Finally, Ms. Clouser noted that it was a good year for the Authority as the Authority’s net position from FY2016 to FY2017 increased

\$756,157. Ms. Clouser also reviewed the Audit Report with the Board, noted that the Authority had a clean Audit Report and there was nothing significant to report.

### TREASURER'S REPORT

Ms. Richards distributed and reviewed the two-month Treasurer's Report containing the financials for the months of August and September. Ms. Richards reviewed and explained the report to the Board. Ms. Richards noted that there was a decrease in cash in August in the amount of \$33,953.14, for a total cash balance of \$3,727,156.30. She reviewed the September statement as well, which indicated a decrease in cash of \$75,532.90, for a total cash balance of \$3,651,623.40.

Ms. Richards proceeded to review the hotel tax receipts for July and August 2017. She advised that the hotel tax receipts for July were \$188,840.95, which was a decrease of \$3,521.41 as opposed to July 2016. She further advised that the hotel tax receipts for August were \$199,923.08, which was an increase of \$6,239.73 as opposed to August 2016. Mr. Ehlerman noted that there is approximately \$35,000 in delinquent hotel tax receipts which have not been collected, a significant portion of which is attributable to the Hampton Inn, which will increase the 2017 tax receipt figures once collected.

Upon a motion duly made and seconded, it was unanimously moved to approve all bills paid in July, August and September 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. Farrar discussed the Royals' opening night festivities planned for Saturday, October 21, 2017. He noted that the Authority had originally proposed a large pre-game concert for which the Authority would contribute \$15,000 if the Royals contributed \$10,000. The Royals did not elect that option, but instead have planned a pre-game block party with the Uptown Band, at an approximate cost of \$8,000. The Royals have asked if the Authority would contribute fifty percent of the cost of the block party. After some discussion and upon a motion duly made and seconded, it was unanimously moved to approve the payment of fifty percent of the Royals' opening night block party costs up to a maximum of \$4,000 provided that the Royals submit an accounting of the various costs incurred.

Mr. Ernesto provided the Board with an update on the Reading Blues Fest. He said the event was a success for its first year. He noted that the event lost approximately \$20,000, but that wasn't discouraging considering the late start with ticket sales. He is continuing to plan for next year's event with a possible date in the middle of November.

## MANAGEMENT REPORT

Mr. Farrar advised the Board that the Spring events schedule looks strong although he is waiting for 2-3 shows to confirm. He noted that the new sound system has been completed in SPAC and sounded great during the Blues Fest event. Mr. Farrar noted that the replacement of the air conditioning units on the 3<sup>rd</sup> and 4<sup>th</sup> floors of SPAC have been completed. He further noted that there were two emergency repairs completed: (i) \$10,000 for repairs to the Arena's main beer cooler and (ii) \$8,000 - \$10,000 for a new generator.

## CHAIRMAN'S REPORT/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, December 21, 2017. At 8:00 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.