

**BERKS COUNTY CONVENTION CENTER AUTHORITY
MINUTES OF THE REGULAR MEETING OF
THURSDAY, JUNE 19, 2014**

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

The following members participated by telephone:

Mr. Carl Herbein
Mr. Burlee Adams

The meeting was chaired by Mr. P. Michael Ehlerman.

Also present:

Mr. Matthew Mayer, Esquire, Leisawitz Heller Abramowitch Phillips, P.C.
Ms. Hope Parkin, SMG
Mr. Jesse Garwood, SMG
Ms. Heather Adams, SMG
Mr. Joe Giordano, SMG
Mr. Vaughn Spencer, Mayor, City of Reading
Mr. Nathan Rothermel

Mr. Albert Boscov, Mr. John Ernesto and Mr. Brian D’Amico were absent.

The Chairman declared that a quorum was present and proceeded with the meeting.

PUBLIC COMMENTS

There were no comments from the public.

Upon a motion duly made and seconded, the minutes of the regular meeting of the Board of April 17, 2014 were unanimously approved.

INTRODUCTION OF SCHOLARSHIP WINNERS

Ms. Parkin introduced Margo Reed and Nathan Rothermel as the Santander Arena Greater Reading Arts & Entertainment Scholarship Winners. Ms. Reed was not present so Ms. Parkin discussed her background and explained that Ms. Reed plans to go to Temple University to major in Photography/Graphic Design. Mr. Rothermel was in attendance and provided his

background and advised the Board that he plans to attend Albright College to major in Theatre. Ms. Parkin further advised that the recognition advertisement will be run in the Voices section of the Reading Eagle on Tuesday June 24, 2014.

TREASURER'S REPORT

Mr. Herbein distributed and reviewed the two-month Treasurer's Report containing the financials for the months of April and May 2014. Mr. Herbein noted that in April the Authority made payments of \$147,770.83 in conjunction with the sale of the Reading Royals. Mr. Herbein noted that the Authority had total cash at the end of April of \$1,228,635.23. Mr. Herbein stated that there was little monetary activity in May and at the end of May, the Authority had total cash of \$1,229,985.95. Mr. Herbein made a special note of the fact that the Authority's cash increased from April to May.

Mr. Herbein noted that the hotel tax receipts for March and April 2014 were \$121,191.16 and \$130,256.99, respectively. Mr. Herbein advised that these tax receipts were an increase of \$20,690.88 and \$23,771.89 over the same months in 2013, respectively. Finally, Mr. Herbein noted that the total tax receipts for calendar year 2013 were \$97,415.99 higher than for calendar year 2012.

Mr. Herbein distributed and reviewed the Authority's budget for the fiscal year ending June 30, 2015. Mr. Herbein walked the Board through the budgeted numbers and noted that based on the budgeted numbers, the Authority is projected to make \$107,348.00 for fiscal year 2014-15 as opposed to the loss of \$189,876.00 it incurred for fiscal year 2013-14.

Upon a motion duly made and seconded, it was unanimously moved to approve all the bills paid within the period and to pay all bills listed that had been unpaid during this period. Further, upon a motion duly made and seconded, the Treasurer's Report was approved. Finally, upon a motion duly made and seconded, the budget was approved.

SOLICITOR'S REPORT

Mr. Mayer stated that there was no significant legal activity to report.

MANAGEMENT REPORT

Ms. Parkin noted that in Venues Today magazine, which is a popular industry publication, the Arena was rated 3rd in the Mid-Atlantic for venues between 5,001- 10,000 capacity and SPAC was rated 2nd for venues with 2,000 or fewer seating capacity.

Ms. Parkin advised that for the ten months through April 30, 2014, the combined operations earned a net profit of \$5,620 versus a budgeted loss of \$32,286 and much better than the previous year's loss of \$262,000. For the same period, the facilities had a combined loss of \$585,000 versus a budgeted loss of \$760,000 and again less than last year's loss of \$929,000. Finally, food and beverage had a profit of \$591,000 which was less than the budgeted profit of \$727,000 and slightly less than last year's profit of \$667,000.

Ms. Parkin distributed the most recent event schedule for the Arena and SPAC. She noted that the schedule is filling up for the fall and all of the Royals games have been scheduled.

Ms. Adams addressed suite renewals. In doing so, she noted that of the 4 suites that are up for renewal, 2 have been renewed (1 for 3 years and 1 for 5 years) and she is optimistic that the other 2 will be renewed as well. She further advised that there are 3 other suites open and there are 2 potential entities that could purchase one of those 3 suites.

Finally, Ms. Parkin and Mr. Giordano discussed that they are trying a new booking event in the Arena aimed primarily at the Latino community. They have scheduled Prince Royce, who is the premier bachata artist in the world right now. This event will be marketed and targeted at the Latino community in hopes of attracting a new crowd to the arena. This event has some significant risks involved with it in the event the attendance does not reach the break-even figures, but it is a calculated risk that has been discussed with and approved by the Board.

NEW BUSINESS

Mr. Ehlerman noted that there was no new business to discuss. 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, August 21, 2014. At 8:00 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.