

**BERKS COUNTY CONVENTION CENTER AUTHORITY
MINUTES OF THE REGULAR MEETING OF
THURSDAY, AUGUST 20, 2015**

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
Ms. Michele Richards
Mr. John Ernesto (via telephone)

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

Also present:

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

Mr. Albert Boscov and Mr. Carl Herbein were excused.

Mr. Burlee Adams was absent.

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

PUBLIC COMMENTS

There were no comments from the public.

CHAIRMAN’S REPORT

Upon a motion duly made and seconded, the minutes of the regular meeting of the Board of June 18, 2015 were unanimously approved.

TREASURER’S REPORT

Mr. Ehlerman distributed and reviewed the two-month Treasurer’s Report containing the financials for the months of June and July 2015. Mr. Ehlerman noted that the Authority had a cash balance of \$3,340,831.10 as of the end of July. He also noted that of the \$1,500,000 Construction Fund which was created for capital improvements, approximately \$840,000 has been spent on completed capital improvements to date.

Mr. Ehlerman proceeded to review the hotel tax receipts for May and June 2015. He advised that the hotel tax receipts for May and June were \$143,026.55 and \$188,435.14, respectively, and that the tax receipts for May 2015 were lower than May 2014 by \$8,740.41 whereas the tax receipts for June 2015 were \$29,319.45 greater than June 2014. Mr. Ehlerman noted that the 2014 and 2015 hotel tax receipts all reflect the increased territory and therefore can be accurately compared. He noted that the hotel tax receipts for the first six months of 2015 were up 5% over the same period in 2014 and that the hotel tax receipts for the period from June 2014 – June 2015 were up approximately 7% from the same period for 2013 – 2014. Mr. Ehlerman also advised the Board that a number of hotels are habitually paying their hotel tax a month or so late and that he plans to have a discussion with the County Treasurer to address this issue before it gets out of control.

Upon review, the Chairman accepted the Treasurer's Report as presented and discussed by the Board.

SOLICITOR'S REPORT

Mr. Mayer had nothing of significance to report.

MANAGEMENT REPORT

Mr. Farrar noted that the first BCTV television show was filmed and on all accounts it was a success. Mr. Farrar and Mr. Fiucci will continue working on future episodes of the television show. Mr. Farrar noted that the Jehovah's Witnesses had a good 5 week run and that all intentions are for them to return next year as they have already reserved a block of rooms at the Doubletree Hotel. Mr. Farrar stated the first Downtown Alive concert was successful. While they had hoped for 1,500 attendees, the attendance was closer to 500-600 people, but it was a good start for the first show. SMG hopes to continue the success with the other two shows this year and they are looking at acts from a wide variety of musical genres for the 5 shows projected for next year. Mr. Farrar noted that the Arena and SPAC are both doing well from a booking standpoint. The Arena has 13 scheduled acts for the fall which is up from last year. Mr. Farrar noted that the Theresa Caputo show has sold very well in the Arena and that Dave Chappelle sold out his first show in SPAC in less than an hour and the second show is almost sold out as well. Ms. Parkin also noted that as of June 2014 there were 25 total events scheduled, whereas as of June 2015 there are 45 total events scheduled. She said this is a testament to the good job being done by Mr. Farrar.

Mr. Farrar reviewed the capital improvements list for the Board. He advised the Board that the new dasher boards are scheduled to be installed next week and that the old dasher boards were sold for \$15,000 to a youth hockey organization. Mr. Farrar further stated that the ice plant repairs have been completed and that the ice is scheduled to be made on September 28th. Mr. Farrar also stated that they are still investigating the merits of the Arena Dehumidification System and he will report back when he has further information. Finally, Mr. Farrar noted that a new deal was agreed upon with the Reading Parking Authority for a 75/25 split for hockey games and a 60/40 split for all other events.

NEW BUSINESS

Mr. Ehlerman discussed two new items with the Board.

The first item was a suggestion to donate an additional \$10,000 to the Greater Reading Visitors Bureau (the "Visitors Bureau"). He noted that the Authority already donates \$15,000 to the Visitors Bureau and that the additional \$10,000 would bring the total donation to \$25,000. He also noted that the Visitors Bureau is seeking an increase to the hotel tax to help fund their operations and the Authority is in support of such a proposal so long as it does not decrease the Authority's percentage of the current hotel tax.

The second item was a suggestion to donate an additional \$40,000 to the Downtown Improvement District ("DID"). He noted that the Authority already donates \$20,000 a year to DID and that this increase would bring the total donation to \$60,000. This donation would be in part to assist with an additional 2 downtown concert events that are planned for next year. Mr. Ehlerman noted that this donation could span the two fiscal years depending on the dates of the events.

Upon a motion duly made and seconded, it was unanimously moved to approve the additional donations of \$10,000 to the Visitors Bureau and \$40,000 to DID.

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 15, 2015. At 8:00 a.m., upon a motion duly made and seconded, the Board unanimously resolved to adjourn.