



Meeting of Board of Directors

Wednesday, August 23, 2006

8:00 a.m. – 9:30 a.m.

Kent County Board Room, 3rd Floor
Grand Rapids, Michigan 49503

AGENDA

- | | |
|---|-------------|
| I. Call to Order | |
| II. Approval of July 26, 2006 Minutes | Action |
| III. Committee Reports | |
| a. Operations Committee | |
| i. CVB Update | Information |
| b. Finance Committee | |
| i. Approval of SMG June and July, 2006
Financial Statements - DeVos Place® and
Van Andel Arena® | Action |
| ii. Approval of CAA June and July, 2006 Financial
Statements and Disbursements | Action |
| iii. Audited Financial Statements for Years
Ended June 30, 2005 and 2004 | Action |
| IV. Resolution Approving and Authorizing Execution of First
Amendment to Management Agreement Between CAA and SMG | Action |
| V. Resolution Appointing Richard MacKeigan Executive Director
of the Grand Rapids-Kent County Convention/Arena Authority
Pursuant to the Terms of a Certain Letter Agreement | Action |
| VI. SMG Report and Facilities Calendars | Information |
| VII. Public Comment | |
| VIII. Next Meeting Date – Wednesday, September 27, 2006 | |
| IX. Adjournment | |



Van Andel Arena®
130 Fulton West
Grand Rapids, MI 49503-2601
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DEVOS PLACE

DeVos Place®
303 Monroe Ave. NW
Grand Rapids, MI 49503-2233
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**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS MEETING
Wednesday, July 26, 2006**

I. Call to Order

Chairman Steve Heacock called the meeting to order at 8:00 a.m. Chairman Heacock presided and Secretary/Treasurer Birgit Klohs recorded.

Attendance

Members Present: Steve Heacock, Chairman
Lew Chamberlin
Clif Charles
George Heartwell
Birgit Klohs

Members Absent: Gary McInerney
Joseph Tomaselli

Staff/Others:	Scott Atchison	Michigan Flashcard
	David Czurak	<i>Grand Rapids Business Journal</i>
	Daryl Delabbio	Kent County
	Kurt Hassberger	Rockford Construction Company, Inc.
	George Haworth	Tall House at 45 Ionia, LLC
	George Helmstead	CVB
	Kurt Kimball	City of Grand Rapids
	Ray Kisor	Commerce Realty
	Chris Knappe	<i>The Grand Rapids Press</i>
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Jay Rosloniec	McShane & Bowie
	Robert Sack	Grand Rapids Griffins
	Dave Smith	McShane & Bowie
	Susan Waddell	CAA
	Richard Wendt	Dickinson Wright
	Robert White	Kent County

II. Minutes of Prior Meeting

Motion: Mr. Heartwell, supported by Ms. Klohs, moved to approve the amended Minutes of the May 24, meeting of the Authority. Motion carried unanimously.

III. Committee Reports

a. Operations Committee.

- i. Resolution Approving Declaration of Restrictions and Utility Easements Related to a Portion of the Van Andel Arena® Site**

Mr. Wendt explained that Tall House at 45 Ionia, LLC ("Tall House") is in the process of purchasing property on Ionia Avenue, located immediately east of the Arena. Tall House intends to construct an 11-story mixed use, retail and residential building including approximately 15,000 square feet of retail space and 84 residential condominiums. While performing due diligence, Tall House learned from the City

Building Inspector that it would be required to fire rate the exterior wall on the west side of the project unless a building restriction is placed on the east 30 feet of the Arena property. Tall House is requesting that the CAA approve the imposition of a no-building restriction in that area, which would not cause any interference with the operation of the Arena. Additionally, utility easements burden the west 10 feet of the property; however, the actual utilities are located underground. The utility companies are requesting easements under the east 10 feet of the Arena property and Tall House is requesting that the CAA approve the grant of the utility easements. The requested easements will conform to what is actually in place. Mr. Wendt stated that the CAA would reserve the right to construct an elevator bank and/or stairs in the southeast corner of the Arena to accommodate future uses of the Arena. The DDA, owner of the property until the bonds are paid in full, has approved the restrictions and easements subject to the approval of the CAA. The CAA Operations Committee approved the restrictions and easements, subject to a determination regarding the size of the property in question and the parties' reaching agreement to consideration. The no-build zone has been determined to be 15 feet and the CAA will receive \$38,160 as consideration for much approval and consent.

Motion: Ms. Klohs, supported by Mr. Heartwell, moved to approve the following resolution:

WHEREAS, the Grand Rapids-Kent County Convention Arena Authority (the "CAA") entered into a Lease Agreement with the Downtown Development Authority of the City of Grand Rapids (the "DDA") dated as of July 1, 2000, related to the Van Andel Arena (the "Arena") and certain related properties (collectively, the "Arena Site") giving the CAA operational responsibility and control over the Arena Site and requiring that upon payment of certain bonds related to the Arena and DeVos Place convention center that the DDA convey the Arena Site to the CAA; and

WHEREAS, Tall House at 45 Ionia, LLC ("Tall House") is proposing to construct a nine story mixed use building (the "Project") to be located at 45 Ionia Avenue, S.W., adjacent to the Arena Site (the "Project Site"); and

WHEREAS, Tall House has requested that the CAA consent to a declaration of restrictions (the "Declaration") to be executed by the DDA prohibiting the placement of permanent buildings within a 15-foot area along the east side of the Arena Site and adjacent to only that portion of the west side of the Project Site to be occupied by the mixed use building as identified on the attached Exhibit A (the "Restriction Area"); and

WHEREAS, Tall House has further requested in connection with the development of the Project that the CAA consent to the DDA granting utility easements (the "Easements") to AT&T and Consumers Energy along the east side of the Arena within the areas identified on the attached Exhibit B (the "Utility Easement Area"); and

WHEREAS, the DDA has previously approved the Declaration and Easements subject to the terms, conditions and approval of the CAA.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the Declaration is hereby approved and consented to subject to (a) the ability of the CAA to place temporary structures within the Restriction Area in connection with activities and events held at the Arena, (b) the restrictions contained therein do not interfere with the possible construction of an elevator bank or stairs on the east side of the Arena to accommodate future uses, and (c) the CAA receives as consideration for such approval and consent \$38,160.

2. That the Easements are hereby approved and consented to for the nominal consideration of \$1.00.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

Motion approved unanimously.

ii. Operations Committee Report

Mr. Chamberlin reported that the Operations Committee reviewed and approved the proposed fiscal year 2007 capital budget, less \$190,000 for the football field system. Mr. MacKeigan stated that he is negotiating with DP Fox to participate in the cost.

iii. CVB Update

Mr. Helmstead presented a report on recent sales activities and major bid presentations. Grand Rapids lost the League of United Latin American Citizens convention to San Juan, Puerto Rico, and the Business & Professional Women's Association to St. Louis, Missouri.

b. Finance Committee

i. SMG May 2006 Financial Statements for DeVos Place® and Van Andel Arena®

Motion: Ms. Klohs, supported by Mr. Charles, moved to approve the SMG Financial Statements for DeVos Place® and the Van Andel Arena® for the period ended May 31, 2006. After review and discussion, the motion was unanimously adopted.

Chair Heacock expressed concern about the Arena's performance. Mr. MacKeigan responded that, while the Arena is hosting its fair share of events, the booking opportunities have declined.

ii. CAA May 2006 Disbursements and Financial Statements

Motion: Ms. Klohs, supported by Mr. Heartwell, moved to approve the CAA Disbursements and Financial Statements for the period ended May 31, 2006. After review and discussion, the motion was unanimously adopted.

iii. FY 2007 SMG Facility Operating & Capital Budgets

Ms. Klohs stated that the Finance Committee has reviewed the budgets twice and there are no substantial changes. In response to a request from Chair Heacock at the previous Board meeting, Mr. MacKeigan provided a report on the flat convention revenues at DeVos Place®. Mr. MacKeigan explained that, while the number of conventions increased over the past year, the size, services required, and amount of space utilized is down. Such a decline directly impacts the bottom line of the facility. Other factors to consider: (i) bookings started before the convention center was constructed and most clients want to see a complete building before they sign a contract; (ii) the staggered completion of the ballroom impacted sales efforts once the exhibit hall was open; (iii) most large groups book five years out and we started with a competitive disadvantage for these targeted efforts; (iv) and the true measurement for the facility will not come until the building has been operational for five years.

Motion: Ms. Klohs, supported by Mr. Charles, moved to approve the DeVos Place® and Van Andel Arena® operating and capital budgets for the fiscal year ending June 30, 2007. Motion approved unanimously.

iv. *FY 2007 CAA Administrative Budget*

Mr. MacKeigan stated that the football field system has been removed from the capital request, although it may need to be included in the future.

Motion: Ms. Klohs, supported by Mr. Charles, moved to approve the CAA administrative budget for the fiscal year ending June 30, 2007, less the football field system expenditure of \$190,000. Motion approved unanimously.

IV. Approval of Five-Year Rate Sheets

Mr. MacKeigan requested approval of the five-year rental rates for DeVos Place®. The rates were increased 3-3.25% for each room. The CVB is comfortable with the rates but would like to explore opportunities to be more aggressive. Ms. Klohs inquired about incentives provided by other facilities. Mr. MacKeigan responded that some may have funding assistance from hotels or subsidies and give away the space for free. West Michigan is a value and we need to attract convention planners to the city and address their priorities. Mr. Kimball noted a typographical error for year 2009.

Motion: Mr. Heartwell, supported by Mr. Charles, moved to approve the five-year rate plan. Motion approved unanimously.

V. SMG Report and Facilities Calendar

Mr. MacKeigan presented an update on the upcoming concerts and shows that will be held at DeVos Place® and the Van Andel Arena®. September will kick-off the Arena's 10th Anniversary series with an Eric Clapton concert. Mr. MacKeigan and Mr. Charles continue to work aggressively at securing diverse entertainment options. Next month, Skot Welch and Joe Jones will present a summary report.

VI. Other Business

Mr. MacKeigan stated that the outdoor amphitheater study is progressing and will address feasibility, traffic issues, site selection, and costs.

VII. Public Comment

Scott Atchison of Michigan Flashcard addressed the CAA Board about his directions and information booth concept.

VIII. Next Meeting Date

The date for next CAA Board meeting is Wednesday, August 23, 2006, 8:00 a.m.

IX. Adjournment

There being no other business, the meeting adjourned at 9:00 a.m.

Birgit M. Klohs, Recording Secretary

DEVOS PLACE

DE VOS PLACE

FINANCIAL STATEMENT
FOR THE PERIOD ENDED JUNE 30, 2006

*****PRELIMINARY – UNAUDITED STATEMENTS*****

Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Robert White
Thom Connors
Gary McAneney
Howard Feldman
Richard MacKeigan
Chris Machuta



An SMG Managed Facility

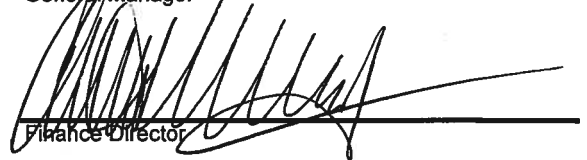
DE VOS PLACE
 ROLLING FORECAST
 FISCAL YEAR ENDING JUNE 30, 2006

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	651		651	467	184
ATTENDANCE	639,127		639,127	672,025	(32,898)
DIRECT EVENT REVENUE	2,350,403		2,350,403	2,082,127	268,276
ANCILLARY REVENUE	2,078,556		2,078,556	1,439,758	638,798
TOTAL EVENT REVENUE	4,428,959	-	4,428,959	3,521,885	907,074
TOTAL OTHER REVENUE	158,176		158,176	158,000	176
TOTAL OPERATING REVENUE	4,587,135	-	4,587,135	3,679,885	907,250
INDIRECT EXPENSES					
EXECUTIVE	118,960		118,960	133,805	14,845
FINANCE	203,910		203,910	201,426	(2,484)
MARKETING	78,372		78,372	66,743	(11,629)
OPERATIONS	1,317,622		1,317,622	1,073,910	(243,712)
EVENT SERVICES	840,822		840,822	846,786	5,964
BOX OFFICE	79,015		79,015	85,107	6,092
SALES	170,480		170,480	195,040	24,560
OVERHEAD	2,325,530		2,325,530	2,231,833	(93,697)
TOTAL OPERATING EXP.	5,134,712	-	5,134,711	4,834,650	(300,061)
NET REVENUE ABOVE EXPENSES	(547,577)	-	(547,576)	(1,154,765)	607,189
INCENTIVE FEE	186,779		186,779		186,779
NET OPERATING REVENUE OVER OPERATING EXPENSES	(734,356)	-	(734,355)	(1,154,765)	420,410

Comments:

June concludes a very successful fiscal year for DeVos Place. Due to a combination of additional bookings, and higher than anticipated spending in all ancillary income areas, the facility ended the fiscal year \$600,000 ahead of budget.

General Manager



Finance Director

**DE VOS PLACE
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED JUNE 30, 2006**

The following schedule summarizes operating results for the current month ending June 30, 2006 and the YTD ending June 30, 2006, compared to budget and to the prior year:

MONTH	June Actual	June Budget	June FY 2005
Number of Events	44	23	64
Attendance	20,979	22,800	42,577
Direct Event Income	\$52,323	\$54,060	\$217,599
Ancillary Income	151,581	33,427	164,513
Other Income	8,872	13,163	18,807
Indirect Expenses	(488,004)	(351,744)	(590,875)
Net Income	<u>(\$275,229)</u>	<u>(\$251,094)</u>	<u>(\$189,955)</u>

YTD	YTD 2006 Actual	YTD 2006 Budget	YTD 2005 Prior Year
Number of Events	651	467	512
Attendance	639,127	672,025	622,302
Direct Event Income	\$2,350,403	\$2,082,127	\$2,087,244
Ancillary Income	2,078,556	1,439,758	1,465,843
Other Income	158,176	158,000	125,691
Indirect Expenses	(5,134,712)	(4,834,650)	(4,708,336)
Net Income	<u>(\$547,577)</u>	<u>(\$1,154,765)</u>	<u>(\$1,029,558)</u>

EVENT INCOME

Event income came in at about budgeted levels for the month of June. More than anticipated events helped offset the shortfall on per event rentals.

ANCILLARY INCOME

Ancillary income came in well above budget for the month. This was due to higher spending mainly in the Food & Beverage and Audio/Visual areas. June also includes a May adjustment that came as a change in revenue reported by one of our 3rd party vendors.

INDIRECT EXPENSES

Indirect expenses came in higher than anticipated for the month. Most of the overage was due to repairs that were necessary to the roof of the theater not previously completed by either construction or the F/Y 2006 capital.

DE VOS PLACE
FACILITY STATEMENT OF INCOME
PERIOD ENDING 06/30/06

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						

DIRECT EVENT INCOME						
RENTAL INCOME	49,540	50,100	202,756	2,510,382	1,983,289	2,042,830
SERVICES INCOME	2,783	3,960	14,842	<159,980>	98,838	44,413
TOTAL DIRECT EVENT INCOME	52,323	54,060	217,599	2,350,403	2,082,127	2,087,244
ANCILLARY INCOME						

FOOD & BEVERAGE	46,408	15,825	78,675	801,861	565,630	505,585
NOVELTY	1,304	2,000	3,595	11,186	25,600	15,216
ELECTRICAL	6,083	3,522	1,645	448,097	314,738	333,876
OTHER ANCILLARY	97,786	12,080	80,599	817,412	533,790	611,166
TOTAL ANCILLARY INCOME	151,581	33,427	164,513	2,078,556	1,439,758	1,465,843
TOTAL EVENT INCOME	203,903	87,487	382,112	4,428,958	3,521,885	3,553,087
OTHER OPERATING INCOME	8,872	13,163	18,807	158,176	158,000	125,691
ADJUSTED GROSS INCOME	212,775	100,650	400,919	4,587,134	3,679,885	3,678,777
INDIRECT EXPENSES						
EXECUTIVE	9,236	11,144	10,943	118,960	133,805	118,699
FINANCE	16,377	16,780	15,744	203,910	201,426	209,846
MARKETING	13,717	5,561	6,308	78,372	66,743	51,992
OPERATIONS	206,944	88,286	176,109	1,317,622	1,073,910	1,024,164
EVENT MANAGEMENT	63,134	70,299	110,668	840,822	846,786	853,586
BOX OFFICE	6,059	7,084	6,162	79,015	85,107	80,871
SALES	25,602	16,246	11,866	170,480	195,040	135,558
OVERHEAD	146,936	136,344	253,075	2,325,530	2,231,833	2,233,619
INDIRECT EXPENSES	488,004	351,744	590,875	5,134,712	4,834,650	4,708,336
NET OPERATING INCOME	<275,229>	<251,094>	<189,955>	<547,577>	<1,154,765>	<1,029,558>
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	186,779	0	0	186,779	0	0
OTHER EXPENSES	186,779	0	0	186,779	0	0
NET INCOME (LOSS)	<462,008>	<251,094>	<189,955>	<734,356>	<1,154,765>	<1,029,558>

DE VOS PLACE
STATEMENT OF SERVICES INCOME
PERIOD ENDING 06/30/06

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	3,000	0	37,614	39,528	0	99,980
Changeover Setup Billed	2,699	0	212	17,709	0	11,281
Stagehands Billed	122,533	54,500	86,914	1,242,333	755,350	992,174
Security Billed	5,876	6,350	6,149	220,346	161,620	172,142
Ushers & Tix Takers Billed	8,502	7,200	8,844	150,267	118,950	135,802
Box Office Billed	900	1,000	800	16,700	16,400	16,433
Ticketing Service Billed	10,625	8,000	12,795	148,903	133,640	159,443
Utilities Billed	0	0	0	3,374	0	0
City Police Fire Billed	1,750	0	2,625	35,595	7,700	36,137
Traffic Control Billed	0	0	0	0	18,475	20,861
EMT Medical Billed	1,381	950	1,350	32,386	22,932	30,214
Cleaning Billed	2,500	0	0	7,735	0	3,562
Insurance Billed	945	0	240	5,209	0	6,639
Group Sales Commissions Billed	192	0	1,685	448	0	6,709
Telephone Billed	1,505	750	1,200	57,645	31,350	56,180
Damages Billed	0	0	0	550	0	350
Other Production Billed	14,696	0	1,742	77,499	0	103,644
TOTAL SERVICE INCOME	177,104	78,750	162,171	2,056,229	1,266,417	1,851,553
Advertising Expense	1,279	0	34,350	40,627	0	92,817
Sponsorship Expenses	0	0	0	500	0	0
Stagehand Wages	112,669	52,865	82,384	1,161,080	732,692	916,599
Security Wages	0	6,350	0	0	161,620	0
Contracted Security Expense	10,315	0	5,892	250,332	0	161,759
Ushers & T/T Wages	5,951	5,040	6,191	106,712	83,266	95,062
Ticket Sellers Wages	764	1,100	421	19,239	18,700	16,542
Ticket Service Charge Expense	1,727	3,800	4,764	41,050	60,944	47,320
Ticket Supplies	0	0	0	0	0	5,481
City Police Fire Expense	1,750	0	2,625	42,102	2,800	36,074
Traffic Control Expense	0	0	0	0	25,025	28,747
EMT Medical Expense	1,402	900	1,071	28,560	22,682	24,346
Cleaning Wages	2,453	4,735	0	3,453	59,850	0
Contracted Cleaning Expense	19,781	0	7,720	349,338	0	251,564
Insurance Expense	992	0	624	4,748	0	5,591
Group Sales Commissions	0	0	0	116	0	0
Allocated Telephone Expense	376	0	300	14,070	0	14,038
Production Expense	14,863	0	987	154,284	0	111,201
TOTAL SERVICE EXPENSE	174,322	74,790	147,329	2,216,208	1,167,579	1,807,140
NET SERVICE INCOME	2,783	3,960	14,842	<159,980>	98,838	44,413

SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For Month Ended June 30, 2006

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	155	121	145,295	142,500	1,771,688	1,312,638
Consumer/Gated Shows	54	40	200,022	218,800	920,583	779,271
Devos Performance Hall	153	143	187,248	223,100	691,916	660,121
Ballroom Exclusive	75	64	42,047	42,875	469,688	433,260
Other	214	99	64,515	44,750	575,023	336,595
GRAND TOTALS	651	467	639,127	672,025	4,428,898	3,521,885

As Percentage of Overall

Convention/Trade Shows	23.81%	25.91%	22.73%	21.20%	40.00%	37.27%
Consumer/Gated Shows	8.29%	8.57%	31.30%	32.56%	20.79%	22.13%
Devos Performance Hall	23.50%	30.62%	29.30%	33.20%	15.62%	18.74%
Ballroom Exclusive	11.52%	13.70%	6.58%	6.38%	10.61%	12.30%
Other	32.87%	21.20%	10.09%	6.66%	12.98%	9.56%

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DE VOS PLACE
STATEMENT OF FINANCIAL POSITION
PERIOD ENDING 06/30/06

ASSETS	
CURRENT ASSETS	
CASH	1,923,744
ACCOUNTS RECEIVABLE	274,531
PREPAID EXPENSES	27,154

TOTAL CURRENT ASSETS	2,225,429

FIXED ASSETS	
TOTAL ASSETS	2,225,429
	=====
LIABILITIES & EQUITY	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	88,372
ACCRUED EXPENSES	490,555
DEFERRED INCOME	89,190
ADVANCED TIX SALES & DEPOSITS	370,032

TOTAL CURRENT LIABILITIES	1,038,148

EQUITY	
FUNDS REMITTED	<950,000>
FUNDING RECEIVED	1,574,732
RETAINED EARNINGS	1,296,905
NET INCOME (LOSS)	<734,356>

TOTAL EQUITY	1,187,280

TOTAL LIABILITIES & EQUITY	2,225,429
	=====

SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
Month Ended June 30, 2006

Current - Under 30 Days	
Food & Beverage	46,408
Ticketing	9,969
Decorating	4,235
Audio/Visual	32,064
Operating	134,789
Over 30 Days	32,346
Over 60 Days	-
Over 90 Days	
Donnell Productions	5,736
Paragon Leather	1,696
Saigon Entertainment	5,002
Grinder Promotions	2,286
Total Accounts Receivable	274,531

DE VOS PLACE
INDIRECT EXPENSE SUMMARY
PERIOD ENDING 06/30/06

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	58,085	63,588	58,694	749,223	763,078	706,441
Part-Time	7,804	13,163	13,356	145,385	158,000	133,010
Wages-Trade	132,111	97,390	127,158	1,519,534	1,168,790	1,272,310
Sales Commissions Group Sales	0	0	0	1,308	0	0
Auto Allowance	2,121	0	1,971	24,050	0	23,350
Auto Expense	150	2,119	150	1,800	25,450	1,800
Taxes & Benefits	47,922	42,329	89,074	653,050	508,245	628,847
Less: Allocation/Reimbursement	<134,579>	<79,789>	<104,834>	<1,493,102>	<957,446>	<1,236,668>
TOTAL LABOR COSTS	113,614	138,800	185,569	1,601,248	1,666,117	1,529,091
Contracted Security	23,999	19,000	23,274	249,923	228,000	240,567
Contracted Cleaning	2,446	0	1,794	26,219	0	15,486
Other Contracted Services	235	200	224	2,694	2,400	2,423
Travel & Entertainment	1,934	1,201	532	14,183	14,500	11,048
Corporate Travel	1,021	413	0	9,173	5,000	<221>
Meetings & Conventions	3,720	1,962	3,551	24,673	32,000	20,299
Dues & Subscriptions	700	300	0	4,066	3,600	2,449
Employee Training	0	837	0	1,300	10,000	9,894
Miscellaneous Expense	4	0	0	4	0	0
Computer Expense	19,389	6,250	5,101	66,512	75,000	78,375
Professional Fees	4,545	3,000	3,051	38,392	36,000	36,598
Marketing & Advertising	22,000	3,387	3,782	57,465	40,600	30,950
Box Office Expenses	<6>	0	39	232	0	787
Small Equipment	0	0	1,558	389	0	4,353
Trash Removal	649	2,500	2,800	31,583	30,000	26,841
Equipment Rental	1,294	1,000	5,513	14,785	12,000	17,700
Landscaping	1,444	0	0	6,328	0	0
Exterminating	1,053	6,300	22,644	51,183	75,600	37,062
Cleaning	6,200	0	11,350	32,566	9,000	11,350
Construction Costs	0	0	0	0	0	2,967
Repairs & Maintenance	120,849	19,163	25,221	452,136	230,000	211,102
Supplies	42,362	18,250	48,267	236,732	219,000	273,013
Bank Service Charges	888	1,000	1,307	17,777	12,000	14,891
Insurance	18,154	19,922	45,686	266,431	238,987	270,109
Licenses & Fees	0	0	140	253	0	239
Printing & Stationary	125	913	0	754	11,000	1,646
Office Supplies	2,148	750	3,985	18,415	9,000	14,731
Postage	579	413	500	4,888	5,000	2,235
Parking Expense	1,984	1,500	1,782	20,923	18,000	17,629
Telephone Long Distance	8,078	6,000	7,497	77,331	72,000	76,263
Utilities	68,540	78,150	79,701	1,574,732	1,533,450	1,435,537
Base Fee	20,433	20,533	19,935	245,948	246,396	239,800
Incentive Fee	0	0	86,373	0	0	86,373
Less: Allocated/Reimbursement	<376>	0	<300>	<14,525>	0	<14,493>
TOTAL MATERIAL AND SERVICES	374,391	212,944	405,306	3,533,463	3,168,533	3,178,003
TOTAL INDIRECT EXPENSES	488,004	351,744	590,875	5,134,712	4,834,650	4,707,094

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**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2006**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Net Revenue above Expenses	1,267,039	(547,577)	719,462	527,507
Benchmark	1,689,156	(1,154,237)	534,919	259,115
Excess	(422,117)	606,660	184,543	268,392

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Base Fee	245,200	245,200	490,400	478,439
Incentive Fee				
Revenue	4,806,468	4,587,134	9,393,602	8,684,919
Benchmark Revenue	4,576,971	3,680,413	8,257,384	7,712,250
Revenue Excess	229,497	906,721	1,136,218	972,669
Incentive Fee **	47,275	186,779	234,055	194,533
Total SMG Management Fee	292,475	431,979	724,455	672,972

** Incentive fee is 20% of the first \$1 million in excess, 25% of remaining capped at base fee amount.



VAN ANDEL ARENA

FINANCIAL STATEMENT
FOR THE PERIOD ENDED JUNE 30, 2006

*****PRELIMINARY – UNAUDITED STATEMENTS*****

Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Robert White
Thom Connors
Gary McAneney
Howard Feldman
Richard MacKeigan
Chris Machuta



An SMG Managed Facility

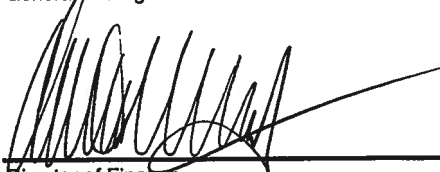
VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2006

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	131		131	123	8
ATTENDANCE	641,238		641,238	709,400	(68,162)
DIRECT EVENT INCOME	1,042,801		1,042,801	1,184,902	(142,101)
ANCILLARY INCOME	1,466,121		1,466,121	1,486,032	(19,911)
TOTAL EVENT INCOME	2,508,922	-	2,508,922	2,670,934	(162,012)
TOTAL OTHER INCOME	2,297,546		2,297,546	2,166,000	131,546
TOTAL INCOME	4,806,468	-	4,806,468	4,836,934	(30,466)
INDIRECT EXPENSES					
EXECUTIVE	125,235		125,235	116,853	(8,382)
FINANCE	187,907		187,907	196,780	8,873
MARKETING	252,799		252,799	236,837	(15,962)
OPERATIONS	1,298,279		1,298,279	1,230,834	(67,445)
BOX OFFICE	101,001		101,001	108,507	7,506
LUXURY SEATING	113,047		113,047	115,222	2,175
SKYWALK ADMIN	39,732		39,732	39,856	124
OVERHEAD	1,421,430		1,421,430	1,333,075	(88,355)
TOTAL INDIRECT EXP.	3,539,430	-	3,539,430	3,377,964	(161,466)
NET REVENUE ABOVE EXPENSES	1,267,039	-	1,267,039	1,458,970	(191,931)
LESS INCENTIVE FEE	47,275		47,275		
NET REVENUE ABOVE EXPENSES AFTER CAPITAL	1,219,764	-	1,219,764	1,458,970	(239,206)

Comments:

June concludes the 10th Fiscal Year for the Arena. While the Arena performed below budgeted expectations for the year, the second half of the fiscal year performed ahead of budget, hopefully leading to a successful fiscal year 2007.

General Manager



Director of Finance

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED JUNE 30, 2006**

The following schedule summarizes operating results for the current month ending June 30, 2006 and the YTD ending June 30, 2006 compared to budget and to the prior year:

MONTH	June Actual	June Budget	June FY 2005
Number of Events	6	5	2
Attendance	51,608	31,000	16,444
Direct Event Income	\$134,409	\$95,292	\$62,003
Ancillary Income	169,880	80,875	78,672
Other Income	353,724	180,500	276,877
Indirect Expenses	(236,103)	(280,872)	(295,281)
Net Income	\$421,909	\$75,795	\$122,271

YTD	YTD 2006 Actual	YTD 2006 Budget	YTD 2005 Prior Year
Number of Events	131	123	117
Attendance	641,238	709,400	647,682
Direct Event Income	\$1,042,801	\$1,184,902	\$1,288,903
Ancillary Income	1,466,121	1,486,032	1,448,780
Other Income	2,297,546	2,166,000	2,268,459
Indirect Expenses	(3,539,430)	(3,377,964)	(3,449,174)
Net Income	\$1,267,039	\$1,458,970	\$1,556,968

EVENT INCOME

Event income came in higher than budget due to the success of two sold out Kenny Chesney concerts, a strong selling Micheal Buble' concert, and a weekend convention.

ANCILLARY INCOME

Ancillary income came in well ahead of budget during the month. The convention held during the month had stronger food & beverage revenue than what we have seen for similar events in the past. Kenny Chesney sold over \$415,000 worth of food & beverage and novelties during his two show stand during the month.

INDIRECT EXPENSES

Indirect expenses came in at expected levels during the month.

VAN ANDEL ARENA
FACILITY STATEMENT OF INCOME
PERIOD ENDING 06/30/06

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						

DIRECT EVENT INCOME						
RENTAL INCOME	96,698	114,000	52,627	1,693,629	1,896,000	1,843,887
SERVICES INCOME	37,711	<18,708>	9,376	<650,828>	<711,098>	<554,983>
TOTAL DIRECT EVENT INCOME	134,409	95,292	62,003	1,042,801	1,184,902	1,288,903
ANCILLARY INCOME						

FOOD & BEVERAGE	145,475	65,475	64,234	1,223,096	1,207,182	1,201,125
NOVELTY	25,142	15,400	14,438	187,823	235,708	210,057
ELECTRICAL	0	0	0	0	0	1,840
OTHER ANCILLARY	<736>	0	0	55,202	43,142	35,759
TOTAL ANCILLARY INCOME	169,880	80,875	78,672	1,466,121	1,486,032	1,448,780
TOTAL EVENT INCOME	304,289	176,167	140,675	2,508,922	2,670,934	2,737,683
OTHER OPERATING INCOME	353,724	180,500	276,877	2,297,546	2,166,000	2,268,459
ADJUSTED GROSS INCOME	658,013	356,667	417,552	4,806,468	4,836,934	5,006,143
INDIRECT EXPENSES						
EXECUTIVE	11,022	9,621	7,640	125,235	116,853	123,806
FINANCE	11,431	16,277	5,163	187,907	196,780	185,835
MARKETING	16,394	19,605	20,992	252,799	236,837	233,913
LUXURY SEATING	5,149	9,600	3,207	113,047	115,222	115,608
OPERATIONS	75,880	102,336	50,575	1,298,279	1,230,834	1,246,076
BOX OFFICE	7,068	9,034	300	101,001	108,507	101,871
SKYWALK ADMINISTRATION	2,682	3,314	2,402	39,732	39,856	38,772
OVERHEAD	106,476	111,085	205,001	1,421,430	1,333,075	1,403,294
INDIRECT EXPENSES	236,103	280,872	295,281	3,539,430	3,377,964	3,449,174
NET OPERATING INCOME	421,909	75,795	122,271	1,267,039	1,458,970	1,556,968
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	47,275	0	0	47,275	0	0
OTHER EXPENSES	47,275	0	0	47,275	0	0
NET INCOME (LOSS)	374,634	75,795	122,271	1,219,764	1,458,970	1,556,968

VAN ANDEL ARENA
STATEMENT OF SERVICES INCOME
PERIOD ENDING 06/30/06

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	3,069	0	18,687	287,358	29,000	352,905
Sponsorship Income	0	0	0	15,000	0	27,000
Labor Billed	2,900	1,080	1,890	20,528	14,940	20,708
Changeover Setup Billed	19,536	6,600	7,607	136,131	102,350	141,995
Stagehands Billed	51,711	50,000	42,412	468,688	424,600	478,843
Security Billed	41,663	12,000	14,549	184,954	143,700	183,623
Ushers & Tix Takers Billed	28,099	7,000	5,779	116,102	109,200	109,077
Box Office Billed	1,419	800	774	9,396	10,550	13,857
Ticketing Service Billed	7,182	16,000	2,699	73,874	205,350	120,213
Utilities Billed	0	0	1,800	11,275	0	22,288
City Police Fire Billed	3,220	672	560	16,816	12,780	12,304
EMT Medical Billed	3,100	1,200	625	23,540	19,125	27,404
Production Materials Billed	0	0	0	3,778	0	0
Cleaning Billed	17,843	7,200	7,019	93,889	97,100	98,608
Insurance Billed	0	0	0	1,123	0	0
Group Sales Commissions Billed	0	0	0	11,124	0	11,620
Telephone Billed	4,700	1,600	2,800	27,615	24,810	28,600
Other Production Billed	23,234	8,000	32,156	347,464	98,200	232,137
TOTAL SERVICE INCOME	207,676	112,152	139,357	1,848,654	1,291,705	1,881,180
Advertising Expense	4,049	0	19,815	298,333	29,000	392,766
Sponsorship Expenses	0	0	0	1,157	0	13,600
Labor Wages	2,465	918	1,607	17,448	14,535	17,411
Contracted Changeover Setup Expense	9,966	9,500	3,953	272,458	252,158	269,877
Stagehand Wages	46,124	48,354	39,212	478,463	469,505	477,488
Contracted Security Expense	35,371	13,200	14,572	333,779	238,050	291,101
Contracted Ushers & T/T Expense	23,786	11,600	4,140	305,873	279,470	254,776
Ticket Sellers Wages	1,206	0	658	7,986	0	11,778
Ticket Service Charge Expense	6,149	16,000	8,095	58,537	235,500	117,458
City Police Fire Expense	389	1,672	560	16,769	17,874	14,421
Traffic Control Expense	0	0	0	238	0	0
EMT Medical Expense	2,638	2,043	614	35,918	36,949	31,296
Contracted Cleaning Expense	12,694	14,045	5,678	267,571	307,069	266,160
Group Sales Commissions	163	0	0	4,464	0	0
Allocated Telephone Expense	1,410	528	690	7,460	7,593	7,860
Production Expense	23,557	13,000	30,388	393,029	115,100	270,171
TOTAL SERVICE EXPENSE	169,965	130,860	129,981	2,499,482	2,002,803	2,436,164
NET SERVICE INCOME	37,711	<18,708>	9,376	<650,828>	<711,098>	<554,983>

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SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
Month Ending June 30, 2006

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	37	38	117,416	166,000	347,837	612,646
Sporting Event	9	9	38,841	47,400	297,819	154,230
Concert	21	22	165,060	176,000	1,148,622	1,423,306
Team Home Games	56	48	261,437	284,000	485,853	406,545
Other	8	6	58,484	36,000	228,768	74,207
GRAND TOTALS	131	123	641,238	709,400	2,508,899	2,670,934

As Percentage of Overall

Family Show	28.24%	30.89%	18.31%	23.40%	13.86%	22.94%
Sporting Event	6.87%	7.32%	6.06%	6.68%	11.87%	5.77%
Concert	16.03%	17.89%	25.74%	24.81%	45.78%	53.29%
Team Home Games	42.75%	39.02%	40.77%	40.03%	19.37%	15.22%
Other	6.11%	4.88%	9.12%	5.07%	9.12%	2.78%

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VAN ANDEL ARENA
STATEMENT OF FINANCIAL POSITION
PERIOD ENDING 06/30/06

ASSETS	
CURRENT ASSETS	
CASH	2,434,363
ACCOUNTS RECEIVABLE	750,656
PREPAID EXPENSES	121,081

TOTAL CURRENT ASSETS	3,306,101

FIXED ASSETS	
TOTAL ASSETS	3,306,101
	=====
LIABILITIES & EQUITY	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	<2,681>
ACCRUED EXPENSES	315,649
DEFERRED INCOME	180,898
ADVANCED TIX SALES & DEPOSITS	1,803,651

TOTAL CURRENT LIABILITIES	2,297,517

EQUITY	
FUNDS REMITTED	<2,000,000>
FUNDING RECEIVED	806,356
RETAINED EARNINGS	982,464
NET INCOME (LOSS)	1,219,764

TOTAL EQUITY	1,008,583

TOTAL LIABILITIES & EQUITY	3,306,101
	=====

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
Month Ending June 30, 2006

Current - Under 30 Days	
Food & Beverage	145,110
Ticketing	80,018
Merchandise	2,251
Permanent Advertising	108,457
Operating	248,973
Over 30 Days	98,541
Over 60 Days	37,654
Over 90 Days	
Time Out for Women	29,652
Total Accounts Receivable	750,656

VAN ANDEL ARENA
INDIRECT EXPENSE SUMMARY
PERIOD ENDING 06/30/06

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	53,248	57,381	23,735	677,143	688,605	664,340
Part-Time	3,270	3,337	2,894	75,033	40,000	71,669
Wages-Trade	63,128	77,914	45,666	845,275	935,045	832,511
Wages-Trade Part-Time	0	0	0	0	0	5,219
Sales Commissions Group Sales	72	0	0	3,553	0	0
Auto Allowance	594	0	577	6,825	0	6,925
Auto Expense	300	990	300	3,600	11,825	3,600
Taxes & Benefits	26,691	33,987	32,850	446,458	407,899	441,195
Less: Allocation/Reimbursement	<65,314>	<64,796>	<56,895>	<704,928>	<777,541>	<715,710>
TOTAL LABOR COSTS	81,988	108,813	49,128	1,352,961	1,305,833	1,309,749
Contracted Security	22,135	19,000	21,798	233,852	228,000	229,283
Contracted Cleaning	2,764	2,500	2,747	30,516	30,000	27,829
Other Contracted Services	330	300	4,497	6,835	3,600	8,606
Travel & Entertainment	1,948	862	0	13,617	10,300	10,689
Corporate Travel	2,162	625	0	2,309	7,500	0
Meetings & Conventions	3,368	350	1,898	5,925	11,700	7,137
Dues & Subscriptions	285	212	0	10,103	2,500	9,318
Employee Training	0	750	0	787	9,000	3,074
Computer Expense	3,475	5,413	6,058	68,988	65,000	80,058
Professional Fees	1,234	2,587	1,875	23,208	31,000	30,781
Marketing & Advertising	405	7,826	9,634	87,081	94,000	75,184
Box Office Expenses	<245>	0	122	<1,677>	0	<8>
Small Equipment	0	0	0	348	0	4,563
Trash Removal	1,980	1,500	96	21,646	18,000	20,003
Equipment Rental	1,488	1,250	984	15,587	15,000	14,770
Landscaping	625	0	0	3,484	0	0
Sand & Salt	0	0	98	0	0	98
Exterminating	248	300	248	3,490	3,600	2,970
Cleaning	0	900	0	2,650	10,800	4,050
Repairs & Maintenance	3,878	9,337	13,149	155,947	112,000	163,915
Supplies	8,010	12,849	16,010	186,047	154,100	158,371
Bad Debt Expense	0	0	<31,956>	0	0	<31,956>
Bank Service Charges	919	750	409	6,956	9,000	8,248
Insurance	14,908	15,476	29,643	155,354	185,679	177,295
Licenses & Fees	807	0	0	879	0	0
Other Taxes	<52>	0	<79>	<340>	0	<305>
Printing & Stationary	157	1,750	0	544	21,000	6,029
Office Supplies	1,874	1,000	1,069	17,736	12,000	15,296
Postage	1,300	1,000	565	9,655	12,000	11,574
Parking Expense	5,880	2,000	2,086	29,319	24,000	27,360
Telephone Long Distance	10,890	5,000	1,014	89,951	60,000	66,103
Utilities	46,698	61,313	38,912	807,037	735,800	704,536
Base Fee	20,433	20,533	19,935	244,452	246,396	238,639
Incentive Fee	0	0	108,161	0	0	108,161
Common Area Expense	<2,378>	<2,949>	<2,130>	<38,355>	<35,344>	<34,388>
Less: Allocated/Reimbursement	<1,410>	<375>	<690>	<7,460>	<4,500>	<7,860>
TOTAL MATERIAL AND SERVICES	154,115	172,059	246,153	2,186,469	2,072,131	2,139,425
TOTAL INDIRECT EXPENSES	236,103	280,872	295,281	3,539,430	3,377,964	3,449,174

8

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2006**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Net Revenue above Expenses	1,267,039	(547,577)	719,462	527,507
Benchmark	1,689,156	(1,154,237)	534,919	259,115
Excess	(422,117)	606,660	184,543	268,392

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Base Fee	245,200	245,200	490,400	478,439
Incentive Fee				
Revenue	4,806,468	4,587,134	9,393,602	8,684,919
Benchmark Revenue	4,576,971	3,680,413	8,257,384	7,712,250
Revenue Excess	229,497	906,721	1,136,218	972,669
Incentive Fee **	47,275	186,779	234,055	194,533
Total SMG Management Fee	292,475	431,979	724,455	672,972

** Incentive fee is 20% of the first \$1 million in excess, 25% of remaining capped at base fee amount.

DEVOS PLACE

DE VOS PLACE

FINANCIAL STATEMENT
FOR THE PERIOD ENDED JULY 31, 2006

Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Robert White
Thom Connors
Gary McAneney
Howard Feldman
Richard MacKeigan
Chris Machuta



An SMG Managed Facility

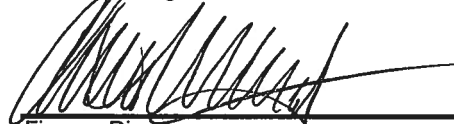
DE VOS PLACE
 ROLLING FORECAST
 FISCAL YEAR ENDING JUNE 30, 2007

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	33	591	624	624	-
ATTENDANCE	24,103	703,677	727,780	727,780	-
DIRECT EVENT REVENUE	109,074	2,214,343	2,323,417	2,323,417	-
ANCILLARY REVENUE	63,166	1,944,462	2,007,628	2,007,628	-
TOTAL EVENT REVENUE	172,240	4,158,805	4,331,045	4,331,045	-
TOTAL OTHER REVENUE	7,983	223,017	231,000	231,000	-
TOTAL OPERATING REVENUE	180,223	4,381,822	4,562,045	4,562,045	-
INDIRECT EXPENSES					
EXECUTIVE	7,717	133,189	140,906	140,906	-
FINANCE	13,669	192,053	205,722	205,722	-
MARKETING	4,973	73,406	78,379	78,379	-
OPERATIONS	93,152	1,250,591	1,343,743	1,343,743	-
EVENT SERVICES	62,993	898,295	961,288	961,288	-
BOX OFFICE	4,655	68,933	73,588	73,588	-
SALES	18,893	226,879	245,772	245,772	-
OVERHEAD	125,594	2,112,695	2,238,289	2,238,289	-
TOTAL OPERATING EXP.	331,646	4,956,041	5,287,687	5,287,687	-
NET REVENUE ABOVE EXPENSES	(151,423)	(574,219)	(725,642)	(725,642)	-
INCENTIVE FEE		153,702	153,702	153,702	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(151,423)	(727,921)	(879,344)	(879,344)	-

Comments:

July begins a new fiscal year for DeVos Place. The facility started on a good note with a couple of shows being larger than originally budgeted, and some short term bookings that fell into the schedule.

General Manager



Finance Director

**DE VOS PLACE
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED JULY 31, 2006**

The following schedule summarizes operating results for the current month ending July 31, 2006 and the YTD ending June 30, 2007, compared to budget and to the prior year:

MONTH	July Actual	July Budget	July FY 2006
Number of Events	33	27	24
Attendance	24,103	21,550	11,238
Direct Event Income	\$109,074	\$66,094	\$49,880
Ancillary Income	63,166	63,916	48,146
Other Income	7,983	19,250	6,479
Indirect Expenses	(331,646)	(395,308)	(307,815)
Net Income	<u>(\$151,423)</u>	<u>(\$246,048)</u>	<u>(\$203,310)</u>

YTD	YTD 2006 Actual	YTD 2006 Budget	YTD 2006 Prior Year
Number of Events	33	27	24
Attendance	24,103	21,550	11,238
Direct Event Income	\$109,074	\$66,094	\$49,880
Ancillary Income	63,166	63,916	48,146
Other Income	7,983	19,250	6,479
Indirect Expenses	(331,646)	(395,308)	(307,815)
Net Income	<u>(\$151,423)</u>	<u>(\$246,048)</u>	<u>(\$203,310)</u>

EVENT INCOME

Event income came in higher than anticipated for the month. A couple of the conventions hosted during the month ended up using more of the facility, and had more "event" days than originally budgeted translating into higher rental income.

ANCILLARY INCOME

Ancillary income came in comparable to budget for the month. Spending on Audio/Visual for the Handweavers event was very strong which helped offset lower than expected spending in the Food & Beverage area across most events hosted during the month.

INDIRECT EXPENSES

Indirect expenses came in under budget for the month. Most of the savings coming from labor during the slower summer months, this will begin to true up as we get into the busier time on the calendar.

DE VOS PLACE
FACILITY STATEMENT OF INCOME
PERIOD ENDING 07/31/06

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						

DIRECT EVENT INCOME						
RENTAL INCOME	124,324	70,325	49,277	124,324	70,325	49,277
SERVICES INCOME	<15,249>	<4,231>	604	<15,249>	<4,231>	604
TOTAL DIRECT EVENT INCOME	109,074	66,094	49,880	109,074	66,094	49,880
ANCILLARY INCOME						

FOOD & BEVERAGE	19,233	30,352	32,164	19,233	30,352	32,164
NOVELTY	1,673	500	0	1,673	500	0
ELECTRICAL	8,613	7,472	6,267	8,613	7,472	6,267
OTHER ANCILLARY	33,647	25,592	9,714	33,647	25,592	9,714
TOTAL ANCILLARY INCOME	63,166	63,916	48,146	63,166	63,916	48,146
TOTAL EVENT INCOME	172,240	130,010	98,026	172,240	130,010	98,026
OTHER OPERATING INCOME	7,983	19,250	6,479	7,983	19,250	6,479
ADJUSTED GROSS INCOME	180,222	149,260	104,505	180,222	149,260	104,505
INDIRECT EXPENSES						
EXECUTIVE	7,717	11,743	11,867	7,717	11,743	11,867
FINANCE	13,669	17,143	15,436	13,669	17,143	15,436
MARKETING	4,973	6,531	2,646	4,973	6,531	2,646
OPERATIONS	93,152	126,268	64,719	93,152	126,268	64,719
EVENT MANAGEMENT	62,993	79,859	66,397	62,993	79,859	66,397
BOX OFFICE	4,655	6,133	5,841	4,655	6,133	5,841
SALES	18,893	20,481	10,870	18,893	20,481	10,870
OVERHEAD	125,594	127,150	130,040	125,594	127,150	130,040
INDIRECT EXPENSES	331,646	395,308	307,815	331,646	395,308	307,815
NET OPERATING INCOME	<151,423>	<246,048>	<203,310>	<151,423>	<246,048>	<203,310>
OTHER EXPENSES						
NET INCOME (LOSS)	<151,423>	<246,048>	<203,310>	<151,423>	<246,048>	<203,310>