

Meeting of Board of Directors

Wednesday, December 5, 2001

7:30 a.m. – 9:30 a.m.

County Administration Building Board Room, 3rd Floor
Grand Rapids, Michigan 49503

A G E N D A

- I. Call to Order
- II. Approval of the Minutes of October 24, 2001 Board Meeting and November 19, 2001 Special Board Meeting Action
- III. Public Comment
- IV. Presentation by Opera Grand Rapids Information
John Peter Jeffries, Executive Director
- V. Committee Reports
- a. Finance Committee
- i. Approval of Paid Invoices Action
- ii. Approval of SMG Financial Reports Action
- iii. Approval of CAA Financial Reports Action
- b. Building Committee
- c. Operations and Marketing Committee
- i. CVB Update – Steve Wilson
- VI. DeVos Place Construction Update Information
Matt Barnes, Construction Manager
Representing Erhardt/Hunt Joint Venture
- VII. SMG Report Information
- Facilities Calendar
- VIII. Other Business Information
- CAA: Past, Present, Future - Steve Heacock
- IX. Next Meeting Date
- Wednesday, January 23, 2002, 7:30 a.m., Kent County Building
- X. Adjournment



Van Andel Arena
130 Fulton West
Grand Rapids MI 49503
616.742.6600
Fax 616.742.6197



Grand Center
245 Monroe Ave. NW
Grand Rapids MI 49503
616.742.6600
Fax 616.742.6590



**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS MEETING
Wednesday, October 24, 2001**

I. Call to Order

Chair Steve Heacock called the meeting to order at 7:30 a.m. Chair Heacock presided and Director Klohs recorded.

Attendance

Members Present: Steve Heacock, Chair
Clif Charles
Lew Chamberlin
David Frey
Birgit Klohs
John Logie

Members Absent: Joseph Tomaselli

Staff/Others:	Matt Barnes	Erhardt/Hunt Joint Venture
	Henry Boucher	Showspan
	David Czurak	<i>Grand Rapids Business Journal</i>
	Daryl Delabbio	Kent County
	Joe Erhardt	Erhardt/Hunt Joint Venture
	Larry Erhardt	Erhardt/Hunt Joint Venture
	Jim Gray	CAA Owner Representative
	Kurt Kimball	Grand Rapids
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Steve Miller	SMG
	Jack Naudi	<i>The Grand Rapids Press</i>
	Dale Sommers	CAA Owner Representative
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Richard Wendt	CAA Attorney
	Robert White	Grand Rapids
	Steve Wilson	CVB
	Tim Wondergem	Wondergem Consulting

II. Minutes of Prior Meeting

Motion: Director Klohs, supported by Director Chamberlin, moved to approve the minutes of the September 26, 2001 meeting of the Authority. Motion carried unanimously.

III. Public Comment

None.

IV. Presentation – Matt Barnes, Construction Manager, and Joe Erhardt of Erhardt/Hunt Joint Venture

Matt Barnes presented a status report on the convention center expansion and renovation project. Of the \$169,500,000 total construction budget, 24% (or \$40,500,000) has been committed to date and costs are running at 3%. Work on the DeVos Hall lobby addition began in February and will be completed in April 2002. Construction of the grand gallery and exhibition halls will begin in April 2002 and will be completed in December 2003. The Grand Center segment will begin in January 2004 and will be completed within a year. Renovation of the Welsh Auditorium will commence in June 2003 and be completed by January 2005.

Erhardt/Hunt has instituted a stringent safety program. All onsite employees are required to participate in safety orientation to become proficient in the emergency action plan and accident and first aid procedures. Out of 185 workdays completed and 25,000 man-hours worked, no time has been lost to accidents. Forty contractors are enrolled in the construction manager's contractor controlled insurance program (CCIP).

The construction manager has been able to exceed M/WBE participation goals, with 13% of contracts to date being awarded to M/WBE companies. About 80% of the onsite workers are local. Within the next four weeks, the police building will start to come down and will be totally gone by the end of the year. The Hall of Justice will be demolished by the end of January.

The most significant problem to date has been the vast number of voids encountered and the amount of grout to fill them. Crews have pumped over 1,000 cubic yards of grout on the Grand Center site, increasing costs by \$500,000. Another \$200,000 in additional grout costs are expected to fill the voids on the Welsh Auditorium site. The next major issue will be the severity of winter, which may impact the installation of concrete.

Chair Heacock extended his appreciation to Messrs. Barnes and Erhardt for the project update. Chair Heacock suggested that the Board members tour the construction site on a quarterly basis. Staff will coordinate with the construction manager to schedule the tours.

V. Committee Reports

Finance Committee

a. Approval of Paid Invoices

Motion: Director Klohs, supported by Director Logie, moved to approve payment of invoices as presented. Motion carried unanimously.

b. Approval of SMG Financial Statements

Motion: Director Klohs, supported by Director Chamberlin, moved to approve the SMG Financial Statements as presented. Motion carried unanimously.

c. Approval of CAA Financial Report

Motion: Director Klohs, supported by Director Logie, moved to approve the Grand Rapids – Kent County Convention/Arena Authority Financial Statement as presented. Motion carried unanimously.

d. Acceptance of SMG Special Purpose Financial Statements

Motion: Director Klohs, supported by Director Logie, moved to accept the Special Purpose Finance Statements for the years ended June 30, 2001 and 2000, and Independent Auditors' Report for the Grand Center and Van Andel Arena, as managed by SMG. Motion carried unanimously.

In answer to a question from Director Frey, Mr. Robert White explained that audit reports routinely contain exclusionary language to limit the auditors' liability. He further explained that the special purpose statements are used for calculating the SMG incentive fee. PricewaterhouseCoopers is preparing the CAA audits and should have them finalized by December.

Building Committee

Director Frey reported that finished landscaping for the federal property is underway. Work continues on the DeVos Hall lobby. The south stair tower stone veneer installation began and the structural steel stair landings were installed. Concrete work was completed on the stair towers and the floor slabs were placed. New ductwork, electrical, and rough-ins were installed in the lobby ceiling space. Numerous obstructions in the ground have hampered drilling progress and caisson installation. The concrete structure contractor began deep spread footings for the future super-truss system in the exhibit hall. Structural steel was bid and awarded, within budget, to Steel Service Corporation. M/WBE goals will be met. Bidder interest is high for enclosure and finishes of the grand gallery and exhibit hall. Bids will be accepted on November 2, 2001. The construction manager held a community outreach program for education and information on construction opportunities for M/WBE.

Operations and Marketing Committee

Director Chamberlin reported that the Committee approved an Open Market Procedures for Goods and Services Policy. The Committee concurred with the SMG's recommendation to proceed with finalizing a ticketing services contract with Ticket Master. SMG analyzed proposals from Ticket Master and Tickets PLUS/Tickets.com. Mr. Rich MacKeigan noted that a recent news article regarding an increase in ticketing fees is accurate. The three major fees that are assessed include a convenience fee, handling fee, and credit card fee. Over the length of the contract, the increase will amount to 20 cents/year in each of the categories, which is considerably below the national average.

The Committee received a staff report on recent revisions to the M/WBE policy guidelines. Director Logie noted that the policy is a work in progress that will be refined as needed. Chair Heacock asked Board members to adopt the revisions.

Motion: Director Chamberlin, supported by Director Klohs, moved to adopt the Commission Policy and Administrative Guidelines for Minority and Women Business Enterprises Under City Contracts, as revised by the Grand Rapids City Commission on August 28, 2001. Motion carried unanimously.

Mr. Steve Wilson of CVB introduced Mr. Wilson introduced George Helmsted, CVB's new Vice President of Sales. Mr. Helmsted brings 25 years of experience in the national hotel industry and will lead efforts on the national sales front. Mr. Wilson is making arrangements for CAA members to attend the International Association of Exposition Managers being held in Chicago on December 6. A business retention team comprised of SMG, CVB, and Amway has been working hard on both national and local efforts. The terrorist attack on September 11 has had a devastating impact on the convention business. Safety issues have renewed interest in second and third tier markets.

VI. SMG Report

Facilities Calendar

Mr. Watt highlighted upcoming events at the facilities: Neil Diamond, Queen of Spades opera, Griffins hockey, Rocky Horror Picture Show, Pledge of Allegiance Tour, Bob Dylan, Seinfeld, Music Man, symphony, Mel Trotter Ministries Thanksgiving Dinner, Dragon Tales, Fifth/Third Classic, Child of the Promise, and Ozzie Osbourne/Rob Zombie. January starts the new season for family shows and public shows. Director Logie encouraged members to use the Van Andel Arena banquet facilities, one of the city's "best kept secrets." The staff is extremely well organized and the food is delicious.

VII. Other Business

The CAA will hold a special Board meeting on Monday, November 19, 2001, 12:00 noon at the Van Andel Arena.

VIII. Adjournment

There being no other business, the meeting was adjourned at 8:45 a.m.

Birgit M. Klohs
Recording Secretary

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS SPECIAL MEETING
Monday, November 19, 2001**

I. Call to Order

Chair Steve Heacock called the meeting to order at 12:00 Noon. Chair Heacock presided and Director Klohs recorded. Chair Heacock added two agenda items under Other Business: (a) opportunity for administrative manager to assist Parks Foundation and (b) DeVos Place domain name issue.

Attendance

Members Present: Steve Heacock, Chair
 Clif Charles
 Lew Chamberlin
 David Frey
 Birgit Klohs
 John Logie
 Joseph Tomaselli

Members Absent: None

Staff/Others:	David Czurak	<i>Grand Rapids Business Journal</i>
	Daryl Delabbio	Kent County
	Ardis Heacock	Guest
	Hank Heacock	Guest
	Kurt Kimball	Grand Rapids
	Jim Knack	DDA
	Rich MacKeigan	SMG
	Jon Nunn	Grand Action
	Dale Sommers	CAA Owner Representative
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Richard Wendt	CAA Attorney
	Robert White	Grand Rapids

II. Public Comment

Chair Heacock introduced his parents, Hank and Ardis Heacock.

III. DeVos Place Bond Financing

Attorney Richard Wendt distributed the Preliminary Official Statement (POS), the marketing document to sell the bonds. Sale of the bonds will take place on or about November 28, 2001. The bonds will be issued in an amount so that \$86 million will be available for the construction fund. Local retail sales of current interest bonds will be offered before the bonds go to market

nationally. The amount available is \$33.5 million. The underwriter of the bonds is UBS PaineWebber Inc. Mr. Wendt referred members to POS pages 8 and 9, a project description and sources of funds.

This bond transaction is unique in that the issuing entity is the City-County Building Authority. The CAA will transfer title of the property to the Building Authority until the bonds are fully paid. The City-County Building Authority will enter into a lease with Kent County for payment of principal and interest on the bonds. The County has designated the hotel-motel tax to pay the rental payments on the bonds and has pledged its limited full faith and credit. Mr. Wendt referred members to page 11 of the POS, a schedule of hotel-motel tax revenues and expenses.

The CAA will enter into a sublease agreement with Kent County. Under the sublease, the CAA assumes responsibility for constructing, operating, and maintaining the project. When the bonds are defeased, the City-County Building Authority will transfer the property to the County, and then the County will transfer the property back to the CAA. On November 27, the County Board will defease the museum bonds, enter into the lease and sublease agreements, and re-prioritize the hotel-motel tax expenditures to designate payment of the bonds as first priority. On November 28, the City-County Building Authority will adopt the bond authorizing resolution. Mr. Wendt recommended approval of a resolution to convey the convention center to the City-County Building Authority and to authorize execution of a sublease agreement with Kent County.

Motion: Director Logie, supported by Director Klohs, moved to approve the Resolution Approving Conveyance of the Convention Center to the City-County Building Authority and Approving and Authorizing the Execution of a Sublease Agreement Related to the Convention Center with the County of Kent in Connection with Financing of a Portion of the Costs of Improvement, Expansion and Renovation of Such Convention Center.

Discussion followed. Director Logie asked for clarification of the “not to exceed Ninety-Five Million Dollars” language. Mr. Wendt explained that the goal is to issue the bonds in an amount sufficient so that \$86 million is available for the construction fund. The \$95 million amount will allow enough of a margin to finalize the issue. Due to interest rates and the bond market, the face amount will move up and down. Because the current market is so unusual, the bonds will probably sell for less than the face amount and allow a deposit of \$86 million into the bond fund. Chair Heacock acknowledged the County’s significant action in pledging its limited full faith and credit.

Motion approved unanimously.

IV. Other Business

Chair Heacock presented a status report on the DeVos Place domain name issue.

Chair Heacock requested approval for the administrative manager to assist the Parks Foundation. The Parks Foundation is a 501(c)(3) nonprofit organization that mainly oversees Millennium Park fundraising. Ms. Waddell noted that she has the capacity to take over the administrative work on an interim basis. The Foundation would reimburse the CAA for administrative costs.

Motion: Director Logie, supported by Director Frey, moved to allow the administrative manager to assist the Kent County Parks Foundation, recognizing that CAA responsibilities take first priority and that the administrative manager alert the CAA when the burden becomes too substantial. Motion approved unanimously.

V. Adjournment

The next CAA Board meeting is scheduled for Wednesday, December 5, 2001, 7:30 a.m., at the Kent County Administration Building, Commission Boardroom.

There being no other business, the meeting was adjourned at 1:00 p.m.

Birgit M. Klohs
Recording Secretary



CITY OF GRAND RAPIDS

DATE: November 8, 2001

TO: Birgit Klohs
Secretary / Treasurer
Grand Rapids - Kent County Convention / Arena Authority

FROM: Jana M. Wallace *JMW*
Fiscal Services Administrative Analyst

SUBJECT: Invoices Processed for Payment

Attached for your review are lists of invoices processed for payment during the most recent period. Expenditures by fund are summarized below.

Dates checks were issued	Operating Fund	Construction Fund
October 29, 2001	\$ 176,787.75	\$ 879,450.31
Payroll - 10/19/2001	2,070.19	--
Payroll - 11/02/2001	2,167.39	--
Expenditures by Fund	\$ 181,025.33	\$ 879,450.31

Total funds expended by the Grand Rapids - Kent County Convention / Arena Authority during the period October 19 through November 2, 2001, were \$1,060,475.64.

Please call me at 456-4514 if you need additional information.

Attachments

MEMORANDUM

GRAND RAPIDS - KENI COUNTY CONVENTION / ARENA AUTHORITY

List of Invoices Processed for Payment on October 29, 2001, as Authorized by the Current Bookkeeping Policy

Payee	Amount	Invoice Date	Description of materials acquired / services received
Invoices Submitted by Project Manager			
C Champion Environmental Services Inc	127,820.00	10/15/2001	Asbestos abatement mobilization costs - payment 1
C Materials Testing Consultants	35,713.02	10/09/2001	Construction phase services - September 2001
C Nextel Communications	155.69	10/07/2001	Owner's representatives cellular phone charges thru 10/06/2001
C Ottawa County Landfill	26,690.03	10/22/2001	Contaminated soil dumping - October 1 - 20, 2001
C Progressive AE	485,360.22	10/10/2001	Architectural design services - September 2001
C Progressive AE	685.42	10/10/2001	Architectural design services re change order - August 2001
C Progressive AE	48.74	10/10/2001	De Vos Hall interior art / accessories - September 2001
C Progressive AE	12,240.00	10/10/2001	On-site architect's representative - September 2001
C Progressive AE	2,107.31	10/10/2001	Environmental graphics - September 2001
C Veenstra Reproduction	47.80	10/02/2001	Bid specifications - phases 1A, 2A, and 2B
C Veenstra Reproduction	15.00	10/05/2001	Copies - phases 2C, 2D, and 2F
C Veenstra Reproduction	139.35	10/05/2001	Drawings - phases 2E
\$ 691,022.58		Sub-Total - Invoices Submitted by Project Manager	
C Black and Veatch	145,730.00	09/12/2001	Engineering for Monroe Avenue utility relocation - August 2001
C Black and Veatch	35,931.73	10/04/2001	Engineering for Monroe Avenue utility relocation - September 2001
C Dickinson Wright PLLC	208.00	08/31/2001	Legal services re access to local business
C Geotech Inc	6,558.00	09/06/2001	Engineering services - self-performing cable replacement - 08/01
\$ 188,427.73		Sub-Total - Invoices Submitted by City Engineer	
Invoices Submitted by City Fiscal Services			
O Beene Garter LLP	586.00	10/24/2001	Bookkeeping services for period ended October 16, 2001
O Consumers Energy	24,589.27	10/04/2001	Electrical services for Grand Center - September 2001
O Grand Rapids City Treasurer	108.89	10/09/2001	Fire protection water line for Arena - October - December 2001
O Grand Rapids City Treasurer	30.25	10/09/2001	Fire protection water line for Skywalk - October - December 2001
O Grand Rapids City Treasurer	47.78	10/09/2001	Water and sewer services for Skywalk - July - September 2001
O Priority Health	228.56	10/15/2001	Insurance benefits for administrative manager - November 1, 2001
O SMG - Grand Center	25,755.00	10/01/2001	Annual incentive fee for year-ending June 30, 2001
O SMG - Van Andel Arena	125,367.00	10/01/2001	Annual incentive fee for year-ending June 30, 2001
O The Employers' Association	75.00	10/17/2001	Membership required to receive group health insurance rates
\$ 176,787.75		Sub-Total Invoices - Invoices Submitted by City Fiscal Services	
\$ 879,450.31		Total Invoices Submitted for Payment from Construction Account	
\$ 176,787.75		Total Invoices Submitted for Payment from Operating Account	
\$1,056,238.06		Total Invoices Processed for Payment	

C = Construction related expenses
O = Operating / non-construction expenses



Item V.a.ii.

GRAND CENTER

**FINANCIAL STATEMENT
FOR THE PERIOD ENDED OCTOBER 31, 2001**

Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Robert White
Glen Mon
Bob Johnson
Gary McAneney
John Szudzik
Richard MacKeigan
Chris Machuta



An SMG Managed Facility

**GRAND CENTER
ROLLING FORECAST - YE 6/30/02
SUMMARY**

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	99	220	319	318	1
ATTENDANCE	84,015	383,111	467,126	494,970	(27,844)
DIRECT EVENT REVENUE	254,473	886,281	1,140,754	1,133,612	7,142
ANCILLARY REVENUE	95,825	384,281	480,106	499,919	(19,813)
TOTAL EVENT REVENUE	350,298	1,270,562	1,620,860	1,633,531	(12,671)
TOTAL OTHER REVENUE	32,555	92,673	125,228	136,000	(10,772)
TOTAL OPERATING REVENUE	382,853	1,363,235	1,746,088	1,769,531	(23,443)
INDIRECT EXPENSES					
EXECUTIVE	21,830	56,674	78,504	81,433	2,929
FINANCE	37,035	104,647	141,682	145,356	3,674
MARKETING	14,499	84,145	98,644	139,854	41,210
OPERATIONS	188,624	265,989	454,613	445,575	(9,038)
EVENT SERVICES	64,842	342,804	407,646	417,843	10,197
BOX OFFICE	13,586	39,218	52,804	60,682	7,878
OVERHEAD	293,658	679,691	973,349	984,945	11,596
TOTAL OPERATING EXP.	634,074	1,573,168	2,207,242	2,275,688	68,446
NET REVENUE ABOVE EXPENSES	(251,222)	(209,933)	(461,154)	(506,157)	(91,889)
CAPITAL	63,339	48,661	112,000	112,000	.
NET OPERATING REVENUE OVER OPERATING EXPENSES	(314,561)	(258,594)	(573,154)	(618,157)	(91,889)

Comments:

****ESTIMATED****

MANAGEMENT FEE CALCULATION

BENCHMARK REVENUES \$ 1,769,531
PROJECTED REVENUES \$ 1,746,088

PROJECTED INCREASE \$ (23,443)

20% OF FIRST \$500,000 \$.
25% OF \$500,000 AND ABOVE \$.

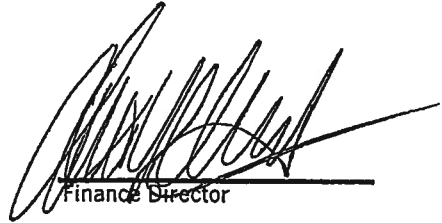
TOTAL INCENTIVE FEE \$.
TOTAL BASE F/Y 2002 \$ 225,000

TOTAL FEE FOR F/Y 2002 \$ 225,000

The Grand Center performed ahead of budget for October. The highlight of the month being two sold out concerts in DeVos Hall with Maxwell and Tori Amos.

Clear channel - big promoter


General Manager


Finance Director

**GRAND CENTER
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED SEPTEMBER 30, 2001**

The following schedule summarizes operating results for the month ending and the YTD ending October 31, 2001, compared to budget and to the prior year

MONTH	October Actual	October Budget	October FY 2000
Number of Events	33	26	41
Attendance	34,439	26,250	40,307
Direct Event Income	\$95,806	\$72,738	\$115,360
Ancillary Income	44,699	32,674	33,700
Other Income	7,374	11,333	12,912
Indirect Expenses	(192,947)	(189,642)	(179,314)
Net Income	(\$45,068)	(\$72,897)	(\$17,341)

YTD	YTD 2002 Actual	YTD 2002 Budget	YTD 2001 Prior Year
Number of Events	99	84	112
Attendance	84,015	91,370	89,617
Direct Event Income	254,473	211,264	294,469
Ancillary Income	95,825	89,117	166,072
Other Income	32,555	45,332	42,080
Indirect Expenses	(634,074)	(758,568)	(631,861)
Net Income	(\$251,222)	(\$412,855)	(\$129,240)
Less Capital	(\$63,339)	(\$63,339)	\$0
Net Income after Capit	(\$314,561)	(\$476,194)	(\$129,240)

EVENT INCOME

Event income came in above budget for the month. A "Supersale" was hosted that scheduled only 2 weeks prior to the event.

ANCILLARY INCOME

Ancillary income came in above expected levels for the month. Tori Amos novelti set a new DeVos Hall record at \$9.79/per head.

INDIRECT EXPENSES

Indirect expenses came in at expected levels for the month.

GRAND CENTER
FACILITY STATEMENT OF INCOME
PERIOD ENDING 10/31/01

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

DIRECT EVENT INCOME						
RENTAL INCOME	93,972	73,250	125,771	255,365	212,525	319,438
SERVICES INCOME	1,834	<512>	<10,410>	<893>	<1,261>	<24,970>
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TOTAL DIRECT EVENT INCOME	95,806	72,738	115,360	254,473	211,264	294,469
ANCILLARY INCOME						

FOOD & BEVERAGE	19,023	9,331	9,196	36,007	34,300	85,065
NOVELTY	6,491	1,906	0	10,137	3,406	713
ELECTRICAL	1,108	1,020	0	3,866	2,320	0
OTHER ANCILLARY	18,076	20,417	24,505	45,814	49,091	80,294
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TOTAL ANCILLARY INCOME	44,699	32,674	33,700	95,825	89,117	166,072
TOTAL EVENT INCOME	140,504	105,412	149,061	350,297	300,381	460,541
OTHER OPERATING INCOME	7,374	11,333	12,912	32,555	45,332	42,080
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ADJUSTED GROSS INCOME	147,879	116,745	161,973	382,852	345,713	502,621
INDIRECT EXPENSES						
EXECUTIVE	8,051	6,786	2,231	21,830	27,144	9,719
FINANCE	10,751	12,114	10,228	37,035	48,456	39,890
MARKETING	6,561	11,653	8,574	14,499	46,612	32,234
OPERATIONS	46,056	37,131	64,713	188,624	148,524	234,702
EVENT MANAGEMENT	7,038	34,820	0	64,842	139,280	0
BOX OFFICE	3,568	5,058	4,825	13,586	20,232	15,282
OVERHEAD	110,923	82,080	88,742	293,658	328,320	300,034
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INDIRECT EXPENSES	192,947	189,642	179,314	634,074	758,568	631,861
NET OPERATING INCOME	<45,068>	<72,897>	<17,341>	<251,222>	<412,855>	<129,240>
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	0	0	0	63,339	63,339	0
	-----	-----	-----	-----	-----	-----
OTHER EXPENSES	0	0	0	63,339	63,339	0
NET INCOME (LOSS)	<45,068>	<72,897>	<17,341>	<314,561>	<476,194>	<129,240>
	=====	=====	=====	=====	=====	=====

GRAND CENTER
STATEMENT OF SERVICES INCOME
PERIOD ENDING 10/31/01

	CURRENT			YEAR TO DATE		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	5,383	0	0	18,411	0	0
Stagehands Billed	87,095	55,650	60,087	167,958	119,550	131,533
Security Billed	8,578	3,650	5,888	24,766	11,280	13,736
Ushers & Tix Takers Billed	9,227	7,690	13,019	27,198	26,250	25,370
Box Office Billed	1,700	1,300	2,100	4,300	3,900	3,550
Ticketing Service Billed	12,521	6,135	3,982	26,867	22,500	12,470
Utilities Billed	850	0	0	850	0	3,800
City Police Fire Billed	1,519	500	310	4,542	870	2,015
Traffic Control Billed	260	120	110	2,974	520	783
EMT Medical Billed	2,049	1,407	1,813	5,619	5,422	3,847
Cleaning Billed	210	0	0	1,640	0	315
Insurance Billed	0	0	18	581	0	1,216
Telephone Billed	690	0	0	2,010	150	150
Other Production Billed	12,466	0	332	26,824	0	7,949
TOTAL SERVICE INCOME	142,548	76,452	87,660	314,540	190,442	206,733
Advertising Expense	5,383	0	0	17,221	0	0
Stagehand Wages	86,204	53,981	58,172	165,412	115,965	128,843
Security Wages	0	0	5,886	7,722	2,930	13,860
Contracted Security Expense	8,578	3,650	0	17,338	8,350	0
Ushers & T/T Wages	6,459	5,383	9,114	19,038	18,375	17,759
Ticket Sellers Wages	1,529	1,596	3,416	3,775	5,032	6,447
Ticket Service Charge Expense	4,768	1,707	3,873	9,228	5,514	3,873
City Police Fire Expense	1,519	500	310	4,542	870	2,015
Traffic Control Expense	1,375	610	1,794	6,385	1,910	5,580
EMT Medical Expense	1,463	1,407	1,813	3,898	5,422	3,506
Cleaning Wages	11,123	8,130	13,536	36,363	27,335	42,861
Insurance Expense	0	0	20	475	0	978
Other Production Expense	12,314	0	136	24,035	0	5,983
TOTAL SERVICE EXPENSE	140,714	76,964	98,070	315,432	191,703	231,703
NET SERVICE INCOME	1,834	<512>	<10,410>	<893>	<1,261>	<24,970>

GRAND CENTER
STATEMENT OF FINANCIAL POSITION
PERIOD ENDING 10/31/01

ASSETS

CURRENT ASSETS

CASH	1,689,316
ACCOUNTS RECEIVABLE	422,780
PREPAID EXPENSES	57,549

TOTAL CURRENT ASSETS	2,169,646
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FIXED ASSETS

TOTAL ASSETS	2,169,646
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	918,910
ACCRUED EXPENSES	160,524
ADVANCED TIX SALES & DEPOSITS	756,986

TOTAL CURRENT LIABILITIES	1,836,419
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EQUITY

FUNDING RECEIVED	101,872
RETAINED EARNINGS	545,916
NET INCOME (LOSS)	<314,561>

TOTAL EQUITY	333,227
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TOTAL LIABILITIES & EQUITY	2,169,646
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GRAND CENTER
INDIRECT EXPENSE SUMMARY
PERIOD ENDING 10/31/01

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	41,368	46,705	28,093	138,943	186,820	111,349
Part-Time	13,257	10,741	12,145	31,337	42,964	31,158
Wages-Trade	91,547	72,348	80,832	240,099	289,392	230,079
Auto Expense	1,521	1,771	1,021	5,733	7,084	3,783
Taxes & Benefits	27,708	26,812	23,762	81,601	107,248	75,337
Less: Allocation/Reimbursement	<115,883>	<86,166>	<92,185>	<263,944>	<344,664>	<235,707>
TOTAL LABOR COSTS	59,518	72,211	53,668	233,769	288,844	215,998
Contracted Security	4,394	5,200	4,290	18,571	20,800	20,257
Other Contracted Services	150	175	150	598	700	598
Travel & Entertainment	1,904	766	0	2,183	3,064	1,202
Corporate Travel	602	313	0	602	1,252	3,331
Meetings & Conventions	593	1,641	0	3,794	6,564	819
Dues & Subscriptions	0	141	144	83	564	774
Employee Training	338	767	0	338	3,068	25
Miscellaneous Expense	0	0	53	66	0	110
Computer Expense	3,144	5,317	13,452	12,826	21,268	17,522
Professional Fees	1,125	1,667	1,125	4,604	6,668	4,500
Marketing & Advertising	4,360	833	1,234	6,393	3,332	2,838
Box Office Expenses	4	0	<7>	263	0	12
Small Equipment	0	0	0	0	0	813
Trash Removal	1,063	2,667	16	2,101	10,668	3,861
Equipment Rental	316	350	2,309	462	1,400	3,247
Landscaping	0	0	3,407	0	0	3,454
Exterminating	375	350	750	1,425	1,400	2,260
Cleaning	341	625	172	613	2,500	4,696
Construction Costs	0	0	0	777	0	0
Repairs & Maintenance	3,967	8,583	<1,420>	31,634	34,332	9,241
Supplies	4,261	11,270	26,470	33,603	45,080	60,977
Bank Service Charges	1,092	625	1,570	3,984	2,500	6,023
Insurance	6,682	8,583	11,553	30,928	34,332	49,118
Other Taxes	0	300	0	0	1,200	1,713
Printing & Stationary	305	916	0	1,008	3,664	560
Office Supplies	1,192	625	1,086	3,239	2,500	2,985
Postage	242	250	14	482	1,000	524
Parking Expense	1,555	1,167	2,805	6,468	4,668	6,370
Telephone Long Distance	2,491	2,550	5,642	7,250	10,200	9,630
Utilities	77,742	43,000	34,981	148,872	172,000	126,209
Base Fee	14,658	18,750	15,316	75,000	75,000	60,121
Incentive Fee	535	0	535	2,140	0	12,073
TOTAL MATERIAL AND SERVICES	133,429	117,431	125,646	400,305	469,724	415,863
TOTAL INDIRECT EXPENSES	192,947	189,642	179,314	634,074	758,568	631,861
=====						



VAN ANDEL ARENA

FINANCIAL STATEMENT FOR THE PERIOD ENDED OCTOBER 31, 2001

Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Robert White
Glen Mon
Bob Johnson
Gary McAneney
John Szudzik
Richard MacKeigan
Chris Machuta



An SMG Managed Facility

**VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2001**

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	35	92	127	118	9
ATTENDANCE	210,339	534,350	744,689	711,300	33,389
DIRECT EVENT INCOME	320,459	695,955	1,016,414	1,077,595	(61,181)
ANCILLARY INCOME	369,435	996,547	1,365,982	1,332,520	33,462
TOTAL EVENT INCOME	689,894	1,692,502	2,382,396	2,410,115	(27,719)
TOTAL OTHER INCOME	558,469	1,166,906	1,725,375	1,699,681	25,694
TOTAL INCOME	1,248,363	2,859,408	4,107,771	4,109,796	(2,025)
INDIRECT EXPENSES					
EXECUTIVE	35,680	45,934	81,614	82,334	720
FINANCE	51,263	98,316	149,579	151,806	2,227
MARKETING	59,686	89,187	148,873	147,483	(1,390)
OPERATIONS	361,011	667,075	1,028,086	1,019,556	(8,530)
BOX OFFICE	30,898	72,798	103,696	109,722	6,026
LUXURY SEATING	26,086	89,129	115,215	114,218	(997)
SKYWALK ADMIN	10,838	24,611	35,449	36,676	1,227
OVERHEAD	417,178	807,467	1,224,645	1,215,202	(9,443)
TOTAL INDIRECT EXP.	992,640	1,894,517	2,887,157	2,876,997	(10,160)
NET REVENUE ABOVE EXPENSES	255,723	964,891	1,220,614	1,232,799	(12,185)
LESS ALLOCATION FOR CAPITAL REPLACEMENT	46,715	125,000	171,715	171,715	-
NET REVENUE ABOVE EXPENSES AFTER CAPITAL	209,008	839,891	1,048,899	1,061,084	(12,185)

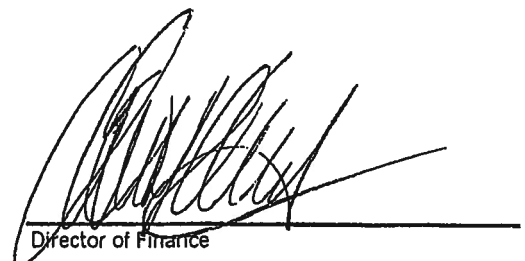
Benchmark revenues	4,220,300
Final Statement revenues	4,107,771
Projected excess	(112,529)

20% of first \$500,000 excess	-
25% of \$500,000 and above	-
Total Incentive Fee	-
2002 Base Fee	225,000
Total Fee for FY 2002	225,000

Comments:

The Arena performed as expected for October. The highlight of the month was the 2 Neil Diamond concerts, as it set a new record for Highest Grossing Event. October also marked the beginning of the Griffins season as a new AHL franchise.


General Manager


Director of Finance

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FISCAL YEAR ENDING JUNE 30, 2002**

	October Actual	October Budget	October Last Year	YTD 6/30/02 Actual	YTD 6/30/02 Budget
Number of Events	11	10	11	35	26
Attendance	77,596	64,000	61,303	210,339	175,950
Direct Event Income	\$126,088	\$110,089	\$137,806	\$320,459	\$387,893
Ancillary Income	137,607	155,366	118,644	369,435	427,928
Other Income	148,119	141,640	132,079	558,469	566,560
Indirect Expenses	(246,532)	(239,469)	(264,514)	(992,640)	(957,896)
Net Revenue above Expenses	\$165,283	\$167,626	\$124,015	\$255,723	\$424,485
Less Capital Replacement	(\$5,115)	(\$5,115)	\$0	(\$46,715)	(\$46,715)
Net After Capital Replacement	\$160,168	\$162,511	\$124,015	\$209,008	\$377,770

EVENT INCOME

Event income came in slightly higher than budget. This was due to hosting the unbudgeted Detroit Pistons preseason game against the Washington Wizards. The Griffins started their season very strong, and the concerts held during the month were all well attended.

ANCILLARY INCOME

Ancillary income came in below expectations for the month. The Neil Diamond and Bill Gaither events, while very well attended, are not strong ancillary events. This was offset, however, by the Pledge of Allegiance show and the aforementioned Pistons game.

INDIRECT EXPENSES

Indirect expenses came in at expected levels for the month.

2 events postponed
1 re-scheduled
1 waiting to be re-scheduled

VAN ANDEL ARENA
FACILITY STATEMENT OF INCOME
PERIOD ENDING 10/31/01

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

DIRECT EVENT INCOME						
RENTAL INCOME	141,163	140,825	154,303	427,914	400,375	613,200
SERVICES INCOME	<15,075>	<30,736>	<16,497>	<107,455>	<12,482>	<13,750>
TOTAL DIRECT EVENT INCOME	126,088	110,089	137,806	320,459	387,893	599,449
ANCILLARY INCOME						

FOOD & BEVERAGE	106,872	118,872	89,751	293,169	322,584	423,417
NOVELTY	29,190	32,424	24,467	70,181	98,866	110,169
OTHER ANCILLARY	1,545	4,070	4,427	6,085	6,478	7,052
TOTAL ANCILLARY INCOME	137,607	155,366	118,644	369,435	427,928	540,637
TOTAL EVENT INCOME	263,695	265,455	256,451	689,893	815,821	1,140,086
OTHER OPERATING INCOME	148,119	141,640	132,079	558,469	566,560	528,931
ADJUSTED GROSS INCOME	411,815	407,095	388,530	1,248,362	1,382,381	1,669,017
INDIRECT EXPENSES						
EXECUTIVE	13,431	6,861	9,480	35,680	27,444	32,231
FINANCE	13,147	12,650	9,202	51,263	50,600	35,992
MARKETING	17,725	12,010	17,813	59,686	48,060	47,943
LUXURY SEATING	6,172	9,518	7,412	26,086	38,072	27,866
OPERATIONS	83,394	84,962	111,929	361,011	339,848	366,767
BOX OFFICE	7,146	9,144	6,313	30,898	36,576	22,931
SKYWALK ADMINISTRATION	2,637	3,056	1,748	10,838	12,224	10,627
OVERHEAD	102,880	101,268	100,617	417,178	405,072	427,337
INDIRECT EXPENSES	246,532	239,469	264,514	992,640	957,896	971,695
NET OPERATING INCOME	165,283	167,626	124,015	255,723	424,485	697,321
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	5,115	5,115	0	46,715	46,715	15,265
OTHER EXPENSES	5,115	5,115	0	46,715	46,715	15,265
NET INCOME (LOSS)	160,168	162,511	124,015	209,008	377,770	682,056
=====	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA
STATEMENT OF SERVICES INCOME
PERIOD ENDING 10/31/01

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	57,081	0	17,073	117,730	0	47,410
Sponsorship Income	18,500	0	17,013	37,000	0	43,248
Labor Billed	2,160	2,160	2,342	8,798	9,990	10,532
Changeover Setup Billed	12,604	13,200	13,181	57,602	58,150	69,476
Stagehands Billed	39,156	46,500	38,156	159,130	178,600	181,423
Security Billed	18,440	12,000	11,823	80,729	46,850	65,876
Ushers & Tix Takers Billed	16,984	13,800	13,437	51,825	57,950	58,800
Box Office Billed	2,139	1,600	1,419	5,330	6,325	3,354
Ticketing Service Billed	36,454	20,000	19,624	75,265	56,750	58,648
City Police Fire Billed	1,400	1,344	1,204	5,656	4,368	4,375
EMT Medical Billed	2,325	1,000	1,525	11,285	4,435	8,723
Cleaning Billed	13,078	14,400	13,111	47,026	60,450	46,876
Insurance Billed	0	0	0	416	0	2,240
Group Sales Commissions Billed	0	0	2,215	0	0	2,439
Telephone Billed	2,875	2,425	1,190	9,185	7,200	6,162
Other Production Billed	47,269	16,000	19,426	116,798	70,810	109,799
TOTAL SERVICE INCOME	270,464	144,429	172,738	783,774	561,878	719,380
Advertising Expense	64,293	0	27,792	146,189	0	58,129
Sponsorship Expenses	0	0	0	2,800	0	13,118
Labor Wages	1,836	1,836	1,990	7,478	8,492	8,952
Contracted Changeover Setup Expense	21,306	19,250	16,254	77,223	64,405	58,807
Stagehand Wages	38,326	48,234	38,635	158,539	177,284	163,682
Contracted Security Expense	27,618	15,550	15,165	93,584	45,790	72,837
Contracted Ushers & T/T Expense	19,765	22,440	21,556	68,786	62,500	80,684
Ticket Sellers Wages	1,818	0	1,206	4,530	0	2,851
Ticket Service Charge Expense	35,776	20,500	17,558	69,865	57,250	65,481
City Police Fire Expense	1,400	1,344	924	4,256	4,368	2,492
EMT Medical Expense	4,859	1,743	0	15,349	5,326	4,071
Contracted Cleaning Expense	24,811	27,392	21,496	78,505	74,859	68,719
Insurance Expense	184	0	424	600	0	10,044
Allocated Telephone Expense	775	596	250	2,375	2,176	1,835
Other Production Expense	42,772	16,280	25,984	161,150	71,910	121,428
TOTAL SERVICE EXPENSE	285,539	175,165	189,235	891,229	574,360	733,130
NET SERVICE INCOME	<15,075>	<30,736>	<16,497>	<107,455>	<12,482>	<13,750>
	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA
STATEMENT OF FINANCIAL POSITION
PERIOD ENDING 10/31/01

ASSETS

CURRENT ASSETS

CASH	2,437,705
ACCOUNTS RECEIVABLE	1,966,394
PREPAID EXPENSES	39,918

TOTAL CURRENT ASSETS	4,444,017
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FIXED ASSETS

TOTAL ASSETS	4,444,017
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	143,547
ACCRUED EXPENSES	279,754
DEFERRED INCOME	1,497,475
ADVANCED TIX SALES & DEPOSITS	661,212

TOTAL CURRENT LIABILITIES	2,581,988
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EQUITY

FUNDS REMITTED	<2,203,291>
FUNDING RECEIVED	1,077,198
RETAINED EARNINGS	2,782,362
NET INCOME (LOSS)	205,760

TOTAL EQUITY	1,862,029
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TOTAL LIABILITIES & EQUITY	4,444,017
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VAN ANDEL ARENA
INDIRECT EXPENSE SUMMARY
PERIOD ENDING 10/31/01

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	41,360	42,706	31,436	162,911	170,824	133,134
Part-Time	5,154	2,095	6,032	14,423	8,400	14,745
Wages-Trade	62,283	68,160	63,733	244,076	272,640	254,824
Auto Expense	777	810	531	2,862	3,240	2,724
Taxes & Benefits	29,880	28,648	20,346	91,438	114,592	83,745
Less: Allocation/Reimbursement	<52,115>	<64,906>	<45,006>	<191,916>	<259,624>	<188,181>
TOTAL LABOR COSTS	87,339	77,513	77,073	323,794	310,072	300,992
Contracted Security	16,173	16,500	21,918	68,227	66,000	67,469
Contracted Cleaning	2,017	2,000	2,017	8,069	8,000	8,069
Other Contracted Services	254	300	502	1,509	1,200	1,039
Travel & Entertainment	332	442	2,249	3,899	1,768	6,186
Corporate Travel	0	625	3,617	0	2,500	3,617
Meetings & Conventions	2,143	1,083	235	2,143	4,332	235
Dues & Subscriptions	500	108	333	1,381	432	823
Employee Training	0	975	0	338	3,900	0
Computer Expense	5,374	5,317	5,618	54,954	21,268	14,767
Professional Fees	1,994	2,042	1,500	7,988	8,168	6,000
Marketing & Advertising	8,649	7,250	13,385	30,650	29,000	23,958
Box Office Expenses	<76>	0	447	<131>	0	915
Small Equipment	0	0	0	0	0	2,143
Trash Removal	2,655	1,250	1,244	5,240	5,000	4,921
Equipment Rental	1,503	650	1,779	5,374	2,600	7,223
Landscaping	0	292	0	3,561	1,168	2,130
Exterminating	248	333	495	1,238	1,332	1,418
Cleaning	0	450	0	2,810	1,800	1,060
Repairs & Maintenance	4,363	10,666	10,166	25,733	42,664	44,875
Supplies	12,913	15,091	32,738	82,079	60,364	72,848
Bank Service Charges	1,361	1,167	1,791	3,604	4,668	2,709
Insurance	13,441	11,512	19,231	40,930	46,048	78,437
Other Taxes	69	300	2,535	69	1,200	3,062
Printing & Stationary	0	1,917	390	0	7,668	2,001
Office Supplies	3,728	1,000	858	7,729	4,000	4,207
Postage	650	1,050	243	2,489	4,200	1,779
Parking Expense	1,560	1,592	2,920	6,175	6,368	7,300
Telephone Long Distance	2,415	4,300	3,099	17,799	17,200	16,393
Utilities	61,289	57,483	21,509	216,238	229,932	164,456
Base Fee	18,750	18,750	21,245	75,000	75,000	84,979
Incentive Fee	0	0	14,927	0	0	32,399
Depreciation	0	491	0	0	1,964	0
Amortization	0	0	1,963	5,737	0	7,853
Common Area Expense	<2,339>	<2,710>	<1,266>	<9,612>	<10,840>	<2,735>
Less: Allocated/Reimbursement	<775>	<270>	<250>	<2,375>	<1,080>	<1,835>
TOTAL MATERIAL AND SERVICES	159,192	161,956	187,441	668,846	647,824	670,704
TOTAL INDIRECT EXPENSES	246,532	239,469	264,514	992,640	957,896	971,695

**GRAND RAPIDS - KENT COUNTY
CONVENTION / ARENA AUTHORITY**

INTERIM FINANCIAL STATEMENTS

- Four months Ended October 31, 2001



ACCOUNTANTS' REPORT

To the Board of Directors
Grand Rapids - Kent County Convention / Arena Authority
Grand Rapids, Michigan

We have compiled the accompanying statements of cash receipts and disbursements and cash receipts and disbursements - budget to actual for the operating account and construction account of the Grand Rapids - Kent County Convention / Arena Authority for the four months ended October 31, 2001, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. These statements do not include the cash receipts and disbursements of the Van Andel Arena and Grand Center which are operated by the Authority. The financial statements presented have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's cash receipts and disbursements. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Beene Garter LLP

November 12, 2001
Grand Rapids, Michigan

BEENE GARTER LLP
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GRAND RAPIDS
MICHIGAN
49503-2679

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INTERIM FINANCIAL STATEMENTS

Statement A

GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

Statement of Cash Receipts and Disbursements

From July 1, 2001 to October 31, 2001

	<u>Operating Account</u>	<u>Construction Account</u>
RECEIPTS		
Beginning Balance - July 1, 2001	\$ 3,578,979.18	\$ 5,410,627.09
State of Michigan	-	15,000,000.00
Interest Deposits	49,215.80	75,039.75
Facility Operations	203,290.99	-
Total Cash Receipts	<u>3,831,485.97</u>	<u>20,485,666.84</u>
 DISBURSEMENTS		
Checks issued prior months	280,546.81	4,201,687.43
Checks issued 10/15/01	60,562.54	1,763,640.13
Checks issued 10/25/01	176,787.75	879,450.31
Payroll Expenditures	17,125.90	-
Expense Reimbursement	(3,000.06)	(1,100.00)
Bank fees	-	(306.34)
Total Cash Disbursements	<u>532,022.94</u>	<u>6,843,371.53</u>
 Net Pooled Cash and Investments	<u>\$ 3,299,463.03</u>	<u>\$ 13,642,295.31</u>

Statement B

GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY Statement of Cash Receipts and Disbursements - Budget to Actual (Operations) From July 1, 2001 to October 31, 2001

	OPERATING ACCOUNT			
	Facilities Operations		Capital Replacement	
	Budget	Actual	Budget	Actual
RECEIPTS				
Facility Operations	\$ 1,695,443	\$ 203,291	\$ 237,000	\$ -
Interest on Investments	100,000	30,830	40,000	18,386
Capital Replacement Reserve Transfer	570,357	-	(570,357)	-
From / (To) Fund Balance	-	-	530,357	-
TOTAL RECEIPTS	2,365,800	234,121	237,000	18,386
DISBURSEMENTS				
Accounting / Auditing Services	20,000	4,300	-	-
Bank Fees	-	-	-	-
Insurance - Property and Liability	15,000	2,966	-	-
Legal Services	55,000	5,942	-	-
Other Contractual Services	8,150	27,883	-	-
Facility Management Fees	-	151,122	-	-
Meeting Expense	650	62	-	-
Supplies	1,200	637	-	-
Transfer to Construction Account	1,000,000	-	-	-
Sub-total Service Disbursements	1,100,000	192,911	-	-
Electricity	611,000	237,961	-	-
Steam	527,000	64,417	-	-
Water and Sewer	67,800	16,324	-	-
Sub-total Utility Disbursements	1,205,800	318,702	-	-
Building Additions and Improvements	-	-	225,000	-
Facility Equipment Acquisition	-	-	12,000	-
Sub-total Capital Disbursements	-	-	237,000	-
Employee Wages	50,000	15,385	-	-
Employee Benefits	10,000	5,025	-	-
Sub-total Payroll Disbursements	60,000	20,410	-	-
TOTAL DISBURSEMENTS	2,365,800	532,023	237,000	-
Excess / (Deficit) of Funds	\$ -	\$ (297,902)	\$ -	\$ 18,386
	See Comments 1 and 2		See Comments 1 and 2	

Comment 1: Facilities Operations and Capital Replacement budgets were approved by the GR-KC Convention / Arena Authority at its regularly scheduled meeting on June 27, 2001.

Comment 2: Facilities Operations and Capital Replacement columns include receipts and disbursements processed by the C/AA. SMG receipts and disbursements are reported separately in the Van Andel Arena and Grand Center financial statements prepared by SMG.

Statement C

GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY Statement of Cash Receipts and Disbursements - Budget to Actual (Construction) From July 1, 2001 to October 31, 2001

	CONSTRUCTION ACCOUNT			
	Monroe Ave Relocation Budget	Actual	Convention Center Construction Budget	Actual
RECEIPTS				
State of Michigan	\$ 2,630,697	\$ -	\$ 27,369,303	\$ 15,000,000
Transfer from Operating Fund	-	-	1,000,000	-
Interest on Investments	54,830	30,178	445,170	44,862
TOTAL RECEIPTS	2,685,527	30,178	28,814,473	15,044,862
DISBURSEMENTS				
Architectural and Engineering Services	490,000	328,574	6,000,000	2,124,061
Construction Material Testing	-	-	400,000	100,324
Construction in Progress - GMP	2,175,527	137,743	21,425,973	3,758,490
Sub-total Construction Disbursements	2,665,527	466,317	27,825,973	5,982,876
Bank Fees	-	-	-	(306)
Insurance -Property / Liability	-	-	40,000	42,670
Legal Services	15,000	1,251	50,000	4,924
Project Manager / Owner's Representative	-	-	285,000	82,614
Other Contractual Services	5,000	-	600,000	262,480
Sub-total Service Disbursements	20,000	1,251	975,000	392,382
Advertising / Promotion / Publicity	-	-	5,000	-
Supplies	-	-	1,000	-
Postage / Express	-	-	500	-
Printing and Binding	-	-	5,000	-
Telephone	-	-	2,000	546
Sub-total Supplies Disbursements	-	-	13,500	546
TOTAL DISBURSEMENTS	2,685,527	467,568	28,814,473	6,375,804
Excess / (Deficit) of Funds	\$ -	\$ (437,390)	\$ -	\$ 8,669,058
			See Comment	

Comment: Convention Center Construction budget was approved by the Grand Rapids - Kent County Convention / Arena Authority at its regularly scheduled meeting on June 27, 2001.

BUILDING COMMITTEE REPORT
To
Grand Rapids-Kent County Convention/Arena Authority
December 5, 2001

Work continues on DeVos Performance Hall Lobby. The stair tower stone veneer installation is close to completion. New ductwork, electrical and rough-in work continues in the lobby. Roof insulation underway, slab on grade complete, structural steel in North stair tower continues with roof deck to follow. Continuing with installation of curtain wall framing and glass installation has started.

The finished landscaping for the Federal Property (Northeast corner on east side of Monroe) is progressing.

Case/Millgard, the deep foundation subcontractor has been performing compaction grouting in advance of caisson installation.

The concrete structure contractor continues works on the deep spread footings for the future super truss system in the Exhibit Hall.

Excavation of the site continues on West side of Hall of Justice/Police Building. East side excavation started.

Police Building demolition to be complete Dec 7.

Hall of Justice asbestos abatement to be complete by Dec 7, with demolition to start the following week.

12/05/01

DEVOS PLACE INFORMATIONAL PROJECT TIMELINE

DEVOS PERFORMANCE HALL-PHASE I

[illegible]

GRAND GALLERY-PHASE II

[illegible]

EXHIBIT HALL-PHASE II

[illegible]

VAN ANDEL ARENA WEEKLY

Item VII

DATE	EVENT	EC	ROOM	TIME	FUNCTION
Wed, Nov 28	Griffins vs Chicago	AH	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
	Griffins	JS	Banquet A	6P-7P	Group welcome center
	SecurAlarm	JS	Banquet B	1P-4P	Load-in product
Thur, Nov 29	SecurAlarm	JS	Banquet All	9A-4P	Product show
Fri, Nov 30	Griffins vs Houston	MS	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
	Griffins	JS	Banquet A	6:30P-7:30P	Group welcome center
	Jeup	JS	Banquet C	6P-7:30P	Banquet
	Organon Pharmaceutical	JS	Banquet D	6P-7:30P	Banquet
Sat, Dec 1	Griffins vs Houston	MS	Arena	10A-12:30P 6:30 PM 7:30P-10P 10P-10:30P	Team practice Doors Hockey game Post-game skate
	Griffins	JS	Banquet A	6:30P-7:30P	Group welcome center
Sun, Dec 2	NCAA Women's Basketball	AH	Arena	8A-12P 12:00 PM 1:00 PM 3:00 PM	Team shoot arounds Doors MSU vs Marquette University U-M vs Notre Dame
Mon, Dec 3	Available				
Tue, Dec 4	Volume Services	JS	Banquet C/D	6P-9P	TIPS Training
Wed, Dec 5	Griffins vs Norfolk	MS	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
Thur, Dec 6	Available				
Fri, Dec 7	Griffins vs Chicago	AH	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
Sat, Dec 8	Gordon Food Service	MS	Arena	7:30 PM	Performance
Sun, Dec 9	Available				
Mon, Dec 10	Available				
Tue, Dec 11	Merry Mayhem Tour	AH	Arena	7:30 PM	Performance
Wed, Dec 12	Available				
Thur, Dec 13	Available				
Fri, Dec 14	Available				
Sat, Dec 15	Griffins vs Cincinnati	AH	Arena	9A-5P 6:30 PM 7:30P-10P 10P-10:45P	Broomball tournament Doors Hockey game Post-game skate
Sun, Dec 16	Available				
Mon, Dec 17	Available				
Tue, Dec 18	SMG		Arena	5P-8P	Skating Party for part-time staff
Wed, Dec 19	Available				
Thur, Dec 20	Available				
Fri, Dec 21	Griffins vs Chicago	MS	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
Sat, Dec 22	Griffins vs Cleveland	MS	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
Sun, Dec 23	Available				
Mon, Dec 24	Closed – Christmas Eve				

Tue, Dec 25	Closed – Christmas Day				Happy Holidays!!!
Wed, Dec 26	Available				
Thur, Dec 27	Available				
Fri, Dec 28	Barenaked Ladies	MS	Arena	7:30 PM	Performance
Sat, Dec 29	Griffins vs Houston	AH	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
Sun, Dec 30	Available				

BOND PRICING

Grand Rapids-Kent County Joint Building Authority
Building Authority Bonds, Series 2001
FINAL - November 29, 2001

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Principal per \$5,000 at Maturity	Offer Price per \$5,000 at Maturity	CAB Value at Maturity	Premium (-Discount)	Takedown
Institutional Serial Bonds:										
	12/01/2002	980,000.00	3.000%	1.930%	101.019				9,986.20	1.250
	12/01/2003	1,440,000.00	5.000%	2.500%	104.767				68,644.80	2.500
	12/01/2004	1,650,000.00	5.000%	2.900%	105.927				97,795.50	3.000
	12/01/2005	2,320,000.00	3.500%	3.270%	100.848				19,673.60	3.000
	12/01/2006	2,560,000.00	3.750%	3.550%	100.902				23,091.20	3.000
	12/01/2007	2,825,000.00	5.000%	3.810%	106.296				177,862.00	3.000
	12/01/2008	3,145,000.00	5.000%	4.030%	105.839				183,636.55	3.000
	12/01/2009	2,485,000.00	5.000%	4.160%	105.645				140,278.25	3.000
	12/01/2010	3,840,000.00	5.250%	4.270%	107.235				277,824.00	3.000
	12/01/2011	1,000,000.00	5.500%	4.370%	109.049				90,490.00	3.000
	12/01/2012	4,665,000.00	5.125%	4.490%	105.450				254,242.50	3.000
	12/01/2013	5,115,000.00	5.125%	4.580%	104.976				254,522.40	3.000
	12/01/2014	5,595,000.00	5.125%	4.690%	104.188				234,318.60	3.000
		37,620,000.00							1,832,365.60	
Retail Serial Bonds:										
	12/01/2009	1,000,000.00	4.250%	4.160%	100.603				6,030.00	3.000
	12/01/2011	3,235,000.00	5.250%	4.370%	107.047				227,970.45	3.000
		4,235,000.00							234,000.45	
CAB Bonds:										
	12/01/2015	3,003,370.50	5.150%	5.150%	49.155	2,457.75	2,457.75	6,110,000		7.000
	12/01/2016	2,925,616.05	5.240%	5.240%	46.109	2,305.45	2,305.45	6,345,000		7.000
	12/01/2017	2,849,713.70	5.320%	5.320%	43.243	2,162.15	2,162.15	6,590,000		7.000
	12/01/2018	2,769,652.80	5.400%	5.400%	40.492	2,024.60	2,024.60	6,840,000		7.000
	12/01/2019	2,703,949.85	5.450%	5.450%	38.057	1,902.85	1,902.85	7,105,000		7.000
	12/01/2020	2,640,176.25	5.490%	5.490%	35.799	1,789.95	1,789.95	7,375,000		7.000
	12/01/2021	2,582,569.00	5.520%	5.520%	33.715	1,685.75	1,685.75	7,660,000		7.000
	12/01/2022	2,529,530.90	5.540%	5.540%	31.798	1,589.90	1,589.90	7,955,000		7.000
	12/01/2023	2,481,469.20	5.550%	5.550%	30.042	1,502.10	1,502.10	8,260,000		7.000
	12/01/2024	2,433,499.25	5.560%	5.560%	28.379	1,418.95	1,418.95	8,575,000		7.000
	12/01/2025	2,385,378.00	5.570%	5.570%	26.802	1,340.10	1,340.10	8,900,000		7.000
	12/01/2026	2,344,095.60	5.570%	5.570%	25.369	1,268.45	1,268.45	9,240,000		7.000
	12/01/2027	2,298,194.40	5.580%	5.580%	23.952	1,197.60	1,197.60	9,595,000		7.000

BOND PRICING

Grand Rapids-Kent County Joint Building Authority
Building Authority Bonds, Series 2001
FINAL - November 29, 2001

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Principal per \$5,000 at Maturity	Offer Price per \$5,000 at Maturity	CAB Value at Maturity	Premium (-Discount)	Takedown
CAB Bonds:										
	12/01/2028	2,257,832.40	5.580%	5.580%	22.669	1,133.45	1,133.45	9,960,000		7.000
	12/01/2029	2,211,379.95	5.590%	5.590%	21.397	1,069.85	1,069.85	10,335,000		7.000
	12/01/2030	2,172,717.70	5.590%	5.590%	20.249	1,012.45	1,012.45	10,730,000		7.000
	12/01/2031	2,134,758.20	5.590%	5.590%	19.163	958.15	958.15	11,140,000		7.000
		42,723,903.75						142,715,000		
		84,578,903.75						142,715,000	2,066,366.05	

Dated Date	12/13/2001
Delivery Date	12/13/2001
First Coupon	06/01/2002
Par Amount	84,578,903.75
Premium	2,066,366.05
Production	86,645,269.80
Underwriter's Discount	-520,524.14
Purchase Price	86,124,745.66
Accrued Interest	101.827692%
Net Proceeds	86,124,745.66

BOND SUMMARY STATISTICS

Grand Rapids-Kent County Joint Building Authority
 Building Authority Bonds, Series 2001
 FINAL - November 29, 2001

Dated Date	12/13/2001
Delivery Date	12/13/2001
Last Maturity	12/01/2031

Arbitrage Yield	5.216658%
True Interest Cost (TIC)	5.259052%
All-In TIC	5.267495%

Average Life (years)	15.081
Duration of Issue (years)	14.571

Par Amount	84,578,903.75
Bond Proceeds	86,645,269.80
Total Interest	18,005,987.41
Net Interest	16,460,145.50
Total Debt Service	202,575,987.41
Maximum Annual Debt Service	11,140,000.00
Average Annual Debt Service	6,760,044.07

Underwriter's Fees (per \$1000)	
Average Takedown	4.991757
Management Fee	0.250000
Other Fee	0.912545

Total Underwriter's Discount	6.154302
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Bid Price	101.827692
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Bond Component	Par Value	Price	Average Coupon	Average Life
Institutional Serial Bonds	37,620,000.00	104.871	5.016%	8.465
Retail Serial Bonds	4,235,000.00	105.525	5.052%	9.494
CAB Bonds	42,723,903.75	100.000		21.461
	84,578,903.75			15.081

	TIC	All-In TIC	Arbitrage Yield
Par Value	84,578,903.75	84,578,903.75	84,578,903.75
+ Accrued Interest			
+ Premium (Discount)	2,066,366.05	2,066,366.05	2,066,366.05
- Underwriter's Discount	-520,524.14	-520,524.14	
- Cost of Issuance Expense		-103,150.00	
- Other Amounts			
Target Value	86,124,745.66	86,021,595.66	86,645,269.80
Target Date	12/13/2001	12/13/2001	12/13/2001
Yield	5.259052%	5.267495%	5.216658%