

## Meeting of Board of Directors

Wednesday, December 4, 2002

7:30 a.m. – 9:30 a.m.

County Administration Building Board Room, 3<sup>rd</sup> Floor  
Grand Rapids, Michigan 49503

### A G E N D A

- |   |             |
|---|-------------|
| <b>I. Call to Order</b>   |             |
| <b>II. Minutes of September 25 and October 23, 2002 Board Meetings</b>  | Action      |
| <b>III. Public Comment</b>  |             |
| <b>IV. Presentation – Ticketmaster</b><br>Robert Garsh, General Manager   | Information |
| <b>V. DeVos Place Construction Update - Erhardt/Hunt</b>  | Information |
| <b>VI. Committee Reports</b>  |             |
| a. Building Committee   | Information |
| b. Operations Committee   | Information |
| - CVB Update  |             |
| c. Finance Committee  |             |
| i. Approval of Disbursements  | Action      |
| ii. Approval of SMG September and October 2002 Financial Reports  | Action      |
| iii. Approval of CAA September and October 2002 Financial Reports   | Action      |
| <b>VII. Reappointment of Board Members</b>  | Action      |
| <b>VIII. Approval of Agreement with Kent County Parks Foundation Regarding Reimbursement for Staff Services</b>   | Action      |
| <b>IX. Approval of Warner, Norcross &amp; Judd Invoices Related to DeVos Place and Van Andel Arena Trademarks</b> | Action      |
| <b>X. Resolution Approving and Authorizing Execution of Parking Operation and Maintenance Agreement</b>           | Action      |

Convention  
Arena  
Authority

John Logie,  
Chairman  
Lew Chamberlin  
Clif Charles  
David Frey  
Steven Heacock  
Birgit Klohs  
Joseph Tomaselli



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



- |  |             |
|--|-------------|
| <b>XI. Resolution Authorizing Memorandum of Understanding with CVB and Approving Amendment to Construction Manager Agreement</b> | Action      |
| <b>XII. Resolution Awarding Bid for Security/CCTV System to Midstate Security Company</b>  | Action      |
| <b>XIII. Resolution Awarding Bid for Telecommunications Cabling Infrastructure to Voice Data Systems</b>                         | Action      |
| <b>XIV. SMG Report</b><br>- Facilities Calendar  | Information |
| <b>XV. Other Business</b>  |             |
| <b>XVI. Adjournment</b>  |             |

**REVISED MINUTES OF  
THE GRAND RAPIDS-KENT COUNTY  
CONVENTION/ARENA AUTHORITY  
BOARD OF DIRECTORS MEETING  
Wednesday, September 25, 2002**

**I. Call to Order**

Chairman John Logie called the meeting to order at 7:30 a.m. Chairman Logie presided and Susan Waddell, in the absence of Secretary/Treasurer Birgit Klohs, recorded.

**Attendance**

**Members Present:** John Logie, Chairman  
Lew Chamberlin  
Clif Charles  
Steve Heacock

**Members Absent:** David Frey  
Birgit Klohs  
Joseph Tomaselli

<b>Staff/Others:</b>	Matt Barnes	Erhardt/Hunt Joint Venture
	Henri Boucher	ShowSpan
	David Czurak	<i>Grand Rapids Business Journal</i>
	Jim Day	Kent County
	Daryl Delabbio	Kent County
	Joe Erhardt	Erhardt/Hunt Joint Venture
	Jim Gray	CAA Owner Representative
	George Helmstead	CVB
	Amanda Jason	Aquinas College Student
	Kurt Kimball	City of Grand Rapids
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Steve Miller	SMG
	Dale Sommers	CAA Owner Representative
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Jana Wallace	City of Grand Rapids
	Jim Watt	SMG
	Garrison Wells	<i>The Grand Rapids Press</i>
	Richard Wendt	Dickinson Wright
	Steve Wilson	CVB
	Tim Wondergem	Wondergem Consulting

**II. Minutes of Prior Meetings**

*Motion: Mr. Heacock, supported by Mr. Charles, moved to approve the Minutes of the August 28, 2002 meeting of the Authority. Motion carried unanimously.*

**III. Public Comment**

None.

#### IV. DeVos Place Construction Update – Matt Barnes, Joe Erhardt

Mr. Erhardt reported that one of the big cranes has been disassembled and trucked-off the site. The Grand Gallery penthouse and mechanical level roof areas have been completed, leaving only the curved section that will be finished after the skylight installation. The east and west tensile truss and curtainwall components have arrived and are being installed. Throughout the Grand Gallery interior, air-handling units are being hooked up in the penthouse and spray fireproofing is almost complete. Metal studwork, framing exterior studs, interior walls, and hanging sheathing board continues. The Exhibit Hall east and west box trusses have been completed. The east one-third of the roof over the exhibit floor space has been decked-out. The catwalk system above the floor continues and preparations are underway to place concrete in the west box truss. Installation of the west side roof section continues, while roofing has begun on the east side. Concrete block walls are being installed on the east elevation, beginning the critical enclosure element of the Exhibit Hall. After three months of negotiation, agreement has been reached with Consumers Energy to supply partial power on April 1, 2003 and full power on June 1, 2003.

Mr. Barnes reported that a Minority/Women Business Enterprise one-to-one inreach forum has been scheduled for September 24-26, 2002. The purpose is to discuss contracting and supplier opportunities in connection with Phase III of the project. Twenty-five firms have responded so far.

Mr. Erhardt stated that he has submitted the convention center reconstruction to be featured in the *Real Estate & Construction Review: Michigan Edition* magazine.

#### V. Committee Reports

##### Building Committee

Mr. Sommers reported that the Building Committee approved a contract with Mid-State Security for card access, alarm system, CCTV system, and security office console system. In answer to a question from Mr. Logie, Mr. Sommers stated the bid process and bidders are referenced in the Building Committee minutes. Mr. Logie requested an update on the Woodworkers show request for early opening. Mr. Sommers responded that he sent a letter to the CVB outlining the additional costs to open DeVos Place. All parties are working hard to address the issues involved.

Mr. Logie stated that the Mormon Tabernacle Choir is scheduled to perform in Grand Rapids on June 25, 2003 and inquired whether DeVos Hall would be available to host the event. Mr. Sommers indicated he is aware of the concert and is working with SMG, as construction work is scheduled for DeVos Hall at that time.

##### Operations Committee

Mr. Chamberlin reported that the Committee did not meet in September but Mr. Wilson is prepared to give a marketing report.

Mr. Wilson announced that the CVB Board approved the 2003 budget, which will be considered by the Kent County Commission on Thursday. The budget increased from \$2.2 million to \$3.2 million. The recently approved 1% marketing assessment on all guestrooms in Kent County will generate an additional \$850,000. The marketing budget will increase from \$40,000 to \$400,000. Additional marketing expenditures will include \$104,000 on convention trade advertising, \$25,000 for a brochure, \$50,000 on outdoor advertising, \$20,000 on photography, and \$40,000 on marketing research. Marketing efforts will target Michigan, Indiana, Illinois, Ohio, and Wisconsin. A national marketing program includes press tours to bring in national travel editors.

The newest booking is the Lions Club International USA/Canada Leadership Forum. The convention will be held September 24 through October 1, 2007, and bring in 3,500 delegates, use 7,000 guest room nights, and have an economic impact of \$1.7 million. To date, 47 groups have been booked in the new convention center. The CVB has confirmed 34,150 delegates for 2004, 48,050 in 2005, 20,500 in 2006, and 14,269 in 2007.

Mr. Heacock noted the increased interest in canoeing and kayaking and offered his assistance to map out trails for conventioners. Mr. Logie added that one of the best rowing courses in the Midwest is the Grand River north of Ann Street.

#### Finance Committee

Mr. Heacock presented the Finance Committee report.

- a. Approval of Disbursements for the Period August 23 – September 13, 2002

*Motion: Mr. Heacock, supported by Mr. Chamberlin, moved to approve payment of disbursements totaling \$7,171,334.97, as presented. Motion carried unanimously.*

- b. Approval of SMG Financial Statements for Period Ending August 31, 2002

*Motion: Mr. Heacock, supported by Mr. Chamberlin, moved to approve the SMG Financial Statements for the Van Andel Arena and Grand Center for the period ended August 31, 2002, as presented. Motion carried unanimously.*

- c. Approval of CAA Preliminary Financial Statements Prepared by Beene Garter LLP

*Motion: Mr. Heacock, supported by Mr. Chamberlin, moved to approve the Grand Rapids – Kent County Convention/Arena Authority Financial Statements for the period August 31, 2002, as presented. Motion carried unanimously.*

#### VI. SMG Report

##### Facilities Calendar

Mr. MacKeigan reported that the Red & White game on September 19<sup>th</sup> was the official kickoff for the Griffins first season as an affiliate of the Detroit Red Wings. The home opener for the Griffins is October 12. The Ringling Brothers Barnum & Bailey Circus will be in town through this Sunday, and Creed will play at the Arena on November 11. Mr. Logie expressed appreciation to the SMG staff for the successful disaster preparedness exercised held at the Arena.

#### VII. Other Business

Mr. Logie stated that he and staff are following-up on the CAA charitable event and working hard to find an available date. Mr. Kimball introduced Amanda Jason of Aquinas College who will be shadowing him this semester. Mr. Logie thanked Jim Gray and Chris Gray for his specially designed University of Michigan hard hat.

#### XII. Adjournment

There being no other business, the meeting was adjourned at 8:20 a.m.

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Susan M. Waddell, Recording Secretary

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY  
CONVENTION/ARENA AUTHORITY  
BOARD OF DIRECTORS MEETING  
Wednesday, October 23, 2002**

**I. Call to Order**

Chairman John Logie called the meeting to order at 7:35 a.m. Chairman Logie presided and Secretary/Treasurer Birgit Klohs recorded. A quorum was not present.

**Attendance**

**Members Present:** John Logie, Chairman  
Lew Chamberlin  
Birgit Klohs

**Members Absent:** Clif Charles  
David Frey  
Steve Heacock  
Joseph Tomaselli

<b>Staff/Others:</b>	Henri Boucher	ShowSpan
	David Czurak	<i>Grand Rapids Business Journal</i>
	Jim Day	Kent County
	Daryl Delabbio	Kent County
	Joe Erhardt	Erhardt/Hunt Joint Venture
	Jim Gray	CAA Owner Representative
	George Helmstead	CVB
	Kurt Kimball	City of Grand Rapids
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Steve Miller	SMG
	Bill Sewall	Erhardt/Hunt Joint Venture
	Dale Sommers	CAA Owner Representative
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Jana Wallace	City of Grand Rapids
	Jim Watt	SMG
	Richard Wendt	Dickinson Wright

**II. Minutes of Prior Meeting**

Staff noted that three members were listed as both present and absent at the September 25, 2002, Board meeting. Chairman Logie received the Minutes as corrected.

**III. Public Comment**

None.

**IV. DeVos Place Construction Update – Matt Barnes, Joe Erhardt**

Mr. Erhardt reported that Grand Gallery activities have centered on expediting the enclosure work. The skylight framing for the sloped unit progressed well, as did the east and west glazing systems. Interior metal studs, electrical rough-ins, and drywall hanging continue throughout the Grand Gallery, and the spray fireproofing has been substantially completed. The final long span roof truss was set in place for the Exhibit Hall. Approximately 33% of the roof over the Exhibit

Hall has been dried in, minimizing weather impact on the trades working below. Structural concrete at the truck dock and in the Exhibit Hall area is planned to continue through the winter. Phase 3 soil stabilization beneath the Grand Center has begun.

Mr. Sewall reported that phase 3 bid documents for the final site work, demolition of Welsh Auditorium, meeting and ballroom construction and Grand Center renovation have been distributed to potential bidders. Bids are due October 30. The estimated total amount is \$51 million. Twenty-five firms responded to the M/WBE in-reach program. Thirty-minute interviews were conducted to gather information on expertise and fit. While most of the firms were not large enough to submit bids on their own, there are opportunities to partner up with a prime bidder. Mayor Logie invited Mr. Sewall to contact Ingrid-Scott Weekly about the City's "side by side" technique for bidders without the size or expertise to bid alone. These firms are linked with prime bidders to partner on a project. A new safety program has been implemented that provides incentives for excellent performance. All workers are eligible to participate in a weekly raffle held after a week with no recordable incidents. Mr. Sewall asked for donations to supplement the prizes.

#### V. Committee Reports

##### Operations Committee

Mr. Chamberlin proudly announced that *Pollstar* magazine has ranked the Van Andel Arena #16 in the world of the top 50 arena venues based on third quarter ticket sales. DeVos Hall placed #27. The Committee received a report from SMG Marketing Director Lynne Ike, who summarized a ticket sales comparison 2001 to 2002. The number of tickets sold in the first eight months of 2001 totaled 62,067, while number skyrocketed to 179,519 in the same period of 2002. Ms. Ike presented a geographical breakdown of tickets sold. Surprisingly, a good percentage of tickets are sold in Battle Creek/Kalamazoo even though that area has a number of venues. The website continues to receive a great deal of traffic from surfers around the world.

Mr. Helmstead reported that 56 groups have been booked for the years 2003-2007, with an estimated economic impact exceeding \$26 million. The CVB is working with the City and County to book the 2011 ICMA convention. Recent notable bookings include the National Association of County Agricultural Agents, Business Professionals of America-Michigan Association, Michigan Society of Association Executives, American Association of Meat Processors, Maly's, and American Philatelic Society. The CVB has bid to host the April 2003 Christian Meeting Planners convention in conjunction with the Deal Sea Scrolls Exhibit.

Mr. Chamberlin stated that the Committee received a recommendation from SMG regarding the 2004 Auto Show. SMG recommended that ShowSpan be awarded the date and the Committee unanimously agreed. Regarding the charity event, Mr. MacKeigan is looking at hosting a "Doo Wop" event in the spring of 2003.

##### Building Committee

Mr. Sommers reported that the Building Committee approved a five-year contract with Consumers Energy to provide electrical services at DeVos Place. The agreement will be effective April 1, 2003. The Committee also discussed advanced planning for phase 3 of the project. The Committee supported the request for closure of Gillette Bridge as of June 1, 2003. Lyon Street from Monroe to the Grand River will be open only for construction traffic and Amway Hotel deliveries. Demolition will begin on June 1, 2003, and the excavation will be to the river wall.

##### Finance Committee

Approval of disbursements and September 2002 financial statements was deferred to the next meeting.

VI. Approval of Five-Year Contracts for Electric Services

Mr. Sommers recommended approval of five-year contracts with Consumers Energy to provide electric services at DeVos Place. Current power is provided in a limited capacity off Lyon Street. Additional service is needed on Monroe Avenue. Consumers Energy will be contributing \$1 million in infrastructure. Consumers Energy has scheduled an in-service date of April 1, 2003 for the Exhibit Hall and Grand Gallery. Full load capacity is scheduled to be available on June 1, 2003. The present rate will continue until usage warrants that the most economical rate (Primary Rate D) goes into effect.

Mayor Logie approved the contracts, subject to Board ratification at the next meeting.

VII. SMG Report

Facilities Calendar

Mr. MacKeigan reported that the Who concert at Van Andel Arena was recorded and the CD is selling on-line for a Who charity event overseas. November bookings at the Arena include Dragon Tales, John Mellencamp, Creed, and the Trans-Siberian Orchestra. At the Grand Center, the Broadway Theater Guild will be presenting Saturday Night Fever, the Ballet will be presenting the Nutcracker over the holidays, and the Coasters, Drivers, and Platters will be performing. The ductwork at the Arena is being repainted and the security gate system is being installed.

VIII. Other Business

The November and December meetings will be combined. The next CAA meeting will be held on Wednesday, December 4, 2002. The Chairman and staff are working to put together the annual SMG management evaluation. The Chairman stated that a colleague has suggested that the CAA become interested in the zoo.

XII. Adjournment

There being no other business, the meeting was adjourned at 8:05 a.m.

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Birgit Klohs, Recording Secretary



# ticketmaster

**This is your ticket.**  
**Present this entire page at the event.**

**PURCHASED BY** MICHAEL S SCHMITT **SECTION** CR **ROW** A **SEAT** 11  
**CONFIRMATION NUMBER** 1-55066/DET **CREDIT CARD NUMBER** 4\*\*\*\*4483

VATRN02  
0.00

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PRESENTATION FOR  
VAN ANDEL ARENA  
CONV & ARENA AUTHORITY  
WED DEC 4, 2002 8:00AM

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11



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Maximum resale premiums apply in the following states: PA - \$5 or 25% of the ticket price, whichever is greater, plus lawful taxes; MA - \$2; CT - a reasonable charge, but not more than \$3; NY - \$5 or 20% of the established price, whichever is greater, plus lawful taxes; NJ - \$3 or 20% of the ticket price, whichever is greater. Purchaser may be able, in some instances, to purchase tickets directly from the venue box office without paying Ticketmaster's convenience fee. NY: This ticket may not be resold by an unlicensed vendor within one thousand five hundred feet from the physical structure of this place of entertainment under penalty of law.

Management reserves the right, without the refund of any portion of the ticket purchase price, to refuse admission to or eject any person whose conduct is deemed by management to be disorderly, who uses vulgar or abusive language or who fails to comply with these or other management rules. Breach of any of the foregoing will automatically terminate this license. NO REFUNDS. NO EXCHANGES EXCEPT AS PROVIDED HEREIN. EVENT DATE & TIME SUBJECT TO CHANGE. ALL RIGHTS RESERVED.

This ticket is a revocable license and admission may be refused upon refunding the face amount of the ticket. Unauthorized or unlawful resale or attempted resale is grounds for seizure and cancellation without compensation. Tickets obtained from unauthorized sources may be lost, stolen or counterfeit, and if so are void.

Holder agrees by use of this ticket, not to transmit or aid in transmitting any description, account, picture, or reproduction of the game, performance, exhibition or event for which this ticket is issued. Holder acknowledges that the event may be broadcast or otherwise publicized, and hereby grants permission to utilize holder's image or likeness in connection with any live or recorded transmission or reproduction of such event.

In conformance with some local requirements or certain facility rules, alcoholic beverages, illegal drugs, controlled substances, cameras, recording devices, bundles and containers of any kind may not be brought into the premises. This ticket cannot be replaced if lost, stolen or destroyed, and is valid only for the event and seat for which it is issued. This ticket is not transferable or redeemable for cash. It is unlawful to reproduce this ticket in any form. Unless indicated otherwise, price includes all applicable taxes and/or cash discounts (if available).

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**BUILDING COMMITTEE REPORT**  
**To**  
**Grand Rapids-Kent County Convention Arena Authority**  
**December 4, 2002**

Grand Gallery activities for October continue to be centered on expediting the enclosure work. The skylight framing for the sloped unit progressed well and is nearly dried in, as is the east and west glazing systems being installed by Architectural Glass & Metals, Inc.

Interior metal studs, electrical rough-ins and drywall hanging continue thru out the Grand Gallery. Face brick and CMU walls are progressing well along the skywalk in the Grand Gallery.

Steel Service Corp. and AZCO continue detailing the in place structure until the Truck Dock area becomes available. Steel Service has subcontracted the dock steel to Ace Erectors, a local MBE firm. Ace began erection the week of November 4.

Kent/Tillman continues to place structural concrete at the Truck Dock, and in the Exhibit Hall area. Winter condition concrete measures have been set up to deal with cold temperatures possible during placement.

Modern Roofing is progressing very well over the Exhibit Hall, with approximately 60% of the area dried in, thus minimizing weather impact on trades working below. Aside from Kent/Tillman this primarily will include: Lynn Masonry (block), Cleveland Construction (studs), Andy J. Egan Co. (mechanical & plumbing), ElecTech (electrical rough-in), Diversco (earthwork), and Riverside Group (metal panels), with no significant change in activities since last month, except that Egan and ElecTech have secured service entrances from the city utility systems, and Riverside Group has enclosed a substantial portion of the East elevation with metal panels.

The Phase 3 compaction grouting contractors Case Foundations and T.C.D.I., have completed 42 of 67 grout point locations. Work is progressing as allowed, and is being scheduled around shows and use of the space by SMG's clients.

Phase 3 Bids were received and opened on October 30. A schedule has been prepared to interview select bidders over the next 8 weeks, determine the lowest responsive bidder, and recommend award when appropriate.

The committee reviewed and recommends approval of Amendment 5 to Agreement Between Owner and Construction Manager for an acceleration bonus of \$175,000, to be funded by the CVB, for substantial completion of areas North of DeVos Hall by November 25, 2003. This will allow the Midwest Workers Trade Show to open the new facility, with two other shows in December to follow.

The committee also recommends entering into a contract with Voice Data Systems for Infrastructure Cabling Project in the amount of \$739,566.00, the low bid.

# MEMORANDUM

CITY OF GRAND RAPIDS

DATE: November 14, 2002

TO: Steve Heacock  
Grand Rapids - Kent County Convention / Arena Authority  
Finance Committee Chair

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

SUBJECT: Disbursements Report

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

Dates checks were issued	Operating Fund	Construction Fund
September 27, 2002	\$ 30,725.66	\$ 225,615.32
October 14, 2002	59,477.28	6,593,447.97
October 28, 2002	252,547.95	53,515.46
November 14, 2002	73,834.51	5,245,168.41
Payroll – 09/20/2002	1,920.76	--
Payroll – 10/04/2002	2,030.96	--
Payroll – 10/18/2002	1,920.76	--
Payroll – 11/01/2002	1,920.76	--
<b>Disbursements by Fund</b>	<b>\$ 424,378.64</b>	<b>\$12,117,747.16</b>

Total disbursements for the Grand Rapids - Kent County Convention / Arena Authority during the period September 20 through November 14, 2002, were \$12,542,125.80.

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

Attachments

# GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

List of Invoices Processed for Payment on September 27, 2002, as Authorized by the Current Bookkeeping Policy

	Payee	Amount	Invoice Date	Description of materials acquired / services received
<b>Invoices Submitted by Project Manager</b>				
C	Nextel Communications	194.17	09/12/2002	Owner's representatives cellular phone charges thru 09/06/2002
C	Ottawa County Landfill	6,946.92	09/14/2002	Contaminated soil dumping - September 5 - 10, 2002
C	Progressive AE	159,199.64	09/16/2002	Architectural design services - August 2002
C	Progressive AE	24,626.16	09/16/2002	Owner requested changes - August 2002
C	Progressive AE	14,385.00	09/16/2002	On-site architect's representative - August 2002
C	Progressive AE	19,694.43	09/16/2002	Environmental graphics - August 2002
		<u>\$ 225,046.32</u>		<b>Sub-Total - Invoices Submitted by Project Manager</b>
<b>Invoices Submitted by City Fiscal Services</b>				
O	Beene Garter LLP	3,411.00	09/20/2002	Bookkeeping & GASB 34 services for period ended 9/16/2002
O	Consumers Energy	24,841.36	09/05/2002	Electrical services for Grand Center - August 2002
C	Dickinson Wright PLLC	324.40	08/30/2002	Legal services re bldg technology / communications - July 2002
C	Dickinson Wright PLLC	204.10	08/30/2002	Legal services re fire / safety consultants - July 2002
C	Dickinson Wright PLLC	40.50	08/30/2002	Legal services re construction manager's agreement - July 2002
O	Dickinson Wright PLLC	40.50	08/30/2002	Legal services re Area 2 parking operations & maint - July 2002
O	Dickinson Wright PLLC	154.50	08/30/2002	Legal services re general matters - July 2002
O	Grand Rapids City Treasurer	2,038.30	09/19/2002	Water and sewer services for Grand Center - September 2002
O	ICMA Retirement Corporation - 401A	240.00	09/20/2002	Admin mgr's 401A - employer/employee contribs for 09/20/02 payroll
		<u>\$ 31,294.66</u>		<b>Sub-Total - Invoices Submitted by City Fiscal Services</b>
		<u>\$ 225,615.32</u>		<b>Total Invoices Submitted for Payment from Construction Account</b>
		<u>\$ 30,725.66</u>		<b>Total Invoices Submitted for Payment from Operating Account</b>
		<u>\$ 256,340.98</u>		<b>Total Invoices Processed for Payment</b>

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

# GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

List of Invoices Processed for Payment on October 14, 2002, as Authorized by the Current Bookkeeping Policy

	Payee	Amount	Invoice Date	Description of materials acquired / services received
<b>Invoices Submitted by Project Manager</b>				
C	Erhardt - Hunt: A Joint Venture	\$6,345,753.00	09/30/2002	Progress pmt # 22: Construction - steel / general / fabrication
C	GR-KC C/AA Retainage Account	209,466.00	09/30/2002	Retainage for progress payment # 22
C	Jerry G Fellingner, Fire/Secur Sys	800.00	09/30/2002	Security system design and review - September 2002
C	Feyen-Zylstra Inc	3,572.04	07/31/2002	Install voice systems cabling - July 2002
C	J P Gray Consulting Inc	10,592.50	10/09/2002	Project management services - September 2002
C	Ottawa County Landfill	3,309.43	09/30/2002	Contaminated soil dumping - September 27, 2002
C	Sommers, Dale H	11,760.00	09/30/2002	Project management services - September 2002
C	Trust Thermal Abatement Inc	8,195.00	08/26/2002	Asbestos removal from Welsh - August 19-22, 2002
	<b>Sub-Total - Invoices Submitted by Project Manager</b>	<b>\$6,593,447.97</b>		
<b>Invoices Submitted by City Fiscal Services</b>				
O	Consumers Energy	2,175.67	09/25/2002	Electrical services for Skywalk - September 2002
O	Consumers Energy	37,099.90	09/25/2002	Electrical services for Arena - September 2002
O	Grand Rapids City Treasurer	4,600.86	10/03/2002	Water and sewer services for Arena - September 2002
O	Grand Rapids City Treasurer	283.97	10/03/2002	Water services for Arena - September 2002
O	ICMA Retirement Corporation - 401A	240.00	10/04/2002	Admin mgr's 401A - employer/employee contribs for 10/04/02 payroll
O	ICMA Retirement Corporation - 457	160.00	09/06/2002	Admin manager's 457 - employee contrib for 09/06/02 payroll
O	ICMA Retirement Corporation - 457	160.00	09/20/2002	Admin manager's 457 - employee contrib for 09/20/02 payroll
O	ICMA Retirement Corporation - 457	160.00	10/04/2002	Admin manager's 457 - employee contrib for 10/04/02 payroll
O	Kent County Dept of Public Works	10.00	10/01/2002	Skywalk steam services - September 2002
O	Kent County Dept of Public Works	2,149.24	10/01/2002	Grand Center steam services - September 2002
O	Kent County Dept of Public Works	12,131.91	10/01/2002	Arena steam services - September 2002
O	Priority Health	278.05	09/14/2002	Insurance benefits for administrative manager - October 2002
O	Rapid Hot Coffee Service	27.68	09/25/2002	Beverages / snacks for September 25, 2002 meeting
	<b>Sub-Total - Invoices Submitted by City Fiscal Services</b>	<b>\$ 59,477.28</b>		
	<b>Total Invoices Submitted for Payment from Construction Account</b>	<b>\$6,593,447.97</b>		
	<b>Total Invoices Submitted for Payment from Operating Account</b>	<b>\$ 59,477.28</b>		
	<b>Total Invoices Processed for Payment</b>	<b>\$6,652,925.25</b>		

C = Convention Center construction related expenses  
O = Non-construction / operating expenses

# GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

List of Invoices Processed for Payment on October 28, 2002, as Authorized by the Current Bookkeeping Policy

Payee		Amount	Invoice Date	Description of materials acquired / services received
<b>Invoices Submitted by Project Manager</b>				
C	Materials Testing Consultants Inc	\$ 35,008.51	10/11/2002	Construction phase services - September 2002
C	Nextel Communications	230.70	10/10/2002	Owner's representatives cellular phone charges thru 10/06/2002
C	Ottawa County Landfill	4,928.75	10/14/2002	Contaminated soil dumping - October 1 - 12, 2002
C	Robert Duff Consulting Inc	13,347.50	10/11/2002	Communications systems consulting - 06/01/02 thru 09/30/02
	<b>Sub-Total - Invoices Submitted by Project Manager</b>	<b>\$ 53,515.46</b>		
<b>Invoices Submitted by City Fiscal Services</b>				
O	Consumers Energy	25,954.56	10/04/2002	Electrical services for Grand Center - September 2002
O	Dickinson Wright PLLC	729.00	09/30/2002	Legal services re parking operations & maint - August 2002
O	Dickinson Wright PLLC	621.00	09/30/2002	Legal services re general matters - August 2002
O	Grand Rapids City Treasurer	30.25	10/08/2002	Fire protection water line for Skywalk - October - December 2002
O	Grand Rapids City Treasurer	45.40	10/08/2002	Water and sewer services for Skywalk - July - September 2002
O	Grand Rapids City Treasurer	108.89	10/08/2002	Fire protection water line for Arena - October - December 2002
O	ICMA Retirement Corporation - 401A	240.00	10/18/2002	Admin mgr's 401A - employer/employee contribs for 10/18/02 payroll
O	ICMA Retirement Corporation - 457	160.00	10/18/2002	Admin manager's 457 - employee contrib for 10/18/02 payroll
O	Priority Health	278.05	10/14/2002	Insurance benefits for administrative manager - November 2002
O	SMG - Grand Center	80,069.00	10/02/2002	Annual incentive fee for year-ending June 30, 2002
O	SMG - Van Andel Arena	144,159.00	10/02/2002	Annual incentive fee for year-ending June 30, 2002
O	Rick Van Sweden DDS PC	152.80	10/07/2002	Dental services for administrative manager - September 2002
	<b>Sub-Total - Invoices Submitted by City Fiscal Services</b>	<b>\$ 252,547.95</b>		
<b>Total Invoices Submitted for Payment from Construction Account</b>				
		<b>\$ 53,515.46</b>		
<b>Total Invoices Submitted for Payment from Operating Account</b>				
		<b>\$ 252,547.95</b>		
<b>Total Invoices Processed for Payment</b>				
		<b>\$ 306,063.41</b>		

# GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

List of Invoices Processed for Payment on November 14, 2002, as Authorized by the Current Bookkeeping Policy

Payee	Amount	Invoice Date	Description of materials acquired / services received
<b>Invoices Submitted by Project Manager</b>			
C Erhardt - Hunt: A Joint Venture	\$4,663,050.00	10/31/2002	Progress pmt # 23: Construction - steel / general / fabrication
C GR-KC C/AA Retainage Account	376,249.00	10/31/2002	Retainage for progress payment # 23
C Jerry G Fellingner, Fire/Secur Sys	2,100.00	11/01/2002	Security system design and review - October 2002
C J P Gray Consulting Inc	11,305.00	11/05/2002	Project management services - October 2002
C Materials Testing Consultants Inc	40,494.47	11/05/2002	Construction phase services - October 2002
C Ottawa County Landfill	8,405.37	10/31/2002	Contaminated soil dumping - October 14 - 29, 2002
C Progressive AE	110,884.05	10/16/2002	Architectural design services - September 2002
C Progressive AE	13,680.00	10/09/2002	On-site architect's representative - September 2002
C Progressive AE	6,120.52	10/16/2002	Owner requested changes - September 2002
C Sommers, Dale H	12,880.00	10/31/2002	Project management services - October 2002
	<b><u>\$5,245,168.41</u></b>		<b>Sub-Total - Invoices Submitted by Project Manager</b>

## Invoices Submitted by City Fiscal Services

O Beene Garter LLP	1,814.00	10/25/2002	Bookkeeping services for period ending Octove 25, 2002
O Consumers Energy	30,504.08	10/24/2002	Electrical services for Arena - September 2002
O Dickinson Wright PLLC	896.00	09/30/2002	Legal services re football lease - August 2002
O Dickinson Wright PLLC	958.50	09/30/2002	Legal services re 2004 Auto Show - August 2002
O Grand Rapids City Treasurer	2,916.96	10/31/2002	Water and sewer services for Arena - October 2002
O Grand Rapids City Treasurer	19.56	10/31/2002	Water and sewer services for Arena - October 2002
O Grand Rapids City Treasurer	2,437.56	10/24/2002	Water services for Grand Center - October 2002
O ICMA Retirement Corporation - 401A	240.00	11/01/2002	Admin mgr's 401A - employer/employee contribs for 11/01/02 payroll
O ICMA Retirement Corporation - 457	160.00	11/01/2002	Admin manager's 457 - employee contrib for 11/01/02 payroll
O Kent County Dept of Public Works	854.20	10/31/2002	Skywalk steam services - October 2002
O Kent County Dept of Public Works	15,409.25	10/31/2002	Grand Center steam services - October 2002
O Kent County Dept of Public Works	17,596.72	10/31/2002	Arena steam services - October 2002
O Rapid Hot Coffee Service	27.68	10/23/2002	Beverages / snacks for October 23, 2002 meeting
	<b><u>\$ 73,834.51</u></b>		<b>Sub-Total - Invoices Submitted by City Fiscal Services</b>
	<b><u>\$5,245,168.41</u></b>		<b>Total Invoices Submitted for Payment from Construction Account</b>
	<b><u>\$ 73,834.51</u></b>		<b>Total Invoices Submitted for Payment from Operating Account</b>
	<b><u>\$5,319,002.92</u></b>		<b>Total Invoices Processed for Payment</b>

C = Convention Center construction related expenses  
O = Non-construction / operating expenses



**Item VI.c.ii.**

# **VAN ANDEL ARENA**

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED SEPTEMBER 30, 2002**

**Distribution:**

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



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*An SMG Managed Facility*

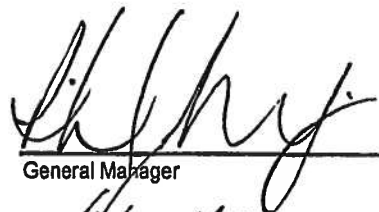


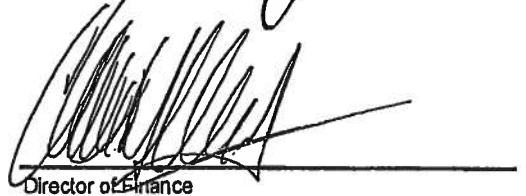
VAN ANDEL ARENA  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2003

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	25	99	124	126	(2)
ATTENDANCE	145,955	602,850	748,805	772,050	(23,245)
DIRECT EVENT INCOME	398,628	749,780	1,148,408	1,124,723	23,685
ANCILLARY INCOME	326,215	940,984	1,267,199	1,302,948	(35,749)
TOTAL EVENT INCOME	724,843	1,690,764	2,415,607	2,427,671	(12,064)
TOTAL OTHER INCOME	457,122	1,462,490	1,919,612	1,915,000	4,612
TOTAL INCOME	1,181,965	3,153,254	4,335,219	4,342,671	(7,452)
INDIRECT EXPENSES					
EXECUTIVE	23,734	68,174	91,908	91,525	(383)
FINANCE	30,869	132,701	163,570	166,900	3,330
MARKETING	43,769	133,984	177,753	173,800	(3,953)
OPERATIONS	270,742	807,400	1,078,142	1,081,652	3,510
BOX OFFICE	20,557	90,257	110,814	118,100	7,286
LUXURY SEATING	26,435	91,200	117,635	116,530	(1,105)
SKYWALK ADMIN	7,479	28,900	36,379	36,700	321
OVERHEAD	279,946	1,032,410	1,312,356	1,317,317	4,961
TOTAL INDIRECT EXP.	703,531	2,385,026	3,088,557	3,102,524	13,967
NET REVENUE ABOVE EXPENSES	478,434	768,228	1,246,662	1,240,147	6,515
LESS ALLOCATION FOR CAPITAL REPLACEMENT	16,750	348,700	365,450	368,700	3,250
NET REVENUE ABOVE EXPENSES AFTER CAPITAL	461,684	419,528	881,212	871,447	3,265

Comments:

September concludes the first quarter of the fiscal year for the Arena. The Arena performed at expected levels for the quarter on both revenues and expenses with the exception of a nice savings in utility expense due to more mild weather later in the quarter. The expectation for the balance of the fiscal year remains very close to the original budget. The second quarter of activity and bookings for the second half of the fiscal year will dictate the overall success of the fiscal year.

  
General Manager

  
Director of Finance

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED SEPTEMBER 31, 2002**

The following schedule summarizes operating results for the current month ending and the YTD ending June 30, 2003, compared to budget and to the prior year:

MONTH	September Actual	September Budget	September FY 2002
Number of Events	13	13	11
Attendance	67,470	71,000	50,785
Direct Event Income	\$145,397	\$148,224	\$45,319
Ancillary Income	95,903	137,790	95,601
Other Income	140,539	159,584	134,020
Indirect Expenses	(262,985)	(258,679)	(265,878)
Net Income	\$118,854	\$186,919	\$9,062

YTD	YTD 2003 Actual	YTD 2003 Budget	YTD 2002 Prior Year
Number of Events	25	24	24
Attendance	145,955	161,700	132,743
Direct Event Income	\$398,628	\$348,612	\$194,370
Ancillary Income	326,215	356,892	231,828
Other Income	457,122	478,752	410,350
Indirect Expenses	(703,531)	(776,207)	(746,108)
Net Income	\$478,434	\$408,049	\$90,439
Less Capital	\$16,750	\$20,000	\$41,600
Net Income after Capital	\$461,684	\$388,049	\$48,839

**EVENT INCOME**

Event income came in at expected levels for the month. All the events hosted during the month performed strong with no surprises good or bad.

**ANCILLARY INCOME**

Ancillary income fell below expected levels for the month. The events hosted, while attended very well, were not strong Food & Beverage or Novelty events.

**INDIRECT EXPENSES**

Indirect expenses came in at expected levels for the month.

VAN ANDEL ARENA  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 09/30/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	171,178	202,500	132,406	417,301	413,952	286,751
SERVICES INCOME	<25,781>	<54,276>	<87,087>	<18,673>	<65,340>	<92,381>
	-----	-----	-----	-----	-----	-----
TOTAL DIRECT EVENT INCOME	145,397	148,224	45,319	398,628	348,612	194,370
ANCILLARY INCOME						
-----						
FOOD & BEVERAGE	82,633	113,950	85,952	251,149	264,474	186,297
NOVELTY	12,500	22,560	8,759	72,756	89,510	40,991
OTHER ANCILLARY	770	1,280	890	2,310	2,908	4,540
	-----	-----	-----	-----	-----	-----
TOTAL ANCILLARY INCOME	95,903	137,790	95,601	326,215	356,892	231,828
	-----	-----	-----	-----	-----	-----
TOTAL EVENT INCOME	241,300	286,014	140,920	724,843	705,504	426,198
OTHER OPERATING INCOME	140,539	159,584	134,020	457,122	478,752	410,350
	-----	-----	-----	-----	-----	-----
ADJUSTED GROSS INCOME	381,839	445,598	274,940	1,181,965	1,184,256	836,548
INDIRECT EXPENSES						
EXECUTIVE	9,686	7,626	6,556	23,734	22,878	22,249
FINANCE	10,930	13,908	10,930	30,869	41,724	38,116
MARKETING	18,272	14,624	15,115	43,769	44,042	41,961
LUXURY SEATING	12,845	9,710	7,685	26,435	29,130	19,914
OPERATIONS	101,628	90,135	99,895	270,742	270,405	277,617
BOX OFFICE	8,446	9,842	7,467	20,557	29,526	23,752
SKYWALK ADMINISTRATION	2,380	3,058	2,592	7,479	9,174	8,201
OVERHEAD	98,799	109,776	115,637	279,946	329,328	314,298
	-----	-----	-----	-----	-----	-----
INDIRECT EXPENSES	262,985	258,679	265,878	703,531	776,207	746,108
	-----	-----	-----	-----	-----	-----
NET OPERATING INCOME	118,854	186,919	9,062	478,434	408,049	90,439
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	0	0	0	16,750	0	41,600
	-----	-----	-----	-----	-----	-----
OTHER EXPENSES	0	0	0	16,750	0	41,600
	-----	-----	-----	-----	-----	-----
NET INCOME (LOSS)	118,854	186,919	9,062	461,684	408,049	48,839
	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 09/30/02

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	23,747	0	0	81,607	0	60,649
Sponsorship Income	0	0	0	0	0	18,500
Labor Billed	1,620	1,600	3,938	5,452	4,890	6,638
Changeover Setup Billed	13,948	14,200	19,358	39,384	34,300	44,998
Stagehands Billed	26,256	33,800	45,190	159,149	128,500	119,974
Security Billed	10,249	16,950	38,709	60,170	43,750	62,290
Ushers & Tix Takers Billed	12,393	11,800	18,640	41,740	30,900	34,841
Box Office Billed	387	800	774	2,967	3,150	3,191
Ticketing Service Billed	3,377	14,000	8,619	54,771	54,250	38,811
City Police Fire Billed	336	672	1,736	3,864	3,024	4,256
EMT Medical Billed	1,050	900	3,575	6,813	2,300	8,960
Cleaning Billed	13,333	12,450	15,280	39,932	33,050	33,948
Insurance Billed	0	0	0	455	0	416
Group Sales Commissions Billed	189	0	0	189	0	0
Telephone Billed	1,349	2,485	935	9,769	8,960	6,310
Other Production Billed	32,607	31,800	14,074	150,650	70,800	69,529
<b>TOTAL SERVICE INCOME</b>	<b>140,840</b>	<b>141,457</b>	<b>170,828</b>	<b>656,912</b>	<b>417,874</b>	<b>513,310</b>
Advertising Expense	23,938	0	22,370	79,241	0	81,895
Sponsorship Expenses	0	0	2,800	0	0	2,800
Labor Wages	1,377	1,361	3,347	4,634	4,160	5,642
Contracted Changeover Setup Expense	14,304	18,909	22,223	50,880	45,873	55,917
Stagehand Wages	32,512	40,520	47,751	160,452	133,033	120,213
Contracted Security Expense	24,371	22,360	36,943	75,928	50,160	65,966
Contracted Ushers & T/T Expense	14,072	25,440	20,845	50,093	49,460	49,021
Ticket Sellers Wages	329	0	658	2,522	0	2,712
Ticket Service Charge Expense	11,091	29,000	5,916	53,211	69,250	34,089
City Police Fire Expense	336	1,922	1,736	3,864	4,274	2,856
EMT Medical Expense	1,809	2,281	6,716	6,145	4,596	10,490
Contracted Cleaning Expense	14,538	29,319	22,239	54,388	56,648	53,694
Insurance Expense	8,341	0	0	9,117	0	416
Allocated Telephone Expense	413	821	275	3,013	2,960	1,600
Production Expense	19,190	23,800	64,096	122,098	62,800	118,378
<b>TOTAL SERVICE EXPENSE</b>	<b>166,622</b>	<b>195,733</b>	<b>257,915</b>	<b>675,586</b>	<b>483,214</b>	<b>605,690</b>
<b>NET SERVICE INCOME</b>	<b>&lt;25,781&gt;</b>	<b>&lt;54,276&gt;</b>	<b>&lt;87,087&gt;</b>	<b>&lt;18,673&gt;</b>	<b>&lt;65,340&gt;</b>	<b>&lt;92,381&gt;</b>
	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 09/30/02

ASSETS

CURRENT ASSETS

CASH	3,574,352
ACCOUNTS RECEIVABLE	2,404,564
PREPAID EXPENSES	17,361
	-----
TOTAL CURRENT ASSETS	5,996,278
	-----

FIXED ASSETS

TOTAL ASSETS	5,996,278
	=====

LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	742,381
ACCRUED EXPENSES	404,685
DEFERRED INCOME	1,898,545
ADVANCED TIX SALES & DEPOSITS	725,023
	-----
TOTAL CURRENT LIABILITIES	3,770,634
	-----

EQUITY

FUNDS REMITTED	<96,280>
FUNDING RECEIVED	36,130
RETAINED EARNINGS	1,824,109
NET INCOME (LOSS)	461,684
	-----
TOTAL EQUITY	2,225,643
	-----

TOTAL LIABILITIES & EQUITY	5,996,278
	=====

VAN ANDEL ARENA  
INDIRECT EXPENSE SUMMARY  
PERIOD ENDING 09/30/02

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	41,511	47,841	41,632	128,819	143,523	121,551
Part-Time	4,863	2,848	4,283	10,736	8,714	9,268
Wages-Trade	58,063	75,285	68,797	218,081	225,855	181,793
Auto Expense	777	810	777	2,331	2,430	2,085
Taxes & Benefits	25,477	31,364	23,058	84,332	94,092	61,558
Less: Allocation/Reimbursement	<47,322>	<71,668>	<62,651>	<206,615>	<215,004>	<139,801>
<b>TOTAL LABOR COSTS</b>	<b>83,370</b>	<b>86,480</b>	<b>75,896</b>	<b>237,685</b>	<b>259,610</b>	<b>236,455</b>
Contracted Security	13,050	17,083	16,944	50,146	51,249	52,054
Contracted Cleaning	2,098	2,167	2,017	6,294	6,501	6,052
Other Contracted Services	314	300	505	972	900	1,256
Travel & Entertainment	386	442	128	3,737	1,326	3,566
Corporate Travel	0	625	0	2,745	1,875	0
Meetings & Conventions	210	1,083	0	210	3,249	0
Dues & Subscriptions	1,074	108	881	1,074	324	881
Employee Training	0	1,000	338	0	3,000	338
Miscellaneous Expense	62	0	0	62	0	0
Computer Expense	5,369	5,417	18,710	10,308	16,251	49,580
Professional Fees	5,153	2,167	2,355	7,147	6,501	5,994
Marketing & Advertising	16,480	8,250	8,018	22,525	24,750	22,002
Box Office Expenses	3	0	<107>	344	0	<56>
Small Equipment	972	0	0	972	0	0
Trash Removal	825	1,250	795	3,940	3,750	2,585
Equipment Rental	1,656	1,300	1,431	4,630	3,900	3,871
Landscaping	0	292	0	0	876	3,561
Exterminating	495	333	495	743	999	990
Cleaning	0	450	0	8,739	1,350	2,810
Repairs & Maintenance	8,287	10,666	17,379	23,874	31,998	21,370
Supplies	31,748	15,091	25,944	52,297	45,273	69,166
Bank Service Charges	633	1,000	984	1,941	3,000	2,242
Insurance	10,211	11,967	10,360	27,453	35,901	27,488
Other Taxes	0	300	0	0	900	0
Printing & Stationary	0	1,917	0	0	5,751	0
Office Supplies	4,110	1,000	1,450	4,895	3,000	4,001
Postage	386	1,000	344	1,973	3,000	1,839
Parking Expense	2,048	1,592	3,020	5,934	4,776	4,615
Telephone Long Distance	2,399	4,583	8,452	13,273	13,749	15,384
Utilities	56,302	64,566	51,552	162,395	193,698	154,949
Base Fee	17,869	19,500	18,750	56,869	58,500	56,250
Amortization	0	0	1,811	0	0	5,737
Common Area Expense	<2,111>	<2,875>	<2,299>	<6,633>	<8,625>	<7,273>
Less: Allocated/Reimbursement	<413>	<375>	<275>	<3,013>	<1,125>	<1,600>
<b>TOTAL MATERIAL AND SERVICES</b>	<b>179,616</b>	<b>172,199</b>	<b>189,982</b>	<b>465,847</b>	<b>516,597</b>	<b>509,654</b>
<b>TOTAL INDIRECT EXPENSES</b>	<b>262,985</b>	<b>258,679</b>	<b>265,878</b>	<b>703,531</b>	<b>776,207</b>	<b>746,108</b>

**SMG - Van Andel Arena & Grand Center**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Capital Expenditures & Management Fee Summary**  
**Fiscal Year Ending June 30, 2003**

**CAPITAL IMPROVEMENTS**

	Budget	Expended	Balance	Project Status
<b>Arena</b>				
Lobby Duct Painting	35,000		35,000	Open
Skywalk Ice Melt System	42,000		42,000	Open
Terazzo Floor Repair	38,000		38,000	Open
Banquet Room Refurbishment	25,000		25,000	Open
Hydraulic Seating Section	70,000		70,000	Open
Hockey Glass	20,000	16,750	3,250	Closed
Floor Maintenance Equipment	18,500		18,500	Open
Security Gate System	120,200		120,200	Open
<b>Total Arena</b>	<b>368,700</b>	<b>16,750</b>	<b>351,950</b>	
<b>Grand Center</b>				
Refinish DeVos Stage Floor	50,000		50,000	Open
Cyclorama for DeVos Stage House	12,000		12,000	Open
<b>Total Grand Center</b>	<b>62,000</b>	<b>-</b>	<b>62,000</b>	
<b>Grand Total Capital Improvements</b>	<b>430,700</b>	<b>16,750</b>	<b>413,950</b>	

**MANAGEMENT FEE SUMMARY**

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Net Revenue above Expenses	1,246,662	(226,486)	1,020,176	1,642,788
Benchmark	1,550,000	(359,972)	1,190,028	1,043,839
Excess	(303,338)	133,486	(169,852)	598,949

Incentive Fee Calculation (Only if above greater than zero)

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Base Fee	227,475	227,475	454,950	450,000
<b>Incentive Fee</b>				
Revenue	4,335,219	2,104,060	6,439,279	6,993,519
Benchmark Revenue	4,367,910	1,991,859	6,359,769	5,969,444
Revenue Excess	-	-	-	1,024,075
Incentive Fee **				206,019
<b>Total SMG Management Fee</b>	<b>227,475</b>	<b>227,475</b>	<b>454,950</b>	<b>656,019</b>

\*\* 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 OCTOBER 31, 2002**

**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, 2003

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	25	99	124	126	(2)
ATTENDANCE	171,818	576,987	748,805	772,050	(23,245)
DIRECT EVENT INCOME	418,942	729,466	1,148,408	1,124,723	23,685
ANCILLARY INCOME	378,642	888,557	1,267,199	1,302,948	(35,749)
TOTAL EVENT INCOME	797,584	1,618,023	2,415,607	2,427,671	(12,064)
TOTAL OTHER INCOME	615,191	1,304,421	1,919,612	1,915,000	4,612
TOTAL INCOME	1,412,775	2,922,444	4,335,219	4,342,671	(7,452)
INDIRECT EXPENSES					
EXECUTIVE	32,584	59,324	91,908	91,525	(383)
FINANCE	41,560	122,010	163,570	166,900	3,330
MARKETING	65,500	112,253	177,753	173,800	(3,953)
OPERATIONS	376,145	701,997	1,078,142	1,081,652	3,510
BOX OFFICE	36,647	74,167	110,814	118,100	7,286
LUXURY SEATING	33,983	83,652	117,635	116,530	(1,105)
SKYWALK ADMIN	10,213	26,166	36,379	36,700	321
OVERHEAD	369,320	943,036	1,312,356	1,317,317	4,961
TOTAL INDIRECT EXP.	965,952	2,122,605	3,088,557	3,102,524	13,967
NET REVENUE ABOVE EXPENSES	446,823	799,839	1,246,662	1,240,147	6,515
LESS ALLOCATION FOR CAPITAL REPLACEMENT	47,854	296,206	344,060	368,700	24,640
NET REVENUE ABOVE EXPENSES AFTER CAPITAL	398,969	503,633	902,602	871,447	(18,125)

Comments:

October performed below budgeted expectations for the month as the Arena did not host a concert as originally expected. The Griffins started their new season to higher attendance than the previous couple of seasons.

  
General Manager

  
Director of Finance

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED OCTOBER 31, 2002**

The following schedule summarizes operating results for the current month ending and the YTD ending June 30, 2003, compared to budget and to the prior year:

<b>MONTH</b>	<b>October Actual</b>	<b>October Budget</b>	<b>October FY 2002</b>
Number of Events	5	6	11
Attendance	25,863	38,500	77,596
Direct Event Income	\$20,354	\$40,907	\$123,120
Ancillary Income	52,427	56,331	137,607
Other Income	158,069	159,584	148,119
Indirect Expenses	(262,421)	(258,684)	(257,042)
Net Income	(\$31,572)	(\$1,862)	\$151,805

<b>YTD</b>	<b>YTD 2003 Actual</b>	<b>YTD 2003 Budget</b>	<b>YTD 2002 Prior Year</b>
Number of Events	30	30	35
Attendance	171,818	200,200	210,339
Direct Event Income	\$418,982	\$389,519	\$317,490
Ancillary Income	378,642	413,223	369,435
Other Income	615,191	638,336	558,469
Indirect Expenses	(965,953)	(1,034,891)	(1,003,150)
Net Income	\$446,862	\$406,187	\$242,244
Less Capital	\$47,854	\$51,104	\$46,715
Net Income after Capital	\$399,008	\$355,083	\$195,529

**EVENT INCOME**

Event income came in below expected levels for the month due to not hosting a concert that was in the original budget. The Televised Wrestling event drew a lower crowd than expected, however, was offset in part by the strong start to the Griffins season.

**ANCILLARY INCOME**

Ancillary income fell below expected levels due the already mentioned concert. Per caps for Food & Beverage and Novelties continue to perform at or above expected levels for all events hosted during the month.

**INDIRECT EXPENSES**

Indirect expenses came in at expected levels for the month.

VAN ANDEL ARENA  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 10/31/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	62,742	65,539	141,163	480,043	479,491	427,914
SERVICES INCOME	<42,388>	<24,632>	<18,043>	<61,061>	<89,972>	<110,424>
TOTAL DIRECT EVENT INCOME	20,354	40,907	123,120	418,982	389,519	317,490
ANCILLARY INCOME						
-----						
FOOD & BEVERAGE	43,260	44,859	106,872	294,409	309,333	293,169
NOVELTY	6,086	9,030	29,190	78,843	98,540	70,181
OTHER ANCILLARY	3,080	2,442	1,545	5,390	5,350	6,085
TOTAL ANCILLARY INCOME	52,427	56,331	137,607	378,642	413,223	369,435
TOTAL EVENT INCOME	72,781	97,238	260,727	797,624	802,742	686,925
OTHER OPERATING INCOME	158,069	159,584	148,119	615,191	638,336	558,469
ADJUSTED GROSS INCOME	230,850	256,822	408,846	1,412,815	1,441,078	1,245,394
INDIRECT EXPENSES						
EXECUTIVE	8,850	7,626	13,834	32,584	30,504	36,083
FINANCE	10,691	13,908	13,147	41,560	55,632	51,263
MARKETING	21,731	14,629	22,757	65,500	58,671	64,718
LUXURY SEATING	7,548	9,710	6,172	33,983	38,840	26,086
OPERATIONS	105,403	90,135	84,706	376,145	360,540	362,323
BOX OFFICE	16,090	9,842	7,216	36,647	39,368	30,968
SKYWALK ADMINISTRATION	2,734	3,058	2,637	10,213	12,232	10,838
OVERHEAD	89,374	109,776	106,573	369,320	439,104	420,871
INDIRECT EXPENSES	262,421	258,684	257,042	965,953	1,034,891	1,003,150
NET OPERATING INCOME	<31,572>	<1,862>	151,805	446,862	406,187	242,244
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	31,104	0	5,115	47,854	0	46,715
OTHER EXPENSES	31,104	0	5,115	47,854	0	46,715
NET INCOME (LOSS)	<62,676>	<1,862>	146,690	399,008	406,187	195,529
=====	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 10/31/02

	CURRENT			YEAR TO DATE		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	17,794	0	57,081	99,401	0	117,730
Sponsorship Income	0	0	18,500	0	0	37,000
Labor Billed	0	1,090	2,160	5,452	5,980	8,798
Changeover Setup Billed	0	6,100	12,604	39,384	40,400	57,602
Stagehands Billed	37,834	20,500	39,156	196,983	149,000	159,130
Security Billed	577	5,750	18,440	60,747	49,500	80,729
Ushers & Tix Takers Billed	978	5,250	16,984	42,718	36,150	51,825
Box Office Billed	0	400	2,139	2,967	3,550	5,330
Ticketing Service Billed	2,096	7,000	36,454	56,867	61,250	75,265
City Police Fire Billed	0	336	1,400	3,864	3,360	5,656
EMT Medical Billed	677	400	2,325	7,489	2,700	11,285
Cleaning Billed	0	5,800	13,078	39,932	38,850	47,026
Insurance Billed	0	0	0	455	0	416
Group Sales Commissions Billed	0	0	0	189	0	0
Telephone Billed	2,540	825	2,875	12,309	9,785	9,185
Damages Billed	150	0	0	150	0	0
Other Production Billed	19,698	4,000	47,269	170,349	74,800	116,798
<b>TOTAL SERVICE INCOME</b>	<b>82,344</b>	<b>57,451</b>	<b>270,464</b>	<b>739,256</b>	<b>475,325</b>	<b>783,774</b>
Advertising Expense	15,135	0	64,293	94,376	0	146,189
Sponsorship Expenses	0	0	0	0	0	2,800
Labor Wages	0	927	1,836	4,634	5,087	7,478
Contracted Changeover Setup Expense	15,978	11,795	21,306	66,859	57,668	77,223
Stagehand Wages	37,578	22,311	38,326	198,030	155,344	158,539
Contracted Security Expense	9,477	8,350	27,618	85,404	58,510	93,584
Contracted Ushers & T/T Expense	11,113	11,220	19,765	61,207	60,680	68,786
Ticket Sellers Wages	0	0	1,818	2,522	0	4,530
Ticket Service Charge Expense	1,699	7,500	35,776	54,909	76,750	69,865
City Police Fire Expense	0	336	1,400	3,864	4,610	4,256
EMT Medical Expense	1,275	922	7,827	7,420	5,518	18,318
Contracted Cleaning Expense	9,350	14,573	24,811	63,738	71,221	78,505
Insurance Expense	0	0	184	9,117	0	600
Allocated Telephone Expense	847	149	775	3,860	3,109	2,375
Production Expense	22,280	4,000	42,772	144,378	66,800	161,150
<b>TOTAL SERVICE EXPENSE</b>	<b>124,732</b>	<b>82,083</b>	<b>288,507</b>	<b>800,318</b>	<b>565,297</b>	<b>894,197</b>
<b>NET SERVICE INCOME</b>	<b>&lt;42,388&gt;</b>	<b>&lt;24,632&gt;</b>	<b>&lt;18,043&gt;</b>	<b>&lt;61,061&gt;</b>	<b>&lt;89,972&gt;</b>	<b>&lt;110,424&gt;</b>

VAN ANDEL ARENA  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 10/31/02

ASSETS

CURRENT ASSETS

CASH	4,530,474
ACCOUNTS RECEIVABLE	2,179,649
PREPAID EXPENSES	103,630

TOTAL CURRENT ASSETS	6,813,754
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FIXED ASSETS

TOTAL ASSETS	6,813,754
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	1,083,340
ACCRUED EXPENSES	462,098
DEFERRED INCOME	1,799,827
ADVANCED TIX SALES & DEPOSITS	1,251,315

TOTAL CURRENT LIABILITIES	4,596,580
---------------------------	-----------

EQUITY

FUNDS REMITTED	<96,280>
FUNDING RECEIVED	90,336
RETAINED EARNINGS	1,824,109
NET INCOME (LOSS)	399,008

TOTAL EQUITY	2,217,174
--------------	-----------

TOTAL LIABILITIES & EQUITY	6,813,754
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VAN ANDEL ARENA  
INDIRECT EXPENSE SUMMARY  
PERIOD ENDING 10/31/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	44,509	47,841	41,360	173,328	191,364	162,911
Part-Time	7,513	2,853	5,154	18,249	11,567	14,423
Wages-Trade	64,069	75,285	62,283	282,151	301,140	244,076
Auto Expense	777	810	777	3,108	3,240	2,862
Taxes & Benefits	29,204	31,364	29,880	113,536	125,456	91,438
Less: Allocation/Reimbursement	<51,752>	<71,668>	<52,115>	<258,368>	<286,672>	<191,916>
<b>TOTAL LABOR COSTS</b>	<b>94,319</b>	<b>86,485</b>	<b>87,339</b>	<b>332,004</b>	<b>346,095</b>	<b>323,794</b>
Contracted Security	24,205	17,083	16,173	74,352	68,332	68,227
Contracted Cleaning	2,098	2,167	2,017	8,392	8,668	8,069
Other Contracted Services	314	300	324	1,286	1,200	1,579
Travel & Entertainment	615	442	332	4,353	1,768	3,899
Corporate Travel	129	625	0	2,873	2,500	0
Meetings & Conventions	0	1,083	2,143	210	4,332	2,143
Dues & Subscriptions	1,265	108	889	2,339	432	1,770
Employee Training	0	1,000	0	0	4,000	338
Miscellaneous Expense	0	0	0	62	0	0
Computer Expense	5,832	5,417	9,067	16,139	21,668	58,647
Professional Fees	2,028	2,167	2,008	9,175	8,668	8,002
Marketing & Advertising	12,113	8,250	13,681	34,637	33,000	35,682
Box Office Expenses	<18>	0	<76>	326	0	<131>
Small Equipment	0	0	0	972	0	0
Trash Removal	2,286	1,250	2,694	6,227	5,000	5,279
Equipment Rental	2,316	1,300	1,621	6,947	5,200	5,492
Landscaping	0	292	0	0	1,168	3,561
Exterminating	248	333	248	990	1,332	1,238
Cleaning	0	450	0	8,739	1,800	2,810
Repairs & Maintenance	10,441	10,666	4,473	34,315	42,664	25,843
Supplies	15,446	15,091	13,958	67,743	60,364	83,124
Bank Service Charges	625	1,000	1,361	2,566	4,000	3,604
Insurance	6,322	11,967	13,441	33,775	47,868	40,930
Other Taxes	0	300	69	0	1,200	69
Printing & Stationary	6,282	1,917	0	6,282	7,668	0
Office Supplies	248	1,000	3,728	5,143	4,000	7,729
Postage	237	1,000	650	2,210	4,000	2,489
Parking Expense	1,538	1,592	1,560	7,472	6,368	6,175
Telephone Long Distance	2,897	4,583	2,415	16,170	18,332	17,799
Utilities	54,951	64,566	61,289	217,346	258,264	216,238
Base Fee	18,956	19,500	18,750	75,825	78,000	75,000
Amortization	0	0	0	0	0	5,737
Common Area Expense	<2,424>	<2,875>	<2,339>	<9,057>	<11,500>	<9,612>
Less: Allocated/Reimbursement	<847>	<375>	<775>	<3,860>	<1,500>	<2,375>
<b>TOTAL MATERIAL AND SERVICES</b>	<b>168,102</b>	<b>172,199</b>	<b>169,702</b>	<b>633,949</b>	<b>688,796</b>	<b>679,356</b>
<b>TOTAL INDIRECT EXPENSES</b>	<b>262,421</b>	<b>258,684</b>	<b>257,042</b>	<b>965,953</b>	<b>1,034,891</b>	<b>1,003,150</b>
=====						

**SMG - Van Andel Arena & Grand Center**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Capital Expenditures & Management Fee Summary**  
**Fiscal Year Ending June 30, 2003**

**CAPITAL IMPROVEMENTS**

	Budget	Expended	Balance	Project Status
<b>Arena</b>				
Lobby Duct Painting	35,000		35,000	Open
Skywalk Ice Melt System	42,000	20,610	21,390	90% Complete
Terazzo Floor Repair	38,000		38,000	Open
Banquet Room Refurbishment	25,000		25,000	Open
Hydraulic Seating Section	70,000		70,000	Open
Hockey Glass	20,000	16,750	3,250	Closed
Floor Maintenance Equipment	18,500	10,494	8,006	50% Complete
Security Gate System	120,200		120,200	Open
<b>Total Arena</b>	<b>368,700</b>	<b>47,854</b>	<b>320,846</b>	
<b>Grand Center</b>				
Refinish DeVos Stage Floor	50,000		50,000	Open
Cyclorama for DeVos Stage House	12,000		12,000	Open
<b>Total Grand Center</b>	<b>62,000</b>	<b>-</b>	<b>62,000</b>	
<b>Grand Total Capital Improvements</b>	<b>430,700</b>	<b>47,854</b>	<b>382,846</b>	

**MANAGEMENT FEE SUMMARY**

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Net Revenue above Expenses	1,246,662	(226,486)	1,020,176	1,642,788
Benchmark	1,550,000	(359,972)	1,190,028	1,043,839
Excess	(303,338)	133,486	(169,852)	598,949

Incentive Fee Calculation (Only if above greater than zero)

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Base Fee	227,475	227,475	454,950	450,000
Incentive Fee				
Revenue	4,335,219	2,104,060	6,439,279	6,993,519
Benchmark Revenue	4,367,910	1,991,859	6,359,769	5,969,444
Revenue Excess	-	-	-	1,024,075
Incentive Fee **				206,019
<b>Total SMG Management Fee</b>	<b>227,475</b>	<b>227,475</b>	<b>454,950</b>	<b>656,019</b>

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



Item VI.c.ii.

## GRAND CENTER

FINANCIAL STATEMENT  
FOR THE PERIOD ENDED SEPTEMBER 30, 2002

Distribution:

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



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*An SMG Managed Facility*



GRAND CENTER  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2003

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	60	265	325	305	20
ATTENDANCE	40,068	407,500	447,568	449,307	(1,739)
DIRECT EVENT REVENUE	266,219	1,150,872	1,417,091	1,297,805	119,286
ANCILLARY REVENUE	78,176	422,785	500,961	491,054	9,907
TOTAL EVENT REVENUE	344,395	1,573,657	1,918,052	1,788,859	129,193
TOTAL OTHER REVENUE	17,558	168,450	186,008	203,000	(16,992)
TOTAL OPERATING REVENUE	361,953	1,742,107	2,104,060	1,991,859	112,201
INDIRECT EXPENSES					
EXECUTIVE	20,969	63,214	84,183	86,064	1,881
FINANCE	35,052	108,840	143,892	142,850	(1,042)
MARKETING	9,271	106,470	115,741	146,847	31,106
OPERATIONS	100,616	371,942	472,558	480,979	8,421
EVENT SERVICES	102,712	348,025	450,737	447,613	(3,124)
BOX OFFICE	16,642	43,174	59,816	57,425	(2,391)
OVERHEAD	205,259	798,360	1,003,619	990,049	(13,570)
TOTAL OPERATING EXP.	490,521	1,840,025	2,330,546	2,351,831	21,281
NET REVENUE ABOVE EXPENSES	(128,566)	(97,918)	(226,486)	(359,972)	(133,486)
CAPITAL		62,000	62,000	62,000	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(128,566)	(159,918)	(288,486)	(421,972)	(133,486)

Comments:

The first quarter for the Grand Center was very successful and a good start to the fiscal year finishing \$224,000 ahead of projection. The Grand Center is expected to continue to perform well considering the ongoing construction, however, is expected to give back some of the first quarter gain and finish the fiscal year around \$133,000 ahead of budgeted numbers.

  
General Manager

  
Finance Director

**GRAND CENTER  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED SEPTEMBER 30, 2002**

The following schedule summarizes operating results for the current month ending and the YTD ending June 30, 2003, compared to budget and to the prior year:

MONTH	September Actual	September Budget	September FY 2002
Number of Events	21	24	30
Attendance	23,405	29,300	33,793
Direct Event Income	\$59,563	\$76,351	\$108,022
Ancillary Income	27,259	40,884	27,417
Other Income	6,040	16,917	15,180
Indirect Expenses	(164,653)	(196,511)	(155,024)
Net Income	(\$71,791)	(\$62,359)	(\$4,406)

YTD	YTD 2003 Actual	YTD 2003 Budget	YTD 2002 Prior Year
Number of Events	60	38	66
Attendance	40,068	39,307	49,576
Direct Event Income	\$266,219	\$130,316	\$158,667
Ancillary Income	78,176	55,789	51,126
Other Income	17,558	50,751	25,181
Indirect Expenses	(490,521)	(589,533)	(441,127)
Net Income	(\$128,568)	(\$352,677)	(\$206,154)

Less Capital

Net Income after Capital	(\$128,568)	(\$352,677)	(\$206,154)
--------------------------	-------------	-------------	-------------

**EVENT INCOME**

Event income fell below expected levels for the month. Two smaller banquets that were expected did not occur, and the concert that was originally budgeted in DeVos Performance Hall moved to August.

**ANCILLARY INCOME**

Ancillary income came in lower than expected. This was due to the two smaller banquets not hosted, and lower than expected spending on Food & Beverage for the events hosted during the month.

**INDIRECT EXPENSES**

Indirect expenses came in lower than expected. Most of the savings was realized in lower than budgeted utility expense, and lower part-time labor due to hosting fewer events

GRAND CENTER  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 09/30/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	59,300	68,575	105,389	267,226	127,700	161,393
SERVICES INCOME	263	7,776	2,632	<1,007>	2,616	<2,726>
TOTAL DIRECT EVENT INCOME	59,563	76,351	108,022	266,219	130,316	158,667
ANCILLARY INCOME						
-----						
FOOD & BEVERAGE	14,103	22,296	6,285	33,048	27,538	16,984
NOVELTY	0	1,250	664	7,336	1,550	3,645
ELECTRICAL	500	1,870	2,204	1,154	2,370	2,758
OTHER ANCILLARY	12,656	15,468	18,264	36,637	24,331	27,738
TOTAL ANCILLARY INCOME	27,259	40,884	27,417	78,176	55,789	51,126
TOTAL EVENT INCOME	86,822	117,235	135,439	344,395	186,105	209,793
OTHER OPERATING INCOME	6,040	16,917	15,180	17,558	50,751	25,181
ADJUSTED GROSS INCOME	92,862	134,152	150,618	361,953	236,856	234,973
INDIRECT EXPENSES						
EXECUTIVE	6,902	7,172	6,324	20,969	21,516	13,779
FINANCE	11,028	11,904	10,639	35,052	35,712	26,284
MARKETING	2,690	12,236	2,360	9,271	36,708	7,939
OPERATIONS	41,018	40,083	45,238	100,616	120,249	142,568
EVENT MANAGEMENT	30,628	37,826	18,017	102,712	113,478	57,804
BOX OFFICE	4,240	4,785	3,895	16,642	14,355	10,019
OVERHEAD	68,147	82,505	68,551	205,259	247,515	182,735
INDIRECT EXPENSES	164,653	196,511	155,024	490,521	589,533	441,127
NET OPERATING INCOME	<71,791>	<62,359>	<4,406>	<128,568>	<352,677>	<206,154>
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	0	0	18,948	0	0	63,339
OTHER EXPENSES	0	0	18,948	0	0	63,339
NET INCOME (LOSS)	<71,791>	<62,359>	<23,355>	<128,568>	<352,677>	<269,493>
=====	=====	=====	=====	=====	=====	=====

GRAND CENTER  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 09/30/02

	CURRENT			YEAR TO DATE		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	0	0	0	6,217	0	13,028
Stagehands Billed	28,335	67,650	47,390	63,266	79,600	80,863
Security Billed	3,576	7,295	8,882	6,871	8,295	16,189
Ushers & Tix Takers Billed	10,360	11,655	11,919	15,911	12,455	17,971
Box Office Billed	1,700	1,800	2,000	2,850	1,900	2,600
Ticketing Service Billed	6,296	11,325	8,069	15,097	12,075	14,346
City Police Fire Billed	0	0	1,132	713	0	3,023
Traffic Control Billed	153	1,850	2,714	153	2,150	2,714
EMT Medical Billed	1,425	1,725	2,812	2,271	2,025	3,571
Cleaning Billed	0	0	1,430	0	0	1,430
Insurance Billed	0	0	445	655	0	581
Telephone Billed	900	650	520	4,890	780	1,320
Other Production Billed	852	0	1,692	5,717	0	14,358
<b>TOTAL SERVICE INCOME</b>	<b>53,596</b>	<b>103,950</b>	<b>89,005</b>	<b>124,610</b>	<b>119,280</b>	<b>171,992</b>
Advertising Expense	0	0	0	6,372	0	11,838
Stagehand Wages	27,090	65,621	46,000	60,602	77,213	79,208
Security Wages	0	0	0	0	0	7,722
Contracted Security Expense	3,576	7,295	8,761	6,888	8,295	8,761
Ushers & T/T Wages	7,252	8,159	8,343	11,138	8,719	12,580
Ticket Sellers Wages	1,373	1,050	1,817	2,207	1,175	2,246
Ticket Service Charge Expense	2,653	3,964	2,081	5,895	4,227	4,460
City Police Fire Expense	0	0	1,132	713	0	3,023
Traffic Control Expense	1,246	2,730	4,169	2,121	3,680	5,011
EMT Medical Expense	1,179	1,725	1,889	1,825	2,025	2,435
Cleaning Wages	8,432	5,630	10,985	21,981	11,330	25,240
Insurance Expense	0	0	361	505	0	475
Production Expense	532	0	835	5,370	0	11,721
<b>TOTAL SERVICE EXPENSE</b>	<b>53,333</b>	<b>96,174</b>	<b>86,372</b>	<b>125,617</b>	<b>116,664</b>	<b>174,718</b>
<b>NET SERVICE INCOME</b>	<b>263</b>	<b>7,776</b>	<b>2,632</b>	<b>&lt;1,007&gt;</b>	<b>2,616</b>	<b>&lt;2,726&gt;</b>

GRAND CENTER  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 09/30/02

ASSETS

CURRENT ASSETS

CASH	1,495,104
ACCOUNTS RECEIVABLE	254,274
PREPAID EXPENSES	28,617
	-----
TOTAL CURRENT ASSETS	1,777,994
	-----

FIXED ASSETS

TOTAL ASSETS	1,777,994
	=====

LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	466,934
ACCRUED EXPENSES	140,983
ADVANCED TIX SALES & DEPOSITS	248,810
	-----
TOTAL CURRENT LIABILITIES	856,728
	-----

EQUITY

FUNDING RECEIVED	96,985
RETAINED EARNINGS	952,849
NET INCOME (LOSS)	<128,568>
	-----
TOTAL EQUITY	921,266
	-----

TOTAL LIABILITIES & EQUITY	1,777,994
	=====

GRAND CENTER  
INDIRECT EXPENSE SUMMARY  
PERIOD ENDING 09/30/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	40,862	46,990	40,585	129,529	140,970	97,574
Part-Time	8,951	11,275	7,074	20,111	33,825	18,081
Wages-Trade	46,054	95,565	62,582	124,371	286,695	148,551
Auto Allowance	0	615	0	0	1,845	0
Auto Expense	1,521	1,201	1,521	4,562	3,603	4,212
Taxes & Benefits	21,298	30,108	21,068	63,535	90,324	53,893
Less: Allocation/Reimbursement	<56,200>	<110,163>	<77,667>	<134,621>	<330,489>	<148,061>
<b>TOTAL LABOR COSTS</b>	<b>62,487</b>	<b>75,591</b>	<b>55,162</b>	<b>207,487</b>	<b>226,773</b>	<b>174,251</b>
Contracted Security	5,563	5,000	5,238	15,642	15,000	14,177
Other Contracted Services	186	183	152	558	549	448
Travel & Entertainment	302	792	175	1,655	2,376	279
Corporate Travel	0	333	0	0	999	0
Meetings & Conventions	0	1,613	85	3,030	4,839	3,201
Dues & Subscriptions	320	160	0	320	480	83
Employee Training	0	833	0	0	2,499	0
Miscellaneous Expense	0	0	0	0	0	66
Computer Expense	2,530	5,417	4,681	8,625	16,251	9,682
Professional Fees	2,421	1,730	1,229	5,845	5,190	3,479
Marketing & Advertising	1,078	1,094	33	2,293	3,282	2,033
Box Office Expenses	<14>	0	70	57	0	259
Small Equipment	108	0	0	2,498	0	0
Trash Removal	1,324	2,800	1,007	2,556	8,400	1,038
Equipment Rental	153	375	146	342	1,125	146
Landscaping	0	0	0	<69>	0	0
Exterminating	375	368	300	1,125	1,104	1,050
Cleaning	0	1,250	272	0	3,750	272
Construction Costs	2,511	0	0	2,511	0	777
Repairs & Maintenance	9,183	9,013	11,390	20,265	27,039	27,667
Supplies	10,612	13,098	11,292	22,230	39,294	29,342
Bank Service Charges	631	750	1,447	1,863	2,250	2,892
Insurance	7,929	8,380	7,323	20,713	25,140	24,246
Other Taxes	0	300	0	0	900	0
Printing & Stationary	0	731	0	0	2,193	703
Office Supplies	860	500	1,496	2,097	1,500	2,047
Postage	9	200	0	9	600	240
Parking Expense	1,831	1,500	1,555	4,640	4,500	4,913
Telephone Long Distance	2,996	2,000	2,286	8,875	6,000	4,759
Utilities	31,891	43,000	26,310	96,985	129,000	71,130
Base Fee	19,368	19,500	22,842	58,368	58,500	60,342
Incentive Fee	0	0	535	0	0	1,605
<b>TOTAL MATERIAL AND SERVICES</b>	<b>102,166</b>	<b>120,920</b>	<b>99,862</b>	<b>283,034</b>	<b>362,760</b>	<b>266,877</b>
<b>TOTAL INDIRECT EXPENSES</b>	<b>164,653</b>	<b>196,511</b>	<b>155,024</b>	<b>490,521</b>	<b>589,533</b>	<b>441,127</b>
=====						

**SMG - Van Andel Arena & Grand Center**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Capital Expenditures & Management Fee Summary**  
**Fiscal Year Ending June 30, 2003**

**CAPITAL IMPROVEMENTS**

	Budget	Expended	Balance	Project Status
<b>Arena</b>				
Lobby Duct Painting	35,000		35,000	Open
Skywalk Ice Melt System	42,000		42,000	Open
Terazzo Floor Repair	38,000		38,000	Open
Banquet Room Refurbishment	25,000		25,000	Open
Hydraulic Seating Section	70,000		70,000	Open
Hockey Glass	20,000	16,750	3,250	Closed
Floor Maintenance Equipment	18,500		18,500	Open
Security Gate System	120,200		120,200	Open
<b>Total Arena</b>	<b>368,700</b>	<b>16,750</b>	<b>351,950</b>	
<b>Grand Center</b>				
Refinish DeVos Stage Floor	50,000		50,000	Open
Cyclorama for DeVos Stage House	12,000		12,000	Open
<b>Total Grand Center</b>	<b>62,000</b>	<b>-</b>	<b>62,000</b>	
<b>Grand Total Capital Improvements</b>	<b>430,700</b>	<b>16,750</b>	<b>413,950</b>	

**MANAGEMENT FEE SUMMARY**

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Net Revenue above Expenses	1,246,662	(226,486)	1,020,176	1,642,788
Benchmark	1,550,000	(359,972)	1,190,028	1,043,839
Excess	(303,338)	133,486	(169,852)	598,949

Incentive Fee Calculation (Only if above greater than zero)

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Base Fee	227,475	227,475	454,950	450,000
Incentive Fee				
Revenue	4,335,219	2,104,060	6,439,279	6,993,519
Benchmark Revenue	4,367,910	1,991,859	6,359,769	5,969,444
Revenue Excess	-	-	-	1,024,075
Incentive Fee **				206,019
<b>Total SMG Management Fee</b>	<b>227,475</b>	<b>227,475</b>	<b>454,950</b>	<b>656,019</b>

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



## **GRAND CENTER**

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED OCTOBER 31, 2002**

**Distribution:**

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



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*An SMG Managed Facility*



**GRAND CENTER  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2003**

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	97	228	325	305	20
ATTENDANCE	66,604	380,964	447,568	449,307	(1,739)
DIRECT EVENT REVENUE	381,513	1,035,578	1,417,091	1,297,805	119,286
ANCILLARY REVENUE	127,551	373,410	500,961	491,054	9,907
TOTAL EVENT REVENUE	509,064	1,408,988	1,918,052	1,788,859	129,193
TOTAL OTHER REVENUE	26,789	159,219	186,008	203,000	(16,992)
TOTAL OPERATING REVENUE	535,853	1,568,207	2,104,060	1,991,859	112,201
INDIRECT EXPENSES					
EXECUTIVE	28,314	55,869	84,183	86,064	1,881
FINANCE	48,957	94,935	143,892	142,850	(1,042)
MARKETING	11,532	104,209	115,741	146,847	31,106
OPERATIONS	130,470	342,088	472,558	480,979	8,421
EVENT SERVICES	138,356	312,381	450,737	447,613	(3,124)
BOX OFFICE	23,232	36,584	59,816	57,425	(2,391)
OVERHEAD	287,570	716,049	1,003,619	990,049	(13,570)
TOTAL OPERATING EXP.	668,431	1,662,115	2,330,546	2,351,831	21,281
NET REVENUE ABOVE EXPENSES	(132,578)	(93,908)	(226,486)	(359,972)	(133,486)
CAPITAL		62,000	62,000	62,000	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(132,578)	(155,908)	(288,486)	(421,972)	(133,486)

Comments:

The Grand Center and DeVos Performance Hall came in at expected levels for the month. October marked the start of both the Opera and Ballet seasons, as well as, hosting what is hoped to become an annual fall Home Show.

  
General Manager

  
Finance Director

**GRAND CENTER  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED OCTOBER 31, 2002**

The following schedule summarizes operating results for the current month ending and the YTD ending June 30, 2003, compared to budget and to the prior year:

<b>MONTH</b>	<b>October Actual</b>	<b>October Budget</b>	<b>October FY 2002</b>
Number of Events	37	34	33
Attendance	26,536	32,600	34,439
Direct Event Income	\$115,294	\$116,734	\$95,806
Ancillary Income	49,376	47,909	44,699
Other Income	9,231	16,917	7,374
Indirect Expenses	(177,910)	(196,511)	(192,947)
Net Income	(\$4,010)	(\$14,951)	(\$45,068)

<b>YTD</b>	<b>YTD 2003 Actual</b>	<b>YTD 2003 Budget</b>	<b>YTD 2002 Prior Year</b>
Number of Events	97	72	99
Attendance	66,604	71,907	84,015
Direct Event Income	\$381,513	\$247,050	\$254,473
Ancillary Income	127,551	103,698	95,825
Other Income	26,789	67,668	32,555
Indirect Expenses	(668,431)	(786,044)	(634,074)
Net Income	(\$132,578)	(\$367,628)	(\$251,222)

Less Capital

Net Income after Capital	(\$132,578)	(\$367,628)	(\$251,222)
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**EVENT INCOME**

Event income came in at expected levels for the month. The Ballet and Opera had successful starts to their respective seasons. The Grand Center hosted a successful fall Home show which is hoped to be a good jump start on the public show season that gets underway in full force come January.

**ANCILLARY INCOME**

Ancillary income came in at expected levels for the month. Food & Beverage income was lower than expected due to a large meal not occurring as planned, however, was made up for in higher than expected revenue generated from decorating income.

**INDIRECT EXPENSES**

Due to savings in the repairs and maintenance category, indirect expenses came in below budgeted expectations.

GRAND CENTER  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 10/31/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	117,735	117,125	93,972	384,962	244,825	255,365
SERVICES INCOME	<2,442>	<391>	1,834	<3,449>	2,225	<893>
TOTAL DIRECT EVENT INCOME	115,294	116,734	95,806	381,513	247,050	254,473
ANCILLARY INCOME						
-----						
FOOD & BEVERAGE	13,145	18,770	19,023	46,193	46,308	36,007
NOVELTY	438	250	6,491	7,774	1,800	10,137
TELECOMMUNICATIONS	1,747	0	0	1,747	0	0
ELECTRICAL	2,188	1,790	1,108	3,342	4,160	3,866
OTHER ANCILLARY	31,858	27,099	18,076	68,495	51,430	45,814
TOTAL ANCILLARY INCOME	49,376	47,909	44,699	127,551	103,698	95,825
TOTAL EVENT INCOME	164,669	164,643	140,504	509,064	350,748	350,297
OTHER OPERATING INCOME	9,231	16,917	7,374	26,789	67,668	32,555
ADJUSTED GROSS INCOME	173,901	181,560	147,879	535,853	418,416	382,852
INDIRECT EXPENSES						
EXECUTIVE	7,345	7,172	8,051	28,314	28,688	21,830
FINANCE	13,904	11,904	10,751	48,957	47,616	37,035
MARKETING	2,261	12,236	6,561	11,532	48,944	14,499
OPERATIONS	29,854	40,083	46,056	130,470	160,332	188,624
EVENT MANAGEMENT	35,644	37,826	7,038	138,356	151,304	64,842
BOX OFFICE	6,590	4,785	3,568	23,232	19,140	13,586
OVERHEAD	82,311	82,505	110,923	287,570	330,020	293,658
INDIRECT EXPENSES	177,910	196,511	192,947	668,431	786,044	634,074
NET OPERATING INCOME	<4,010>	<14,951>	<45,068>	<132,578>	<367,628>	<251,222>
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	0	0	0	0	0	63,339
OTHER EXPENSES	0	0	0	0	0	63,339
NET INCOME (LOSS)	<4,010>	<14,951>	<45,068>	<132,578>	<367,628>	<314,561>
=====	=====	=====	=====	=====	=====	=====

GRAND CENTER  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 10/31/02

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	1,497	0	5,383	7,714	0	18,411
Stagehands Billed	45,233	86,600	87,095	108,498	166,200	167,958
Security Billed	6,522	10,415	8,578	13,392	18,710	24,766
Ushers & Tix Takers Billed	7,497	11,160	9,227	23,408	23,615	27,198
Box Office Billed	1,600	1,800	1,700	4,450	3,700	4,300
Ticketing Service Billed	5,551	11,500	12,521	20,648	23,575	26,867
Utilities Billed	0	0	850	0	0	850
City Police Fire Billed	620	700	1,519	1,333	700	4,542
Traffic Control Billed	388	2,770	260	540	4,920	2,974
EMT Medical Billed	1,674	1,750	2,049	3,945	3,775	5,619
Cleaning Billed	0	0	210	0	0	1,640
Insurance Billed	0	0	0	655	0	581
Telephone Billed	590	705	690	5,480	1,485	2,010
Other Production Billed	5,797	0	12,466	11,514	0	26,824
<b>TOTAL SERVICE INCOME</b>	<b>76,968</b>	<b>127,400</b>	<b>142,548</b>	<b>201,578</b>	<b>246,680</b>	<b>314,540</b>
Advertising Expense	1,362	0	5,383	7,734	0	17,221
Stagehand Wages	41,998	84,003	86,204	102,600	161,216	165,412
Security Wages	0	0	0	0	0	7,722
Contracted Security Expense	6,522	10,415	8,578	13,410	18,710	17,338
Ushers & T/T Wages	5,248	7,812	6,459	16,386	16,531	19,038
Ticket Sellers Wages	1,864	2,095	1,529	4,072	3,270	3,775
Ticket Service Charge Expense	1,323	3,256	4,768	7,217	7,483	9,228
City Police Fire Expense	327	700	1,519	1,040	700	4,542
Traffic Control Expense	2,115	5,530	1,375	4,236	9,210	6,385
EMT Medical Expense	1,221	1,750	1,463	3,046	3,775	3,898
Cleaning Wages	11,809	12,230	11,123	33,790	23,560	36,363
Insurance Expense	0	0	0	505	0	475
Allocated Telephone Expense	148	0	0	148	0	0
Production Expense	5,473	0	12,314	10,842	0	24,035
<b>TOTAL SERVICE EXPENSE</b>	<b>79,410</b>	<b>127,791</b>	<b>140,714</b>	<b>205,026</b>	<b>244,455</b>	<b>315,432</b>
<b>NET SERVICE INCOME</b>	<b>&lt;2,442&gt;</b>	<b>&lt;391&gt;</b>	<b>1,834</b>	<b>&lt;3,449&gt;</b>	<b>2,225</b>	<b>&lt;893&gt;</b>
	=====	=====	=====	=====	=====	=====

GRAND CENTER  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 10/31/02

ASSETS

CURRENT ASSETS

CASH	1,827,360
ACCOUNTS RECEIVABLE	412,920
PREPAID EXPENSES	52,516
	-----
TOTAL CURRENT ASSETS	2,292,795
	-----

FIXED ASSETS

TOTAL ASSETS	2,292,795
	=====

LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	785,215
ACCRUED EXPENSES	137,452
ADVANCED TIX SALES & DEPOSITS	408,024
	-----
TOTAL CURRENT LIABILITIES	1,330,691
	-----

EQUITY

FUNDING RECEIVED	141,832
RETAINED EARNINGS	952,849
NET INCOME (LOSS)	<132,578>
	-----
TOTAL EQUITY	962,104
	-----

TOTAL LIABILITIES & EQUITY	2,292,795
	=====

GRAND CENTER  
INDIRECT EXPENSE SUMMARY  
PERIOD ENDING 10/31/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	43,794	46,990	41,368	173,323	187,960	138,943
Part-Time	13,443	11,275	13,257	33,555	45,100	31,337
Wages-Trade	63,013	95,565	91,547	187,384	382,260	240,099
Auto Allowance	0	615	0	0	2,460	0
Auto Expense	1,521	1,201	1,521	6,083	4,804	5,733
Taxes & Benefits	27,555	30,108	27,708	91,089	120,432	81,601
Less: Allocation/Reimbursement	<73,812>	<110,163>	<115,883>	<208,433>	<440,652>	<263,944>
<b>TOTAL LABOR COSTS</b>	<b>75,514</b>	<b>75,591</b>	<b>59,518</b>	<b>283,000</b>	<b>302,364</b>	<b>233,769</b>
Contracted Security	4,639	5,000	4,394	20,281	20,000	18,571
Other Contracted Services	231	183	150	789	732	598
Travel & Entertainment	263	792	1,904	1,918	3,168	2,183
Corporate Travel	129	333	602	129	1,332	602
Meetings & Conventions	0	1,613	593	3,030	6,452	3,794
Dues & Subscriptions	531	160	0	851	640	83
Employee Training	0	833	338	0	3,332	338
Miscellaneous Expense	0	0	0	0	0	66
Computer Expense	5,526	5,417	3,144	14,152	21,668	12,826
Professional Fees	2,472	1,730	1,125	8,317	6,920	4,604
Marketing & Advertising	484	1,094	4,360	2,777	4,376	6,393
Box Office Expenses	<214>	0	4	<157>	0	263
Small Equipment	0	0	0	2,498	0	0
Trash Removal	1,060	2,800	1,063	3,616	11,200	2,101
Equipment Rental	166	375	316	508	1,500	462
Landscaping	0	0	0	<69>	0	0
Exterminating	675	368	375	1,800	1,472	1,425
Cleaning	0	1,250	341	0	5,000	613
Construction Costs	0	0	0	2,511	0	777
Repairs & Maintenance	7,184	9,013	3,967	27,449	36,052	31,634
Supplies	4,258	13,098	4,261	26,488	52,392	33,603
Bank Service Charges	660	750	1,092	2,524	3,000	3,984
Insurance	7,394	8,380	6,682	28,106	33,520	30,928
Other Taxes	0	300	0	0	1,200	0
Printing & Stationary	0	731	305	0	2,924	1,008
Office Supplies	<115>	500	1,192	1,981	2,000	3,239
Postage	0	200	242	9	800	482
Parking Expense	1,618	1,500	1,555	6,257	6,000	6,468
Telephone Long Distance	2,364	2,000	2,491	11,239	8,000	7,250
Utilities	44,847	43,000	77,742	141,832	172,000	148,872
Base Fee	18,956	19,500	14,658	77,325	78,000	75,000
Incentive Fee	0	0	535	0	0	2,140
Less: Allocated/Reimbursement	<730>	0	0	<730>	0	0
<b>TOTAL MATERIAL AND SERVICES</b>	<b>102,396</b>	<b>120,920</b>	<b>133,429</b>	<b>385,430</b>	<b>483,680</b>	<b>400,305</b>
<b>TOTAL INDIRECT EXPENSES</b>	<b>177,910</b>	<b>196,511</b>	<b>192,947</b>	<b>668,431</b>	<b>786,044</b>	<b>634,074</b>

**SMG - Van Andel Arena & Grand Center**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Capital Expenditures & Management Fee Summary**  
**Fiscal Year Ending June 30, 2003**

**CAPITAL IMPROVEMENTS**

	Budget	Expended	Balance	Project Status
<b>Arena</b>				
Lobby Duct Painting	35,000		35,000	Open
Skywalk Ice Melt System	42,000	20,610	21,390	90% Complete
Terazzo Floor Repair	38,000		38,000	Open
Banquet Room Refurbishment	25,000		25,000	Open
Hydraulic Seating Section	70,000		70,000	Open
Hockey Glass	20,000	16,750	3,250	Closed
Floor Maintenance Equipment	18,500	10,494	8,006	50% Complete
Security Gate System	120,200		120,200	Open
<b>Total Arena</b>	<b>368,700</b>	<b>47,854</b>	<b>320,846</b>	
<b>Grand Center</b>				
Refinish DeVos Stage Floor	50,000		50,000	Open
Cyclorama for DeVos Stage House	12,000		12,000	Open
<b>Total Grand Center</b>	<b>62,000</b>	<b>-</b>	<b>62,000</b>	
<b>Grand Total Capital Improvements</b>	<b>430,700</b>	<b>47,854</b>	<b>382,846</b>	

**MANAGEMENT FEE SUMMARY**

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Net Revenue above Expenses	1,246,662	(226,486)	1,020,176	1,642,788
Benchmark	1,550,000	(359,972)	1,190,028	1,043,839
Excess	(303,338)	133,486	(169,852)	598,949

Incentive Fee Calculation (Only if above greater than zero)

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Base Fee	227,475	227,475	454,950	450,000
Incentive Fee				
Revenue	4,335,219	2,104,060	6,439,279	6,993,519
Benchmark Revenue	4,367,910	1,991,859	6,359,769	5,969,444
Revenue Excess	-	-	-	1,024,075
Incentive Fee **				206,019
<b>Total SMG Management Fee</b>	<b>227,475</b>	<b>227,475</b>	<b>454,950</b>	<b>656,019</b>

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

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

*INTERIM FINANCIAL STATEMENTS*

*Three Months Ended September 30, 2002*





## ACCOUNTANTS' REPORT

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

We have compiled the accompanying statements of net assets and cash receipts and disbursements - budget to actual for the operating account and construction accounts of the Grand Rapids - Kent County Convention / Arena Authority for the three month ended September 30, 2002, 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 U.S. generally accepted accounting principles.

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*

October 14, 2002  
Grand Rapids, Michigan

BEENE GARTER LLP  
50 MONROE NW  
SUITE 600  
GRAND RAPIDS  
MICHIGAN  
49503-2679

BUSINESS ADVISORS ► CPAs ► FINANCIAL SERVICES  
INTERNATIONALLY KNOWN AS MOORE STEPHENS BEENE GARTER PLC

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F 616.235.5285  
1.800.824.7882  
[www.beenegarter.com](http://www.beenegarter.com)

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**INTERIM FINANCIAL STATEMENTS**

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# Statement A

## GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

### Statement of Net Assets

September 30, 2002

<b>ASSETS</b>	<b>CONSTRUCTION</b>	<b>OPERATING</b>	<b>TOTAL</b>
<b>Current Assets:</b>			
Cash and Equivalents - Authority	\$ 43,447,048	\$ 1,837,101	\$ 45,284,149
Cash and Equivalents - Facility	-	3,620,013	3,620,013
Receivables, Net	-	1,232,040	1,232,040
Prepaid Expenses	-	117,750	117,750
Contract Rights	-	5,737	5,737
<b>Total Current Assets</b>	<b>43,447,048</b>	<b>6,812,641</b>	<b>50,259,689</b>
<b>Noncurrent Assets:</b>			
Capital Assets:			
Construction in Progress	56,229,162	3,507	56,232,669
<b>Total Noncurrent Assets</b>	<b>56,229,162</b>	<b>3,507</b>	<b>56,232,669</b>
<b>TOTAL ASSETS</b>	<b>99,676,210</b>	<b>6,816,148</b>	<b>106,492,358</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	-	643,033	643,033
Accrued Expenses	-	418,296	418,296
Advance Ticket Sales	-	1,079,206	1,079,206
Advance Deposits	-	202,952	202,952
Deferred Facility Income	-	441,506	441,506
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>2,784,993</b>	<b>2,784,993</b>
<b>NET ASSETS</b>			
Invested in Capital Assets	56,229,162	3,507	56,232,669
Fund Balance	43,447,048	4,027,648	47,474,696
<b>TOTAL NET ASSETS</b>	<b>\$ 99,676,210</b>	<b>\$ 4,031,155</b>	<b>\$ 103,707,365</b>



**BEENE GARTER LLP**

See accountants' report

# Statement B

## GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY Statement of Cash Receipts and Disbursements - Budget to Actual (Operations) From July 1, 2002 to September 30, 2002

	OPERATING ACCOUNT			
	Facilities Operations		Capital Replacement	
	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>				
Facility Operations	\$ 2,170,975	\$ 96,280	\$ -	\$ -
Parking Revenues	107,772	-	-	-
Interest on Investments	34,880	10,335	25,120	6,070
Capital Replacement Reserve Transfer	184,418	-	(184,418)	-
<b>TOTAL RECEIPTS</b>	<b>2,498,045</b>	<b>106,615</b>	<b>(159,298)</b>	<b>6,070</b>
<b>DISBURSEMENTS</b>				
Accounting / Auditing Services	25,635	7,505	-	-
Insurance - Property and Liability	33,050	3,999	-	-
Legal Services	33,550	2,477	-	-
Other Contractual Services	43,000	36,984	-	-
Meeting Expense	890	55	-	-
Supplies	1,350	61	-	-
Transfer to Construction Account	1,000,000	-	-	-
<b>Sub-total Service Disbursements</b>	<b>1,137,475</b>	<b>51,080</b>	<b>-</b>	<b>-</b>
Electricity	727,000	191,734	-	-
Steam	471,000	40,017	-	-
Water and Sewer	92,800	18,084	-	-
<b>Sub-total Utility Disbursements</b>	<b>1,290,800</b>	<b>249,836</b>	<b>-</b>	<b>-</b>
Building Additions and Improvements	-	-	380,200	-
Facility Equipment Acquisition	-	-	50,500	-
<b>Sub-total Capital Disbursements</b>	<b>-</b>	<b>-</b>	<b>430,700</b>	<b>-</b>
Employee Wages	52,240	12,000	-	-
Employee Benefits	17,530	4,683	-	-
<b>Sub-total Payroll Disbursements</b>	<b>69,770</b>	<b>16,683</b>	<b>-</b>	<b>-</b>
<b>TOTAL DISBURSEMENTS</b>	<b>2,498,045</b>	<b>317,599</b>	<b>430,700</b>	<b>-</b>
<b>Excess / (Deficit) of Funds</b>	<b>\$ -</b>	<b>\$ (210,984)</b>	<b>\$ (589,998)</b>	<b>\$ 6,070</b>
<b>Total Net Assets - Beginning of Year</b>	<b>2,418,567</b>	<b>2,418,567</b>	<b>1,817,502</b>	<b>1,817,502</b>
<b>Total Net Assets - End of Period</b>	<b>\$ 2,418,567</b>	<b>\$ 2,207,583</b>	<b>\$ 1,227,504</b>	<b>\$ 1,823,572</b>
	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 26, 2002.

**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, 2002 to September 30, 2002

	CONSTRUCTION ACCOUNT			
	Monroe Ave Relocation		Convention Center Construction	
	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>				
State of Michigan	\$ -	\$ -	\$ 2,138,974	\$ -
City / County Bldg Authority Capital Contrib.	3,071,036	14,574	52,381,302	18,720,426
Transfer from Operating Fund	-	-	1,000,000	-
Interest on Investments	55,000	20,845	698,455	326,574
<b>TOTAL RECEIPTS</b>	<b>3,126,036</b>	<b>35,419</b>	<b>56,218,731</b>	<b>19,047,000</b>
<b>DISBURSEMENTS</b>				
Architectural and Engineering Services	1,744,046	-	4,000,000	1,098,653
Construction Material Testing	-	-	600,000	89,738
Construction - GMP Contractor	1,133,925	14,560	47,063,549	17,314,047
<b>Sub-total Contractor Disbursements</b>	<b>2,877,971</b>	<b>14,560</b>	<b>51,663,549</b>	<b>18,502,437</b>
Insurance - Property / Liability	-	-	53,338	77,660
Legal Services	10,000	202	10,000	1,177
Owner's Representatives	-	-	270,870	69,968
Other Contractual Services	238,065	-	4,215,724	49,718
<b>Sub-total Service Disbursements</b>	<b>248,065</b>	<b>202</b>	<b>4,549,932</b>	<b>198,522</b>
Advertising / Promotion / Publicity	-	-	2,500	-
Supplies	-	-	500	-
Postage / Express	-	-	150	-
Telephone	-	-	2,100	559
<b>Sub-total Supplies Disbursements</b>	<b>-</b>	<b>-</b>	<b>5,250</b>	<b>559</b>
<b>TOTAL DISBURSEMENTS</b>	<b>3,126,036</b>	<b>14,762</b>	<b>56,218,731</b>	<b>18,701,519</b>
<b>Excess / (Deficit) of Funds</b>	<b>\$ -</b>	<b>\$ 20,657</b>	<b>\$ -</b>	<b>\$ 345,481</b>
<b>Total Net Assets - Beginning of Year</b>	<b>9,206,790</b>	<b>9,206,790</b>	<b>90,103,282</b>	<b>90,103,282</b>
<b>Total Net Assets - End of Period</b>	<b>\$ 9,206,790</b>	<b>\$ 9,227,447</b>	<b>\$ 90,103,282</b>	<b>\$ 90,448,763</b>
	See Comment		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 26, 2002.

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

*INTERIM FINANCIAL STATEMENTS*

*Four Months Ended October 31, 2002*



## ACCOUNTANTS' REPORT

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

We have compiled the accompanying statements of net assets and cash receipts and disbursements - budget to actual for the operating account and construction accounts of the Grand Rapids - Kent County Convention / Arena Authority for the four months ended October 31, 2002, 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 U.S. generally accepted accounting principles.

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 13, 2002  
Grand Rapids, Michigan

BEENE GARTER LLP  
50 MONROE NW  
SUITE 600  
GRAND RAPIDS  
MICHIGAN  
49503-2679

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## INTERIM FINANCIAL STATEMENTS

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# Statement A

## GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

### Statement of Net Assets

October 31, 2002

ASSETS	CONSTRUCTION	OPERATING	TOTAL
<b>Current Assets:</b>			
Cash and Equivalents - Authority	\$ 43,500,949	\$ 1,523,686	\$ 45,024,635
Cash and Equivalents - Facility	-	3,620,013	3,620,013
Receivables, Net	-	1,232,040	1,232,040
Prepaid Expenses	-	117,750	117,750
Contract Rights	-	5,737	5,737
<b>Total Current Assets</b>	<b>43,500,949</b>	<b>6,499,226</b>	<b>50,000,175</b>
<b>Noncurrent Assets:</b>			
Capital Assets:			
Construction in Progress	56,229,162	3,507	56,232,669
<b>Total Noncurrent Assets</b>	<b>56,229,162</b>	<b>3,507</b>	<b>56,232,669</b>
<b>TOTAL ASSETS</b>	<b>99,730,111</b>	<b>6,502,733</b>	<b>106,232,844</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	-	643,033	643,033
Accrued Expenses	-	418,296	418,296
Advance Ticket Sales	-	1,079,206	1,079,206
Advance Deposits	-	202,952	202,952
Deferred Facility Income	-	441,506	441,506
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>2,784,993</b>	<b>2,784,993</b>
<b>NET ASSETS</b>			
Invested in Capital Assets	56,229,162	3,507	56,232,669
Fund Balance	43,500,949	3,714,233	47,215,182
<b>TOTAL NET ASSETS</b>	<b>\$ 99,730,111</b>	<b>\$ 3,717,740</b>	<b>\$ 103,447,851</b>



# Statement B

## GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY Statement of Cash Receipts and Disbursements - Budget to Actual (Operations) From July 1, 2002 to October 31, 2002

	OPERATING ACCOUNT			
	Facilities Operations		Capital Replacement	
	Budget	Actual	Budget	Actual
<b>RECEIPTS</b>				
Facility Operations	\$ 2,170,975	\$ 96,280	\$ -	\$ -
Parking Revenues	107,772	-	-	-
Interest on Investments	34,880	11,949	25,120	7,018
Capital Replacement Reserve Transfer	184,418	-	(184,418)	-
<b>TOTAL RECEIPTS</b>	<b>2,498,045</b>	<b>108,229</b>	<b>(159,298)</b>	<b>7,018</b>
<b>DISBURSEMENTS</b>				
Accounting / Auditing Services	25,635	7,615	-	-
Insurance - Property and Liability	33,050	3,999	-	-
Legal Services	33,550	3,827	-	-
Other Contractual Services	43,000	36,984	-	-
Facility Management Fees	-	224,228	-	-
Meeting Expense	890	83	-	-
Supplies	1,350	61	-	-
Transfer to Construction Account	1,000,000	-	-	-
<b>Sub-total Service Disbursements</b>	<b>1,137,475</b>	<b>276,796</b>	<b>-</b>	<b>-</b>
Electricity	727,000	256,964	-	-
Steam	471,000	54,308	-	-
Water and Sewer	92,800	23,154	-	-
<b>Sub-total Utility Disbursements</b>	<b>1,290,800</b>	<b>334,426</b>	<b>-</b>	<b>-</b>
Building Additions and Improvements	-	-	380,200	-
Facility Equipment Acquisition	-	-	50,500	-
<b>Sub-total Capital Disbursements</b>	<b>-</b>	<b>-</b>	<b>430,700</b>	<b>-</b>
Employee Wages	52,240	16,000	-	-
Employee Benefits	17,530	6,354	-	-
<b>Sub-total Payroll Disbursements</b>	<b>69,770</b>	<b>22,354</b>	<b>-</b>	<b>-</b>
<b>TOTAL DISBURSEMENTS</b>	<b>2,498,045</b>	<b>633,576</b>	<b>430,700</b>	<b>-</b>
<b>Excess / (Deficit) of Funds</b>	<b>\$ -</b>	<b>\$ (525,347)</b>	<b>\$ (589,998)</b>	<b>\$ 7,018</b>
<b>Total Net Assets - Beginning of Year</b>	<b>2,418,567</b>	<b>2,418,567</b>	<b>1,817,502</b>	<b>1,817,502</b>
<b>Total Net Assets - End of Period</b>	<b>\$ 2,418,567</b>	<b>\$ 1,893,220</b>	<b>\$ 1,227,504</b>	<b>\$ 1,824,520</b>
	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 26, 2002.

**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, 2002 to October 31, 2002

	CONSTRUCTION ACCOUNT			
	Monroe Ave Relocation Budget	Actual	Convention Center Construction Budget	Actual
<b>RECEIPTS</b>				
State of Michigan	\$ -	\$ -	\$ 2,138,974	\$ -
City / County Bldg Authority Capital Contrib.	3,071,036	14,574	52,381,302	25,360,426
Transfer from Operating Fund	-	-	1,000,000	-
Interest on Investments	55,000	24,637	698,455	383,647
<b>TOTAL RECEIPTS</b>	<b>3,126,036</b>	<b>39,211</b>	<b>56,218,731</b>	<b>25,744,072</b>
<b>DISBURSEMENTS</b>				
Architectural and Engineering Services	1,744,046	-	4,000,000	1,098,653
Construction Material Testing	-	-	600,000	124,746
Construction - GMP Contractor	1,133,925	14,560	47,063,549	23,869,266
<b>Sub-total Contractor Disbursements</b>	<b>2,877,971</b>	<b>14,560</b>	<b>51,663,549</b>	<b>25,092,665</b>
Insurance - Property / Liability	-	-	53,338	77,660
Legal Services	10,000	202	10,000	1,177
Owner's Representatives	-	-	270,870	92,321
Other Contractual Services	238,065	-	4,215,724	83,870
<b>Sub-total Service Disbursements</b>	<b>248,065</b>	<b>202</b>	<b>4,549,932</b>	<b>255,027</b>
Advertising / Promotion / Publicity	-	-	2,500	-
Supplies	-	-	500	-
Postage / Express	-	-	150	-
Telephone	-	-	2,100	790
<b>Sub-total Supplies Disbursements</b>	<b>-</b>	<b>-</b>	<b>5,250</b>	<b>790</b>
<b>TOTAL DISBURSEMENTS</b>	<b>3,126,036</b>	<b>14,762</b>	<b>56,218,731</b>	<b>25,348,482</b>
<b>Excess / (Deficit) of Funds</b>	<b>\$ -</b>	<b>\$ 24,449</b>	<b>\$ -</b>	<b>\$ 395,590</b>
<b>Total Net Assets - Beginning of Year</b>	<b>9,206,790</b>	<b>9,206,790</b>	<b>90,103,282</b>	<b>90,103,282</b>
<b>Total Net Assets - End of Period</b>	<b>\$ 9,206,790</b>	<b>\$ 9,231,239</b>	<b>\$ 90,103,282</b>	<b>\$ 90,498,872</b>
	See Comment		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 26, 2002.





## Memorandum

**To:** CAA Board Members

**From:** John H. Logie, Chairman

**Date:** November 26, 2002

**Re:** Reappointment of Board Members

Convention  
Arena  
Authority

John Logie,  
Chairman  
Lew Chamberlin  
Clif Charles  
David Frey  
Steven Heacock  
Birgit Klohs  
Joseph Tomaselli

According to the Articles of Incorporation, CAA Board members shall serve a four-year term, provided with respect to the initial appointments, one shall serve a two-year term and the other a four-year term. Clif Charles-Board appointee, Steve Heacock-County appointee, and Birgit Klohs-City appointee were selected to serve two-year terms that expire December 31, 2002.

The CVB has selected Clif Charles to serve another four-year term. Likewise, the City of Grand Rapids has named Birgit Klohs to serve another four-year term. The Kent County Commission will appoint its member in January 2003.

**Action requested:** Reappoint Clif Charles and Birgit Klohs to serve four-year terms on the CAA Board, expiring December 31, 2006.



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



November 19, 2002

Mayor John Logie, Chairman  
Grand Rapids-Kent County Convention & Arena Authority  
130 Fulton St. West  
Grand Rapids, MI 49503

Dear Mayor Logie:

We are writing to request the Convention & Arena Authority re-nominate Clif Charles, of Gordon Food Service, to serve a four-year term on the CAA board. Clif is one of two representatives of the Grand Rapids/Kent County Convention & Visitors Bureau currently serving on the authority. We believe Clif has served the CAA well during his current term and has done an outstanding job of representing the interests of the local hospitality industry. The Bureau's board of directors is in full support of this request for his renomination to another term.

If you have any questions, please give us a call.

Sincerely,

Tim Chester  
Chairman

Steve Wilson  
President



**City of Grand Rapids**  
**Michigan**  
OFFICE OF THE MAYOR

JOHN H. LOGIE  
MAYOR

November 19, 2002

Ms. Birgit Klohs  
111 Pearl Street NW  
Grand Rapids, MI 49503

Dear Ms. Klohs:

I am pleased to inform you that the City Commission, at its meeting on November 19, 2002, confirmed my reappointment of you to the Grand Rapids-Kent County Convention/Arena Authority for a four-year term ending December 31, 2006.

Enclosed is a document titled, "Citizen Board or Commission Member's Handbook and Statement of Privileges and Duties." After reviewing the Contents of this document, please complete the Acceptance and Oath of Office and return it to the City Clerk's Office in the envelope provided.

Your willingness to again serve on the Grand Rapids-Kent County Convention/Arena Authority is greatly appreciated.

Very truly yours,

John H. Logie

JHL/ts  
enclosures

cc:

file

**70606** Com. Rabaut, supported by Com. Jendrasiak, moved to adopt the following resolution:  
**RESOLVED** that the Mayor's reappointment of Birgit Klohs to the Grand Rapids-Kent County Convention/Arena Authority for a four-year term ending December 31, 2006, be confirmed.  
Adopted:        Yeas: -7        Nays: -0

I hereby certify that the foregoing is a true transcript of the action of the City Commission of the City of Grand Rapids, Michigan, in public session held November 19, 2002.

  
\_\_\_\_\_  
Mary Therese Hegarty, City Clerk



## Memorandum

**To:** CAA Board Members

**From:** John H. Logie, Chairman

**Date:** November 26, 2002

**Re:** Kent County Parks Foundation – Reimbursement for Staff Services

Convention  
Arena  
Authority

John Logie,  
Chairman  
Lew Chamberlin  
Clif Charles  
David Frey  
Steven Heacock  
Birgit Klohs  
Joseph Tomaselli

As you may recall, on November 19, 2001, the CAA Board approved a motion that would allow its employee, Susan Waddell, to provide staff assistance to the Kent Count Parks Foundation, recognizing that CAA responsibilities take first priority.

I met with the Foundation's President and Chairwoman, Barbara Hoag, and negotiated a financial arrangement for reimbursement of staff services. The Foundation will pay the CAA a rate of \$500 per month based on Susan's salary and benefits for an average of 16 hours per month. The matter will be reviewed in the fall of 2003 to determine if any adjustments are appropriate.

On November 13, 2002, the Foundation Board unanimously approved this financial arrangement. Upon CAA approval of the arrangement, the Foundation will pay \$6,000 to the CAA for services provided last year.

**Action Requested:** Approve the financial arrangement with Kent County Parks Foundation for reimbursement of staff services.



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







November 13, 2002

Hon. John H. Logie, Chairman  
Grand Rapids – Kent County  
Convention/Arena Authority  
900 Fifth Third Center  
Grand Rapids, MI 49503

Re: Kent County Parks Foundation  
Reimbursement to CAA for Staff Services

Dear Mayor Logie:

The Kent County Parks Foundation Board met today and considered the arrangement you and I negotiated concerning the provision of staff services to our organization by your employee, Susan Waddell. We had calculated a monthly payment of \$500 based on her salary and benefits for an average of 16 hours per month. We also determined that the Parks Foundation would pay \$6,000 to the CAA for services provided last year.

Please be advised that the Kent County Parks Foundation Board unanimously approved the arrangement we negotiated. We ask that you place this item on the agenda of the December 4, 2002, CAA Board meeting. Once the CAA Board has approved this arrangement, we will forward the CAA a check in the amount of \$6,000. For future years, the Foundation will determine whether to pay quarterly, bi-annually, or annually. We agree with you that the matter should be reviewed in the fall of 2003 to see whether any adjustment would be appropriate.

We would like to thank you and the entire CAA Board for letting us lease your sole employee. We are extremely pleased with Sue's performance and expect a long and fulfilling relationship.

Yours truly,

A handwritten signature in cursive script that reads "Barbara J. Hoag".

Barbara J. Hoag  
President and Chairwoman

**WARNER NORCROSS & JUDD LLP**

ATTORNEYS AT LAW

900 FIFTH THIRD CENTER  
III LYON STREET NW  
GRAND RAPIDS MICHIGAN 49503-2487

TELEPHONE (616) 752-2000  
FAX (616) 752-2500

NORBERT F. KUGELE

(616) 752-2186  
DIRECT FAX (616) 222-2186  
nkugele@wnj.com

November 13, 2002

***Via Fax and U.S. Mail***

Susan Waddell  
Administrative Manager  
Grand Rapids - Kent County  
Convention/Arena Authority  
130 W. Fulton  
Grand Rapids, MI 49503

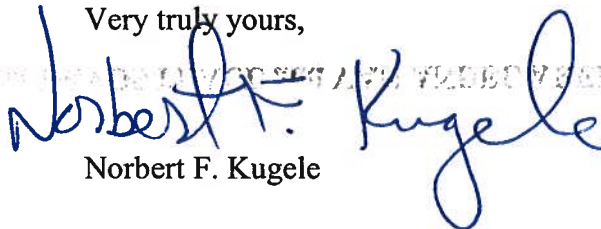
**Re: Applications to Register DEVOS PLACE and VAN ANDEL ARENA  
Trademarks**

Dear Sue:

As we discussed last week, we currently have pending before the trademark office eight applications to register the marks DEVOS PLACE and VAN ANDEL ARENA. We recently responded to some issues that the examining attorneys at the trademark office raised related to these applications (commonly referred to as "office actions"), and we have received additional inquiries from the examining attorneys. While I cannot predict what the total legal fees will be in responding to these office actions, I think it would be appropriate to establish a budget of \$15,000 through June 30, 2003, for the current and future invoices relating to these trademark applications.

Please call if you have any questions.

Very truly yours,



Norbert F. Kugele

NFK/lmh  
814566

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

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A  
PARKING OPERATION AND MAINTENANCE AGREEMENT WITH  
THE CITY OF GRAND RAPIDS**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_,  
moved the adoption of the following resolution:

**WHEREAS**, the Grand Rapids-Kent County Convention/Arena Authority (the "CAA") entered into a long-term Lease Agreement dated as of July 1, 2000 (the "Lease") with the Downtown Development Authority of the City of Grand Rapids (the "DDA") for the purpose of transferring ownership and operation of the Van Andel Arena (the "Arena") to the CAA; and

**WHEREAS**, included in the Lease as a part of the Arena properties leased and to ultimately be conveyed to the CAA is a 149-space surface parking lot to the south and adjacent to the Arena facility (the "Arena Parking Lot"); and

**WHEREAS**, prior to entering into the Lease, the DDA had an agreement with the City of Grand Rapids (the "City") for the City's Parking Services Department to operate and maintain the Arena Parking Lot; and

**WHEREAS**, the CAA and the City desire to continue such relationship and have agreed to enter into a Parking Operation and Maintenance Agreement (the "Agreement") setting forth the terms and conditions for the operation and maintenance of the Arena Parking Lot.

**RESOLVED:**

1. That the Agreement substantially in the form presented at this meeting with such minor deviations as are not materially adverse to the CAA and approved as to form by the CAA's counsel is approved.

2. That the Vice Chairman of the CAA is authorized and directed to sign the Agreement for and on behalf of the City.

3. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded to the extent of such conflict.

YEAS: Boardmembers \_\_\_\_\_  
\_\_\_\_\_

NAYS: Boardmembers \_\_\_\_\_

ABSTAIN: Boardmembers \_\_\_\_\_

ABSENT: Boardmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: December 4, 2002

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary

**CERTIFICATION**

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on December 4, 2002, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: December 4, 2002

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary

## **PARKING OPERATION AND MAINTENANCE AGREEMENT**

**THIS PARKING OPERATION AND MAINTENANCE AGREEMENT** (the "Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 2002, by and between the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY**, a Michigan statutory authority (the "CAA"), and the **CITY OF GRAND RAPIDS**, a Michigan municipal corporation (the "City").

### **PREMISES**

The CAA entered into a long-term Lease Agreement (the "Lease") dated as of July 1, 2000, with the Downtown Development Authority of the City of Grand Rapids (the "DDA") for the purpose of transferring ownership and operation of the Van Andel Arena (the "Arena") to the CAA. The Lease provides that upon the payment of certain debt obligations the DDA shall convey the Arena to the CAA. Included in the Lease as a part of the Arena properties leased and to ultimately be conveyed to the CAA is a 149-space surface parking lot to the south and adjacent to the Arena facility as identified on the attached Exhibit A (the "Arena Parking Lot"). Prior to entering into the Lease, the DDA had an agreement with the City for the City's Parking Services Department to operate and maintain the Arena Parking Lot. The CAA and the City desire to continue such relationship and have agreed to enter into this Agreement setting forth the terms and conditions for the operation and maintenance of the Arena Parking Lot.

**NOW, THEREFORE**, in consideration of the mutual promises set forth below, the parties agree as follows:

**Section 1. Operation and Maintenance of Arena Parking Lot.** Subject to the terms and conditions of this Agreement the City, through its Parking Services Department, shall be responsible for the operation and maintenance of the Arena Parking Lot.

**Section 2. Conditions of Operation and Maintenance.** The operation and maintenance by the City's Parking Services Department of the Arena Parking Lot shall be subject to the following conditions:

- A. The City's Parking Services Department shall be responsible at its cost for providing necessary staffing, security, supervision/administration and routine maintenance (including snowplowing).
- B. The level of operation and routine maintenance provided shall be equal to that provided by the Parking Services Department at other surface parking lots operated and maintained by the Department. Maintenance responsibilities include striping and filling in "holes" or "cracks" in the surface but does not include resurfacing or replacement of parking control equipment.
- C. Except as provided in Section 3 hereof, the Arena Parking Lot shall be open for public use (i) weekdays from 7:00 a.m. to 6:00 p.m. (ii) in the evening, on weekends and holidays during the time there is an event being held at the Arena

and (iii) during such other times as the Parking Services Department shall determine.

- D. When the Arena Parking Lot is open for an Arena event, it shall be staffed with a parking attendant who shall provide customer service beginning at least one hour before the beginning of the event to at least one-half hour after the event. At the request of the Arena General Manager, the City's Parking Services Department agrees to alter such schedule to better serve patrons of the Arena.

**Section 3. Special Use of Arena Parking Lot.** The parties recognize that certain events at the Arena will require the utilization of the Arena Parking Lot in connection with such events, i.e., rodeo, motor cross, circus staging, etc. Upon at least fourteen days' advance notice by the Arena General Manager to the Parking Services Department Director, the Arena Parking Lot shall be turned over to Arena at no cost to the CAA for use in connection with such event during such event and such time as is reasonably necessary prior to and after such event.

The parties also recognize that the CAA has certain lease agreements related to the Arena with the owners of the Grand Rapids Griffins, a professional hockey team, and the Grand Rapids Rampage, a professional arena football team, which require certain parking spaces be provided at the Arena Parking Lot at certain times at no cost. The City agrees to make such spaces available to the CAA at no cost at such times as are required in such lease agreements.

**Section 4. Establishment of Parking Rates and Retention of Revenues.** Rates charged for use of the Arena Parking Lot shall be (i) as determined from time to time by the Parking Commission and the City Commission after receiving input from the Arena General Manager in conjunction with the City Parking Services Department's annual comprehensive facilities study update and (ii) as finally approved by the CAA or its designee. All revenues realized from operation of the Arena Parking Lot shall belong to, and be retained by, the City as a part of its Automobile Parking System.

**Section 5. Monthly Parking Passes.** As monthly parking passes at the Arena Parking Lot from time to time become available, the Parking Services Department Director agrees to notify the Arena General Manager and the Arena shall have fourteen days to identify persons associated with the Arena to be issued such passes. If at the end of such fourteen-day period, monthly passes still remain available, the City Parking Services Department is free to issue such monthly passes to such persons as it shall determine.

**Section 6. Usage Fees.** In return for the City's retention of all revenues realized from operation of the Arena Parking Lot, the City shall pay the CAA usage fees as follows:

- a. \$135,543 for the fiscal year July 1, 2000, through June 30, 2001.
- b. \$106,116 for the fiscal year July 1, 2001, through June 30, 2002.
- c. For the fiscal year July 1, 2002, through June 30, 2003, and subsequent fiscal years, the total annual monthly pass revenue allocated to the use of the Arena

Parking Lot and event revenues less annual operating expenses. Such amount shall be paid monthly to the CAA on or before the third business day of each calendar month pro rata based on estimated budgeted revenues and expenses for such fiscal year prepared by the City Parking Services Department. At the end of each fiscal year when actual revenues (including actual monthly pass revenue allocated to the use of the Arena Parking Lot and actual event revenues) and expenses are known, the amount payable to the CAA shall be adjusted upward or downward to reflect actual revenues and expenses and paid to or debited from future payments to the CAA, as the case may be. For the July 1, 2002 – June 30, 2003, fiscal year the monthly amount payable to the CAA shall be \$8,901 subject to year-end adjustment as provided above.

**Section 7. Term and Termination.** This Agreement shall be for a term of 10 years effective July 1, 2000, and ending June 30, 2010. Either party may terminate this Agreement for any reason upon one year's advanced written notice to the other party.

**Section 8. Insurance.** The City shall (a) provide or cause to be provided and keep or cause to be kept in force comprehensive general public liability insurance naming the CAA as an additional insured against claims for casualty, personal injury, death or property damage occurring on or about the Arena Parking Lot, in amounts determined by the City with the approval of the CAA or (b) a program of self insurance acceptable to the CAA. Any policy of insurance shall provide that the CAA shall receive 30 days' prior notice from the insurer of cancellation, termination or modification of the policy. The City shall deliver evidence of insurance or evidence of a program of self insurance to the CAA upon request.

**Section 9. Indemnification.** The City shall indemnify the CAA and its officers, boardmembers, employees and agents (the "CAA Indemnified Parties" or "CAA Indemnified Party") against, and save the City Indemnified Parties harmless from, any and all liabilities, obligations, damages, penalties, costs and expenses, including reasonable attorneys fees, paid or incurred by the CAA Indemnified Parties and arising from the City's or the City's invitees use of the Arena Parking Lot except such as arise from the willful acts or negligence of the CAA Indemnified Parties. If any action or proceeding is brought against a CAA Indemnified Party, by reason of any such claim, the City will, upon written notice from the CAA Indemnified Party, at the City's expense, resist or defend such action or proceeding by counsel approved by the CAA Indemnified Party in writing. In providing the indemnification set forth above, the City is not waiving any defenses otherwise available to it by law; provided such defenses are also available to, and asserted by, the City for the CAA Indemnified Parties. The City shall not be responsible for the indemnification obligations set forth above with respect to any CAA Indemnified Party to the extent that a CAA Indemnified Party has waived a defense which was otherwise available to it by law.

The CAA shall indemnify the City and its officers, commissioners, employees and agents (the "City Indemnified Parties" or "City Indemnified Party") against and save the City Indemnified Parties harmless from any and all liabilities, obligations, damages, penalties, costs and expenses, including reasonable attorneys fees, paid or incurred by the City Indemnified Parties and arising from the CAA's and the CAA's invitees use and occupancy of the Arena

Parking Lot except such as arise from the willful acts or negligence of the City Indemnified Parties. If any action or proceeding is brought against a City Indemnified Party by reason of any such claim, the CAA will upon written notice from the City Indemnified Party, at the CAA's expense, resist or defend such action or proceeding by counsel approved by the City Indemnified Party in writing. In providing the indemnification set forth above, the CAA is not waiving any defenses otherwise available to it by law; provided such defenses are also available to, and asserted by, the CAA for the City Indemnified Parties. The CAA shall not be responsible for the indemnification obligations set forth above with respect to any City Indemnified Party to the extent that a City Indemnified Party has waived a defense which was otherwise available to it by law.

**Section 10. Notices.** All notices and other communications to be given pursuant to this Agreement shall be given in writing and delivered personally, by certified or registered mail (return receipt requested, postage prepaid) or by facsimile to the appropriate party at its address or facsimile set forth below:

If to the CAA:

Grand Rapids-Kent County Convention/Arena  
Authority  
130 W. Fulton Street  
Grand Rapids, Michigan 49503  
Attention: Administrative Manager  
Facsimile Number: (616) 742-6197

If to the City:

City of Grand Rapids  
6th Floor, City Hall  
300 Monroe Avenue, N.W.  
Grand Rapids, Michigan 49503  
Attention: City Manager  
Facsimile Number: (616) 456-3166

Either party may change its designated address/facsimile number by delivery of written notice of the change to the other party. Notices shall be deemed effective upon actual receipt. Actual receipt of facsimile transmissions shall be presumed based upon the transmitting party's receipt of a confirmation of transmission.

### **Section 11. General Provisions.**

(a) This Agreement constitutes the entire agreement between the CAA and the City related to the subject matter hereof, i.e., the operation and maintenance of the Arena Parking Lot, and may be modified or amended in whole or in part from time to time only by mutual written agreement of the CAA and the City. To the extent there is a conflict between the provisions of this Agreement and a certain Arena Parking Agreement dated March 26, 1996, between the City and the DDA, the provisions of this Agreement shall apply.

(b) This Agreement shall be interpreted in accordance with the laws of the State of Michigan.



(c) Nothing in this Agreement is intended by the parties hereto to create, nor shall anything in it be construed as creating, any obligations to, or rights in, any party not a signatory to this Agreement that would not exist independent of this Agreement.

(d) If any particular portion of this Agreement is rendered invalid, illegal, unenforceable or otherwise of no effect, the remaining provisions of this Agreement shall remain in full force and effect so that the essence and intent of this Agreement is preserved.

(e) A failure of either party to give notice or insist upon the immediate performance of any right that it has under this Agreement shall not constitute a waiver of that right or any other right under this Agreement.

(f) The section headings of this Agreement are for convenience only and shall not be considered a part of the substance of this Agreement or affect the interpretations of this Agreement.

(g) This Agreement shall not be assigned, transferred or conveyed by either party without the prior written consent of the other party.

(h) The City shall act solely as an independent contractor with respect to the operation and maintenance of the Arena Parking Lot. The relationship of the City and the CAA under this Agreement shall in no way be construed to create a joint venture or partnership, or to constitute either party as an agent or employee of the other for any purpose.

**IN WITNESS WHEREOF**, the parties have signed this Agreement on the day first written above.

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

---

David G. Frey, Vice Chairman

**CITY OF GRAND RAPIDS**

---

John H. Logie, Mayor

Attest:

---

Mary Therese Hegarty, City Clerk

**EXHIBIT A**  
**ARENA PARKING LOT**

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

**RESOLUTION AUTHORIZING A MEMORANDUM OF  
UNDERSTANDING WITH THE GRAND RAPIDS/KENT COUNTY  
CONVENTION & VISITORS BUREAU AND APPROVING AN  
AMENDMENT TO THE CONSTRUCTION MANAGER  
CONSTRUCTION AGREEMENT WITH ERHARDT/HUNT RELATED  
TO THE EARLY COMPLETION OF A PORTION OF DEVOS PLACE TO  
HOST THE 2003 MIDWEST WOODWORKING EXPO**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_,

moved the adoption of the following resolution:

**WHEREAS**, the Grand Rapids/Kent County Convention & Visitors Bureau (the "CVB") has requested the earlier than scheduled substantial completion on November 25, 2003 (the "Early Completion Date"), of a portion of DeVos Place north of DeVos Hall consisting of Exhibit Halls A, B and C, a sufficient amount of loading dock space to support the move-in of a trade show, the prefunction area and east entrance of the Grand Gallery, all related public restrooms and all related life safety systems (the "Convention Hall Project") in order to host the Midwest Woodworking Expo on November 29, 2003, through December 7, 2003; and

**WHEREAS**, substantial completion of the Convention Hall Project is currently scheduled for December 31, 2003; and

**WHEREAS**, after consultation with Erhardt/Hunt, the Construction Manager for DeVos Place, it is estimated that it will cost an additional estimated \$275,000, i.e., \$100,000 estimated additional overtime cost and \$175,000 early completion bonuses payable to Erhardt/Hunt (the "Additional Cost") to complete the Convention Hall Project by the Early Completion Date; and

**WHEREAS**, it is determined that the Midwest Woodworking Expo is an important long-term client of DeVos Place and the hosting of the 2003 trade show will have a significant positive economic impact on the Grand Rapids/Kent County metropolitan area; and

**WHEREAS,** the CVB has provided a plan to cover the Additional Cost and the Grand Rapids-Kent County Convention/Arena Authority (the "CAA") is willing to authorize the substantial completion of the Convention Hall Project by the Early Completion Date pursuant to the terms of a memorandum of understanding between the CVB and the CAA as provided in this resolution; and

**WHEREAS,** in connection with such early substantial completion of the Convention Hall Project, it is necessary to enter into an amendment to the construction manager agreement with Erhardt/Hunt.

**RESOLVED:**

1. That the CAA authorizes the substantial completion of the Convention Hall Project by the Early Completion Date pursuant to the terms of a memorandum of understanding (the "Memorandum") between the CVB and CAA providing as follows with respect to the Additional Cost:

A. The CVB shall be responsible for obtaining \$255,000 of the Additional Cost (the "Contributed Amount") and depositing such Contributed Amount with the CAA on or before October 1, 2003.

B. The CVB shall obtain \$170,000 of the Contributed Amount from the Trade Show Incorporated on behalf of the Midwest Woodworking Expo of which approximately \$80,000 will be credited to the rent of DeVos Place for the 2003 trade show, \$45,000 shall be treated as a contribution and the balance of approximately \$45,000 will be applied first to set up and related costs related to the use of DeVos Place for the 2003 trade show and the remaining amount, if any, shall be applied towards the rent for the 2005 trade show.

C. The CVB shall contribute \$85,000 of which it anticipates \$75,000 will be from its own funds and \$10,000 will be from participating hotel/motel operators.

D. The remaining costs estimated at \$20,000 shall be contributed by the CAA and shall be considered the last amount contributed so that, if all or a portion of such amount is not required to complete the Convention Hall Project by the Early Completion Date, the CAA shall not be required to contribute such amount.

2. That the Chairman is authorized and directed to execute the Memorandum for and on behalf of the CAA consistent with the provisions of this resolution and approved by legal counsel to the CAA.

3. That Amendment No. 5 to Agreement Between Owner and Construction Manager (the "Amendment") between the CAA and Erhardt/Hunt is approved in the form presented at this meeting and the Chairman is authorized and directed to execute the Amendment for and on behalf of the CAA provided the Memorandum has also been executed by the CVB and CAA.

4. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded to the extent of such conflict.

YEAS: Boardmembers \_\_\_\_\_

\_\_\_\_\_

NAYS: Boardmembers \_\_\_\_\_

ABSTAIN: Boardmembers \_\_\_\_\_

ABSENT: Boardmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: December 4, 2002

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary

## **CERTIFICATION**

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on December 4, 2002, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: December 4, 2002

---

Susan M. Waddell  
Administrative Manager/Recording Secretary

## **Amendment No. 5 to Agreement Between Owner and Construction Manager**

THIS AMENDMENT is made effective as of this 25th day of September 2002, between Grand Rapids-Kent County Convention/Arena Authority (CAA) (hereinafter called "Owner") and Erhardt/Hunt, A Joint Venture (hereinafter called "Contractor").

WHEREAS, the Owner and Contractor have entered into a Standard Form of Agreement Between Owner and Construction Manager where the Construction Manager is also the Constructor (the "Contract") for the expansion and renovation of the Convention Center consisting of approximately 1,000,000 square feet of total gross floor area; and,

WHEREAS, the Owner has requested the Contractor to expedite the substantial completion of portions of the Work north of DeVos Hall,

WHEREAS, the Contractor has agreed to expedite the substantial completion of portions of the Work north of DeVos Hall,

NOW THEREFORE, it is hereby agreed as follows:

Sub-subparagraph 2.2.4.5 of Amendment 1-A shall be modified as follows:

Add the following paragraph:

"Portions of the area north of DeVos Hall will be substantially complete by November 25, 2003 in order to hold the Midwest Woodworkers Trade Show between November 29, 2003 and December 7, 2003. Areas to be substantially complete include: Exhibit Halls A., B and C, a sufficient amount of loading dock space to support the move-in of the trade show, the pre-function area and east entrance of the Grand Gallery and all public restrooms. All life safety systems will be operational in accordance with local officials in order to hold the public event. Portions which will not be substantially complete by this date include: the parking level, the meeting rooms, mechanical and electrical rooms and the west entrance to the Grand Gallery."

Sub-subparagraph 6.1.7.2 of Amendment 1-A shall be added as follows:

"All costs associated with expediting the early completion of the Work for the areas north of DeVos Hall. These costs will be paid for out of the Owner's Contingency as identified in Amendment No. 1."

Subparagraph 4.3.11 – Liquidated Damages of the Supplementary General Conditions shall be modified as follows:

Delete the following paragraph:

“Should Construction Manager achieve Substantial Completion of the Work either in the area north of DeVos Hall or the area south of DeVos Hall before the dates stated above, Construction Manager shall be paid by Owner, at the time the first monthly progress payment thereafter would be due, an early completion bonus in the amount of \$5,000 per day, up to a maximum cumulative total amount of \$50,000, for each calendar day Construction Manager has achieved Substantial Completion of the Work prior to the expiration of the Contract Time. In no event shall Owner be liable for more than \$50,000 for the early completion bonus”

Add the following to the end of this Subparagraph:

“Should the Construction Manager achieve Substantial Completion of portions of the Work north of DeVos Hall by November 25, 2003 whereby the Owner is able to hold a public event between November 29, 2003 and December 7, 2003, the Construction Manager shall be paid by the Owner, at the time the December 2003 payment is due, an early completion bonus in the form of a lump sum payment of \$175,000. If the Construction Manager is unable to achieve Substantial Completion whereby the Owner is unable to hold a public event between November 29, 2003 and December 7, 2003 then the Construction Manager waives its rights to any early completion bonus”

OWNER

\_\_\_\_\_  
(Signature) Date

John H. Logie/ Chairperson  
Grand Rapids – Kent County  
Convention/Arena Authority

CONSTRUCTION MANAGER

\_\_\_\_\_  
(Signature) Date

Michael J. Gausden  
Erhardt/Hunt, A Joint Venture



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

**RESOLUTION AWARDING BID FOR SECURITY/CCTV SYSTEM FOR  
DEVOS PLACE TO INTEC COMPANY, INC. A/K/A/ MIDSTATE  
SECURITY COMPANY AND AUTHORIZING THE EXECUTION OF AN  
AGREEMENT IN CONNECTION THEREWITH**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_,

moved the adoption of the following resolution:

**WHEREAS**, in connection with the construction of DeVos Place competitive bids were solicited and received for the supply, installation and initial testing of an integrated security/alarm, access control and closed circuit television system (the "Security/CCTV System"); and

**WHEREAS**, the lowest responsive bid of \$442,171.91 was received from Intec Company, Inc. a/k/a Midstate Security Company ("Midstate"); and

**WHEREAS**, the bid of Midstate is within budget and the Owner's Representatives and the Building Committee have recommended the award of the bid to Midstate.

**RESOLVED:**

1. That the bid for the supply, installation and initial testing of the Security/CCTV Sysytem for DeVos Place is awarded to Midstate.

2. That the Chairmen is authorized and directed to execute an agreement in a form approved by legal counsel to the CAA (the "Agreement") with Midstate for the supply, installation and initial testing of the Security/CCTV System consistent with the request for proposals and the bid package including pricing form submitted by Midstate.

3. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded to the extent of such conflict.

YEAS: Boardmembers \_\_\_\_\_  
\_\_\_\_\_

NAYS: Boardmembers \_\_\_\_\_

ABSTAIN: Boardmembers \_\_\_\_\_

ABSENT: Boardmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: December 4, 2002

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary

**CERTIFICATION**

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on December 4, 2002, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: December 4, 2002

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary

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

**RESOLUTION AWARDING BID FOR TELECOMMUNICATIONS  
CABLING INFRASTRUCTURE FOR DEVOS PLACE TO FEYEN-  
ZYLSTRA ELECTRIC INC. A/K/A/ VOICE DATA SYSTEMS AND  
AUTHORIZING THE EXECUTION OF AN AGREEMENT IN  
CONNECTION THEREWITH**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_,

moved the adoption of the following resolution:

**WHEREAS**, in connection with the construction of DeVos Place competitive bids were solicited and received for the supply and installation of optical fiber and copper cabling to enable voice and data communication and to provide connectivity for security cameras (the "Telecommunications Cabling Infrastructure"); and

**WHEREAS**, the lowest responsive bid of \$739,566 was received from Feyen-Zylstra Inc. a/k/a Voice Data Systems ("Voice Data"); and

**WHEREAS**, the bid of Voice Data is within budget and the Owner's Representatives and the Building Committee have recommended the award of the bid to Voice Data.

**RESOLVED:**

1. That the bid for the supply and installation of the Telecommunications Cabling Infrastructure for DeVos Place is awarded to Voice Data.

2. That the Chairman is authorized and directed to execute an agreement in a form approved by legal counsel to the CAA (the "Agreement") with Voice Data for the supply and installation of Telecommunications Cabling Infrastructure consistent with the request for proposals and bid package including pricing form submitted by Voice Data.

3. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded to the extent of such conflict.

YEAS: Boardmembers \_\_\_\_\_

\_\_\_\_\_

NAYS: Boardmembers \_\_\_\_\_

ABSTAIN: Boardmembers \_\_\_\_\_

ABSENT: Boardmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: December 4, 2002

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary

**CERTIFICATION**

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on December 4, 2002, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: December 4, 2002

\_\_\_\_\_  
Susan M. Waddell  
Administrative Manager/Recording Secretary

# VAN ANDEL ARENA WEEKLY

## Item XIV

DATE	EVENT	EC	ROOM	TIME	FUNCTION
Wed, Nov 27	TSO	AH	Arena	8:00 AM 2:00 PM 3P-5P 6:30 PM 7:30P-9:30P 9:00 PM	Load-in Chair set Orchestra rehearsal Doors Performance Load-out
Thur, Nov 28	<b>Thanksgiving Holiday</b>				
Fri, Nov 29	<b>Closed – Holiday</b>				
Sat, Nov 30	Select Bank Classic	MS	Arena	5:00 PM 6:00 PM 8:00 PM 10:00 PM	Doors Consolation game Championship game Awards ceremony
Sun, Dec 1	Available				
Mon, Dec 2	Available				
Tue, Dec 3	Available				
Wed, Dec 4	A Royal Christmas	AH	Arena	8:00 AM 2:00 PM 6:30 PM 7:30P-10P 9:30P	Load-in Chair set Doors Performance Load-out
Thur, Dec 5	Available				
Fri, Dec 6	Griffins vs Utah	MS	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
Sat, Dec 7	Grand Valley University	MS	Arena	10A-12P	Graduation ceremony
	Griffins vs Utah	AH	Arena	6:30 PM 7:30P-10P	Doors Hockey game
Sun, Dec 8	Available				
Mon, Dec 9	Griffins	MS	Arena	6:30P-8:30P	Season ticket holder party
Tue, Dec 10	Available				
Wed, Dec 11	Available				
Thur, Dec 12	Available				
Fri, Dec 13	Griffins vs Hamilton	AH	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
Sat, Dec 14	Gordon Food Service	MS	Arena	7:30 PM	Performance
Sun, Dec 15	Aerosmith	AH	Arena	7:30 PM	Performance
Mon, Dec 16	Available				
Tue, Dec 17	Available				
Wed, Dec 18	Available				
Thur, Dec 19	Available				
Fri, Dec 20	Griffins vs San Antonio	MS	Arena	10A-12:30P 6:30 PM 7:30P-10P	Team practice Doors Hockey game
Sat, Dec 21	Available				
Sun, Dec 22	Available				
Mon, Dec 23	Available				
Tue, Dec 24	<b>Christmas Eve (Closed)</b>				
Wed, Dec 25	<b>Merry Christmas! (Closed)</b>				
Thur, Dec 26	Griffins vs Cincinnati	MS	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
Fri, Dec 27	Available				
Sat, Dec 28	Griffins vs Milwaukee	AH	Arena	6:30 PM 7:30P-10P	Doors Hockey game
Sun, Dec 29	Available				

**GRAND CENTER WEEKLY - YEAR 2002**

DATE	EVENT	ROOM	TIME	FUNCTION	EC	OPERATIONS/CONSTRUCTION
WED. NOV 27	MISS SAIGON - BTG	DV/	7:30P-10P	PERFORMANCE	ST	
	MEL TROTTER MINISTRIES BANQUET	GH/	8A-5P	MOVE IN	JE	
THURS. NOV 28	MISS SAIGON - BTG	DV/	7:30P-10P	PERFORMANCE	ST	
	MEL TROTTER MINISTRIES BANQUET	GH/	6:30A 10:30A 11A 11:30A-1:30P 1:30P-4P	BEGIN PREPARATIONS DOORS POSS. START ENTERTAIN BANQUET MOVE OUT	JE	
				PERFORMANCE	ST	
FRI. NOV 29	MISS SAIGON - BTG	DV/	8P-10:30P	PERFORMANCE	ST	
SAT. NOV 30	MISS SAIGON - BTG	DV/	2P-4:30P 8P-10:30P	PERFORMANCE	ST	
SUN. DEC 1	MISS SAIGON - BTG	DV/	1P-3:30P 6:30P-9P 9P-3A 1:30A-2:30A	PERFORMANCE PERFORMANCE MOVE OUT BREAKFAST CATERED	ST	
MON. DEC 2	NUTCRACKER - BALLET	BL/	8A-6P 7P-11P	MOVE IN REHEARSAL	ST	
	SIMMONS CORPORATION	BL, DOCK 6&7/	NOON-7P	MOVE IN	JE	
TUES. DEC 3	NUTCRACKER - BALLET	DV/	8A-6P 7P-11P	MOVE IN REHEARSAL	ST	
	SIMMONS CORPORATION	BL/	8A-8P	SHOW	JE	
WED. DEC 4	NUTCRACKER - BALLET	DV/	8A-6P 7P-11P	MOVE IN OPEN REHEARSAL (400)	ST	
	SIMMONS CORPORATION	BL/	8A-3P 3P-9P	SHOW MOVE OUT	JE	
	ERHARDT/HUNT SAFETY MEETING	BR/	7A-NOON	MEETING	RS	
THURS. DEC 5	GRAND RAPIDS WINTER CONFERENCE	WA/	PROBABLY WILL NOT USE THIS DAY	MOVE IN	JE	
	NUTCRACKER - BALLET	DV/	8A-6P 7P-11P	MOVE IN OPEN REHEARSAL FOR HUNTINGTON BANK	ST	
FRI. DEC 6	GRAND RAPIDS WINTER CONFERENCE	WA/	8A-5P 6:30P	SET UP DOORS	JE	
	NUTCRACKER - BALLET	DV/	7:30P-MID 4:30P-6:30P 7:30P-10:30P	MEETING CLASS ONSTAGE PERFORMANCE	ST	
	FIRE TEST	1/3 GH/	1P-6P	TEST (479)	RS	
	ERHARDT/HUNT SAFETY MEETING	BR/	7A-NOON	MEETING	RS	
SAT. DEC 7	GRAND RAPIDS WINTER CONFERENCE	WA/	9A 10A-2P 6:30P	DOORS MEETING DOORS	JE	
	NUTCRACKER - BALLET	DV/	7:30P-MID 11A-2:30P 2P-5P	MEETING CLASS ONSTAGE PERFORMANCE	ST	
		BR/	3P-7P	LUNCH		
		BL/	5P-7P	SUGAR PLUM PARADE PERFORMANCE		
		DV/	7:30P-10:30P	PERFORMANCE		
SUN. DEC 8	GL VEGETABLE GROWERS & FARM MARKET	GH, EH, WH/	8A-5P	MOVE IN	MF	
	GRAND RAPIDS WINTER CONFERENCE	WA/	9A 10A-NOON 1P-5P 5P-9P	DOORS CHURCH MEETING MOVE OUT	JE	

DATE	EVENT	ROOM	TIME	FUNCTION	EC	OPERATIONS/CONSTRUCTION
	NUTCRACKER - BALLET	DV/ BL/	2P-5P 5P-6P	PERFORMANCE SUGAR PLUM PARADE	ST	
MON. DEC 9	GL VEGETABLE GROWERS & FARM MARKET	WA,GH,EH,WH/	8A-6P	MOVE IN	MF	
	NUTCRACKER - BALLET	DV/	9A-1P	PARTIAL MOVE OUT	ST	
TUES. DEC 10	GL VEGETABLE GROWERS & FARM MARKET	WA,GH,EH,WH/ KR,BL/	8:30A-5:30P	CONVENTION	MF	
	NUTCRACKER - BALLET	DV/	DARK	DARK	ST	
WED. DEC 11	GL VEGETABLE GROWERS & FARM MARKET	WA,GH,EH,WH/ KR,BL,MR/	8:30A-5:30P	CONVENTION	MF	
	MESSIAH	DV/	8A-5P 7P-11P	MOVE IN REHEARSAL	ST	
	ERHARDT/HUNT SAFETY MEETING	BR/	7A-NOON	MEETING	RS	
THURS. DEC 12	GL VEGETABLE GROWERS & FARM MARKET	WA,GH,EH,WH/ KR,BL/	8:30A-1P 1P-8P	CONVENTION MOVE OUT	MF	
	MESSIAH	DV/	7:30P 8P-10:30P	DOORS TO SEATING PERFORMANCE	ST	
	GFS ANNUAL MEETING	MR/		MOVE IN	SM	
FRI. DEC 13	GFS ANNUAL MEETING	WA,GH,EH/ MR/		MEETING	SM	
	CITY MEETING	BR/	8A-NOON	MEETING	RS	
	GL VEGETABLE GROWERS & FARM MARKET	GH,EH,WH/	8A-NOON	MOVE OUT	MF	
	MESSIAH	DV/	7:30P 8P-10:30P 10:30P-2A	DOORS TO SEATING PERFORMANCE MOVE OUT	ST	
	ERHARDT/HUNT SAFETY MEETING	BR/	1P-3P	MEETING	RS	
SAT. DEC 14	GFS ANNUAL MEETING	WA,GH,EH/ MR,KR/		MEETING		
	NUTCRACKER - BALLET	DV/	7A-11A 11A-2:30P	PRE-SET STAGE CLASS ONSTAGE	ST	
		BR/ BL/ DV/	2P-5P 3P-7P 5P-7P	PERFORMANCE LUNCH SUGAR PLUM PARADE		
			7:30P-10:30P	PERFORMANCE		
SUN. DEC 15	GFS ANNUAL MEETING	WA/ MR/		WORSHIP SERVICE MOVE OUT		
	NUTCRACKER - BALLET	DV/	11A-2:30P	CLASS ONSTAGE	ST	
		BR/ BL/ DV/	2P-5P 3P-7P 5P-7P	PERFORMANCE LUNCH SUGAR PLUM PARADE		
			7:30P-10:30P 10:30P-2:30A	PERFORMANCE MOVE OUT		
MON. DEC 16						
TUES. DEC 17						
WED. DEC 18	GRSO - POPS III	DV,BL/	8A-1P 3:30P-6P 7:30P-10P	MOVE IN REHEARSAL REHEARSAL	ST	
	ERHARDT/HUNT SAFETY MEETING	BR/	7A-NOON	MEETING	RS	
THURS. DEC 19	GRSO - POPS III	BL/ DV/	6P-11P 7:30P-10:30P	CHOIR PERFORMANCE	ST	
	ERHARDT/HUNT SAFETY MEETING	BR/	7A-NOON	MEETING	RS	
FRI. DEC 20	GRSO - POPS III	DV/ BL/	8P-10:30P 6P-11P	PERFORMANCE CHOIR	ST	

DATE	EVENT	ROOM	TIME	FUNCTION	EC	OPERATIONS/CONSTRUCTION
SAT. DEC 21	GRSO - POPS III	DV,BL/	3P-5:30P 8P-10:30P	PERFORMANCE PERFORMANCE	ST	
SUN. DEC 22	GRSO - POPS III	DV,BL/	3P-5:30P 5:30P-6:30P	PERFORMANCE MINIMAL MOVE OUT	ST	
MON. DEC 23						
TUES. DEC 24						
WED. DEC 25						
THURS. DEC 26						
FRI. DEC 27						
SAT. DEC 28						
SUN. DEC 29						
MON. DEC 30						
TUES. DEC 31	GRSO - SPECIAL	DV/	9A-1P 3P-5:30P 8P-10:30P 10:30P-12:30A	MOVE IN REHEARSAL PERFORMANCE MOVE OUT	ST	