



Board of Directors Retreat

Saturday, December 4, 2004

7:30 a.m. – 12:00 Noon

Amway Grand Plaza Hotel - Pinnacle Room

Grand Rapids, Michigan

AGENDA

I. Chairman's Remarks

II. CAA Structure

The Building Committee will host its last meeting this month. This provides an ideal time to re-assess the CAA's committee structure.

- Report from each committee chair regarding the activities, size, effectiveness, make up, frequency of meetings, recommendations.
- Do we have enough committees? Too many? Do the committees have the right mix of people?

III. Capital Needs

Capital needs will exceed operating revenues and current capital reserves in the mid-term (5-10 years).

- Review Capital needs assessment and overlay revenue forecast.
- Identify timeline when capital accounts becomes an issue, benchmarks should come into play also.
- DP Fox would like operating surpluses at Arena focused on Arena capital exclusively.
- Identify sources of funding for the gap.

IV. Marketing Fund

The concept of developing a marketing fund for Van Andel Arena and DeVos Place has been discussed. Other markets have used such funds in an effort to secure/entice business.

- Is this needed for each venue (including Performance Hall)?
- What are the numbers necessary to make this viable at each venue?
- Identify funding sources.
- Discuss rules, protocol, practices for the use of such funds.
- How are these accounts re-funded...annually, bi-annually, etc.?
- Should these funds be used to create our own event?

V. City/County/State/CAA Relationship

The CAA has representation from local and state government. Assessing how this unique relationship is working is prudent.

- How is information passed along to the interested parties?
- Is there a feeling of connection and awareness with elected officials as well as staff at each level?
- Identify any changes to be recommended in either the state law or our local government.

VI. Brainstorming/Other

VII. Adjournment



**FISCAL SERVICES DEPARTMENT
MEMORANDUM**

TO: Sue Waddell
Convention/Arena Authority

FROM: Robert White *RW*
Fiscal Services Director

SUBJECT: Implementing the Investment Pool Agreement

DATE: December 3, 2004

I would expect Ken Parrish to execute the agreement on behalf of Kent County on Monday, December 6th. Attached hereto is a compilation of cash receipts and disbursements for the period from November 1 – June 30, 2005. In these forecasts, I have identified the financial capacity to transfer \$14 million from the Construction Account and \$2 million from the Operating Account over to the County Treasurer's Pooled Investment Account.

Please review this cash flow forecast with the Chair of the Convention/Arena Authority for the purpose of obtaining his authorization to make these investments.

The investment agreement does provide for a draw of all or any portion of these balances upon seven days notices.

I am available if there any questions concerning this material.

Grand Rapids/Kent County Convention Arena Authority
Cashflow Forecast
November, 2004 to June, 2005
December 1, 2004

Construction Accounts

		<u>Balances</u>
Balances @ 10/31 - Maxsaver	\$19,167,919	
- Construction	5,500,544	\$24,668,463
Disbursements - 11/04	(2,475,000)	22,193,463
Receipts - 12/04	705,777	22,899,240
Transfer to County Treasurer	(14,000,000)	8,899,240
Disbursements - 12/04	(2,275,000)	6,624,640
- 1/05	(2,240,000)	4,384,240
- 2/05	(1,700,000)	2,684,240
- 3/05	(1,500,000)	1,184,240
- 4/05	(765,038)	419,202
- 5/05	(5,500)	413,702
- 6/05	(4,700)	<u>\$ 409,002</u>

Grand Rapids/Kent County Convention Arena Authority
Cashflow Forecast
November, 2004 to June, 2005
December 1, 2004

Operating Account

	SMG	Parking/				
	<u>Transfers</u>	<u>Interest</u>	<u>Utilities</u>	<u>Admin</u>	<u>Other</u>	<u>Balances</u>
10/31/04	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,117,507
11/04	300,000	80,000	(198,367)	(60,000)	-	3,239,140
12/04 - Transfer to County Treasurer				(60,000)	(2,000,000)	1,239,140
12/04	200,000	80,000	(235,367)	(60,000)	-	1,223,773
1/05	250,000	80,000	(288,617)	(60,000)	-	1,205,156
2/05	350,000	80,000	(279,117)	(60,000)	-	1,296,039
3/05	550,000	80,000	(251,067)	(60,000)	-	1,614,972
4/05	200,000	80,000	(185,467)	(60,000)	-	1,649,505
5/05	100,000	-	(166,767)	(60,000)	-	1,522,738
6/05	-	-	(138,717)	(60,000)	-	1,324,021