



Board of Directors

Wednesday, December 10, 2008

8:00 a.m. – 9:30 a.m.

Huntington Club at Van Andel Arena®
130 West Fulton – Grand Rapids, MI

A G E N D A

I. Call to Order

II. Approval of October 22, 2008, Minutes

Action

III. Wine & Food Festival Report – Henri Boucher

Information

IV. Committee Reports

A. Operations Committee

Information

i. CVB Report

Information

B. Finance Committee

i. SMG October 2008 Financial Statements

Action

DeVos Place® and Van Andel Arena®

ii. CAA October 2008 Financial Statements

Action

iii. CAA Audited Financial Statements

**a. Audited Financial Statements for Years Ended
June 30, 2008 and 2007**

Action

b. Analysis of Current Financial Position

Information

V. SMG Report and Facilities Calendars

Information

VI. Public Comment

VII. Next Meeting Date: Wednesday, January 28, 2009

VIII. Adjournment

IX. Backstage Tour of Walking with Dinosaurs

Convention

Arena

Authority

Steven Heacock,

Chairman

Birgit Klohs

Clif Charles

Gary McInerney

George Heartwell

Joseph Tomaselli

Lew Chamberlin



Van Andel Arena®
130 Fulton West
Grand Rapids, MI 49503-2601
616.742.6600
Fax 616.742.6197

Joyous Holidays & Happy New Year!

DEVOS PLACE

DeVos Place®
303 Monroe Ave. NW
Grand Rapids, MI 49503-2233
616.742.6500
Fax 616.742.6590



**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS MEETING
Wednesday, October 22, 2008**

I. Call to Order

Steven R. Heacock, Chairperson, called the meeting to order at 8:05 a.m. Secretary/Treasurer Birgit Klohs recorded the meeting minutes.

Attendance

Members Present: Steve Heacock, Chairperson
 Lew Chamberlin
 Clif Charles
 George Heartwell
 Birgit Klohs
 Gary McInerney
 Joseph Tomaselli

Members Absent: None

Staff/Others:	David Czurak	<i>Grand Rapids Business Journal</i>
	Daryl Delabbio	Kent County
	George Helmstead	CVB
	Kurt Kimball	City of Grand Rapids
	Chris Knappe	<i>The Grand Rapids Press</i>
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Doug Small	CVB
	Eddie Tadlock	SMG
	Susan Waddell	CAA
	Jana Wallace	City of Grand Rapids
	Jim Watt	SMG
	Richard Wendt	Dickinson Wright
	Robert White	Kent County

II. Minutes of Prior Meeting

Motion: Mr. Chamberlin, supported by Mr. Heartwell, moved to approve the Minutes of the September 24, 2008, meeting of the Grand Rapids-Kent County Convention/Arena Authority. The motion carried unanimously.

III. Committee Reports

a. Operations Committee

Mr. Chamberlin presented the Operations Committee report. Todd Johnson shared with the Committee an update on event services at DeVos Place®, recent staff changes, website upgrades, and how the business center is being reconfigured into a wireless hotspot with a lounge and vending machines. The Committee also received updates on the wine and food festival, DeVos Place® artwork project, and the DeVos Place® landscape project.

Mr. Small reported that the CVB Board adopted the fiscal year 2009 budget and the CVB will concentrate its energies on direct sales. The CVB recently added a convention sales position to focus on the environmental, scientific and engineering sectors and to assist the West Michigan Sports Commission. Mr. Helmstead presented a report on recent sales activities and major bid presentations. Next Wednesday, the CVB is hosting a Gather by the River reunion in conjunction with the upcoming RCMA convention.

b. Finance Committee.

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

Motion: Ms. Klohs, supported by Mr. Tomaselli, moved to approve the SMG Financial Statements for DeVos Place® and the Van Andel Arena® for the period ended September 30, 2008. After review and discussion, the motion carried unanimously.

ii. CAA Financial Statements

Motion: Ms. Klohs, supported by Mr. Charles, moved to approve the CAA Financial Statements for the period ended September 30, 2008. After review and discussion, the motion carried unanimously.

iii. SMG Special Purpose Financial Statements for the
Years Ended June 30, 2008 and 2007

The special-purpose financial statements are issued to test the validity of the SMG incentive fee calculations. Deloitte & Touche found that SMG operations are well controlled and has provided “clean” audits for both facilities. No significant audit adjustments were posted. Deloitte & Touche performed detailed testing of the food and beverage contract terms and revenues and found no discrepancies

Motion: Ms. Klohs, supported by Mr. Charles, moved to accept the SMG Special-Purpose Financial Statements for DeVos Place® and the Van Andel Arena® as of and for the Years Ended June 30, 2008 and 2007. After review and discussion, the motion carried unanimously.

IV. SMG Report and Facilities Calendar

Mr. MacKeigan presented a summary of the upcoming events that will be held at DeVos Place® and the Van Andel Arena®.

V. Public Comment

None.

VI. Next Meeting Date

The date for next CAA Board meeting is Wednesday, December 10, 2008, at the Van Andel Arena.

VII. Adjournment

There being no other business, the meeting adjourned at 8:25 a.m.

Birgit M. Klohs, Recording Secretary

MEDIA RELEASE: November 26, 2008

FOR MORE INFORMATION CONTACT:

Henri Boucher, Show Producer (616-447-2860 / henrib@showspan.com)
Cathleen McDonald, Show Manager (616-447-2860 / cathleenm@showspan.com)
Dianna Stampfler, Show Publicist (269-330-4228 / dianna@promotemichigan.com)

Grand Rapids

International **Wine & Food** **FESTIVAL**

DeVos Place

NOVEMBER 21-23, 2008

Presented by



Grand Rapids International Wine & Food Festival Celebrates an Impressive Inaugural Year Success

(GRAND RAPIDS, Mich) – Nearly four years in the making, the Grand Rapids Convention & Arena Authority and ShowSpan Inc., exceeded all expectations with the inaugural Grand Rapids International Wine & Food Festival, held this past weekend in the elegance of the 40,000-square-foot Steelcase Ballroom at DeVos Place.

"We had been hoping for 6000-8000 people and will be very near the top end of that," said Henri Boucher, Show Producer. "Most importantly, a great time was had by all and the exhibitors of every kind reported extremely great contacts with the public."

Featuring as many as 600 wines, beers and spirits from more than 100 wineries, breweries and distilleries, the event also offered a full menu of workshops and seminars, featured restaurants, food pairings (all of which "sold out" all weekend) and retailers offering culinary based goods and services.

"It was exiting to see this festival take shape over the past several months and we are very happy with how it all came to fruition," said Richard MacKeigan, SMG Regional General Manager and Executive Director of Grand Rapids-Kent County Convention/Arena Authority. "We are pleased we took the initiative to get this event going and grateful for our relationship with ShowSpan. Grand Rapids is positioning itself as a premier destination in Michigan, as well as the Midwest, for celebrating the culture of wine and food."

Louis Benton, one of a half dozen participating restaurants, said they experienced an increase in their walk-in business at the restaurant on both Friday and Saturday nights – with many individuals coming directly from the wine festival. Cygnus 27, inside the Amway Grand Plaza Hotel, reported similar traffic patterns. Additionally, the Amway attributed about 200 overnights directly to the festival.

"The event was amazing," says Karen Waldron from Johnny Entertainment, who attended the event as a general consumer. "From everything I am hearing, from both vendors and attendees, you have a homerun. I spoke with people who came from East Lansing, Lowell, Mt. Pleasant and they will definitely be back next year to be a part of the event. The vendors also had a very positive outlook as to the event and everyone wants to be a part of this annual sojourn."

Comments from participants and attendees include:

- Allow me to congratulate you on a job "well done!" You were right, they came — it was an amazing success!
Joe Borrello, Taster's Guild International
- Fabulous - a great inaugural year! Thanks for all your hard work to bring this event to a reality!
Linda Jones, Michigan Grape & Wine Industry Council
- I personally will attest it was one of the best events I've ever been a part of!
Kenny Peterson, Tabor Hill Winery

- Congratulations for what surely qualifies as a successful event...a gam of a time for all!
Bill Autenreith, Chateau Chantal Winery
- On behalf of all your friends at St. Julian I want to congratulate and commend everyone for the most fantastic food and wine show this past weekend. Very professional and very well attended.
Dave Braganini, St. Julian Wine Company, Inc.
- Excellent event. Better organized than I expected for a first time event.
Larry Mawby, L. Mawby Vineyards
- Excellent job! It was very important for us to be able to bring our individual brands to this show and the collective market awareness for Michigan wines specifically was incredible.
Spencer Stegenga, Bowers Harbor Vineyards
- Good show – very professional staff. I liked the mix of paid and free food and really liked the restaurant stations.
Don Coe, Black Star Farms
- Great job to all who work so hard to pull off this event. I'm ready for another.
Bob Bonga, Cascade Winery
- Like many other suppliers, I was a bit skeptical when I first heard of it. We were all proven wrong! Bang for the consumer buck, I think it was a better event than Cincinnati Wine Festival.
Rhonda Riebow, Chateau Grand Traverse
- I was very pleased with the event, everything seemed to run smoothly and the ShowSpan/DeVos employees are great to work with.
Aaron Harr, Fenn Valley Vineyards
- Thank you so much for the opportunity at the Grand Rapids Wine & Food Festival. You work with a great group of people and we were very impressed with the outcome.
Chef Eric Villegas, Fork in the Road
- I think this show is a keeper. I was very pleased with the outcome of the attendance and layout.
Adriano Moscatelli, Tre Cugini
- Great event. Very well run. Looking forward to next year.
Brien Fox, Henry A. Fox Distributors
- Over the years, I have attended several wine events and I must tell you this one TOPS THEM All. The attendance blew me away!! I thought Friday night was going to be the busy one but Saturday seemed just as busy. I'm looking forward to participating in next year's event.
Scott McCain, District Manager – Michigan, Centerra Wine Company
- While it is fresh in my mind...it was an Excellent Event! There is nothing like it in West Michigan that I know of.
Cecil Robbins II, Paw Paw Wine Distributors
- Thank you for the tickets. My husband and I attended on Sunday. We both had a wonderful time tasted many different wines and sampled a wide variety of the food offered as well. The Lamb Ragout over polenta was a stand out. Once again thank you and AbsoluteMichigan.com for the tickets.
Gloria H Emmons

The Grand Rapids International Wine & Food Festival was presented by Harvey Lexus and was co-produced by Grand Rapids Convention and Arena Authority and ShowSpan Inc. Founded in 1945, ShowSpan – a John D. Loeks, Company – has grown to be one of the largest producers of consumer shows in the Midwest, with 17 shows on their annual schedule.

-end-

PHOTOS AVAILABLE UPON REQUEST

Grand Rapids International Wine & Food Festival

Friday, Nov. 21 (2-9pm) | Saturday, Nov. 22 (Noon-9pm) | Sunday, Nov. 23 (Noon-5pm)

www.GRWineFestival.com

PRODUCED BY:



SHOWSPAN INCORPORATED

ShowSpan, Inc. and Show Wisconsin are dba's of Show Michigan
2121 Celebration Dr NE · Grand Rapids, Michigan 49525 · 616-447-2860 · FAX: 616-447-2861
www.ShowSpan.com · Events@ShowSpan.com

2008 Grand Rapids International Wine & Food Festival

Patron Survey Responses

Dec 09, 2008 9:51 AM PST

1. Did you attend the 2008 Grand Rapids International Wine & Food Festival?

Yes	100	100%
No	0	0%
Total	100	100%

2. Why were you unable to attend the 2008 Grand Rapids International Wine & Food Festival?

Too busy	0	0%
Another event came up that I had to attend	0	0%
Decided I didn't want to go	0	0%
Couldn't find anyone one to go with	0	0%
Too expensive	0	0%
Forgot the show was going on	0	0%
Location was not convenient	0	0%
Other, please specify	0	0%

3. Please tell us your 5-digit Zip Code

100 Responses

4. What day(s) did you attend the show?

Friday	32	32%
Saturday	60	60%
Sunday	13	13%

5. What time of the day did you attend the show?

Afternoon	52	52%
Evening	48	48%
Total	100	100%

6. How many hours did you spend at the Wine & Food Festival?

100 Responses

1-3	51	51%
3.5-6	43	43%
6.4-10	4	4%
Over 10	2	2%

7. How many people were in your attending group?

100 Responses

The Average was 3.02 Persons per Group

8. What are their ages? (put the appropriate number of those in your group in each bracket)

99 Responses

21-24	7	3%
25-34	63	22%
35-44	52	18%
45-54	117	41%
55-64	34	12%
Over 65	12	4%

9. Do you own?		
Truck	20	20%
SUV	49	50%
Car	67	68%
Van	12	12%
RV or Camper	8	8%
Vacation Home	7	7%
Cell Phone	73	74%
Computer	73	74%

10. Do you own your own home?		
Yes	85	85%
No	15	15%
Total	100	100%

11. If you own your home, how long have you lived there?		
2 yrs or less	14	17%
3-5 yrs	12	14%
6-10 yrs	23	27%
11-15 yrs	14	17%
16+ yrs	21	25%
Total	84	100%

12. What is your highest level of education		
Some High School	0	0%
High School Degree or equivalent	8	8%
Associate Degree or Technical School	4	4%
Some College	27	28%
Bachelor Degree	33	34%
Post Graduate Degree	25	26%
Total	97	100%

13. What is your Marital Status		
Married	64	65%
Living together, not married	7	7%
Single	27	28%
Total	98	100%

14. How many children live with you?		
None	51	52%
1	17	17%
2	24	24%
3	4	4%
4 or more	2	2%
Total	98	100%

15. What is your approximate annual household income? (Optional)		
\$0-\$40,000	6	7%
\$40,000-\$80,000	26	32%
\$80,000-\$120,000	26	32%
Over \$120,000	24	29%
Total	82	100%

16. Income is derived from		
1 income	33	35%
2 or more incomes	60	65%
Total	93	100%

17. Where did you recently see or hear any advertising for the show: (check all that apply)		
Billboard	25	25%
TV	32	32%
Magazine	21	21%
Newspaper	38	38%
Friend or Exhibitor	34	34%
Radio Ad/Interviews	34	34%
Posters, Coupons or Flyers	9	9%
Internet	40	40%
Attend Every Year	1	1%
Other, please specify	6	6%

18. Why did you come to the show? (Check all that apply)		
To try new wines	92	92%
To try new foods	67	67%
To learn how to pair wine with food	21	21%
To find wine/cooking accessories	6	6%
To attend wine seminars	20	20%
To attend food seminars	18	18%
Entertainment/party	45	45%
Other, please specify	11	11%

19. Where do you primarily purchase your wine?		
Wine/Liquor Store	30	30%
Grocery store	53	53%
Winery	13	13%
Convenience store	0	0%
Nightclub or Bar	0	0%
Sit-down restaurant	1	1%
Do not buy wine	1	1%
Other, please specify	2	2%
Total	100	100%

20. Have you ever toured a winery?		
Yes	84	84%
No	16	16%
Total	100	100%

21. What state(s) have you toured wineries?		
84 Responses - See Attached		

22. Approximately how many bottles of wine are in your household today?		
0-10	41	42%
10-20	27	28%
20-30	13	13%
30-40	9	9%
40-100	5	5%
Over 100	3	3%
Total	98	100%

23. Do you typically drink wine with dinner?		
Yes	54	54%
No	46	46%
Total	100	100%

24. What type of wine do you prefer?		
Red	69	70%
White	44	44%
Rose	5	5%
Sparkling	12	12%
Port	5	5%
Dessert	12	12%
Other, please specify	3	3%

25. What is the typical price range that you would spend on a bottle of wine purchased at a store?		
Less than \$9	27	27%
\$10 - \$20	72	72%
\$20 - \$40	10	10%
Over \$40	0	0%
Do not buy wine	1	1%

26. How often do you dine out at restaurants?		
Once or twice a month	35	35%
Once a week	36	36%
2 - 4 times a week	28	28%
Every day	1	1%
Do not dine out at restaurants	1	1%

27. What type of restaurants do you like to dine at? Check all that apply.		
American cuisine restaurant	82	82%
Asian restaurant	53	53%
Italian restaurant	84	84%
Mexican restaurant	71	71%
Seafood restaurant	59	59%
Steak House	75	75%
Sushi restaurant	21	21%
Other, please specify	10	10%

28. Did you attend a pairing at the festival?		
Yes	8	8%
No	92	92%
Total	100	100%

29. What pairing did you attend?		
1913 Room	7	88%
Bar Divani	1	12%

30. What did you think of the pairing you attended?		
Great feature I learned alot	6	75%
Was not what I expected	0	0%
Would not attend again	0	0%
Other, please specify	2	25%

31. Did you attend a seminar or workshop?		
Yes	30	30%
No	70	70%
Total	100	100%

32. Please tell us which seminars or workshops you attended		
27 Responses - See Attached		

33. Please rate the seminars or workshops you attended		
Poor	0	0%
Fair	3	10%
Good	8	28%
Great	11	38%
Excellent	6	21%
Other, please specify	2	7%

34. What entertainment activities do you engage in?		
Bar/Restaurant	80	82%
Concert	73	75%
Consumer Shows (Boat, Auto, Home, Sport, Golf)	46	47%
Movie Theater	67	69%
Museum	62	64%
Performance Theater	61	63%
Shopping	73	75%
Sporting Event	61	63%
Other, please specify	7	7%

35. Do you read a newspaper?		
Yes	80	80%
No	20	20%
Total	100	100%

36. What newspaper do you primarily read? (Please check one.)		
Detroit Free Press	3	4%
Detroit News	3	4%
Grand Haven Tribune	1	1%
Grand Rapids Press	62	82%
Greenville Daily	3	4%
Holland Sentinel	6	8%
Kalamazoo Gazette	3	4%
Muskegon Chronicle	4	5%
The Advance	8	11%
USA Today	12	16%
Wall Street Journal	9	12%

37. Which TWO newspaper sections do you ALWAYS read?		
The entire paper	32	40%
Business	22	28%
Classifieds	1	1%
Editorial/Opinion	4	5%
Entertainment	14	18%
Flair/Lifestyle	11	14%
Food	10	12%
Home & Garden	8	10%
Main News	21	26%
Metro/Life	5	6%
Sports	16	20%

38. Do you regularly read wine or food magazine?

Yes	34	34%
No	66	66%
Total	100	100%

39. What wine or food magazine(s) do you read?

31 Responses - See Attached

40. Do you regularly listen to the radio?

Yes	89	89%
No	11	11%
Total	100	100%

41. What TWO radio stations do you listen to most?

WCSG - 91.3 - Christian	7	8%
WBCT - 93.7 (B93) - Country	10	11%
WKLQ - 94.5 - Rock	4	5%
WLHT - 95.7 (W-Lite) - Adult Contemporary	9	10%
WMAX - 96.1 (Radio X961) - Adult Hits	4	5%
WLAV - 96.9 (97 LAV FM) - Classic Rock	21	24%
WGRD - 97.9 - Alternative Rock	17	19%
WFGR - 98.7 (Oldies 98.7)	11	12%
WJQK - 99.3 (JQ99.3) - Christian Rock	3	3%
WTRV - 100.5 (The River) - Easy Adult Contemporary	7	8%
WBFX - 101.3 (101.3 The Fox) - Classic Rock	14	16%
WVGR - 104.1 (Michigan Radio/NPR)	18	20%
WSNX - 104.5 - Contemporary Hits	7	8%
WHTS - 105.3 (HOT FM) - Adult Contemporary	9	10%
WOOD-FM - 105.7 (Star 105.7) - Light Rock	10	11%
WMUS - 106.9 (107 The Moose) - Country	2	2%
WTNR - 107.3 (THUNDER) - Country	4	5%
WMJH-AM810 (La Poderosa) - Spanish	0	0%
WJNZ - AM1140 - Urban	0	0%
WOOD-AM (News Radio 1300)	10	11%
WBBL - 1340 (The Ball) - Sports Talk	3	3%
WNWZ-AM 1410 (La Maguina Musical) - Spanish	0	0%
WYGR-AM 1570 (La Furia) - Spanish	1	1%
Satellite Radio (XM/Serious)	7	8%
Other, please specify	17	19%

42. When have you listened to the radio in the past 2 weeks?

12:00midnight - 6:00am	1	1%
6:00am - 9:00am	64	74%
9:00am - 3:00pm	23	26%
3:00pm - 6:00pm	42	48%
6:00pm - 12:00 midnight	18	21%

43. What is your main news source?

TV	34	34%
Newspaper	21	21%
Radio	11	11%
Internet	34	34%
Other, please specify	0	0%
Total	100	100%

44. What is your primary internet news site?

31 Responses - See Attached

45. Do you have:

Satellite TV	16	16%
Digital Cable	48	48%
Extended Basic Cable	13	13%
Basic Cable	14	14%
Broadcast TV	4	4%
No TV	5	5%
Total	100	100%

46. Which cable or satellite TV stations have you watched in the past 2 weeks? (check all that apply)

A&E	30	33%
ABC, NBC, CBS, FOX	78	87%
AMC	15	17%
Animal Planet	15	17%
CNN	34	38%
Discovery Channel	36	40%
Disney Channel	10	11%
Do It Yourself (DIY)	11	12%
ESPN	35	39%
Family Channel	9	10%
FOX Sports	27	30%
FOX News, CNBC, MSNBC	34	38%
FOOD Network	48	53%
The Golf Channel	9	10%
HGTV	26	29%
History Channel	36	40%
HSN, QVC	6	7%
Learning Channel (TLC)	14	16%
MTV	9	10%
Nickelodeon	9	10%
PBS	27	30%
Spike TV	5	6%
TBS	29	32%
TNT	27	30%
USA	25	28%
Versus Network	7	8%
Weather Channel	30	33%
Other, please specify	14	16%

47. Which television programs have you watched in the past 2 weeks (check all that apply)

10:00 p.m. News	34	37%
11:00 p.m. Local News	40	43%
30 Minute Comedy	31	34%
6:00 p.m. Local News	41	45%
6:30 p.m. National News	27	29%
Cartoons/Children's Programming	12	13%
Daytime Dramas	4	4%
Daytime Talk Shows	10	11%
Documentaries	25	27%
Fishing/Hunting/Outdoors Shows	12	13%
Game Shows	6	7%
Golf	8	9%
Headline News/Cable News	30	33%
Home Improvement programs	26	28%
Morning News	43	47%

Prime Time News Shows	21	23%
Pro Wrestling	0	0%
Rarely Watch Any TV	7	8%
Reality Shows	17	18%
Sports	35	38%
Television Movies	37	40%
TV Dramas/Mysteries	35	38%
Other, please specify	8	9%

48. Do you use the Internet:

Frequently	88	88%
Occasionally	12	12%
Never	0	0%
Total	100	100%

49. Have you seen/visited our website: www.GRWineFestival.com or www.showspan.com?

Yes	70	70%
No	30	30%
Total	100	100%

50. What activities do you participate in? (check all that apply)

Bicycling	41	45%
Bird Watching	15	16%
Bowling	19	21%
Canoeing/Kayaking	28	31%
Golf	32	35%
Hiking/Backpacking	31	34%
Hunting/Fishing	17	19%
Jogging/Walking	60	66%
Motorcycling	9	10%
Pleasure Boating	25	27%
RV Camping	14	15%
Sailing/Wind Surfing	5	5%
Skating	4	4%
Snow Skiing	26	29%
Snowmobiling	5	5%
Swimming	25	27%
Team Sports	7	8%
Tennis/Racquetball	10	11%
Water-skiing	8	9%
Other, please specify	16	18%

51. What model of a Lexus are you interested in? (Please select one)

LS/LS HYBRID	14	33%
GS/GS HYBRID	9	21%
LX	10	23%
GX	0	0%
SC	1	2%
ES	1	2%
IS	5	12%
RX/RX HYBRID	12	28%

52. When do you plan to purchase/lease another vehicle for yourself or someone in your household?

0-3 months	1	1%
4-8 months	6	8%
9-12 months	8	11%
Over 12 months	60	80%

53. Would you like your local Lexus dealer to contact you?

Yes	0	0%
No	100	100%
Total	100	100%

54. Contact Information Requested

0 Responses

55. Did you enjoy the 2008 Grand Rapids International Wine & Food Festival?

Yes	95	95%
No	5	5%
Total	100	100%

56. Do you plan to attend the show next year?

Yes	90	90%
No	10	10%
Total	100	100%

Question 21 - In What States Have You Toured Wineries?**84 Responses**

Response	
Argentina	1
Arizona	2
Australia	1
Callifornia	39
Canada	2
Chile	1
Colorado	1
Florida	2
France	3
Georgia	1
Germany	1
Hawaii	1
Illinois	1
Indiana	5
Italy	3
Maine	2
Michigan	74
Nevada	2
New Jersey	1
New York	6
New Zealand	1
Nova Scotia	1
Ohio	4
Ontario, Canada	1
Oregon	4
Pennsylvania	3
Scotland	1
Spain	1
Virginia	3
Washington	5
West Virginia	1
Wisconsin	5

Question 39 - What Wine Or Food Magazines Do You Read?

31 Responses

Response

Bon Appetit, Gourmet

Wine Spectator

cooks Illustrated

Wine Spectator, Gourmet

Food & Wine

Wine Spectator, Cooking Light, Everyday with Rachael Ray,
better homes and garden

Taste of Home

Cooks Illustrated, Bon Appetit, Gourmet, Eating Well, Cooking Light, others

Everyday Food

bon appetit, wine journal, cooking

Wine Spectator

Gourmet

WINE Spectator

Cooking Light, Gourmet, Food and Wine, Fine Cooking.

Food and Wine, the Williams-Sonoma catalog, the American Spoon catalog

Food and Wine

Gourmet

bon appetite, gourmet, food and wine mag, (michigan blue) has awesome recipes,
kraft food mag,

Food Magazine, MS Living, Good Housekeeping

american express dining and wine mag

Bon Appetite, Gourmet, misc.

Cooking Light

Everyday w/Rachael Ray

Rachel Ray, Fine Dining

?

Bon Appetit

Simple Life, Family Circle, Kraft Cooking, Taste of Home - Country Cooking

Gourmet

Gourmet, Cooking for 2,

Cooking Light

Paula Deen and Food network

Question 44 - What Is Your Primary Internet News Site?

31 Responses

Response

MSNBC

yahoo

woodtv.com

www.aol.com

Yahoo

foxnews

general news

www.msn.com

Google News

abcnews.com

CNN, Huffington Post, El Tiempo

yahoo

cnn.com

msn

CNN

cnn

Google News

MSN.com, Fox Sports

FOX

msn

www.freep.com

WWMT; WoodTV

cnn.com

MSNBC

yahoo

abcnews

CNN

Yahoo

Yahoo

Refdesk.com for all the newspers

CNN

DEVOS PLACE

DE VOS PLACE

**FINANCIAL STATEMENT
FOR THE PERIOD ENDED OCTOBER 31, 2008**

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Bob McClintock

Lewis Dawley

Gary McAneney

Howard Feldman

Richard MacKeigan

Chris Machuta



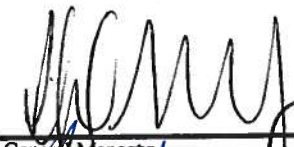
An SMG Managed Facility

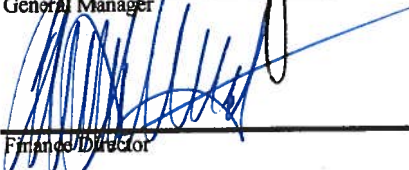
DE VOS PLACE
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2009

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	192	374	566	569	(3)
ATTENDANCE	111,521	537,561	649,082	668,975	(19,893)
DIRECT EVENT REVENUE	503,788	2,104,692	2,608,480	2,640,634	(32,154)
ANCILLARY REVENUE	520,923	1,826,952	2,347,875	2,386,332	(38,457)
TOTAL EVENT REVENUE	1,024,711	3,931,644	4,956,355	5,026,966	(70,611)
TOTAL OTHER REVENUE	51,046	143,135	194,181	210,500	(16,319)
TOTAL OPERATING REVENUE	1,075,757	4,074,779	5,150,536	5,237,466	(86,930)
INDIRECT EXPENSES					
EXECUTIVE	47,102	128,660	175,762	175,762	-
FINANCE	73,652	148,649	222,301	222,301	-
MARKETING	20,771	85,040	105,811	105,811	-
OPERATIONS	466,859	1,001,555	1,468,414	1,468,414	-
EVENT SERVICES	320,539	644,631	965,170	965,170	-
BOX OFFICE	26,711	50,915	77,626	77,626	-
SALES	93,974	253,052	347,026	347,026	-
OVERHEAD	529,826	1,724,506	2,254,332	2,254,332	-
TOTAL OPERATING EXP.	1,579,435	4,037,008	5,616,442	5,616,442	-
NET REVENUE ABOVE EXPENSES	(503,678)	37,771	(465,906)	(378,976)	(86,930)
INCENTIVE FEE		157,899	157,899	157,899	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(503,678)	(120,128)	(623,805)	(536,875)	(86,930)

Comments:

October saw DeVos Place consistent with budget in overall revenues, and ahead of budget on expenses with most of the savings coming in the area of utilities. While behind budget overall for the fiscal year, this was a good start to the second quarter of the fiscal year.


General Manager


Finance Director

**DE VOS PLACE
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED OCTOBER 31, 2008**

The following schedule summarizes operating results for the current month ending October 31, 2008 and the YTD ending June 30, 2009, compared to budget and to the prior year:

MONTH	October Actual	October Budget	October FY 2008
Number of Events	66	63	71
Attendance	38,649	64,175	48,411
Direct Event Income	\$180,001	\$179,628	\$316,248
Ancillary Income	214,974	205,904	239,497
Other Income	14,000	17,542	18,966
Indirect Expenses	(408,950)	(468,543)	(440,563)
Net Income	\$25	(\$65,469)	\$134,148

YTD	YTD 2009 Actual	YTD 2009 Budget	YTD 2008 Prior Year
Number of Events	192	184	188
Attendance	111,521	171,000	135,494
Direct Event Income	\$503,788	\$568,109	\$650,064
Ancillary Income	520,923	630,228	629,027
Other Income	51,046	70,167	46,499
Indirect Expenses	(1,579,435)	(1,685,883)	(1,581,007)
Net Income	(\$503,678)	(\$417,379)	(\$255,417)

EVENT INCOME

Event income came in at expected levels for the month.

ANCILLARY INCOME

Ancillary income came in at expected levels for the month. The mix of events hosted was not as expected which led to the individual variances in ancillary income, however, the overall number was consistent with budget.

INDIRECT EXPENSES

Indirect expenses came in lower than budget overall. Most of the savings was a result of lower than budgeted utilities for the month.

DeVos Place
Income Statement
For the Four Months Ending October 31, 2008

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$196,301	\$204,375	(\$8,074)	\$349,044	\$551,328	\$637,450	(\$86,122)	\$739,158
Service Revenue	160,751	21,850	138,901	203,668	484,277	84,400	399,877	502,144
Service Expenses	(177,051)	(46,597)	(130,454)	(236,464)	(531,817)	(153,741)	(378,076)	(591,238)
Total Direct Event Income	180,001	179,628	373	316,248	503,788	568,109	(64,321)	650,064
Ancillary Income								
F&B Concession	3,952	4,134	(182)	9,212	15,668	27,775	(12,107)	21,282
F&B Catering	69,770	94,663	(24,893)	63,082	208,558	268,041	(59,483)	222,408
Novelty Sales	436	1,634	(1,198)	248	3,627	5,101	(1,474)	2,968
Booth Cleaning	25,865	30,571	(4,706)	51,834	42,214	95,359	(53,145)	73,043
Telephone/Long Distance	2,592	300	2,292	0	4,054	1,200	2,854	0
Electrical Services	71,688	35,773	35,915	75,299	116,104	111,660	4,444	141,947
Audio Visual	27,623	25,540	2,083	20,730	98,058	79,643	18,415	107,074
Internet Services	1,302	0	1,302	3,050	(1,491)	0	(1,491)	15,350
Equipment Rental	11,746	13,289	(1,543)	16,042	34,131	41,449	(7,318)	44,955
Total Ancillary Income	214,974	205,904	9,070	239,497	520,923	630,228	(109,305)	629,027
Other Event Income								
Ticket Rebates(Per Event)	9,556	12,083	(2,527)	14,415	37,512	48,333	(10,821)	25,496
Total Other Event Income	9,556	12,083	(2,527)	14,415	37,512	48,333	(10,821)	25,496
Total Event Income	404,531	397,615	6,916	570,160	1,062,223	1,246,670	(184,447)	1,304,587
Other Operating Income								
Luxury Box Agreements	2,600	3,167	(567)	2,998	10,400	12,667	(2,267)	12,005
Other Income	1,844	2,292	(448)	1,553	3,134	9,167	(6,033)	8,998
Total Other Operating Income	4,444	5,459	(1,015)	4,551	13,534	21,834	(8,300)	21,003
Adjusted Gross Income	408,975	403,074	5,901	574,711	1,075,757	1,268,504	(192,747)	1,325,590
Operating Expenses								
Salaries and Wages	229,907	223,208	6,699	240,873	812,876	892,830	(79,954)	776,607
Payroll Taxes and Benefits	60,994	57,600	3,394	64,172	222,573	230,401	(7,828)	215,761
Labor Allocations to Events	(137,260)	(115,821)	(21,439)	(153,899)	(429,007)	(463,285)	34,278	(422,733)
Net Salaries and Benefits	153,641	164,987	(11,346)	151,146	606,442	659,946	(53,504)	569,635
Contracted Services	31,498	21,200	10,298	24,431	120,831	84,800	36,031	105,737
General and Administrative	20,965	27,100	(6,135)	12,003	95,667	109,900	(14,233)	84,466
Operations	8,367	17,555	(9,188)	1,338	38,744	56,440	(17,696)	41,386
Repair and Maintenance	47,962	41,941	6,021	62,104	183,799	167,764	16,035	199,607
Operational Supplies	23,990	26,333	(2,343)	21,580	61,680	105,333	(43,653)	63,521
Insurance	16,434	21,869	(5,435)	17,614	57,620	70,367	(12,747)	60,396
Utilities	92,870	134,400	(41,530)	137,509	361,761	378,700	(16,939)	404,909
SMG Management Fees	13,223	13,158	65	12,838	52,891	52,633	258	51,350
Total Operating Expenses	408,950	468,543	(59,593)	440,563	1,579,435	1,685,883	(106,448)	1,581,007
Net Income(Loss) From Operator	25	(65,469)	65,494	134,148	(503,678)	(417,379)	(86,299)	(255,417)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	25	(65,469)	65,494	134,148	(503,678)	(417,379)	(86,299)	(255,417)

SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For Month Ended October 31, 2008

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	43	56	30,775	59,800	416,139	496,447
Consumer/Gated Shows	6	12	10,858	24,825	54,865	169,480
Devos Performance Hall	45	29	39,974	36,150	212,663	186,451
Banquets	15	21	8,313	17,200	115,679	113,620
Meetings	70	58	17,389	26,625	199,785	200,985
Other	13	8	4,212	6,400	25,580	31,354
GRAND TOTALS	192	184	111,521	171,000	1,024,711	1,198,337

As Percentage of Overall

Convention/Trade Shows	22.40%	30.43%	27.60%	34.97%	40.61%	41.43%
Consumer/Gated Shows	3.13%	6.52%	9.74%	14.52%	5.35%	14.14%
Devos Performance Hall	23.44%	15.76%	35.84%	21.14%	20.75%	15.56%
Ballroom Exclusive	7.81%	11.41%	7.45%	10.06%	11.29%	9.48%
Meetings	36.46%	31.52%	15.59%	15.57%	19.50%	16.77%
Other	6.77%	4.35%	3.78%	3.74%	2.50%	2.62%

DeVos Place
Balance Sheet
For the Four Months Ending October 31, 2008

ASSETS

Current Assets

Cash	508,316
Account Receivable	456,712
Prepaid Expenses	148,645

Total Current Assets	\$1,113,673
-----------------------------	--------------------

Total Assets	\$1,113,673
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LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	141,557
Accrued Expenses	292,145
Deferred Income	75,632
Advanced Ticket Sales & Deposits	466,633

Total Current Liabilities	\$975,967
----------------------------------	------------------

Other Liabilities

Equity

CY Exp. Paid Directly by City	332,511
Beginning Balance Equity	313,539
Current Year Equity	(508,344)

Total Equity	\$137,706
---------------------	------------------

Total Liabilities and Equity	\$1,113,673
-------------------------------------	--------------------

SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
For Month Ended October 31, 2008

Current - Under 30 Days	
Food & Beverage	311,000
Ticketing	21,020
Merchandise	-
Decorating	25,865
Audio/Visual	28,939
Van Andel Arena	(147,389)
Operating	173,822
 Over 30 Days	 474
 Over 60 Days	 27,847
 Over 90 Days	
Donnell Productions	5,736
Paragon Leather	2,110
Saigon Entertainment	5,002
Grinder Promotions	2,286
 Total Accounts Receivable	 456,712

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2009**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2008 Actual
Net Revenue above Expenses	1,305,907	(465,906)	840,001	1,104,394
Benchmark			700,000	700,000
Excess	1,305,907	(465,906)	140,001	404,394

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	158,672	158,672	317,343	308,100
Incentive Fee				
Revenue	5,219,406	5,150,536	10,369,942	10,589,568
Benchmark Revenue	4,700,000	4,100,000	8,800,000	8,700,000
Revenue Excess	519,406	1,050,536	1,569,942	1,889,568
Incentive Fee **	158,672	158,672	317,343	308,100
Total SMG Management Fee	317,343	317,343	634,686	616,200

** Incentive fee is 25% of the first \$500,000 in excess, 30% of remaining capped at base fee amount.



VAN ANDEL ARENA

FINANCIAL STATEMENT FOR THE PERIOD ENDED OCTOBER 31, 2008

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Bob McClintock

Lewis Dawley

Gary McAneney

Howard Feldman

Richard MacKeigan

Chris Machuta



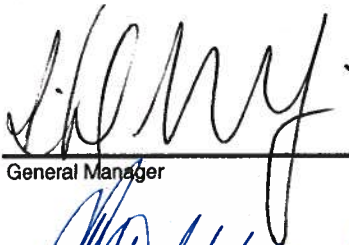
An SMG Managed Facility

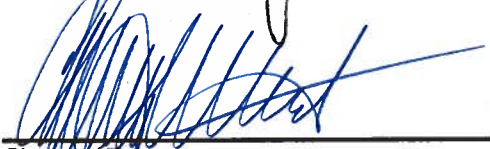
VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2009

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	21	91	112	118	(6)
ATTENDANCE	104,766	510,988	615,754	666,000	(50,246)
DIRECT EVENT INCOME	447,784	757,935	1,205,719	1,279,191	(73,472)
ANCILLARY INCOME	242,307	1,282,681	1,524,988	1,598,019	(73,031)
TOTAL EVENT INCOME	690,091	2,040,616	2,730,707	2,877,210	(146,503)
TOTAL OTHER INCOME	755,519	1,733,180	2,488,699	2,450,000	38,699
TOTAL INCOME	1,445,610	3,773,796	5,219,406	5,327,210	(107,804)
INDIRECT EXPENSES					
EXECUTIVE	77,295	94,203	171,498	171,498	-
FINANCE	66,151	146,410	212,561	212,561	-
MARKETING	78,821	197,137	275,958	275,958	-
OPERATIONS	549,826	1,023,475	1,573,301	1,573,301	-
BOX OFFICE	39,096	81,281	120,377	120,377	-
LUXURY SEATING	25,523	91,775	117,298	117,298	-
SKYWALK ADMIN	15,213	24,643	39,856	39,856	-
OVERHEAD	408,700	993,950	1,402,650	1,402,650	-
TOTAL INDIRECT EXP.	1,260,623	2,652,874	3,913,499	3,913,499	-
NET REVENUE ABOVE EXPENSES	184,987	1,120,922	1,305,907	1,413,711	(107,804)
LESS INCENTIVE FEE		158,672	158,672	157,899	(773)
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	184,987	962,250	1,147,235	1,255,812	(108,577)

Comments:

October was a strong month for the Arena as there were strong sales for both the Detroit Pistons preseason game and the Taylor Swift Concert. Overall per caps on concessions continues to lag behind the average due to the mix of events that have been hosted so far, and scheduled during the second quarter. October also marked the start of the new Griffins season with attendance up through the first three games.


General Manager


Director of Finance

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED OCTOBER 31, 2008**

The following schedule summarizes operating results for the current month ending October 31, 2008 and the YTD ending June 30, 2009 compared to budget and to the prior year:

MONTH	October Actual	October Budget	October FY 2007
Number of Events	8	6	6
Attendance	38,012	41,000	34,678
Direct Event Income	\$198,630	\$101,083	\$84,505
Ancillary Income	72,830	135,147	126,097
Other Income	189,662	201,000	186,259
Indirect Expenses	(347,664)	(323,176)	(293,659)
Net Income	<u>\$113,458</u>	<u>\$114,054</u>	<u>\$103,202</u>

YTD	YTD 2009 Actual	YTD 2009 Budget	YTD 2008 Prior Year
Number of Events	21	21	19
Attendance	104,766	112,000	101,126
Direct Event Income	\$447,784	\$332,572	\$266,344
Ancillary Income	242,307	371,572	326,619
Other Income	755,519	804,000	762,279
Indirect Expenses	(1,260,623)	(1,202,170)	(1,096,945)
Net Income	<u>\$184,987</u>	<u>\$305,974</u>	<u>\$258,297</u>

EVENT INCOME

Event income came in higher than budget for the month on the strength of the Detroit Pistons and Taylor Swift concert hosted during the month. In addition the Arena hosted Celtic Thunder, Tyler Perry, and the start of the Griffins season.

ANCILLARY INCOME

Ancillary income fell below expected levels as the mix on concerts has been on the low side of our normal concert average. This mix looks to continue throughout the 2nd quarter of the fiscal year, leaving ticket sales even more important overall.

INDIRECT EXPENSES

Indirect expenses were consistent with expectations.

Van Andel Arena
Income Statement
For the Four Months Ending October 31, 2008

	Current Month Actual	Current Month Budget	Variance	Current-Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	203,794	129,200	223,782	120,346	505,957	415,700	270,771	356,586
Service Revenue	202,475	120,627	81,848	144,495	486,193	387,357	98,836	514,034
Service Expenses	(207,639)	(148,744)	(58,895)	(180,336)	(544,366)	(470,485)	(73,881)	(604,276)
Total Direct Event Income	198,630	101,083	97,547	84,505	447,784	332,572	115,212	266,344
Ancillary Income								
F&B Concession	51,464	101,910	(50,446)	92,861	175,632	271,510	(95,878)	249,172
F&B Catering	11,508	11,367	141	10,018	32,866	29,742	3,124	22,692
Novelty Sales	7,648	20,060	(12,412)	13,308	31,505	68,510	(37,005)	44,845
Booth Cleaning	0	0	0	0	94	0	94	0
Other Ancillary	2,210	1,810	400	9,910	2,210	1,810	400	9,910
Total Ancillary Income	72,830	135,147	(62,317)	126,097	242,307	371,572	(129,265)	326,619
Other Event Income								
Ticket Rebates(Per Event)	33,459	42,083	(8,624)	29,157	101,495	168,333	(66,838)	99,679
Total Other Event Income	33,459	42,083	(8,624)	29,157	101,495	168,333	(66,838)	99,679
Total Event Income	304,919	278,313	26,606	239,759	791,586	872,477	(80,891)	692,642
Other Operating Income								
Luxury Box Agreements	96,830	96,833	(3)	95,399	410,016	387,333	22,683	401,552
Advertising	54,000	51,667	2,333	52,500	216,125	206,667	9,458	214,625
Other Income	5,373	10,417	(5,044)	9,203	27,883	41,667	(13,784)	46,423
Total Other Operating Income	156,203	158,917	(2,714)	157,102	654,024	635,667	18,357	662,600
Adjusted Gross Income	461,122	437,230	23,892	396,861	1,445,610	1,508,144	(62,534)	1,355,242
Operating Expenses								
Salaries and Wages	141,567	150,447	(8,880)	155,029	594,609	601,789	(7,180)	569,318
Payroll Taxes and Benefits	36,835	44,854	(8,019)	33,929	148,835	179,417	(30,582)	129,540
Labor Allocations to Events	(61,223)	(72,236)	11,013	(80,163)	(223,145)	(288,946)	65,801	(276,302)
Net Salaries and Benefits	117,179	123,065	(5,886)	108,795	520,299	492,260	28,039	422,556
Contracted Services	27,105	23,800	3,305	15,228	111,324	95,200	16,124	117,295
General and Administrative	48,736	28,750	19,986	25,326	116,771	115,000	1,771	81,159
Operations	2,684	2,933	(249)	4,187	11,769	20,733	(8,964)	20,596
Repair and Maintenance	29,534	18,667	10,867	11,101	86,289	74,667	11,622	58,040
Operational Supplies	13,601	18,342	(4,741)	16,910	57,240	73,367	(16,127)	63,774
Insurance	6,495	11,144	(4,649)	8,699	25,584	30,043	(4,459)	24,354
Utilities	89,107	83,317	5,790	90,575	278,456	248,268	30,188	257,821
SMG Management Fees	13,223	13,158	65	12,838	52,891	52,632	259	51,350
Total Operating Expenses	347,664	323,176	24,488	293,659	1,260,623	1,202,170	58,453	1,096,945
Net Income(Loss) From Operati	113,458	114,054	(596)	103,202	184,987	305,974	(120,987)	258,297
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	113,458	114,054	(596)	103,202	184,987	305,974	(120,987)	258,297

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
Month Ending October 31, 2008

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	6	8	23,858	20,000	58,333	44,848
Sporting Event	4	3	22,397	21,000	252,024	137,742
Concert	6	7	42,172	56,000	431,839	659,221
Team Home Games	3	3	12,675	15,000	15,605	30,666
Other	2	1	3,664	-	33,784	-
GRAND TOTALS	21	22	104,766	112,000	791,585	872,477

As Percentage of Overall

Family Show	28.57%	36.36%	22.77%	17.86%	7.37%	5.14%
Sporting Event	19.05%	13.64%	21.38%	18.75%	31.84%	15.79%
Concert	28.57%	31.82%	40.25%	50.00%	54.55%	75.56%
Team Home Games	14.29%	13.64%	12.10%	13.39%	1.97%	3.51%
Other	9.52%	4.55%	3.50%	0.00%	4.27%	0.00%

Van Andel Arena
Balance Sheet
For the Four Months Ending October 31, 2008

ASSETS

Current Assets

Cash	3,089,026
Account Receivable	2,156,211
Prepaid Expenses	166,792

Total Current Assets		\$5,412,029
-----------------------------	--	--------------------

Total Assets		\$5,412,029
---------------------	--	--------------------

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	(160,445)
Accrued Expenses	783,678
Deferred Income	2,094,360
Advanced Ticket Sales & Deposits	2,204,232

Total Current Liabilities		\$4,921,825
---------------------------	--	-------------

Other Liabilities

Equity

CY Funds Remitted to SEA	(350,000)
CY Exp. Paid Directly by City	256,739
Beginning Balance Equity	398,478
Current Year Equity	184,987

Total Equity		\$490,204
--------------	--	-----------

Total Liabilities and Equity		\$5,412,029
-------------------------------------	--	--------------------

5

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
Month Ending October 31, 2008

Current - Under 30 Days	
Food & Beverage	156,797
Ticketing	1,476,445
Merchandise	10,899
Permanent Advertising	54,685
DeVos Place	145,480
Operating	153,005
 Over 30 Days	 60,900
 Over 60 Days	 98,000
 Over 90 Days	
 Total Accounts Receivable	 2,156,211

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2009**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2008 Actual
Net Revenue above Expenses	1,305,907	(465,906)	840,001	1,104,394
Benchmark			700,000	700,000
Excess	1,305,907	(465,906)	140,001	404,394

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	158,672	158,672	317,343	308,100
Incentive Fee				
Revenue	5,219,406	5,150,536	10,369,942	10,589,568
Benchmark Revenue	4,700,000	4,100,000	8,800,000	8,700,000
Revenue Excess	519,406	1,050,536	1,569,942	1,889,568
Incentive Fee **	158,672	158,672	317,343	308,100
Total SMG Management Fee	317,343	317,343	634,686	616,200

** Incentive fee is 25% of the first \$500,000 in excess, 30% of remaining capped at base fee amount.

Memorandum

To: CAA Board Members
From: Susan Waddell, Administrative Manager
Date: December 5, 2008
Re: CAA Financial Statements

Convention

Arena

Authority

Steven Heacock,

Chairman

Birgit Klohs

Clif Charles

Gary McInerney

George Heartwell

Joseph Tomaselli

Lew Chamberlin

The following is a summary of financial activity in the two operating accounts as of October 31, 2008:

	<i>1050: Operations</i>	<i>1070: Kent County Operating</i>
Beginning Balance	\$241,634.69	\$21,923,617.99
Cleared Transactions	<u>- 206,277.27</u>	<u>64,296.88</u>
Cleared Balance	35,357.42	21,987,914.87
Uncleared Transactions	<u>- 11,216.93</u>	<u>-50,000.00</u>
Register Balance	<u>\$ 24,140.49</u>	<u>\$21,937,914.87</u>

- Interest earnings and parking revenue are below budget.
- Miscellaneous revenue is for the 201 Monroe easement agreement payment.
- The land lease line item is over budget due to receipt of catch-up payments.

If you have any questions or would like additional information, please contact me at 742-6594 or swaddell@smggr.com. Thank you.



Van Andel Arena®
130 Fulton West
Grand Rapids, MI 49503-2601
616.742.6600
Fax 616.742.6197

DEVOS PLACE

DeVos Place®
303 Monroe Ave. NW
Grand Rapids, MI 49503-2233
616.742.6500
Fax 616.742.6590

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Accrual Basis

Grand Rapids-Kent County Convention/Arena Authority
Balance Sheet
As of October 31, 2008

	Oct 31, 08
ASSETS	
Current Assets	
Checking/Savings	
1040 · Cash - Operations - SMG	4,319,835.10
1050 · Operations - Cash	24,140.49
Total Checking/Savings	4,343,975.59
Other Current Assets	
1070 · Kent County - Operating	21,937,914.87
1200 · Accounts Receivable	1,227,456.17
1300 · Prepaid Expenses	189,100.35
1600 · Advances/Deposits Receivable	-350,000.07
Total Other Current Assets	23,004,471.32
Total Current Assets	27,348,446.91
Fixed Assets	
Buildings & Structures	
Depreciation	-83,557.38
Original Cost	322,431.00
Total Buildings & Structures	238,873.62
Equip	
Depreciation	-682,930.97
Original Cost	1,063,917.04
Total Equip	380,986.07
Vehicles	43,914.30
Total Fixed Assets	663,773.99
TOTAL ASSETS	28,012,220.90
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	47,807.69
2005 · Accounts payable - SMG	665,803.17
Total Accounts Payable	713,610.86
Other Current Liabilities	
2200 · Accrued Expenses	1,097,477.61
2210 · Advance Ticket Sales	1,882,333.73
2220 · Advance deposits	291,472.00
2500 · Deferred facility income	1,077,282.74
Total Other Current Liabilities	4,348,566.08
Total Current Liabilities	5,062,176.94
Total Liabilities	5,062,176.94
Equity	
3000 · Opening Bal Equity	37,035,584.45
3900 · Retained Earnings	-13,430,836.02
Net Income	-654,704.47
Total Equity	22,950,043.96
TOTAL LIABILITIES & EQUITY	28,012,220.90

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Accrual Basis

Grand Rapids-Kent County Convention/Arena Authority

Profit & Loss Budget vs. Actual

July through October 2008

	Jul - Oct 08	Budget	\$ Over Budget	% of Budget
Income				
4500 · Interest on Investments	132,982.17	247,332.00	-114,349.83	53.8%
4540 · Land Lease	66,396.35	47,072.00	19,324.35	141.1%
4545 · Parking Revenues	140,386.25	309,400.00	-169,013.75	45.4%
4550 · Miscellaneous Revenue	99,920.00			
Total Income	439,684.77	603,804.00	-164,119.23	72.8%
Expense				
6000 · Professional Services				
6001 · Accounting/Auditing Services	2,637.96	12,664.00	-10,026.04	20.8%
6040 · Legal Services	14,093.85	11,664.00	2,429.85	120.8%
Total 6000 · Professional Services	16,731.81	24,328.00	-7,596.19	68.8%
6060 · Other Contractual Services	25,000.00	96,332.00	-71,332.00	26.0%
6065 · Pedestrian Safety	9,948.26	29,076.00	-19,127.74	34.2%
6068 · Parking Management	26,938.00	93,828.00	-66,890.00	28.7%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	20.00			
6030 · Insurance-Property/Liability	50.00	22,000.00	-21,950.00	0.2%
6110 · Meeting Expense	1,412.69	3,332.00	-1,919.31	42.4%
6120 · Supplies	78.75	1,664.00	-1,585.25	4.7%
Total 6100 · Other Supplies & Expenses	1,561.44	26,996.00	-25,434.56	5.8%
6160 · Facility Repair and Maintenance	0.00	13,664.00	-13,664.00	0.0%
6200 · Capital Replacement Projects	221,267.99	614,700.00	-393,432.01	36.0%
6210 · F&B Repair & Maintenance	4,997.19	15,000.00	-10,002.81	33.3%
6300 · Utilities Expense				
6301 · Electricity	365,961.90	447,978.00	-82,016.10	81.7%
6310 · Natural Gas	2,331.72	3,606.00	-1,274.28	64.7%
6320 · Steam	50,442.80	130,058.00	-79,615.20	38.8%
6340 · Water & Sewer	32,716.54	37,500.00	-4,783.46	87.2%
Total 6300 · Utilities Expense	451,452.96	619,142.00	-167,689.04	72.9%
6600 · SMG Incentive Fees	308,100.00			
8000 · Personal Services				
8001 · Employee Wages	25,146.15	13,532.00	11,614.15	185.8%
8030 · Employee Benefits	3,245.44	6,820.00	-3,574.56	47.6%
Total 8000 · Personal Services	28,391.59	20,352.00	8,039.59	139.5%
Total Expense	1,094,389.24	1,553,418.00	-459,028.76	70.5%
Net Income	-654,704.47	-949,614.00	294,909.53	68.9%

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Accrual Basis

Grand Rapids-Kent County Convention/Arena Authority
Profit & Loss Prev Year Comparison
July through October 2008

	Jul - Oct 08	Jul - Oct 07	\$ Change	% Change
Income				
4500 · Interest on Investments	132,982.17	267,139.99	-134,157.82	-50.2%
4540 · Land Lease	66,396.35	54,317.20	12,079.15	22.2%
4545 · Parking Revenues	140,386.25	200,172.00	-59,785.75	-29.9%
4550 · Miscellaneous Revenue	99,920.00	0.00	99,920.00	100.0%
Total Income	439,684.77	521,629.19	-81,944.42	-15.7%
Expense				
6000 · Professional Services				
6001 · Accounting/Auditing Services	2,637.96	2,383.62	254.34	10.7%
6040 · Legal Services	14,093.85	1,644.00	12,449.85	757.3%
Total 6000 · Professional Services	16,731.81	4,027.62	12,704.19	315.4%
6060 · Other Contractual Services	25,000.00	10,872.25	14,127.75	129.9%
6065 · Pedestrian Safety	9,948.26	12,834.26	-2,886.00	-22.5%
6068 · Parking Management	26,938.00	75,016.43	-48,078.43	-64.1%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	20.00	472.09	-452.09	-95.8%
6030 · Insurance-Property/Liability	50.00	20,258.00	-20,208.00	-99.8%
6110 · Meeting Expense	1,412.69	86.94	1,325.75	1,524.9%
6120 · Supplies	78.75	260.95	-182.20	-69.8%
Total 6100 · Other Supplies & Expenses	1,561.44	21,077.98	-19,516.54	-92.6%
6200 · Capital Replacement Projects	221,267.99	346,600.94	-125,332.95	-36.2%
6210 · F&B Repair & Maintenance	4,997.19	7,068.53	-2,071.34	-29.3%
6300 · Utilities Expense				
6301 · Electricity	365,961.90	425,799.02	-59,837.12	-14.1%
6310 · Natural Gas	2,331.72	1,923.97	407.75	21.2%
6320 · Steam	50,442.80	98,801.29	-48,358.49	-49.0%
6340 · Water & Sewer	32,716.54	44,564.95	-11,848.41	-26.6%
Total 6300 · Utilities Expense	451,452.96	571,089.23	-119,636.27	-21.0%
6600 · SMG Incentive Fees	308,100.00	300,000.00	8,100.00	2.7%
8000 · Personal Services				
8001 · Employee Wages	25,146.15	24,807.75	338.40	1.4%
8030 · Employee Benefits	3,245.44	7,137.18	-3,891.74	-54.5%
Total 8000 · Personal Services	28,391.59	31,944.93	-3,553.34	-11.1%
Total Expense	1,094,389.24	1,380,532.17	-286,142.93	-20.7%
Net Income	-654,704.47	-858,902.98	204,198.51	23.8%



Grand Rapids - Kent County Convention/Arena Authority

**Financial Statements
and Supplementary Information**
Years Ended June 30, 2008 and 2007



BDO Seidman, LLP
Accountants and Consultants

Grand Rapids - Kent County Convention/Arena Authority

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Independent Auditors' Report

Members of the Grand Rapids - Kent County
Convention/Arena Authority
Grand Rapids, Michigan

We have audited the accompanying statements of net assets of the Grand Rapids - Kent County Convention/Arena Authority (the "Authority"), and the related statements of revenues, expenses and changes in net assets and cash flows, as of and for the years ended June 30, 2008 and 2007. These financial statements are the responsibility of the management of the Authority. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the statements of net assets referred to above present fairly, in all material respects, the financial position of the Grand Rapids - Kent County Convention/Arena Authority at June 30, 2008 and 2007, and the changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of revenue, expenses and changes in net assets - budget and actual on page 23 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in relation to the basic financial statements taken as a whole.

BDO Seidman, LLP

Grand Rapids, Michigan
November 5, 2008

Management's Discussion and Analysis

This section of the Grand Rapids - Kent County Convention/Arena Authority's (the "Authority") financial report presents a discussion and analysis of the Authority's financial performance for the years ended June 30, 2008 and 2007. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction therewith. This discussion and analysis is designed to focus on current activities, resulting changes and currently known facts. The financial statements, footnotes and this discussion are the responsibility of Authority management.

Overview of the Financial Statements

This financial report consists of three financial statements along with footnotes to the financial statements. One of the most important questions asked about the Authority's finances is, whether the Authority is better off or worse off as a result of the year's activities. The keys to understanding this question are the statements of net assets, the statements of revenues, expenses and changes in net assets and the statements of cash flows. These statements include all assets and liabilities of the Authority using the full accrual basis of accounting.

The statements of net assets present all the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in the Authority's net assets are one indicator of whether the financial position of the Authority is improving or deteriorating.

The statements of revenues, expenses and changes in net assets present information showing how the Authority's net assets changed during the year. Revenues are reported when earned and expenses when incurred, regardless of the timing of the related cash flows. Activities are reported as operating, nonoperating or capital contributions. Operating revenues and expenses generally result from providing services. All other revenues and expenses are reported as nonoperating or capital contributions.

The statements of cash flows present changes in cash and cash equivalents, resulting from operating, financing and investing activities. These statements present cash receipts and cash disbursements information, without consideration of the earnings event, when an obligation arises, or depreciation of capital assets.

The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the Authority's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

Analysis of the Authority

The Authority's total net assets increased from \$21,509,418 in 2006 to \$22,104,440 in 2007 and increased to \$23,604,748 in 2008. These changes result primarily from operations as well as some carryover of improvements related to the completion of the DeVos Place construction project. Our analysis below focuses on the net assets and changes in net assets of the Authority.

Net Assets			
	2008	2007	2006
Assets			
Current and other assets	\$ 27,987,405	\$ 26,120,880	\$ 25,374,585
Capital assets	663,774	704,507	665,063
Total Assets	28,651,179	26,825,387	26,039,648
Liabilities			
Current liabilities	5,046,431	4,720,947	4,530,230
Net Assets			
Invested in capital assets	663,774	704,507	665,063
Restricted	80,000	-	-
Unrestricted	22,860,974	21,399,933	20,844,355
Total Net Assets	\$ 23,604,748	\$ 22,104,440	\$ 21,509,418

CURRENT AND OTHER ASSETS

The steady increase in current and other assets from 2006 to 2008 was primarily due to successful investment returns combined with positive facility operating results.

LIABILITIES

Current Liabilities

The increase in current liabilities from 2006 to 2007 was largely due to the timing of advance ticket sales, advance deposits and settlement balances payable to customers for facility events which increased a total of \$274,000 from 2006 to 2007. For 2008 this continued resulting in a slight increase of \$60,000 in advance ticket sales, advance deposits and settlement balances payable to customers for facility events.

NET ASSETS

Invested in Capital Assets

Investments in capital assets of approximately \$665,000 at June 30, 2006, \$705,000 at June 30, 2007 and \$664,000 at June 30, 2008 include the historical acquisition costs net of accumulated depreciation of movable building improvements and equipment not pledged as collateral on related bonds.

Restricted Net Assets

Restricted net assets include funds pledged by the Authority for improvements at Van Andel Arena in conjunction with stipulations of a lease agreement with one of the Van Andel Arena's continuing tenants. Per the contract terms, improvements such as production equipment, laser lighting, enhanced video capabilities and similar items can be purchased using these restricted

net assets, which may be used by the tenant and any of its affiliates free of charge. Contributions totaling \$80,000, received in installments of \$10,000 per specific event, were recorded as miscellaneous revenue for the year ended June 30, 2008.

Unrestricted Net Assets

Unrestricted net assets include funds that have been designated by management for specific purposes as well as amounts that have been contractually committed for goods and services that have not yet been received. The following is a breakdown of the unrestricted net assets as of June 30, 2008, 2007 and 2006:

	2008	2007	2006
Undesignated	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Facility replacement reserve	16,860,974	15,399,933	14,844,355
Total Unrestricted Net Assets	\$ 22,860,974	\$ 21,399,933	\$ 20,844,355

Changes in Net Assets			
	2008	2007	2006
Operating revenues, facilities	\$ 11,396,855	\$ 11,288,218	\$ 10,037,350
Operating expenses	10,947,948	10,897,069	10,324,329
Operating income (loss)	448,907	391,149	(286,979)
Nonoperating revenues			
Other nonoperating income	1,274,424	1,344,656	997,852
Income before capital contributions and transfers out	1,723,331	1,735,805	710,873
Capital contributions	-	-	129,043
Transfers out	(223,023)	(1,140,783)	(1,664,669)
Increase (Decrease) in Net Assets	1,500,308	595,022	(824,753)
Net Assets, beginning of year	22,104,440	21,509,418	22,334,171
Net Assets, end of year	\$ 23,604,748	\$ 22,104,440	\$ 21,509,418

OPERATING INCOME (LOSS)

Operating Revenues, Facilities

Operating revenues, facilities are generated by the Authority's DeVos Place and Van Andel Arena. Management of these facilities is provided by SMG, headquartered in Philadelphia and

an affiliate of American Capital Strategies, Ltd., with whom the Authority has a management agreement. Operating revenues include event revenues as well as ancillary revenues related to luxury seating, advertising and commissions on vendor sales of food, beverages and novelties. These revenues continue to increase as the popularity of the new DeVos Place increases. A portion of DeVos Place opened in December 2004 with full utilization beginning in February 2005.

Operating Expenses

Operating expenses include costs associated with the daily operation of DeVos Place and Van Andel Arena as well as administrative costs related to the overall operation of the Authority. Generally administrative costs relate primarily to insurance, personal services and professional services.

NONOPERATING REVENUES

Nonoperating revenues result primarily from investment income. The increase from 2006 to 2007 was a result of increased investment balances held by the County Treasurer combined with better than expected investment returns over the same time period. As cash is generated by operations, the Authority gauges future cash flow needs and invests "excess" cash as available to maximize return and value for the Authority. Although the Authority was able to increase its investment of excess cash during 2008, given the changes in market conditions, investment returns were less than anticipated and less than the prior year resulting in a decrease in investment income from 2007 to 2008.

CAPITAL CONTRIBUTIONS

Capital Contributions From Grand Action

As part of the initial planning for the DeVos Place construction project, a number of funding sources were identified, including contributions from community benefactors to completely cover budgeted expenses. Grand Action, a community-based, private non-profit organization dedicated to the improvement of downtown Grand Rapids, led the effort in private donations pledged to this project totaling over \$35 million to be used after state grant monies and bond proceeds were exhausted. The majority of these donations was received during 2004, with the remainder following in 2005 and 2006.

Transfers Out

The bonds issued by the City County Building Authority are collateralized by the assets and construction expenses associated with DeVos Place Convention Center. During fiscal year 2006, 2007 and 2008, construction expenses of \$1.7 million, \$1.1 million and \$223,000 respectively, were transferred to the City County Building Authority. When the bonds issued by the City County Building Authority have been retired, title to both the Arena and DeVos Place will be conveyed to the Authority.

Economic Factors and Next Year's Budget

Management believes the Grand Rapids - Kent County Convention/Arena Authority is in good condition both administratively and financially. This report covers the seventh and eighth years of operation. The Authority's operations and finance committees continue to monitor policies and practices governing facility rates, booking preferences and quality of service. Consolidated operating revenues at DeVos Place and the Van Andel Arena continue to exceed operating expenses on an annual basis. Long-term booking activity, enhanced by the services of the Grand Rapids/Kent County Convention and Visitor's Bureau, continues to draw commitments for convention center activity which is now booking through calendar year 2013.

Completion and dedication of the Steelcase Ballroom, in February 2005, marked the substantial completion of the fully renovated and expanded DeVos Place Convention Center. The capital improvement project, upon completion of all "punch list" items, was closed out in June 2005. The Authority's facilities include a 12,000+ seat capacity Van Andel Arena, a 2,400 seat DeVos Performance Hall, a 685 parking space facility below the convention center complex, a 160,000 square foot full service exhibit hall, related meeting rooms offering over 24,000 square feet of additional space, as well as a 40,000 square foot ballroom.

The fiscal year 2009 (year beginning July 1, 2008) budget forecasts operating/nonoperating revenues of \$12.4 million with operating expenses (before depreciation) of \$10.8 million. Debt service obligations related to the Van Andel Arena and DeVos Place Convention Center are being financed by the Grand Rapids Downtown Development Authority and the City County Building Authority.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances and show the Authority's accountability for the money it earns. Questions about this report or requests for additional financial information should be directed to the Grand Rapids - Kent County Convention/Arena Authority's Administrative Manager at 303 Monroe Avenue NW, Grand Rapids, Michigan 49503.

Financial Statements

Grand Rapids - Kent County Convention/Arena Authority

Statements of Net Assets

<i>June 30,</i>	2008	2007
Assets		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 4,855,144	\$ 4,217,735
Investments (Note 2)	21,856,226	20,359,499
Accounts receivable, net (Note 3)	1,086,935	1,340,426
Prepaid expenses	189,100	203,220
Total current assets	27,987,405	26,120,880
Capital assets (Note 4):		
Buildings and structures	322,431	322,431
Equipment	1,107,831	1,013,151
Less: accumulated depreciation	(766,488)	(631,075)
Net capital assets	663,774	704,507
Total Assets	28,651,179	26,825,387
Liabilities		
Current liabilities:		
Accounts payable (Note 5)	549,930	615,976
Accrued expenses (Note 5)	1,241,147	909,720
Advance ticket sales	1,882,334	1,993,227
Advance deposits	291,472	291,205
Compensated absences	4,265	4,263
Deferred revenue	1,077,283	906,556
Total Liabilities	5,046,431	4,720,947
Net Assets		
Invested in capital assets	663,774	704,507
Restricted - entertainment equipment reserve	80,000	-
Unrestricted	22,860,974	21,399,933
Total Net Assets	\$ 23,604,748	\$ 22,104,440

See accompanying notes to financial statements.

Grand Rapids - Kent County Convention/Arena Authority

Statements of Revenues, Expenses and Changes in Net Assets

<i>Year ended June 30,</i>	2008	2007
Operating Revenues, facilities	\$ 11,396,855	\$ 11,288,218
Operating Expenses		
Personnel services	3,427,444	3,346,270
Utilities	2,407,126	2,503,599
Supplies and expenses	680,279	870,682
Contractual services (Note 7)	3,306,210	3,176,485
Depreciation	135,413	151,522
Repairs and maintenance	916,899	796,539
Professional services	74,577	51,972
Total Operating Expenses	10,947,948	10,897,069
Operating income	448,907	391,149
Nonoperating Revenues		
Investment income	1,079,804	1,220,785
Miscellaneous	194,620	123,871
Total Nonoperating Revenues	1,274,424	1,344,656
Income before transfers	1,723,331	1,735,805
Transfer of Constructed Assets to the City County Building Authority	(223,023)	(1,140,783)
Increase in Net Assets	1,500,308	595,022
Net Assets, beginning of the year	22,104,440	21,509,418
Net Assets, end of the year	\$ 23,604,748	\$ 22,104,440

See accompanying notes to financial statements.

Grand Rapids - Kent County Convention/Arena Authority

Statements of Cash Flows

<i>Year ended June 30,</i>	2008	2007
Cash From Operating Activities		
Cash received from facility operations	\$ 12,061,456	\$ 12,360,014
Payments to employees	(3,436,312)	(3,271,460)
Payments to suppliers and contractors	(7,447,729)	(7,720,114)
Net Cash From Operating Activities	1,177,415	1,368,440
Cash for Capital and Related Financing Activities		
Capital assets constructed	(223,023)	(1,140,783)
Purchases of capital assets	(94,680)	(190,966)
Other receipts	194,620	123,871
Net Cash for Capital and Related Financing Activities	(123,083)	(1,207,878)
Cash for Investing Activities		
Interest and dividends	1,079,804	1,220,785
Proceeds from investment maturities	-	700,000
Purchases of investments	(1,496,727)	(2,199,145)
Net Cash for Investing Activities	(416,923)	(278,360)
Net Increase (Decrease) in Cash and Cash Equivalents	637,409	(117,798)
Cash and Cash Equivalents, beginning of the year	4,217,735	4,335,533
Cash and Cash Equivalents, end of the year	\$ 4,855,144	\$ 4,217,735

(continued)

Grand Rapids - Kent County Convention/Arena Authority

Statements of Cash Flows

<i>Year ended June 30,</i>	2008	2007
Reconciliation of Operating Income to Net Cash From		
Operating Activities		
Operating income	\$ 448,907	\$ 391,149
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	135,413	151,522
Changes in assets and liabilities:		
Receivables, net	253,491	694,189
Prepaid expense	14,120	(59,137)
Accounts payable	(66,046)	(260,080)
Accrued expenses	331,427	175,899
Advance ticket sales	(110,893)	120,476
Advance deposits	267	(7,898)
Compensated absences	2	49
Deferred revenues	170,727	162,271
Net Cash From Operating Activities	\$ 1,177,415	\$ 1,368,440
Noncash Transactions		
Transfer of constructed assets to the City County Building Authority	\$ (223,023)	\$ (1,140,783)

See accompanying notes to financial statements.

Grand Rapids - Kent County Convention/Arena Authority

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Description of the Authority

The Grand Rapids - Kent County Convention/Arena Authority (the "Authority") was created by the City of Grand Rapids (the "City") and the County of Kent (the "County"), Michigan under the provisions of Act 203 of the Public Acts of Michigan of 1999 effective June 20, 2000. The Authority was established for the purpose of acquiring, constructing, improving, enlarging, renewing, replacing, repairing, financing, refinancing, equipping and operating convention facilities (including all or part of, or any combination of, a convention hall, auditorium, arena, meeting rooms, exhibition area and related adjacent public areas together with appurtenant property including parking lots and structures) and real property on which they are located.

The Authority includes the operations of DeVos Place which provides space for conventions, concerts, meetings and other performances. Capital assets of DeVos Place were transferred to the City County Building Authority (the "CCBA") where they are pledged until the related bonds are retired in 2031. At that time, ownership of these capital assets will be transferred to the Authority.

The Authority also includes the operations of the Van Andel Arena (the "Arena") which provides space for conventions, concerts, sporting events, meetings and other performances. The Grand Rapids Downtown Development Authority (the "DDA") maintains ownership of certain capital assets until the CCBA bonds are retired in 2031 according to the terms of the operating agreement signed by the CCBA, DDA and the Authority. At that time, ownership of these capital assets will be transferred to the Authority.

Basis of Presentation

The Authority is a special-purpose entity that uses proprietary fund reporting. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the Authority's proprietary funds are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues

Grand Rapids - Kent County Convention/Arena Authority

Notes to Financial Statements

and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Measurement Focus and Basis of Accounting

The Authority uses the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Authority follows applicable accounting and financial reporting standards of the Financial Accounting Standards Board ("FASB") issued through November 30, 1989, unless those pronouncements conflict with Governmental Accounting Standards Board ("GASB") pronouncements. In accordance with GASB Statement No. 20, the Authority has elected not to follow FASB pronouncements issued after November 30, 1989. Instead, the Authority follows pronouncements issued by the GASB.

Budget

Public Act 203 of 1999 requires the Authority to adopt an annual budget. The budget is adopted on the accrual basis of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Assets, Liabilities and Fund Equity

Cash and Cash Equivalents

The Authority considers cash and all highly liquid investments with a maturity of three months or less to be cash equivalents for the statement of cash flows.

Grand Rapids - Kent County Convention/Arena Authority

Notes to Financial Statements

Investments and Accrued Interest

The Authority participates in the Kent County Investment Pool (the "Pool") which is managed by the County Treasurer. Investments underlying the Pool consist primarily of certificates of deposit and U.S. Treasury notes, which are carried at fair value. The Pool is not subject to regulatory oversight, is not registered with the SEC and does not issue separate financial statements. The fair value of the Authority's position in the Pool is the same as the value of the Pool shares and included accrued interest.

Capital Assets

Capital assets having a useful life in excess of one year and whose costs exceed \$10,000 are capitalized. All assets are reported at historical cost except for donated assets which are recorded at fair value. Depreciation and amortization are computed by the straight-line method based on the estimated useful lives of the related assets.

Estimated useful lives of the related assets by asset category are as follows:

	Years
Buildings and improvements	1-34
Office equipment and furniture	3-10

Expenditures for maintenance and repairs are charged to expense as incurred whereas major additions are capitalized.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets consist of capital assets, net of accumulated depreciation. Net assets are reported as restricted when limitations are imposed on their use either through legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Grand Rapids - Kent County Convention/Arena Authority

Notes to Financial Statements

Revenue, Expenditures and Expense

Compensated Absences

Employees are credited with 20 days of vacation each calendar year which cannot be carried over. Accrued compensated absences totaled \$4,265 and \$4,263 at June 30, 2008 and 2007, respectively.

Revenues

The Authority records facilities revenue upon completion of the event at the DeVos Place or the Arena. Accordingly, amounts received for advance ticket sales or deposits are recorded as deferred revenue until that time. Costs incurred prior to an event are recorded as prepaid expenses and charged to expense upon completion of the event.

2. Cash and Investments

Deposits

State statutes require that certificates of deposit, savings accounts, deposit accounts and depository receipts are made with banks doing and having a place of business in the state of Michigan which are also members of a federal or national insurance corporation.

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits might not be recovered. The Authority minimizes custodial credit risk by pre-qualifying financial institutions. At June 30, 2008, \$4,320,272 of the Authority's bank balances of \$4,820,272 was uninsured and uncollateralized. At June 30, 2007, \$3,208,672 of the Authority's bank balances of \$3,708,672 was uninsured and uncollateralized.

Investments

State statutes authorize the Authority to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services, bankers' acceptances of U.S. banks, United States government or federal agency obligation repurchase agreements, obligations of the state of Michigan or any of its

Grand Rapids - Kent County Convention/Arena Authority

Notes to Financial Statements

political subdivisions rated as investment grade by not less than one standard rating service and mutual funds composed of the types of investment vehicles named previously.

The Authority had the following investments at June 30, 2008 and 2007:

<u>June 30, 2008</u>		<u>Investment Maturity</u>	
<u>Investment Type</u>		<u>Fair Value</u>	<u>Less Than 1 Year</u>
<i>Debt Securities</i>			
Kent County Investment Pool		\$21,856,226	\$21,856,226

<u>June 30, 2007</u>		<u>Investment Maturity</u>	
<u>Investment Type</u>		<u>Fair Value</u>	<u>Less Than 1 Year</u>
<i>Debt Securities</i>			
Kent County Investment Pool		\$20,359,499	\$20,359,499

Interest Rate Risk

Interest rate risk is the risk that the market value of securities will fall due to changes in market interest rates. The Authority mitigates interest rate risk by structuring the portfolio so that securities mature to meet cash requirements, thereby avoiding the need to sell securities prior to maturity and by investing in shorter-term securities.

Custodial Credit Risk Related to Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments that are in the possession of an outside party. The Authority had no investments subject to custodial credit risk at June 30, 2008 or 2007.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Authority mitigates credit risk by limiting investments to the safest types of securities, prequalifying financial institutions and diversifying the portfolio. The Pool is not rated.

Grand Rapids - Kent County Convention/Arena Authority

Notes to Financial Statements

3. Accounts Receivable

Accounts receivable at June 30, 2008 and 2007 were as follows:

	2008	2007
Facility customers/events	\$ 825,731	\$ 874,143
Ancillary revenues	355,155	560,234
Allowance	(93,951)	(93,951)
	\$ 1,086,935	\$ 1,340,426

4. Capital Assets

Capital asset activity for the years ended June 30, 2008 and 2007 was as follows:

	Balance July 1, 2007	Additions	Disposals/ Transfers	Balance June 30, 2008
Buildings and structures	\$ 322,431	\$ -	\$ -	\$ 322,431
Equipment	1,013,151	94,680	-	1,107,831
Total Cost of Capital Assets	1,335,582	94,680	-	1,430,262
Less accumulated depreciation for:				
Buildings and structures	203,898	41,778	-	245,676
Equipment	427,177	93,635	-	520,812
Capital Assets, net	\$ 704,507	\$ (40,733)	\$ -	\$ 663,774

	Balance July 1, 2006	Additions	Disposals/ Transfers	Balance June 30, 2007
Buildings and structures	\$ 322,431	\$ -	\$ -	\$ 322,431
Equipment	822,185	190,966	-	1,013,151
Total Cost of Capital Assets	1,144,616	190,966	-	1,335,582
Less accumulated depreciation for:				
Buildings and structures	162,119	41,779	-	203,898
Equipment	317,434	109,743	-	427,177
Capital Assets, net	\$ 665,063	\$ 39,444	\$ -	\$ 704,507

Grand Rapids - Kent County Convention/Arena Authority

Notes to Financial Statements

5. Accounts Payable and Accrued Expenses

Accounts payable at June 30, 2008 and 2007 were as follows:

	2008	2007
Professional services	\$ 39,884	\$ 6,708
Facility customers	417,129	380,654
Vendors	92,917	228,614
	\$ 549,930	\$ 615,976

Accrued expenses at June 30, 2008 and 2007 were as follows:

	2008	2007
Facility customers	\$ 328,686	\$ 14,152
Vendors	532,537	534,444
Professional services	83,213	55,543
Salaries and benefits	296,711	305,581
	\$ 1,241,147	\$ 909,720

6. Risk Management

The Authority is exposed to various risks of loss related to torts, theft of and damage to assets, errors and omissions, injuries to employees and natural disasters. The Authority carries insurance for most risks of loss, including employee life, health and accident insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

7. Commitments and Contingencies

The Authority has entered into an agreement with SMG to manage the operations of the DeVos Place and the Arena through June 30, 2009.

Grand Rapids - Kent County Convention/Arena Authority

Notes to Financial Statements

The Authority pays SMG an annual base management fee and an incentive fee based on the results of operations of the DeVos Place and the Arena. For the years ended June 30, 2008 and 2007, respectively, total management and incentive fees earned by SMG were approximately \$616,000 and \$600,000 and are recorded in contractual services expense.

The Authority is exposed to a number of asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management, the resolution of these matters will not have a material effect on the financial position of the Authority.

Supplementary Information

Grand Rapids-Kent County Convention/Arena Authority

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual

<i>Year ended June 30, 2008</i>	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues, facilities	\$ 10,820,003	\$ 11,396,855	\$ 576,852
Operating Expenses			
Personnel services	3,370,936	3,427,444	(56,508)
Utilities	2,457,000	2,407,126	49,874
Supplies and expenses	1,830,290	680,279	1,150,011
Contractual services	1,918,218	3,306,210	(1,387,992)
Depreciation	-	135,413	(135,413)
Repairs and maintenance	706,500	916,899	(210,399)
Professional services	159,500	74,577	84,923
Total Operating Expenses	10,442,444	10,947,948	(505,504)
Operating income	377,559	448,907	71,348
Nonoperating Revenues			
Investment income	1,147,000	1,079,804	(67,196)
Miscellaneous	80,000	194,620	114,620
Net nonoperating revenues before transfers	1,227,000	1,274,424	47,424
Transfer of Constructed Assets to the City County Building Authority ⁽¹⁾	(883,216)	(223,023)	660,193
Net Nonoperating Revenues	343,784	1,051,401	707,617
Increase in Net Assets	721,343	1,500,308	778,965
Net Assets, beginning of the year	22,104,440	22,104,440	-
Net Assets, end of the year	\$ 22,825,783	\$ 23,604,748	\$ 778,965

⁽¹⁾ The budget and actual presentation includes construction expenses which are generally capitalized under accounting principles generally accepted in the United States of America.



BDO Seidman, LLP
Accountants and Consultants

99 Monroe Avenue NW, Suite 800
Grand Rapids, Michigan 49503-2654
Telephone: (616) 774-7000
Fax: (616) 776-3680

November 13, 2008

Finance Committee
Grand Rapids - Kent County
Convention/Arena Authority
303 Monroe Avenue NW
Grand Rapids, Michigan 49503

Dear Finance Committee:

Professional standards require us to advise you of the following matters relating to our recently completed audit of the Grand Rapids - Kent County Convention/Arena Authority (the "Authority") as of and for the year ended June 30, 2008. The matters discussed herein are those that we have noted as of November 5, 2008 and we have not updated our procedures regarding these matters since that date to the current date.

Our Responsibility Under Generally Accepted Auditing Standards

As stated in our engagement letter dated June 20, 2008, our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatements, whether caused by error or fraud. An audit in accordance with generally accepted auditing standards does not provide absolute assurance or guarantee the accuracy of the financial statements and is subject to the inherent risk that errors or fraud, if they exist, have not been detected. Such standards also require that we obtain a sufficient understanding of the Authority's internal control to plan the audit. However, such understanding is required for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Significant Findings From the Audit

Management Judgments and Accounting Estimates

Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. We have made tests of management's estimates and deemed them to be appropriate.

There were no material contingencies, as defined in Financial Accounting Standards Board Statement No. 5, *Accounting for Contingencies*, for which we had questions or concerns about the reasonableness of the accounting or the adequacy of the financial statement disclosure.

Misstatements

Professional standards require the auditor to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Additionally, we are required to communicate with those charged with governance uncorrected misstatements and the effect that they may have on the opinion in the auditors' report, and request their correction.

During our audit, no material corrected misstatements or unrecorded misstatements were brought to the attention of management by us.

Discussion About the Quality of Significant Accounting Practice

We have reviewed the Authority's significant accounting practices, estimates and financial statement disclosures and determined them to be in accordance with generally accepted accounting principles.

Disagreements With Management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the Authority's financial statements or the audit report. No such disagreements arose during the course of our audit.

Consultation With Other Accountants

There may be circumstances where the Authority considers consulting with other accountants about accounting and auditing matters. We are not aware of any consultations about accounting or auditing matters between management and other accountants. We are also not aware of opinions obtained by management from other accountants on the application of generally accepted accounting principles.

Significant Issues Discussed With Management Prior to Our Retention

Prior to our being retained as auditor for the current fiscal year, there were no significant accounting or other issues of concern discussed with management.

Material Alternative Accounting Treatments Discussed With Management

During the past year, there were no discussions with management concerning material alternative accounting treatments.



Significant Difficulties Encountered in Performing the Audit

There were no significant difficulties encountered during the course of the audit. All records and information requested by BDO Seidman were freely available for inspection. Management and other personnel provided full cooperation.

Other Information in Documents Containing the Authority's Audited Financial Statements

Our responsibility for other information in documents containing the Authority's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform procedures to corroborate such other information. However, in accordance with the applicable standards, we have read Management's Discussion and Analysis and determined that the information is materially consistent with its presentation in the financial statements. Our responsibility also includes calling to management's attention any information that we believe is a material misstatement of fact. No inconsistencies or misstatements came to our attention.

Representations Requested From Management

The management representation letter that was provided by management is attached.

Other Issues Arising From the Audit That We Consider Significant and Relevant to Those Charged With Governance

There were no other issues arising from the audit that we consider significant and relevant to those charged with governance.

Internal Control Matters

We did not identify any deficiencies in internal control that we consider to be material weaknesses. In connection with our audit of the financial statements of the Authority for the year ended June 30, 2008, we did not issue a letter of recommendations to management.

Independence

We are not aware of any circumstances or relationships that would impair our independence.

* * * * *



Should you desire further information concerning these matters, we will be happy to meet with you at your convenience.

This letter is solely for the internal use of those charged with governance and management of the Grand Rapids - Kent County Convention/Arena Authority and should not be distributed to any other persons or used for any other purpose.

Very truly yours,

BDO Seidman, LLP

Memorandum

To: Members of the CAA

From: Robert J. White, Director
Kent County Fiscal Services Department

Date: December 5, 2008

Re: Convention/Arena Authority
Analysis of Current Financial Position

Convention
Arena
Authority

Steven Heacock,
Chairman
Birgit Klohs
Clif Charles
Gary McInerney
George Heartwell
Joseph Tomaselli
Lew Chamberlin

The attached two-page report provides a summary (cliff notes) of the financial position of the Convention/Arena Authority. The summary includes a recitation of Revenues, Expenses, and Changes in Net Assets (Unrestricted) for the year ended June 30, 2007 (FY 2007), comparable status at intervals for the Fiscal Year ended June 30, 2008 (FY 2008), and the current status of the Fiscal Year 2009 budget. The term "Net Assets (Unrestricted)" excludes capital assets which are not deemed available to support ongoing operations.

The FY 2009 budget provides for a draw of \$.21 million from Net Assets (Unrestricted). This "draw" may be reduced by additional revenue increases (over current budget estimates) in the categories of Facilities – SMG, Parking, and Investment Income. The current year (FY 2009) capital budget includes a one-time Fiscal Year 2008 capital carryover appropriation of \$360,000.

It would appear that the Convention/Arena Authority should be able to maintain its "Net Assets (Unrestricted)" balance for the next several years. A long-range capital repair/replacement forecast (June 19, 2008) suggested a need to substantially increase funding in Fiscal Year 2015 and thereafter. The long-range capital repair/replacement forecast will be updated as a part of the Fiscal Year 2010 budget cycle.

Attachments:

- Consolidated Statement of Revenues, Expenses and Changes in Net Assets (Unrestricted)
- Administration Expenses - Detail



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130 Fulton West
Grand Rapids, MI 49503-2601
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Fax 616.742.6197

DEVOS PLACE

DeVos Place®
303 Monroe Ave. NW
Grand Rapids, MI 49503-2233
616.742.6500
Fax 616.742.6590

Grand Rapids-Kent County Convention/Arena Authority
Consolidated Statement of Revenues, Expenses and Changes
in Net Assets (Unrestricted)

Item	FY 2007		FY 2008		FY 2009	
	Audit	Final Budget	Estimate ⁽¹⁾	Audit	Adopted Budget	
Operating Revenues:						
Facilities - SMG	\$ 10,538,941	\$ 9,977,673	\$ 10,148,119	\$ 10,589,569	\$ 10,564,676	
Parking	1,024,127	989,320	1,011,416	1,026,080	1,069,416	
	<u>11,563,068</u>	<u>10,966,993</u>	<u>11,159,535</u>	<u>11,615,649</u>	<u>11,634,092</u>	
Operating Expenses:						
Facility Operations	9,037,505	8,922,348	8,921,842	9,177,074	9,214,143	
Management Fee	600,000	613,200	613,200	616,200	631,596	
Major Repair/Replacements	364,311	-	-	232,135	-	
Administration	311,052	451,653	408,772	364,591	465,962	
Parking	348,896	365,243	314,836	327,042	306,495	(2)
Pedestrian Safety	83,781	90,000	90,000	95,493	87,234	
Landscaping	-	-	-	-	120,000	
	<u>10,745,545</u>	<u>10,442,444</u>	<u>10,348,650</u>	<u>10,812,535</u>	<u>10,825,430</u>	
Operating Income (Loss)	817,523	524,549	810,885	803,114	808,662	
Non-Operational Revenues						
Investment Income/Miscellaneous	1,069,805	1,000,000	1,047,500	1,055,630	822,000	(3)
Transfer (to) from Capital Acct.	(1,331,750)	(883,216)	(410,955)	(317,703)	(1,844,100)	
	<u>555,578</u>	<u>641,333</u>	<u>1,447,430</u>	<u>1,541,041</u>	<u>(213,438)</u>	
Net Assets (Unrestricted) Beg of Yr	20,844,355	21,399,933	21,399,933	21,399,933	22,940,974	
Net Assets (Unrestricted) End of Yr	\$ 21,399,933	\$ 22,041,266	\$ 22,847,363	\$ 22,940,974	\$ 22,727,536	

Notes:

⁽¹⁾ See June 19, 2008 Finance Committee Agenda.

⁽²⁾ Includes \$25,000 allowance for maintenance (SMG).

⁽³⁾ Includes \$80,000 in capital contribution from Rampage.

Grand Rapids-Kent County Convention/Arena Authority
Administration Expenses - Detail

Line Item	FY 2007 Audit	FY 2008			FY 2009 Budget
		Final Budget	Estimate	Audit	
Wages	\$69,647	\$85,567	\$65,567 ⁽¹⁾	\$56,109	\$68,595
Benefits	21,527	19,515	18,679	25,238	20,467
Accounting/Audit	27,730	30,000	36,917	32,485	38,000
Legal Services	24,242	35,000	30,000	42,093	35,000
DID Assessment	50,299	51,071	51,351	51,351	52,900
Insurance	19,197	21,000	20,258	20,258	22,000
Marketing					
- CVB	-	75,000	75,000	50,000	75,000
- Sports Commission	-	25,000	25,000	25,000	25,000
Repairs - F&B	52,993	35,000	41,000	28,059	45,000
Diversity Initiative	16,146	22,000	22,000	8,952	29,000
Wine & Food Festival	-	-	-	19,235	-
Other	16,648	37,500	20,000	1,150	40,000 ⁽²⁾
Meeting/Supplies/Misc.	12,623	15,000	3,000	4,661	15,000
	<u>\$311,052</u>	<u>\$451,653</u>	<u>\$408,772</u>	<u>\$364,591</u>	<u>\$465,962</u>

NOTES:

⁽¹⁾ Net of \$20,000 per annum paid by Ketn County Parks Foundation for administrative expenses.

⁽²⁾ FY 2009 budget anticipates continuing requirements for consulting assistance.

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

**RESOLUTION TO EXTEND THE TERM OF THE MANAGEMENT
AGREEMENT WITH SMG FOR THE RENEWAL TERM TO
COMMENCE ON JULY 1, 2009, AND END ON JUNE 30, 2011**

Boardmember _____, supported by Boardmember _____, moved
the adoption of the following resolution:

WHEREAS, the Grand Rapids-Kent County Convention/Arena Authority (the "CAA") operates the DeVos Place® convention center consisting of the Steelcase Ballroom, DeVos Performance Hall, exhibit space, and other meeting rooms and conference areas (the "Place") and Van Andel Arena® (the "Arena"); and

WHEREAS, SMG, a Pennsylvania general partnership, engaged in the business of providing management services, including operations and marketing services, for public assembly facilities, has provided such services to both the Place (including its predecessor the Grand Center) and the Arena since 1996; and

WHEREAS, the CAA has previously entered into a Management Agreement dated as of July 1, 2006, as amended by a First Amendment to Management Agreement dated as of July 1, 2006 (collectively the "Management Agreement"), with SMG to provide management services for the Place and the Arena, which Management Agreement terminates on June 30, 2009, unless the CAA elects to extend its term for the Renewal Term to commence on July 1, 2009, and end at midnight on June 30, 2011; and

WHEREAS, the CAA desires to extend the term of the existing Management Agreement for the Renewal Term as provided in Article III, Section 3.1(b) thereof and in this resolution.

RESOLVED:

1. That the term of the Management Agreement is extended for the Renewal Term commencing July 1, 2009 and ending at midnight on June 30, 2011, unless earlier terminated as provided in the Management Agreement, upon the CAA Board Chairperson providing written notice to SMG on or before December 31, 2008, that there has been clarification of the insurance and indemnification provisions of the Management Agreement to the satisfaction of the CAA legal counsel and the CAA Board Chairperson.

2. 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: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

Dated: December 10, 2008

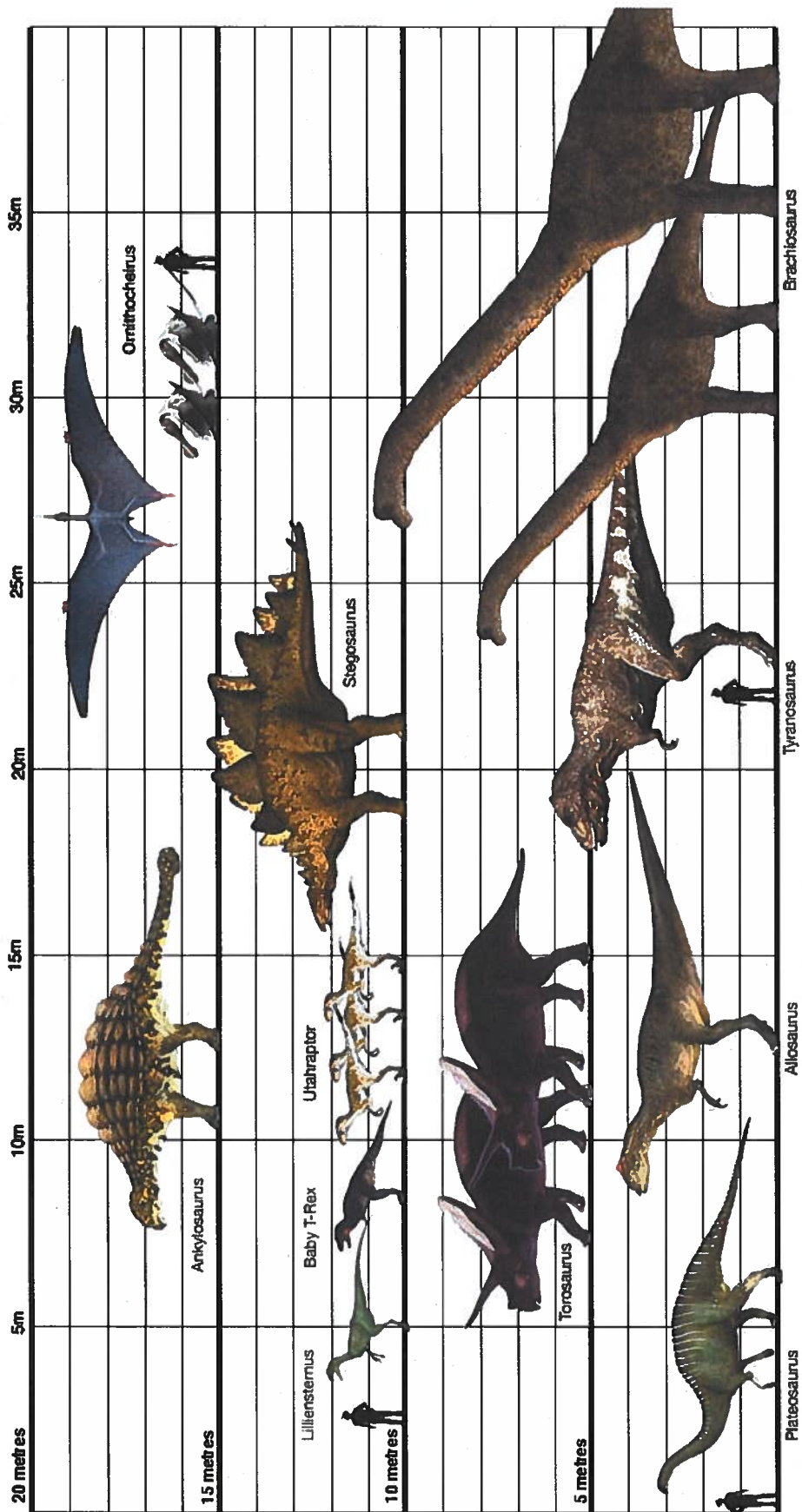
Susan M. Waddell
Administrative Manager/Recording Secretary

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 meeting held on December 10, 2008, 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 10, 2008

Susan M. Waddell
Administrative Manager/Recording Secretary



VAN ANDEL ARENA® WEEKLY

DATE	EVENT	EC	MOD	ROOM	TIME	FUNCTION
Wed, Dec 3	Available					
Thur, Dec 4	Available					
Fri, Dec 5	Griffins vs Toronto	RS	KATHY	Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
		MJD		Banquet B	6P-7P	Jersey card giveaway
	Nicewander, Berens & DeVries			West Nest	6P-9:30P	Banquet
	Haveman Electrical Services			Talsma Terrace	6P-9:30P	Banquet
	MCBC			Suite 101A	6P-9:30P	Banquet
Sat, Dec 6	Grand Valley State University	GC	TODD	Arena	10:00 AM	Commencement ceremony
	Griffins vs Hamilton	RS		Arena	4:30 PM 5P-6P 7:00 PM 8P-10:30P 10:30P-10:50P 10:50P-11:15P	Doors for youth hockey Pre-game Youth hockey Doors Hockey game Post-game autographs Post-game skate
		MJD		Banquet All	6:30P-8P	Emily Osment autographs
	Horizon Environmental Corp			East/West Nests	7P-11:15P	Banquet
	Lighthouse Insurance			Talsma Terrace	7P-11:15P	Banquet
	Bactes Imaging			Suite 101A	7P-11:15P	Banquet
	Powell Relocation			Suite 101B	7P-11:15P	Banquet
	Sun, Dec 7	SMG				Arena
Mon, Dec 8	Walking With Dinosaurs	GC		Arena	9:00 AM	Levitation FOH mix build Hyatt backdrop rig/hang
Tue, Dec 9	Walking With Dinosaurs	GC		Arena	8:00 AM 10:00 AM	Floor lay/Load-in Rigging call
		MJD		Banquet B/C	6A-9P	Backstage catering
Wed, Dec 10	Convention/Arena Authority	DG		Huntington Club	7:30 AM 7:45 AM 8:00 AM	Doors Guests arrive Breakfast meeting
	Walking With Dinosaurs	GC	LYNNE	Arena	10:00 AM 1:00 PM 6:00 PM 7P-8:30P	Work call Tech rehearsal Doors Performance #1
		MJD		Banquet B/C	6A-9P	Backstage catering
	Arbor Mortgage			Arbor Mort Club	5:30P-9P	Contest winner's banquet
Thur, Dec 11	Walking With Dinosaurs	RS	LYNNE	Arena	TBD 6:00 PM 7P-8:30P	Work call Doors Performance #2
		MJD			Banquet B/C	6A-9P
Fri, Dec 12	Walking With Dinosaurs	GC	LYNNE	Arena	TBD 6:00 PM 7P-8:30P	Work call Doors Performance #3
		MJD			Banquet B/C	6A-9P
Sat, Dec 13	Walking With Dinosaurs	RS	JIM	Arena	8:00 AM 10:00 AM 11A-12:30P 12:30P-2P 2:00 PM 3P-4:30P 4:30P-6P 6:00 PM 7P-8:30P	Work call Doors Performance #4 Quick clean Doors Performance #5 Quick clean Doors Performance #6
		MJD			Banquet B/C	6A-9P

Sun, Dec 14	Walking With Dinosaurs	GC	CHRIS	Arena	12:00 PM 1P-2:30P 2:30P-4P 4:00 PM 5P-6:30P 6:30 PM	Doors Performance #7 Quick clean Doors Performance #8 Load-out
		MJD		Banquet B/C	6A-9P	Backstage catering
Mon, Dec 15	Walking With Dinosaurs	GC		Arena	9:00 AM	Levitation FOH strike
Tue, Dec 16	SMG	DG		Huntington Club	12:00 PM	Staff potluck
Wed, Dec 17	SMG/Jam @ the Van	MJD		Banquet B	3:00 PM	Press conference
	Griffins vs Syracuse	RS	EDDIE	Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
	Symantec Corporation	MJD		Banquet C East Nest	6P-7P 6P-9:30P	Banquet Banquet
	Gilson Graphics			West Nest	6P-9:30P	Banquet
	Barnes & Thornburg			Suite 101A	6P-9:30P	Banquet
Thur, Dec 18	Amy Grant/Vince Gill	GC	CHRIS	Arena	7:30 PM	Performance
Fri, Dec 19	Griffins vs Milwaukee	RS	TODD	Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
	West Side Beer	MJD		East Nest	6P-9:30P	Banquet
	RM Trucking			West Nest	6P-9:30P	Banquet
	Avon Protection			Suite 101A	6P-9:30P	Banquet
Sat, Dec 20	Griffins vs Milwaukee	RS	EDDIE	Arena	10A-12:30P 3:30 PM 4P-5P 6:00 PM 7P-9:30P 9:30P-9:50P	Teams practice Doors for pre-game hockey Pregame hockey game Doors Hockey game Post-game skate
	Powell Relocation Group	MJD		Banquet C/D	6P-7P	Banquet
	KDP Retirement Plan Services			East/West Nests	6P-9:50P	Banquet
	Custom Enterprises			Talsma Terrace	6P-9:50P	Banquet
	Jenison Public Educ Foundation			East Terrace	6P-9:50P	Banquet
	Great Lakes Chrysler/Jeep			Suite 101A	6P-9:50P	Banquet
Sun, Dec 21	Available					
Mon, Dec 22	Available					
Tue, Dec 23	Trans Siberian Orchestra	GC	CHRIS	Arena	3:00 PM 8:00 PM	Performance Performance
	Arbor Mortgage	MJD		Arbor Mort Club	6:30P-11P	Contest winner's banquet
Wed, Dec 24	Closed – Christmas Eve 					
Thur, Dec 25	Closed – Christmas Day 					
Fri, Dec 26	Griffins vs Peoria	RS	JIM	Arena	10A-12:30P 6:00 PM 7P-9:30P 9:30P-9:50P	Teams practice Doors Hockey game Post-game autographs
	West Side Beer	MJD		East Nest	6P-9:50P	Banquet
	Impress Engineering Service			West Nest	6P-9:50P	Banquet
Sat, Dec 27	Griffins vs Lake Erie	RS	JIM	Arena	10A-12:30P 6:00 PM 7P-9:30P 9:30P-9:50P 9:50P-10:15P	Teams practice Doors Hockey game Post-game autographs Post-game skate
Sun, Dec 28	Available					
Mon, Dec 29	Available					
Tue, Dec 30	Available					

DeVos Place® - January 2009

DATE	EVENT	ROOM	TIME	FUNCTION	EC	HOUSE STAFF	EMT'S	POLICE	ABSOLUTE
THURS. JAN 1									
FRI. JAN 2	2009 ANTIQUE SHOW	BALL A-D	8:00AM-11:59PM	SETUP					
SAT. JAN 3	2009 ANTIQUE SHOW	BALL A-D GG F	8:00AM-11:59PM	EXHIBIT BREAKOUT ROOM					
SUN. JAN 4	2009 ANTIQUE SHOW	BALL A-D GG F	8:00AM-11:59PM	EXHIBIT BREAKOUT ROOM					
MON. JAN 5	MNLA GREAT LAKES TRADE EXPO	EH A-C EH Pre-Funct G A-F O A-H RO A-F BOARD BALL A-D		SETUP REGISTRATION BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS					
TUES. JAN 6	MNLA GREAT LAKES TRADE EXPO	EH A-C EH Pre-Funct G A-F O A-H RO A-F BOARD BALL A-D		EXHIBIT REGISTRATION BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS					
WED. JAN 7	MNLA GREAT LAKES TRADE EXPO	EH A-C EH Pre-Funct G A-F O A-H RO A-F BOARD BALL A-D		EXHIBIT REGISTRATION BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS					
THURS. JAN 8	MI ASSN OF FAIRS & EXHIBITIONS	BALL A-B BALL Pre-Funct BALL C-D EH A-B	8AM - 1PM 1PM - 5PM 6PM - 10PM 9:00am - 8:00pm	SETUP REHEARSAL SHOW/DINNER SETUP	RC	None	None	None	Welsh Grand Gallery Lyon/Ballroom
	AUTORAMA				RC	0	0	0	3 mi dock Scribner Host desk
FRI. JAN 9	MI ASSN OF FAIRS & EXHIBITIONS	BALL A-B BALL Pre-Funct BALL C-D EH C GG F EH A-B	12:PM - 1PM 1PM - 3PM 6PM - 9PM 8:00AM-4:00PM 4:00PM-9:00PM 8:00AM-11:59PM 5:00pm - 10:00pm	LUNCH GENERAL SESSION SHOW/DINNER SETUP EXHIBIT EXHIBIT	RC	None	None	None	Welsh Grand Gallery Lyon/Ballroom
	GRAND RAPIDS BRIDAL SHOW								
	AUTORAMA				RC	3 ticket takers 4:30pm - 10:30pm	2 EMT 4:30P-11:00P	2 TRAFFIC 4P-11:00P	2 mi dock Host desk 4 airwall guards
SAT. JAN 10	MI ASSN OF FAIRS & EXHIBITIONS	BALL A-B BALL Pre-Funct BALL C-D EH C GG F	5PM - 7PM 7PM - 10PM 10PM - 12AM 8:30AM-5:00PM 5:00PM-9:00PM 8:00AM-11:59PM	RECEPTION SHOW/DINNER LOAD OUT EXHIBIT TEARDOWN	RC	None	None	None	Welsh Grand Gallery Lyon/Ballroom
	GRAND RAPIDS BRIDAL SHOW								

DeVos Place® - January 2009

DATE	EVENT	ROOM	TIME	FUNCTION	EC	HOUSE STAFF	EMT'S	POLICE	ABSOLUTE
	AUTORAMA	EH A-B	11:00am - 10:30am	EXHIBIT HOSPITALITY	MJ	2 TDX 10:30am - 11:00pm	2 EMT 10:30am - 11:00pm	2 TRAFFIC 10:00am - 11:00pm	2 mi dock Host desk 4 airwall guards
SUN. JAN 11	AUTORAMA	EH A-B	11:00am - 7:00pm 7:00pm - 12:00am	EXHIBIT TEAR DOWN	MJ	2 TDX 10:30am - 7:30pm	2 EMT 10:30am - 7:00pm	2 TRAFFIC 10:00am - 7:30pm	3 mi dock Scribner 4 airwall guards Host desk Overnight
MON. JAN 12									
TUES. JAN 13	RV SHOW	EH A-C GO A-B GO C-D	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	SETUP SHOW OFFICE MEETING					
	BOB THE BUILDER	DVPH	3:30PM 6:30PM	PERFORMANCE PERFORMANCE					
WED. JAN 14	RV SHOW	EH A-C GO A-B GO C-D G A-F	8:00AM-7:00PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	SETUP SHOW OFFICE MEETING SETUP					
THURS. JAN 15	RV SHOW	EH A-C G A-F GO A-B GO C-D EH A-C	7:00PM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	SETUP EXHIBIT SHOW OFFICE MEETING EXHIBIT					
	W. MICH. ECONOMIC & COMMERCIAL REAL ESTATE FORECAST	BALL C-D GO E-H	8:00AM-11:59PM 8:00AM-11:59PM	SETUP SETUP					
FRI. JAN 16	RV SHOW	GO A-B GO C-D G A-F EH A-C	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	SHOW OFFICE MEETING EXHIBIT EXHIBIT					
	W. MICH. ECONOMIC & COMMERCIAL REAL ESTATE FORECAST	BALL C-D GO E-H	8:00AM-11:59PM 8:00AM-11:59PM	GENERAL SESSION BREAKOUT ROOM					
SAT. JAN 17	RV SHOW	GO A-B GO C-D G A-F EH A-C	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	SHOW OFFICE MEETING EXHIBIT EXHIBIT					
	STATE OF THE CITY ADDRESS	BALL B	7:00AM-3:00PM	MEETING					
	COLDWELL BANKER AIS-SCHMIDT	BALL B BALL C-D BALL C-D	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	DINNER EXHIBIT TEAR DOWN	RC	None	None	None	Welsh Lobby Host Desk
SUN. JAN 18	RV SHOW	EH A-C GO A-B GO C-D	8:00AM-5:00PM 8:00AM-5:00PM 8:00AM-5:00PM	SHOW OFFICE MEETING					
MON. JAN 19	RV SHOW								
TUES. JAN 20	GR AREA CHAMBER OF COMMERCE ANNUAL MEETING	BALL A-B	2:00PM-11:59PM	SETUP					
WED. JAN 21	MICHIGAN MUSIC CONFERENCE	G A-F	8AM - 5PM	SETUP	RC	None	None	None	GG
	GR AREA CHAMBER OF COMMERCE ANNUAL MEETING	BALL A-B	2:00PM-11:59PM	SETUP					
THURS. JAN 22	MICHIGAN MUSIC CONFERENCE	BALL A-D DVPH	8AM - 9AM - 4:30PM	EXHIBIT LOAD IN TECH CONF.	RC	5 Ticket Takers 6 Ushers	NONE	NONE	Welsh GG

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DATE	EVENT	ROOM	TIME	FUNCTION	EC	HOUSE STAFF	EMT'S	POLICE	ABSOLUTE
		MON A-D RECITAL HALL EH C G A-F	9AM - 5PM 7PM - 10PM 9:30PM - 10:30PM	REHEARSALS PERFORMANCE RECEPTION					DVPH Monroe MI Dock (3)
FRI. JAN 23	MICHIGAN MUSIC CONFERENCE	BALL A-D DVPH MON A-D RECITAL HALL EH C G A-F GO A-H	7AM - 10PM 7AM - 4PM 8AM - 5PM 8AM - 6PM 8AM - 10PM	EVENT REHEARSALS TECH CONF. EXHIBITS PERFORMANCES	RC	5 Ticket Takers 6 Ushers	NONE	NONE	Welsh GG DVPH Monroe MI Dock
	W. MI WEDDING ASSOC. BRIDAL SHOW	EH A	8:00AM-3:00PM 3:00PM-11:59PM	SETUP EXHIBIT					
SAT. JAN 24	MICHIGAN MUSIC CONFERENCE	BALL A-D DVPH MON A-D RECITAL HALL EH C G A-F GO A-H	8AM - 11AM 8AM - 1PM 8AM - 9PM 8AM - 1PM 1PM -	TECH CONF REHEARSALS PERFORMANCES EXHIBITS OPEN EXHIBIT OUT	RC	5 Ticket Takers 6 Ushers	NONE	NONE	Welsh GG DVPH Monroe MI Dock (3)
SUN. JAN 25	W. MI WEDDING ASSOC. BRIDAL SHOW	EH A	8:00AM-5:00PM 5:00PM-11:59PM	EXHIBIT TEARDOWN					
MON. JAN 26	BGR - BEATLES RAIN	DVPH		MOVE IN					
TUES. JAN 27	BGR - BEATLES RAIN	DVPH	7:30PM	PERFORMANCE					
WED. JAN 28	BGR - BEATLES RAIN	DVPH	7:30PM	PERFORMANCE					
THURS. JAN 29	BGR - BEATLES RAIN	DVPH	2:00PM 7:30PM	PERFORMANCE					
FRI. JAN 30	BGR - BEATLES RAIN	DVPH	8:00PM	PERFORMANCE					
SAT. JAN 31	BGR - BEATLES RAIN	DVPH	2:00PM 8:00PM	PERFORMANCE					