

## Board of Directors

Wednesday, December 2, 2009  
8:00 a.m. – 9:30 a.m.  
Kent County Commission Chambers  
300 Monroe, NW – Grand Rapids, MI

### A G E N D A

- |  |             |
|--|-------------|
| <b>I. Call to Order</b>  |             |
| <b>II. Approval of October 28, 2009, Minutes</b>   | Action      |
| <b>III. Committee Reports</b>  |             |
| A. Operations Committee  | Information |
| i. CVB Report  | Information |
| B. Finance Committee   |             |
| i. SMG October 2009 Financial Statements -<br>DeVos Place® and Van Andel Arena®                          | Action      |
| ii. CAA October 2009 Financial Statements  | Action      |
| iii. Financial Statements and Supplementary<br>Information for the Years Ended June 30,<br>2009 and 2008 | Action      |
| <b>IV. Selection of Board Member from CVB List</b>   | Action      |
| <b>V. SMG Report and Facilities Calendars</b>  | Information |
| <b>VI. Public Comment</b>  |             |
| <b>VII. Adjournment</b>  |             |
| <b>VIII. Next Meeting Date: Wednesday, January 27, 2010</b>  |             |

**\* HAPPY HOLIDAYS \***



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  
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## MINUTES OF THE GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY BOARD OF DIRECTORS MEETING Wednesday, October 28, 2009

### I. Call to Order

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

### Attendance

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

Members Absent: None

Staff/Others:	Henri Boucher	ShowSpan, Inc.
	David Czurak	<i>Grand Rapids Business Journal</i>
	Jim Day	Kent County
	Daryl Delabbio	Kent County
	George Helmstead	CVB
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Drew Nikodem	IATSE
	Greg Sundstrom	City of Grand Rapids
	Eddie Tadlock	SMG
	Susan Waddell	CAA
	Jana Wallace	City of Grand Rapids
	Richard Wendt	Dickinson Wright
	Robert White	Kent County

### II. 2009 International Wine & Food Festival

Henri Boucher presented an update on the 2009 wine and food festival that will be held November 12-14, in the Steelcase ballrooms. This year, there will be twice as many restaurants that will offer tastings at their booths. There will be four pairings, with six.one.six and Tre Cugini restaurants joining the 1913 Room and Bar Divani. More than 1,000 wines and beers will be available to sample this year compared to 750 last year. This year, we will charge \$15 for the wine seminars to cover the cost of the wine and they will be located on the 3<sup>rd</sup> floor above the ballrooms. Food seminars will continue to be complimentary. Local chefs and national celebrities include Angus Campbell of the Secchia Culinary Institute, Tony Lawrence, Joe Borrello, Eric Villegas, Sue Chef, and Shari Steinbach. New this year is the "Riverfront Market" on the Secchia Concourse, where patrons can sample and purchase breads, cheeses, oils, chocolates, condiments, and produce.

### III. Minutes of Prior Meeting

*Motion: Mr. Chamberlin, supported by Mr. Tomaselli, moved to approve the Minutes of the September 23, 2009, meeting of the Grand Rapids-Kent County Convention/Arena Authority. The motion carried unanimously.*

### IV. Committee Reports

#### a. Operations Committee

Mr. Chamberlin stated that Operations Committee did not meet in October due to a lack of quorum.

Mr. Helmstead provided a brief overview of recent sales activities, marketing efforts, and major bid presentations. Last month, the CVB booked 29 meetings that will count for 11,600 room nights and \$10.5 million. The CVB is working on verbal commitments from the Michigan Reading Association and DECA. Two staff members are attending the Rejuvenate conference, which is a competitor of RCMA. The CVB will be hosting the Fraternal Order of Eagles Board to showcase the city. The CVB is inviting hometown heroes to the wine and food festival.

Chair Heacock stated that the Board needs to reorganize the Committee structure to improve attendance at meetings.

#### 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, 2009. After review and discussion, the motion carried unanimously.*

##### ii. CAA Financial Statements

*Motion: Ms. Klohs, supported by Mr. Tomaselli, moved to approve the CAA Financial Statements for the period ended September 30, 2009. After review and discussion, the motion carried unanimously.*

##### iii Special Purpose Financial Statements as of and for the Years Ended June 30, 2009 and 2008

Mr. Machuta presented the SMG audited financial statements for DeVos Place® and the Van Andel Arena®. the objective of the audit is to express an opinion on the fairness of the presentation of the DeVos Place® and Arena's special purpose financial statements for the year ended June 30, 2009 in conformity with generally accepted accounting principles. Mr. Machuta added that there were no significant differences from the SMG July 2009 financial statements. SMG is eligible for an incentive fee of \$211,249, having exceeded the 2009 operating income benchmark of \$700,000. Last year, SMG received an incentive fee of \$308,000.

*Motion: Ms. Klohs, supported by Mr. Chamberlin, moved to accept the Special Purpose Financial Statements as of and for the Years Ended June 30, 2009 and 2008. The motion carried unanimously.*

iv. First Quarter Consolidated Budget Summary/Financial Report

Mr. White prepared the consolidated financial statement for information purposes.

V. 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®.

VI. Public Comment

None.

VII. Next Meeting Date

The date for next CAA Board meeting is Wednesday, December 2, 2009, in the Kent County Commission Chambers, Kent County Administration Building, 300 Monroe Avenue, NW.

VIII. Adjournment

There being no other business, the meeting adjourned at 8:50 a.m.

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Birgit M. Klohs, Recording Secretary

# DEVOS PLACE

## DE VOS PLACE

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED OCTOBER 31, 2009**

**Distribution:**

**Grand Rapids – Kent County Convention / Arena Authority**

**Robert White**

**Bob McClintock**

**Lewis Dawley**

**Gary McAneney**

**Howard Feldman**

**Richard MacKeigan**

**Chris Machuta**



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*An SMG Managed Facility*

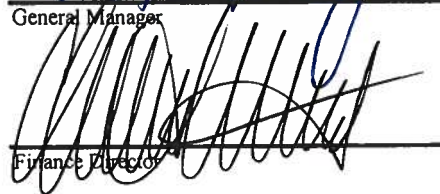
**DE VOS PLACE  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2010**

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	162	389	551	564	(13)
ATTENDANCE	103,469	416,602	520,071	553,300	(33,229)
DIRECT EVENT REVENUE	657,427	1,608,454	2,265,881	2,263,000	2,881
ANCILLARY REVENUE	521,589	1,698,283	2,219,872	2,277,255	(57,383)
TOTAL EVENT REVENUE	1,179,016	3,306,737	4,485,753	4,540,255	(54,502)
TOTAL OTHER REVENUE	32,211	127,378	159,589	172,500	(12,911)
TOTAL OPERATING REVENUE	1,211,227	3,434,115	4,645,342	4,712,755	(67,413)
INDIRECT EXPENSES					
EXECUTIVE	50,306	117,918	168,224	173,304	5,080
FINANCE	68,781	148,293	217,074	224,296	7,222
MARKETING	11,983	86,004	97,987	107,726	9,739
OPERATIONS	442,434	1,017,120	1,459,554	1,529,250	69,696
EVENT SERVICES	275,292	609,029	884,321	889,147	4,826
BOX OFFICE	24,334	48,236	72,570	72,570	-
SALES	104,333	243,766	348,099	346,620	(1,479)
OVERHEAD	542,126	1,633,038	2,175,164	2,209,432	34,268
TOTAL OPERATING EXP.	1,519,586	3,903,404	5,422,993	5,552,345	129,352
NET REVENUE ABOVE EXPENSES	(308,359)	(469,289)	(777,651)	(839,590)	61,939
INCENTIVE FEE			-	0	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(308,359)	(469,289)	(777,651)	(839,590)	61,939

**Comments:**

October proved to be a very successful month for DeVos Place as most areas of revenue were up over expectations and indirect expense spending continues to come in under budget.

  
General Manager

  
Finance Director

**DE VOS PLACE  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED OCTOBER 31, 2009**

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

<b>MONTH</b>	<b>October Actual</b>	<b>October Budget</b>	<b>October FY 2009</b>
Number of Events	69	69	66
Attendance	48,756	51,500	38,649
Direct Event Income	\$287,902	\$211,451	\$180,001
Ancillary Income	267,017	263,483	214,974
Other Income	11,092	16,083	14,000
Indirect Expenses	(439,071)	(462,698)	(408,950)
Net Income	\$126,940	\$28,319	\$25

<b>YTD</b>	<b>YTD 2010 Actual</b>	<b>YTD 2010 Budget</b>	<b>YTD 2009 Prior Year</b>
Number of Events	162	167	192
Attendance	103,469	112,942	111,521
Direct Event Income	\$657,427	\$535,109	\$503,788
Ancillary Income	521,589	626,499	520,923
Other Income	32,211	44,332	51,046
Indirect Expenses	(1,519,586)	(1,850,794)	(1,579,435)
Net Income	(\$308,359)	(\$644,854)	(\$503,678)

**EVENT INCOME**

Event income came in ahead of budget overall as most events hosted exceeded expectations.

**ANCILLARY INCOME**

Ancillary income came in consistent with budget overall. Most revenue streams showed a positive variance to budget with the exception of catering revenue seems to be the line item hardest hit through this downturn in the economy.

**INDIRECT EXPENSES**

Indirect expenses continues to come in under budget.

**DeVos Place**  
**Income Statement**  
**For the Four Months Ending October 31, 2009**

	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
<b>Event Income</b>								
<b>Direct Event Income</b>								
Rental Income	\$297,033	\$233,031	\$64,002	\$196,301	\$658,833	\$603,763	\$55,070	\$551,328
Service Revenue	310,674	239,506	71,168	160,751	594,364	570,900	23,464	484,277
Service Expenses	(319,805)	(261,086)	(58,719)	(177,051)	(595,770)	(639,554)	43,784	(531,817)
<b>Total Direct Event Income</b>	<b>287,902</b>	<b>211,451</b>	<b>76,451</b>	<b>180,001</b>	<b>657,427</b>	<b>535,109</b>	<b>122,318</b>	<b>503,788</b>
<b>Ancillary Income</b>								
F&B Concession	12,853	9,196	3,657	3,952	24,444	27,132	(2,688)	15,668
F&B Catering	68,207	101,936	(33,729)	69,770	159,293	238,482	(79,189)	208,558
Novelty Sales	590	1,570	(980)	436	4,238	4,265	(27)	3,627
Booth Cleaning	33,619	20,293	13,326	25,865	46,705	44,105	2,600	42,214
Telephone/Long Distance	338	0	338	2,592	900	2,472	(1,572)	4,054
Electrical Services	94,212	58,252	35,960	71,688	125,321	132,069	(6,748)	116,104
Audio Visual	29,420	42,827	(13,407)	27,623	99,799	107,946	(8,147)	98,058
Internet Services	3,033	3,163	(130)	1,302	13,819	15,230	(1,411)	(1,491)
Equipment Rental	24,745	26,246	(1,501)	11,746	47,070	54,798	(7,728)	34,131
<b>Total Ancillary Income</b>	<b>267,017</b>	<b>263,483</b>	<b>3,534</b>	<b>214,974</b>	<b>521,589</b>	<b>626,499</b>	<b>(104,910)</b>	<b>520,923</b>
<b>Other Event Income</b>								
Ticket Rebates(Per Event)	9,150	13,250	(4,100)	9,556	23,181	33,000	(9,819)	37,512
<b>Total Other Event Income</b>	<b>9,150</b>	<b>13,250</b>	<b>(4,100)</b>	<b>9,556</b>	<b>23,181</b>	<b>33,000</b>	<b>(9,819)</b>	<b>37,512</b>
<b>Total Event Income</b>	<b>564,069</b>	<b>488,184</b>	<b>75,885</b>	<b>404,531</b>	<b>1,202,197</b>	<b>1,194,608</b>	<b>7,589</b>	<b>1,062,223</b>
<b>Other Operating Income</b>								
Luxury Box Agreements	1,733	2,000	(267)	2,600	6,933	8,000	(1,067)	10,400
Other Income	209	833	(624)	1,844	2,097	3,332	(1,235)	3,134
<b>Total Other Operating Income</b>	<b>1,942</b>	<b>2,833</b>	<b>(891)</b>	<b>4,444</b>	<b>9,030</b>	<b>11,332</b>	<b>(2,302)</b>	<b>13,534</b>
<b>Adjusted Gross Income</b>	<b>566,011</b>	<b>491,017</b>	<b>74,994</b>	<b>408,975</b>	<b>1,211,227</b>	<b>1,205,940</b>	<b>5,287</b>	<b>1,075,757</b>
<b>Operating Expenses</b>								
Salaries and Wages	301,019	223,027	77,992	229,907	860,664	892,110	(31,446)	812,876
Payroll Taxes and Benefits	85,863	61,340	24,523	60,994	218,972	245,360	(26,388)	222,573
Labor Allocations to Events	(228,224)	(119,103)	(109,121)	(137,260)	(490,972)	(476,412)	(14,560)	(429,007)
<b>Net Salaries and Benefits</b>	<b>158,658</b>	<b>165,264</b>	<b>(6,606)</b>	<b>153,641</b>	<b>588,664</b>	<b>661,058</b>	<b>(72,394)</b>	<b>606,442</b>
Contracted Services	27,046	21,200	5,846	31,498	94,467	84,800	9,667	120,831
General and Administrative	35,751	28,768	6,983	20,965	86,285	115,072	(28,787)	95,667
Operations	7,359	11,823	(4,464)	8,367	40,561	47,292	(6,731)	38,744
Repair and Maintenance	54,544	41,941	12,603	47,962	158,488	167,764	(9,276)	183,799
Operational Supplies	27,058	21,500	5,558	23,990	70,807	86,000	(15,193)	61,680
Insurance	18,099	17,463	636	16,434	56,191	69,852	(13,661)	57,620
Utilities	97,333	141,516	(44,183)	92,870	371,232	566,064	(194,832)	361,761
SMG Management Fees	13,223	13,223	0	13,223	52,891	52,892	(1)	52,891
<b>Total Operating Expenses</b>	<b>439,071</b>	<b>462,698</b>	<b>(23,627)</b>	<b>408,950</b>	<b>1,519,586</b>	<b>1,850,794</b>	<b>(331,208)</b>	<b>1,579,435</b>
<b>Net Income(Loss) From Operations</b>	<b>126,940</b>	<b>28,319</b>	<b>98,621</b>	<b>25</b>	<b>(308,359)</b>	<b>(644,854)</b>	<b>336,495</b>	<b>(503,678)</b>
<b>Other Non-Operating Expenses</b>								
<b>Adjusted Net Income(Loss)</b>	<b>126,940</b>	<b>28,319</b>	<b>98,621</b>	<b>25</b>	<b>(308,359)</b>	<b>(644,854)</b>	<b>336,495</b>	<b>(503,678)</b>



**SMG DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Year to Date Event Summary Report**  
**For Month Ended October 31, 2009**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	50	56	52,380	57,292	678,721	625,484
Consumer/Gated Shows	5	5	3,481	9,950	32,972	43,930
Devos Performance Hall	41	34	26,100	27,000	228,780	236,768
Banquets	10	10	5,265	6,000	87,938	107,162
Meetings	42	48	11,150	8,700	134,862	93,806
Other	14	14	5,093	4,000	38,923	87,458
GRAND TOTALS	162	167	103,469	112,942	1,202,196	1,194,608

As Percentage of Overall

Convention/Trade Shows	30.86%	33.53%	50.62%	50.73%	56.46%	52.36%
Consumer/Gated Shows	3.09%	2.99%	3.36%	8.81%	2.74%	3.68%
Devos Performance Hall	25.31%	20.36%	25.22%	23.91%	19.03%	19.82%
Ballroom Exclusive	6.17%	5.99%	5.09%	5.31%	7.31%	8.97%
Meetings	25.93%	28.74%	10.78%	7.70%	11.22%	7.85%
Other	8.64%	8.38%	4.92%	3.54%	3.24%	7.32%

**DeVos Place**  
**Balance Sheet**  
**For the Four Months Ending October 31, 2009**

**ASSETS**

**Current Assets**

Cash	603,832
Account Receivable	746,990
Prepaid Expenses	59,128

<b>Total Current Assets</b>		<b>\$1,409,950</b>
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**Total Assets**

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**\$1,409,950**  
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**LIABILITIES AND EQUITY**

**Current Liabilities**

Accounts Payable	31,319
Accrued Expenses	217,716
Deferred Income	52,499
Advanced Ticket Sales & Deposits	504,047

<b>Total Current Liabilities</b>		<b>\$805,581</b>
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**Other Liabilities**

**Equity**

CY Funds Remitted to CAA	(150,000)
CY Exp. Paid Directly by CAA	345,433
Beginning Balance Equity	717,297
Current Year Equity	(308,361)

<b>Total Equity</b>		<b>\$604,369</b>
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<b>Total Liabilities and Equity</b>		<b>\$1,409,950</b>
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**\$1,409,950**  
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**SMG - DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Summary of Accounts Receivable  
For Month Ended October 31, 2009**

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<b>Current - Under 30 Days</b>	
Food & Beverage	81,003
Ticketing	25,922
Merchandise	-
Decorating	33,618
Audio/Visual	25,551
Van Andel Arena	77,995
Operating	342,776
Over 30 Days	112,031
Over 60 Days	32,960
Over 90 Days	
Donnell Productions	5,736
Paragon Leather	2,110
Saigon Entertainment	5,002
Grinder Promotions	2,286
Total Accounts Receivable	746,990

**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2010**

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2009 Actual
Net Revenue above Expenses	1,156,176	(777,651)	378,525	863,953
Benchmark			700,000	700,000
Excess	1,156,176	(777,651)	(321,475)	163,953

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	158,672	158,671	317,343	317,343
Incentive Fee				
Revenue	4,999,609	4,645,342	9,644,951	9,587,496
Benchmark Revenue	4,750,000	4,150,000	8,900,000	8,800,000
Revenue Excess	249,609	495,342	744,951	787,496
Incentive Fee **	-	-	-	211,249
Total SMG Management Fee	158,672	158,671	317,343	528,592

\*\* 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, 2009**

**Distribution:**

Grand Rapids – Kent County Convention / Arena Authority  
Robert White  
Bob McClintock  
Lewis Dawley  
Gary McAneney  
Howard Feldman  
Richard MacKeigan  
Chris Machuta



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*An SMG Managed Facility*


VAN ANDEL ARENA  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2010

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	21	82	103	105	(2)
ATTENDANCE	110,097	437,705	547,802	559,650	(11,848)
DIRECT EVENT INCOME	286,757	1,106,908	1,393,665	1,423,745	(30,080)
ANCILLARY INCOME	269,309	841,291	1,110,600	1,113,577	(2,977)
TOTAL EVENT INCOME	556,066	1,948,199	2,504,265	2,537,322	(33,057)
TOTAL OTHER INCOME	792,447	1,702,897	2,495,344	2,467,390	27,954
TOTAL INCOME	1,348,513	3,651,096	4,999,609	5,004,712	(5,103)
INDIRECT EXPENSES					
EXECUTIVE	55,301	133,565	188,866	187,074	(1,792)
FINANCE	57,008	164,535	221,543	233,925	12,382
MARKETING	86,007	179,861	265,868	275,280	9,412
OPERATIONS	438,012	1,183,361	1,621,373	1,644,844	23,471
BOX OFFICE	32,024	108,187	140,211	144,138	3,927
LUXURY SEATING	25,820	59,973	85,793	86,751	958
SKYWALK ADMIN	7,577	16,379	23,956	23,956	-
OVERHEAD	402,139	893,684	1,295,823	1,246,071	(49,752)
TOTAL INDIRECT EXP.	1,103,887	2,739,545	3,843,433	3,842,039	(1,394)
NET REVENUE ABOVE EXPENSES	244,626	911,551	1,156,176	1,162,673	(6,497)
LESS INCENTIVE FEE			0	-	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	244,626	911,551	1,156,176	1,162,673	(6,497)

Comments:

October was a solid month for the Arena overall led by the sold out Taylor Swift and strong selling Dane Cook shows. Month also marks the start of the new Griffins season in which attendance continues to be very strong.

  
General Manager

  
Director of Finance

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED OCTOBER 31, 2009**

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

<b>MONTH</b>	<b>October Actual</b>	<b>October Budget</b>	<b>October FY 2009</b>
Number of Events	10	8	8
Attendance	50,649	38,012	38,012
Direct Event Income	\$128,790	\$136,440	163,999
Ancillary Income	125,583	148,855	72,830
Other Income	212,562	233,170	222,455
Indirect Expenses	(288,422)	(320,171)	(347,664)
Net Income	<u>\$178,513</u>	<u>\$198,294</u>	<u>\$111,620</u>

<b>YTD</b>	<b>YTD 2010 Actual</b>	<b>YTD 2010 Budget</b>	<b>YTD 2009 Prior Year</b>
Number of Events	21	21	21
Attendance	110,097	104,766	104,766
Direct Event Income	\$286,757	\$346,411	339,457
Ancillary Income	269,309	285,697	242,307
Other Income	792,447	785,990	862,009
Indirect Expenses	(1,103,887)	(1,280,684)	(1,260,623)
Net Income	<u>\$244,626</u>	<u>\$137,414</u>	<u>\$183,150</u>

**EVENT INCOME**

Event income came in consistent with budget overall. Bull Riding fell short of budget, however, was offset by a very successful Taylor Swift (sold out) concert and Dane Cook show.

**ANCILLARY INCOME**

Ancillary income fell below expected levels for the month. While per caps were solid for the shows hosted, Taylor Swift and Dane Cook are not traditionally strong concessions events.

**INDIRECT EXPENSES**

Indirect expenses came in ahead of budget for the month.

**Van Andel Arena**  
**Income Statement**  
**For the Four Months Ending October 31, 2009**

	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
<b>Event Income</b>								
<b>Direct Event Income</b>								
Rental Income	\$176,052	\$191,404	(15,352)	\$171,001	\$365,947	\$435,865	(69,918)	\$399,467
Service Revenue	154,866	128,412	26,454	202,475	334,661	395,942	(61,281)	486,193
Service Expenses	(202,128)	(183,376)	(18,752)	(209,477)	(413,851)	(485,396)	71,545	(546,203)
<b>Total Direct Event Income</b>	<b>128,790</b>	<b>136,440</b>	<b>(7,650)</b>	<b>163,999</b>	<b>286,757</b>	<b>346,411</b>	<b>(59,654)</b>	<b>339,457</b>
<b>Ancillary Income</b>								
F&B Concession	97,741	123,602	(25,861)	51,464	217,856	230,326	(12,470)	175,632
F&B Catering	8,463	11,501	(3,038)	11,508	19,527	23,289	(3,762)	32,866
Novelty Sales	14,029	9,632	4,397	7,648	26,576	27,962	(1,386)	31,505
Booth Cleaning	0	0	0	0	0	0	0	94
Other Ancillary	5,350	4,120	1,230	2,210	5,350	4,120	1,230	2,210
<b>Total Ancillary Income</b>	<b>125,583</b>	<b>148,855</b>	<b>(23,272)</b>	<b>72,830</b>	<b>269,309</b>	<b>285,697</b>	<b>(16,388)</b>	<b>242,307</b>
<b>Other Event Income</b>								
Ticket Rebates(Per Event)	32,528	37,270	(4,742)	33,459	78,990	78,810	180	101,495
<b>Total Other Event Income</b>	<b>32,528</b>	<b>37,270</b>	<b>(4,742)</b>	<b>33,459</b>	<b>78,990</b>	<b>78,810</b>	<b>180</b>	<b>101,495</b>
<b>Total Event Income</b>	<b>286,901</b>	<b>322,565</b>	<b>(35,664)</b>	<b>270,288</b>	<b>635,056</b>	<b>710,918</b>	<b>(75,862)</b>	<b>683,259</b>
<b>Other Operating Income</b>								
Luxury Box Agreements	131,046	134,816	(3,770)	129,623	480,394	462,844	17,550	516,506
Advertising	44,000	54,167	(10,167)	54,000	212,534	216,668	(4,134)	216,125
Other Income	4,988	6,917	(1,929)	5,373	20,529	27,668	(7,139)	27,883
<b>Total Other Operating Income</b>	<b>180,034</b>	<b>195,900</b>	<b>(15,866)</b>	<b>188,996</b>	<b>713,457</b>	<b>707,180</b>	<b>6,277</b>	<b>760,514</b>
<b>Adjusted Gross Income</b>	<b>466,935</b>	<b>518,465</b>	<b>(51,530)</b>	<b>459,284</b>	<b>1,348,513</b>	<b>1,418,098</b>	<b>(69,585)</b>	<b>1,443,773</b>
<b>Operating Expenses</b>								
Salaries and Wages	152,649	158,969	(6,320)	141,567	533,069	635,876	(102,807)	594,609
Payroll Taxes and Benefits	40,869	46,429	(5,560)	36,835	133,365	185,716	(52,351)	148,835
Labor Allocations to Events	(65,448)	(71,669)	6,221	(61,223)	(192,449)	(286,676)	94,227	(223,145)
<b>Net Salaries and Benefits</b>	<b>128,070</b>	<b>133,729</b>	<b>(5,659)</b>	<b>117,179</b>	<b>473,985</b>	<b>534,916</b>	<b>(60,931)</b>	<b>520,299</b>
Contracted Services	19,801	21,300	(1,499)	27,105	77,023	85,200	(8,177)	111,324
General and Administrative	31,397	27,965	3,432	48,736	97,686	111,860	(14,174)	116,771
Operations	1,867	5,183	(3,316)	2,684	5,940	20,732	(14,792)	11,769
Repair and Maintenance	7,829	18,662	(10,833)	29,534	58,146	74,648	(16,502)	86,289
Operational Supplies	9,499	18,342	(8,843)	13,601	32,588	73,368	(40,780)	57,240
Insurance	11,703	2,667	9,036	6,495	30,502	10,668	19,834	25,584
Utilities	65,033	79,100	(14,067)	89,107	275,126	316,400	(41,274)	278,456
SMG Management Fees	13,223	13,223	0	13,223	52,891	52,892	(1)	52,891
<b>Total Operating Expenses</b>	<b>288,422</b>	<b>320,171</b>	<b>(31,749)</b>	<b>347,664</b>	<b>1,103,887</b>	<b>1,280,684</b>	<b>(176,797)</b>	<b>1,260,623</b>
<b>Net Income(Loss) From Operations</b>	<b>178,513</b>	<b>198,294</b>	<b>(19,781)</b>	<b>111,620</b>	<b>244,626</b>	<b>137,414</b>	<b>107,212</b>	<b>183,150</b>
<b>Other Non-Operating Expenses</b>								
<b>Adjusted Net Income(Loss)</b>	<b>178,513</b>	<b>198,294</b>	<b>(19,781)</b>	<b>111,620</b>	<b>244,626</b>	<b>137,414</b>	<b>107,212</b>	<b>183,150</b>



**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Event Summary**  
**Month Ending October 31, 2009**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	6	7	22,059	23,000	46,482	60,396
Sporting Event	4	4	18,426	16,500	139,817	157,900
Concert	4	6	39,798	42,000	441,726	506,733
Team Home Games	5	6	21,665	33,000	49,703	72,174
Other	2	1	8,149	150	65,795	2,975
<b>GRAND TOTALS</b>	<b>21</b>	<b>24</b>	<b>110,097</b>	<b>114,650</b>	<b>743,523</b>	<b>800,178</b>

**As Percentage of Overall**

Family Show	28.57%	29.17%	20.04%	20.06%	6.25%	7.55%
Sporting Event	19.05%	16.67%	16.74%	14.39%	18.80%	19.73%
Concert	19.05%	25.00%	36.15%	36.63%	59.41%	63.33%
Team Home Games	23.81%	25.00%	19.68%	28.78%	6.68%	9.02%
Other	9.52%	4.17%	7.40%	0.13%	8.85%	0.37%

**Van Andel Arena**  
**Balance Sheet**  
**For the Four Months Ending October 31, 2009**

**ASSETS**

**Current Assets**

Cash	3,307,995
Account Receivable	626,747
Prepaid Expenses	177,804

<b>Total Current Assets</b>	<hr/>	<b>\$4,112,546</b>
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<b>Total Assets</b>	<hr/>	<b>\$4,112,546</b>
	<hr/>	

**LIABILITIES AND EQUITY**

**Current Liabilities**

Accounts Payable	(301,049)
Accrued Expenses	992,813
Deferred Income	1,318,449
Advanced Ticket Sales & Deposits	1,941,791

<b>Total Current Liabilities</b>	<hr/>	<b>\$3,952,004</b>
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**Other Liabilities**

**Equity**

CY Funds Remitted to CAA	(800,000)
CY Exp. Paid Directly by CAA	253,429
Beginning Balance Equity	462,489
Current Year Equity	244,626

<b>Total Equity</b>	<hr/>	<b>\$160,543</b>
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<b>Total Liabilities and Equity</b>	<hr/>	<b>\$4,112,547</b>
	<hr/>	

6

**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ending October 31, 2009**

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Current - Under 30 Days	
Food & Beverage	223,324
Ticketing	89,453
Merchandise	14,398
Permanent Advertising	-
DeVos Place	(77,995)
Operating	113,845
 Over 30 Days	 195,222
 Over 60 Days	 68,500
 Over 90 Days	
 Total Accounts Receivable	 626,747

**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2010**

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2009 Actual
Net Revenue above Expenses	1,156,176	(777,651)	378,525	863,953
Benchmark			700,000	700,000
Excess	1,156,176	(777,651)	(321,475)	163,953

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	158,672	158,671	317,343	317,343
Incentive Fee				
Revenue	4,999,609	4,645,342	9,644,951	9,587,496
Benchmark Revenue	4,750,000	4,150,000	8,900,000	8,800,000
Revenue Excess	249,609	495,342	744,951	787,496
Incentive Fee **	-	-	-	211,249
Total SMG Management Fee	158,672	158,671	317,343	528,592

\*\* 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:** November 25, 2009  
**Re:** CAA Financial Statements

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The following lists the balances of the two operating accounts as of October 31, 2009:

	<b><i>1050: Operations</i></b>	<b><i>1070: Kent County Operating</i></b>
Register Balance	<u>\$ 360,698.84</u>	<u>\$22,215,115.15</u>

1. Bank reconciliation has not occurred and, therefore, no summary of financial activity was available for the above operating accounts.
2. The negative amount in land lease is due to a reversing journal entry made by CAA professional consultant, Cheri McConomy, to record net parking revenues due for Area 2 @ 6/30/09.
3. Parking revenues, parking management, and pedestrian safety are behind schedule due to staff and timing issues.
4. Meeting expense is high due to hosting the BLEND event and ArtPrize reception.
5. The CAA has paid the DID assessment and SMG incentive fee.

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

3:57 PM

11/25/09

Accrual Basis

**Grand Rapids-Kent County Convention/Arena Authority**  
**Balance Sheet**  
**As of October 31, 2009**

	Oct 31, 09
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
1040 · Cash - Operations - SMG	5,310,756.10
1050 · Operations - Cash	360,698.84
<b>Total Checking/Savings</b>	<b>5,671,454.94</b>
<b>Other Current Assets</b>	
1070 · Kent County - Operating	22,215,115.15
1200 · Accounts Receivable	2,118,099.17
1300 · Prepaid Expenses	204,866.35
1600 · Advances/Deposits Receivable	-550,001.07
<b>Total Other Current Assets</b>	<b>23,988,079.60</b>
<b>Total Current Assets</b>	<b>29,659,534.54</b>
<b>Fixed Assets</b>	
Buildings & Structures	
Depreciation	-83,557.38
Original Cost	322,431.00
<b>Total Buildings &amp; Structures</b>	<b>238,873.62</b>
Equip	
Depreciation	-817,407.58
Original Cost	1,063,917.04
Equip - Other	130,251.19
<b>Total Equip</b>	<b>376,760.65</b>
Vehicles	43,914.30
<b>Total Fixed Assets</b>	<b>659,548.57</b>
<b>TOTAL ASSETS</b>	<b>30,319,083.11</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
2000 · Accounts Payable	291,463.40
2005 · Accounts payable - SMG	706,647.17
<b>Total Accounts Payable</b>	<b>998,110.57</b>
<b>Other Current Liabilities</b>	
2200 · Accrued Expenses	876,270.61
2210 · Advance Ticket Sales	3,033,935.73
2220 · Advance deposits	277,635.00
2400 · Accrued Compensated Absences	4,192.84
2500 · Deferred facility income	1,233,686.74
<b>Total Other Current Liabilities</b>	<b>5,425,720.92</b>
<b>Total Current Liabilities</b>	<b>6,423,831.49</b>
<b>Total Liabilities</b>	<b>6,423,831.49</b>
<b>Equity</b>	
3000 · Opening Bal Equity	37,035,584.45
3900 · Retained Earnings	-12,256,580.05
Net Income	-883,752.78
<b>Total Equity</b>	<b>23,895,251.62</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>30,319,083.11</b>

4:06 PM

11/25/09

Accrual Basis

**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss Budget vs. Actual**  
**July through October 2009**

	Jul - Oct 09	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4500 · Interest on Investments	100,529.66	225,000.00	-124,470.34	44.7%
4540 · Land Lease	-3,179.00	44,917.00	-48,096.00	-7.1%
4545 · Parking Revenues	124,247.00	285,871.00	-161,624.00	43.5%
4550 · Miscellaneous Revenue	5,000.00	0.00	5,000.00	100.0%
<b>Total Income</b>	<b>226,597.66</b>	<b>555,788.00</b>	<b>-329,190.34</b>	<b>40.8%</b>
<b>Expense</b>				
6000 · Professional Services				
6001 · Accounting/Auditing Services	9,671.47	12,666.72	-2,995.25	76.4%
6040 · Legal Services	7,848.05	11,666.72	-3,818.67	67.3%
<b>Total 6000 · Professional Services</b>	<b>17,519.52</b>	<b>24,333.44</b>	<b>-6,813.92</b>	<b>72.0%</b>
6060 · Other Contractual Services	25,000.00	123,000.00	-98,000.00	20.3%
6065 · Pedestrian Safety	8,872.55	32,000.00	-23,127.45	27.7%
6068 · Parking Management	39,612.00	89,550.36	-49,938.36	44.2%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	188.55	0.00	188.55	100.0%
6020 · Computer Services	240.00	0.00	240.00	100.0%
6030 · Insurance-Property/Liability	22,903.00			
6101 · Advertising/Promo/Publicity	7,938.70	0.00	7,938.70	100.0%
6110 · Meeting Expense	13,635.07	3,333.36	10,301.71	409.0%
6120 · Supplies	1,028.59	1,666.72	-638.13	61.7%
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>45,933.91</b>	<b>5,000.08</b>	<b>40,933.83</b>	<b>918.7%</b>
6160 · Facility Repair and Maintenance	8,820.41	3,333.36	5,487.05	264.6%
6200 · Capital Replacement Projects	227,306.46	648,400.00	-421,093.54	35.1%
6210 · F&B Repair & Maintenance	0.00	6,666.72	-6,666.72	0.0%
6300 · Utilities Expense				
6301 · Electricity	286,922.48	410,666.72	-123,744.24	69.9%
6310 · Natural Gas	1,455.16	6,000.00	-4,544.84	24.3%
6320 · Steam	118,108.36	376,300.00	-258,191.64	31.4%
6340 · Water & Sewer	32,793.98	37,500.00	-4,706.02	87.5%
<b>Total 6300 · Utilities Expense</b>	<b>439,279.98</b>	<b>830,466.72</b>	<b>-391,186.74</b>	<b>52.9%</b>
6500 · DID Assessment	53,175.29			
6600 · SMG Incentive Fees	211,249.00			
8000 · Personal Services				
8001 · Employee Wages	25,367.52	21,941.72	3,425.80	115.6%
8030 · Employee Benefits	8,213.80	7,072.36	1,141.44	116.1%
<b>Total 8000 · Personal Services</b>	<b>33,581.32</b>	<b>29,014.08</b>	<b>4,567.24</b>	<b>115.7%</b>
<b>Total Expense</b>	<b>1,110,350.44</b>	<b>1,791,764.76</b>	<b>-681,414.32</b>	<b>62.0%</b>
<b>Net Income</b>	<b>-883,752.78</b>	<b>-1,235,976.76</b>	<b>352,223.98</b>	<b>71.5%</b>

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## Grand Rapids-Kent County Convention/Arena Authority

## Profit &amp; Loss Prev Year Comparison

July through October 2009

11/25/09

Accrual Basis

	Jul - Oct 09	Jul - Oct 08	\$ Change	% Change
<b>Income</b>				
4500 · Interest on Investments	100,529.66	194,949.85	-94,420.19	-48.4%
4540 · Land Lease	-3,179.00	66,396.35	-69,575.35	-104.8%
4545 · Parking Revenues	124,247.00	161,783.25	-37,536.25	-23.2%
4550 · Miscellaneous Revenue	5,000.00	99,920.00	-94,920.00	-95.0%
<b>Total Income</b>	<b>226,597.66</b>	<b>523,049.45</b>	<b>-296,451.79</b>	<b>-56.7%</b>
<b>Expense</b>				
6000 · Professional Services				
6001 · Accounting/Auditing Services	9,671.47	2,637.96	7,033.51	266.6%
6040 · Legal Services	7,848.05	14,093.85	-6,245.80	-44.3%
<b>Total 6000 · Professional Services</b>	<b>17,519.52</b>	<b>16,731.81</b>	<b>787.71</b>	<b>4.7%</b>
6060 · Other Contractual Services	25,000.00	25,000.00	0.00	0.0%
6065 · Pedestrian Safety	8,872.55	9,180.26	-307.71	-3.4%
6068 · Parking Management	39,612.00	49,103.00	-9,491.00	-19.3%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	188.55	20.00	168.55	842.8%
6020 · Computer Services	240.00	0.00	240.00	100.0%
6030 · Insurance-Property/Liability	22,903.00	50.00	22,853.00	45,706.0%
6101 · Advertising/Promo/Publicity	7,938.70	0.00	7,938.70	100.0%
6110 · Meeting Expense	13,635.07	1,412.69	12,222.38	865.2%
6120 · Supplies	1,028.59	78.75	949.84	1,206.2%
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>45,933.91</b>	<b>1,561.44</b>	<b>44,372.47</b>	<b>2,841.8%</b>
6160 · Facility Repair and Maintenance	8,820.41	0.00	8,820.41	100.0%
6200 · Capital Replacement Projects	227,306.46	221,267.99	6,038.47	2.7%
6210 · F&B Repair & Maintenance	0.00	4,997.19	-4,997.19	-100.0%
6300 · Utilities Expense				
6301 · Electricity	286,922.48	365,961.90	-79,039.42	-21.6%
6310 · Natural Gas	1,455.16	2,331.72	-876.56	-37.6%
6320 · Steam	118,108.36	50,442.80	67,665.56	134.1%
6340 · Water & Sewer	32,793.98	32,716.54	77.44	0.2%
<b>Total 6300 · Utilities Expense</b>	<b>439,279.98</b>	<b>451,452.96</b>	<b>-12,172.98</b>	<b>-2.7%</b>
6500 · DID Assessment	53,175.29	0.00	53,175.29	100.0%
6600 · SMG Incentive Fees	211,249.00	308,100.00	-96,851.00	-31.4%
8000 · Personal Services				
8001 · Employee Wages	25,367.52	25,146.15	221.37	0.9%
8030 · Employee Benefits	8,213.80	3,245.44	4,968.36	153.1%
<b>Total 8000 · Personal Services</b>	<b>33,581.32</b>	<b>28,391.59</b>	<b>5,189.73</b>	<b>18.3%</b>
<b>Total Expense</b>	<b>1,110,350.44</b>	<b>1,115,786.24</b>	<b>-5,435.80</b>	<b>-0.5%</b>
<b>Net Income</b>	<b>-883,752.78</b>	<b>-592,736.79</b>	<b>-291,015.99</b>	<b>-49.1%</b>





**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 24, 2009

Board of Directors  
Grand Rapids - Kent County  
Convention/Arena Authority  
303 Monroe Avenue NW  
Grand Rapids, Michigan 49503

Dear Members of the Board:

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, 2009. The matters discussed herein are those that we have noted as of November 23, 2009 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 July 30, 2009, 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.

### **Overview of Planned Scope and Timing of the Audit**

A report was issued to the Finance Committee in August 2009 regarding the planned scope and timing of the audit, the intention of which was to assist those charged with governance in better understanding the consequences of our audit work on your oversight responsibilities along with assisting us in better understanding the Authority and its environment. The focus of this discussion included how the risks of material misstatement, whether due to error or fraud, would be addressed and on factors, rather than specific thresholds or amounts, that would impact materiality used in our planning and execution of the audit.



## **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 the Board of Directors 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 Practices***

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 for your review.

***Other Issues Arising From the Audit That We Consider Significant and Relevant***

There were no other issues arising from the audit that we consider significant and relevant.



### **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, 2009, 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 the Board of Directors 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*



November 19, 2009

BDO Seidman, LLP  
99 Monroe Avenue NW, Suite 800  
Grand Rapids, MI 49503

Ladies and gentlemen:

We are providing this letter in connection with your audits of the Grand Rapids – Kent County Convention/Arena Authority (the Authority) as of June 30, 2009 and 2008, and for the years then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, changes in net assets, and cash flows of the Authority in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with accounting principles generally accepted in the United States of America.

Convention  
Arena  
Authority

Steven Hencock,  
Chairman  
Bridget Klags  
CPR Charles  
Gary McInerney  
George Hewittwell  
Joseph Lombardi  
Lew Chamberlin

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of the date of this representation letter, the following representations made to you during your audit:

- (1) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds of the primary government and all component units required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
- (2) We are responsible for adopting sound accounting policies, establishing and maintaining internal control to, among other things, help assure the preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America, and preventing and detecting fraud.
- (3) We have made available to you all:
  - (a) Financial records and related data.



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

**DEVOS PLACE**

DeVos Place®  
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Grand Rapids, MI 49503-2233  
616.742.6500  
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- (b) Minutes of the meetings of the board of directors and committees of directors that were held from July 1, 2008 to the date of this letter, or summaries of actions of recent meetings for which minutes have not yet been prepared.
- (4) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.
- (5) There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
- (6) We have no knowledge of any:
  - (a) Fraud or suspected fraud involving management or involving employees who have significant roles in internal control, whether or not perceived to have a material effect on the financial statements.
  - (b) Fraud or suspected fraud involving others where the fraud could have a material effect on the financial statements.
  - (c) Allegations of fraud or suspected fraud affecting the Authority received in communications from employees, former employees, regulatory agencies, law firms or other professionals,
- (7) We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or net asset balances.
- (8) The following, where applicable and material, have been properly recorded or disclosed in the financial statements:
  - (a) Related-party transactions (e.g. transactions with Board members, management and members of their immediate families, including revenues expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties).
  - (b) Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements.
  - (c) Guarantees, whether written or oral, under which the Authority is contingently liable.
  - (d) Significant estimates and material concentrations known to management that are required to be disclosed. In that regard, all accounting estimates that could be

material to the financial statements, including key factors and significant assumptions underlying those estimates, have been identified, and we believe the estimates are reasonable in the circumstances.

- (e) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450 (FASB Statement No. 5, *Accounting for Contingencies*), including:

- Pending or anticipated tax assessments or refunds, other potential or pending claims, lawsuits by or against any branch of government or others;
- Written or oral guarantees, endorsements, or unused letters of credit;

FASB ASC 450-20 (FASB Statement No. 5) requires loss contingencies to be accrued if it is probable an asset has been impaired or a liability incurred at the statement of financial position date and the amount of loss can be reasonably estimated. Such contingencies must be disclosed, but may not be accrued, if the loss is reasonably possible (but not probable) or the loss is probable but the amount of loss cannot be reasonably estimated.

- (f) Commitments, such as:

- Major capital asset purchase agreements;
- More-than-one-year employment arrangements or contracts with suppliers or customers, or one-year-or-longer term leases;
- Pending sale or merger of all or a portion of the business or of an interest therein or acquisition of all or a portion of the business, assets or securities of another entity;

- (g) Joint ventures or other participations, the detailed transactions of which are not carried on our books.

- (9) There are no:

- (a) Violations or possible violations of laws or regulations and provisions of contracts and grant agreements (including the failure to file reports required by regulatory bodies (e.g., EPA, FDIC, Medicare, , HIPAA, IRS, Dept. of Commerce, state and municipal authorities) when the effects of failing to file could be material to the financial statements) whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

- (b) Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with FASB ASC 450 (FASB Statement No. 5, *Accounting for Contingencies*).
  - (c) Designation of net assets disclosed to you that were not properly authorized and approved, or reclassifications of net assets that have not been properly reflected in the financial statements.
- (10) Receivables recorded in the financial statements represent valid claims for sales or other charges arising on or before the statement of net assets date and have been appropriately reduced to their estimated net realizable value.
  - (11) The authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
  - (12) We have complied with all aspects of contractual agreements, including debt covenants that would have a material effect on the financial statements in the event of noncompliance.
  - (13) No discussions have taken place with your firm's personnel regarding employment with the Authority
  - (14) We are responsible for compliance with laws, regulations and provisions of contracts and grant agreements applicable to us and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts.
  - (15) All transactions entered into with SMG have been at arms-length and in the ordinary course of business. There were no transactions entered into that could be considered a conflict of interest due to the executive director of the Authority also being employed by SMG.
  - (16) We have complied with all restrictions on resources and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
  - (17) In connection with any electronic presentation of the financial statements and your audit report thereon on our web site, we acknowledge that:
    - We are responsible for the preparation, presentation, and content of the financial statements in the electronic format.
    - If your audit report is presented on our web site, the full financial statements upon

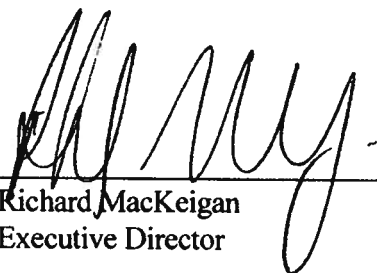


which you reported and to which you appended your signed report will be presented.

- We will clearly indicate in the electronic presentation on our web site the financial information that is subject to your audit report. We will clearly differentiate any information that may also be presented by us on or in connection with our web site that was contained in the published version of the financial statements and other supplementary information, but which is not part of the audited financial statements or other financial information covered by your audit report.
- We have assessed the security over financial statement information and the audit report presented on our web site, and are satisfied that procedures in place are adequate to ensure the integrity of the information provided. We understand the risk of potential misrepresentation inherent in publishing financial information on our web site through internal failure or external manipulation.
- Our web site, which contains the electronic financial statements, will advise the reader that such financial statements are presented for convenience and information purposes only, and while reasonable efforts have been made to ensure the integrity of such information, they should not be relied on. A copy of the printed financial statements will be provided on request.

To the best of our knowledge and belief, no events have occurred subsequent to the statement of net assets date and through the date of this representation letter, as entered on the first page that would require adjustment to or disclosure in the aforementioned financial statements.

Very truly yours,



---

Richard MacKeigan  
Executive Director



# **Grand Rapids - Kent County Convention/Arena Authority**

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## **Financial Statements and Supplementary Information**

**Years Ended June 30, 2009 and 2008**



**BDO Seldman, LLP**  
Accountants and Consultants

# **Grand Rapids - Kent County Convention/Arena Authority**



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**Financial Statements  
and Supplementary Information**  
Years Ended June 30, 2009 and 2008

# **Grand Rapids - Kent County Convention/Arena Authority**

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**BDO Seidman, LLP**  
Accountants and Consultants

99 Monroe Avenue NW, Suite 800  
Grand Rapids, Michigan 49503-2654  
Telephone: (616) 774-7000  
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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, 2009 and 2008. 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, 2009 and 2008, 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 22 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 23, 2009

## **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, 2009 and 2008. 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, non-operating or capital contributions. Operating revenues and expenses generally result from providing services. All other revenues and expenses are reported as non-operating 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 \$22,104,440 in 2007 to \$23,604,748 in 2008 and increased to \$24,779,004 in 2009. 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.

<b>Net Assets</b>			
	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Assets</b>			
Current and other assets	\$ 30,447,743	\$ 27,987,405	\$ 26,120,880
Capital assets	659,549	663,774	704,507
<b>Total Assets</b>	<b>31,107,292</b>	<b>28,651,179</b>	<b>26,825,387</b>
<b>Liabilities</b>			
Current liabilities	6,328,288	5,046,431	4,720,947
<b>Net Assets</b>			
Invested in capital assets	659,549	663,774	704,507
Restricted	80,000	80,000	-
Unrestricted	24,039,455	22,860,974	21,399,933
<b>Total Net Assets</b>	<b>\$ 24,779,004</b>	<b>\$ 23,604,748</b>	<b>\$ 22,104,440</b>

## **CURRENT AND OTHER ASSETS**

The steady increase in current and other assets from 2007 to 2009 was primarily due to successful investment returns combined with positive facility operating results.

## **LIABILITIES**

### **Current Liabilities**

The increase in current liabilities from 2007 to 2009 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 \$60,000 from 2007 to 2008. For 2009, this continued to result in a larger increase of \$1,294,000 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 \$705,000 at June 30, 2007, \$664,000 at June 30, 2008 and \$660,000 at June 30, 2009 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. Although the lease agreement continued in 2009, all related events were canceled and therefore no new installments were received during the year. Balances will be carried forward to the next year unless the lease agreement is terminated, at which time the reserve will be reclassified to unrestricted net assets.

### **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, 2009, 2008 and 2007:

	2009	2008	2007
Undesignated	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Facility replacement reserve	18,039,455	16,860,974	15,399,933
<b>Total Unrestricted Net Assets</b>	<b>\$ 24,039,455</b>	<b>\$ 22,860,974</b>	<b>\$ 21,399,933</b>

<b>Changes in Net Assets</b>			
	2009	2008	2007
Operating revenues, facilities	\$ 10,583,273	\$ 11,396,855	\$ 11,288,218
Operating expenses	10,073,334	10,947,948	10,897,069
Operating income	509,939	448,907	391,149
Non-operating revenues			
Other non-operating income	822,625	1,274,424	1,344,656
Income before capital contributions and transfers out	1,332,564	1,723,331	1,735,805
Transfer of constructed assets	(158,308)	(223,023)	(1,140,783)
<b>Increase in Net Assets</b>	<b>1,174,256</b>	<b>1,500,308</b>	<b>595,022</b>
<b>Net Assets, beginning of year</b>	<b>23,604,748</b>	<b>22,104,440</b>	<b>21,509,418</b>
<b>Net Assets, end of year</b>	<b>\$ 24,779,004</b>	<b>\$ 23,604,748</b>	<b>\$ 22,104,440</b>



## **OPERATING INCOME**

### **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. Despite the continued popularity of the two facilities, revenues slightly decreased from 2008 to 2009 reflecting the economic situation that surrounds the geographic area; the total number of events held has not changed significantly, rather, spending by patrons and advertisers has decreased at each.

### **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. For 2009, operating costs decreased slightly more than the related revenues primarily due to continued aggressive utility management efforts combined with careful management and timing of contractual services, repairs and maintenance projects. Generally, administrative costs relate to insurance, personal services and professional services.

## **NON-OPERATING REVENUES**

Non-operating revenues result primarily from investment income. 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. The less than favorable investment return climate continued throughout 2009 and was entirely responsible for the decrease in non-operating revenues from 2008.

## **TRANSFER OF CONSTRUCTED ASSETS**

Bonds issued by the City County Building Authority are collateralized by assets and construction expenses associated with DeVos Place Convention Center. During fiscal years 2007, 2008 and 2009, construction expenses of \$1.1 million, \$223,000 and \$158,000, 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 eighth and ninth 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 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.

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 2010 (year beginning July 1, 2009) budget forecasts operating revenues of \$10.7 million with operating expenses (before depreciation) of \$10.4 million. Debt service obligations related to 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 revenue 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>	2009	2008
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 5,394,410	\$ 4,855,144
Investments (Note 2)	22,852,621	21,856,226
Accounts receivable, net (Note 3)	1,995,847	1,086,935
Prepaid expenses	204,865	189,100
<b>Total current assets</b>	<b>30,447,743</b>	<b>27,987,405</b>
Capital assets (Note 4):		
Buildings and structures	322,431	322,431
Equipment	1,238,083	1,107,831
Less accumulated depreciation	(900,965)	(766,488)
<b>Net capital assets</b>	<b>659,549</b>	<b>663,774</b>
<b>Total Assets</b>	<b>31,107,292</b>	<b>28,651,179</b>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable (Note 5)	699,920	549,930
Accrued expenses (Note 5)	1,078,917	1,241,147
Advance ticket sales	3,033,936	1,882,334
Advance deposits	277,635	291,472
Compensated absences	4,193	4,265
Deferred revenue	1,233,687	1,077,283
<b>Total Liabilities</b>	<b>6,328,288</b>	<b>5,046,431</b>
<b>Net Assets</b>		
Invested in capital assets	659,549	663,774
Restricted - entertainment equipment reserve	80,000	80,000
Unrestricted	24,039,455	22,860,974
<b>Total Net Assets</b>	<b>\$ 24,779,004</b>	<b>\$ 23,604,748</b>

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>	2009	2008
<b>Operating Revenues, facilities</b>	<b>\$ 10,583,273</b>	<b>\$ 11,396,855</b>
<b>Operating Expenses</b>		
Personnel services	3,644,398	3,427,444
Utilities	2,281,820	2,407,126
Supplies and expenses	507,687	680,279
Contractual services (Note 7)	2,696,104	3,306,210
Depreciation	134,477	135,413
Repairs and maintenance	729,954	916,899
Professional services	78,894	74,577
<b>Total Operating Expenses</b>	<b>10,073,334</b>	<b>10,947,948</b>
<b>Operating income</b>	<b>509,939</b>	<b>448,907</b>
<b>Non-Operating Revenues</b>		
Investment income	678,765	1,079,804
Miscellaneous	143,860	194,620
<b>Total Non-Operating Revenues</b>	<b>822,625</b>	<b>1,274,424</b>
<b>Income before transfers</b>	<b>1,332,564</b>	<b>1,723,331</b>
<b>Transfer of Constructed Assets to the City County Building Authority</b>	<b>(158,308)</b>	<b>(223,023)</b>
<b>Increase in Net Assets</b>	<b>1,174,256</b>	<b>1,500,308</b>
<b>Net Assets, beginning of the year</b>	<b>23,604,748</b>	<b>22,104,440</b>
<b>Net Assets, end of the year</b>	<b>\$ 24,779,004</b>	<b>\$ 23,604,748</b>

*See accompanying notes to financial statements.*

# Grand Rapids - Kent County Convention/Arena Authority

## Statements of Cash Flows

<i>Year ended June 30,</i>	<b>2009</b>	<b>2008</b>
<b>Cash From Operating Activities</b>		
Cash received from facility operations	\$ 11,030,396	\$ 12,061,456
Payments to employees	(3,615,502)	(3,436,312)
Payments to suppliers and contractors	(6,413,298)	(7,447,729)
<b>Net Cash From Operating Activities</b>	<b>1,001,596</b>	<b>1,177,415</b>
<b>Cash for Capital and Related Financing Activities</b>		
Capital assets constructed	(158,308)	(223,023)
Purchases of capital assets	(130,252)	(94,680)
Other receipts	143,860	194,620
<b>Net Cash for Capital and Related Financing Activities</b>	<b>(144,700)</b>	<b>(123,083)</b>
<b>Cash for Investing Activities</b>		
Interest and dividends	678,765	1,079,804
Proceeds from investment maturities	50,000	-
Purchases of investments	(1,046,395)	(1,496,727)
<b>Net Cash for Investing Activities</b>	<b>(317,630)</b>	<b>(416,923)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>539,266</b>	<b>637,409</b>
<b>Cash and Cash Equivalents, beginning of the year</b>	<b>4,855,144</b>	<b>4,217,735</b>
<b>Cash and Cash Equivalents, end of the year</b>	<b>\$ 5,394,410</b>	<b>\$ 4,855,144</b>

# Grand Rapids - Kent County Convention/Arena Authority

## Statements of Cash Flows

<i>Year ended June 30,</i>	2009	2008
<b>Reconciliation of Operating Income to Net Cash From</b>		
<b>Operating Activities</b>		
Operating income	\$ 509,939	\$ 448,907
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	134,477	135,413
Changes in assets and liabilities:		
Receivables, net	(908,912)	253,491
Prepaid expense	(15,765)	14,120
Accounts payable	149,990	(66,046)
Accrued expenses	(162,230)	331,427
Advance ticket sales	1,151,602	(110,893)
Advance deposits	(13,837)	267
Compensated absences	(72)	2
Deferred revenues	156,404	170,727
<b>Net Cash From Operating Activities</b>	<b>\$ 1,001,596</b>	<b>\$ 1,177,415</b>
<b>Noncash Transactions</b>		
Transfer of constructed assets to the City County Building Authority	\$ (158,308)	\$ (223,023)

*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 non-operating 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 non-operating 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 statements 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 include 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 structures	1 - 34
Equipment	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 \$4,193 and \$4,265 at June 30, 2009 and 2008, respectively.

#### *Revenues*

The Authority records facilities revenue upon completion of the event at 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 pre-paid 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, 2009, \$5,000,375 of the Authority's bank balances of \$5,583,568 was uninsured and uncollateralized. At June 30, 2008, \$4,320,272 of the Authority's bank balances of \$4,820,272 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.

At June 30, 2009, the Authority's investment in the Kent County Investment Pool had a fair value of \$22,852,621 and a maturity of less than one year. At June 30, 2008, the fair value was \$21,856,226.

### ***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, 2009 or 2008.

### ***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, pre-qualifying financial institutions and diversifying the portfolio. The Pool is not rated.

## **3. Accounts Receivable**

Accounts receivable at June 30, 2009 and 2008 were as follows:

	2009	2008
Facility customers/events	\$ 1,115,045	\$ 825,731
Ancillary revenues	958,733	355,155
Allowance	(77,931)	(93,951)
	<b>\$ 1,995,847</b>	<b>\$ 1,086,935</b>

# Grand Rapids - Kent County Convention/Arena Authority

## Notes to Financial Statements

### 4. Capital Assets

Capital asset activity for the years ended June 30, 2009 and 2008 was as follows:

	Balance July 1, 2008	Additions	Disposals/ Transfers	Balance June 30, 2009
Buildings and structures	\$ 322,431	\$ -	\$ -	\$ 322,431
Equipment	1,107,831	130,252	-	1,238,083
<b>Total Cost of Capital Assets</b>	<b>1,430,262</b>	<b>130,252</b>	<b>-</b>	<b>1,560,514</b>
Less accumulated depreciation for:				
Buildings and structures	245,676	41,778	-	287,454
Equipment	520,812	92,699	-	613,511
<b>Capital Assets, net</b>	<b>\$ 663,774</b>	<b>\$ (4,225)</b>	<b>\$ -</b>	<b>\$ 659,549</b>

	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
<b>Total Cost of Capital Assets</b>	<b>1,335,582</b>	<b>94,680</b>	<b>-</b>	<b>1,430,262</b>
Less accumulated depreciation for:				
Buildings and structures	203,898	41,778	-	245,676
Equipment	427,177	93,635	-	520,812
<b>Capital Assets, net</b>	<b>\$ 704,507</b>	<b>\$ (40,733)</b>	<b>\$ -</b>	<b>\$ 663,774</b>

### 5. Accounts Payable and Accrued Expenses

Accounts payable at June 30, 2009 and 2008 were as follows:

	2009	2008
Professional services	\$ 572	\$ 39,884
Facility customers	541,295	417,129
Vendors	158,053	92,917
	<b>\$ 699,920</b>	<b>\$ 549,930</b>

# Grand Rapids - Kent County Convention/Arena Authority

## Notes to Financial Statements

Accrued expenses at June 30, 2009 and 2008 were as follows:

	2009	2008
Facility customers	\$ 266,386	\$ 328,686
Vendors	372,616	532,537
Professional services	114,236	83,213
Salaries and benefits	325,679	296,711
	<b>\$ 1,078,917</b>	<b>\$ 1,241,147</b>

### 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 DeVos Place and the Arena through June 30, 2009.

The Authority pays SMG an annual base management fee and an incentive fee based on the results of operations of DeVos Place and the Arena. For the years ended June 30, 2009 and 2008, respectively, total management and incentive fees earned by SMG were approximately \$528,600 and \$616,000 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, 2009</i>	Budget	Actual	Variance Favorable (Unfavorable)
<b>Operating Revenues, facilities</b>	\$ 11,065,411	\$ 10,583,273	\$ (482,138)
<b>Operating Expenses</b>			
Personnel services	3,545,682	3,644,398	(98,716)
Utilities	2,647,400	2,281,820	365,580
Supplies and expenses	618,100	507,687	110,413
Contractual services	2,904,263	2,696,104	208,159
Depreciation	-	134,477	(134,477)
Repairs and maintenance	805,691	729,954	75,737
Professional services	256,500	78,894	177,606
<b>Total Operating Expenses</b>	10,777,636	10,073,334	704,302
<b>Operating income</b>	287,775	509,939	222,164
<b>Non-Operating Revenues</b>			
Investment income	575,000	678,765	103,765
Miscellaneous	100,000	143,860	43,860
<b>Total Non-Operating Revenues</b>	675,000	822,625	147,625
<b>Transfer of Constructed Assets to the City County Building Authority <sup>(1)</sup></b>	(890,840)	(158,308)	732,532
<b>Net Non-Operating Revenues</b>	(215,840)	664,317	880,157
<b>Increase in Net Assets</b>	71,935	1,174,256	1,102,321
<b>Net Assets, beginning of the year</b>	23,604,748	23,604,748	-
<b>Net Assets, end of the year</b>	\$ 23,676,683	\$ 24,779,004	\$ 1,102,321

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





Mr. Steven Heacock  
Chairman  
Grand Rapids-Kent County Convention/Arena Authority  
C/O DeVos Place  
303 Monroe Avenue NW  
Grand Rapids, MI 49503

Monday, November 23, 2009

Dear Mr. Heacock:

Thank you for your continued leadership of the Convention and Arena Authority (CAA). Though we are faced with a difficult landscape, the CAA, the Grand Rapids/Kent County Convention & Visitors Bureau (CVB) and our industry partners continue to develop new business opportunities for Grand Rapids and Kent County.

As you are aware, the CVB has the privilege of occupying two seats on the CAA board of directors. The CVB currently is served by Mr. Lew Chamberlin. The other seat has been recently vacated by the departure of Mr. Clif Charles. As directed, the CVB board of directors would like to present the following three candidates, one of which will be selected by the CAA board to serve on our behalf. The candidates are as follows:

- Ms. Kathleen Ponitz-Progressive AE
- Mr. Floyd Wilson-Metro Health
- Mr. Carlos Sanchez-West Michigan Hispanic Chamber of Commerce

Mr. Heacock, upon confirming these candidates, the CVB board is requiring that whomever is selected to serve in this capacity with the CAA, must also serve as a member of the CVB board. This qualification will only affect Mr. Wilson or Mr. Sanchez, as Ms. Ponitz is already a member of the CVB Board of Directors.

For further review, please find attached the three bios of the aforementioned candidates. We will look forward to your selection in the very near future.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas Small". The signature is stylized with a large, looped "D" and a long, sweeping horizontal line extending to the right.

Douglas Small  
President

Cc: Eva Aguirre Cooper, CVB Board Chair  
Richard MacKeigan, Executive Director, CAA

**Ms. Kathleen Stewart Ponitz**

Principal, Progressive AE

**Work history:** Kathleen is a management and marketing professional with 23 years of experience in developing and positioning Progressive AE, a Grand Rapids architectural, engineering, and consulting firm. She is responsible for creating and implementing annual marketing plans including: trends and forecasts, targeted market strategies, sales goals, communications, training, public relations and presentations, staffing, community involvement, and philanthropy.

**Community Activities:** Kathleen has been involved with myriad community organizations. She on the Board of Directors for Priority Health, and recently served as the Chair of the Kent County Convention and Visitors Bureau and on the Executive Committee of the West Michigan Sports Commission. She earned a Distinguished Leadership Award and the Athena Award, and was recognized twice as one of the Most Influential Women in West Michigan. She co-chaired the International Community Leadership Association's Conference hosted by Grand Rapids. Past activities include establishing and directing the first Holland Chamber Leadership program while serving on the Holland Chamber of Commerce Board of Directors; serving as the first Executive Series Director and as Board of Directors Chair for Grand Rapids Leadership; and serving as Chair on the Economic Club of Grand Rapids Board.

**Education Background:** Ms. Ponitz earned a Bachelor of Arts in Communications from the University of Michigan; Communication and Comparative Studies from the University of Edinburgh, Scotland; Systems Thinking from the Butterworth Management Institute; Strategic Marketing from the Harvard GSD Program; and Certification for Myers Briggs Type Indicator.



# Kathleen Stewart Ponitz

616.361.2664 x3401  
ponitzk@progressiveae.com

## Expertise

Market Research, Forecasting, and Analysis; Strategic Planning; Client Advocacy; Public Relations; Media Relations; Community Philanthropy

## Education

Bachelor of Art in Communications, University of Michigan, 1986  
Communications and Comparative Studies, University of Edinburgh – Scotland, 1972  
Systems Thinking, Butterworth Management Institute, 1996  
Strategic Marketing, Harvard GSD Program, 1995

## Registration/Certification

Myers-Briggs Personality Preference Consulting Certification

## Selected Experience

Kathleen is a Principal and serves on Progressive AE's Leadership Team. She is a marketing and communications professional with 23 years of experience. She assures that marketing and public relations efforts are consistent with the strategic objectives of the corporation.

Kathleen's community involvement has included:

- Kent County Convention and Visitors Bureau, Chair
- West Michigan Sports Commission, Executive Committee
- American Heart Association, "Go Red For Women," Executive Committee
- Economic Club of Grand Rapids, Board of Directors, Chairman Emeritus (current)
- Huntington Women's Advisory, Board Member
- Priority Health, Board of Directors (current)
- Community Leadership Association, National Board of Directors, Annual Conference Chair
- Leadership West Michigan, Board of Directors, Chair
- National City Bank, West Michigan Board of Directors
- Council for Interior Design Accreditation (formerly FIDER), National Board of Directors
- West Ottawa Public Schools, Board of Education Trustee
- Leadership Holland, Executive Director, Board Member
- Leadership Grand Rapids, Board Chairperson
- Executive Leadership Chairperson
- Holland Chamber of Commerce, Board of Directors
- Park Township Planning Commissioner
- Davenport College, Professional Management Program Adjunct Faculty
- University of Michigan Ottawa County Recruiter
- Rotary, Downtown Grand Rapids Board of Directors
- Women in Transition, Advisory Board Member
- Woodrick Institute, Aquinas College Advisory Board Member
- University Club of Grand Rapids, Board of Directors

## Awards/Honors

- Chairman's Circle Award, National Community Leadership Association, 2007
- The 50 Most Influential Women in West Michigan, Grand Rapids Business Journal, 2006, 2008
- Most Influential Women of Western Michigan, Western Michigan Business Review, 2005
- Louis Hallacy II Distinguished Service Award, Holland Area Chamber of Commerce, 2004
- Distinguished Leadership Award Recipient, National Association for Community Leadership, 1993
- Athena Award Recipient, Holland Chamber of Commerce, 1992
- Grand Rapids Chamber of Commerce "Volunteer of the Month" for Leadership (two-time winner)

**Progressive AE Communications Awards**

The Society for Marketing Professional Services (SMPS) – National

- 2007 – 2<sup>nd</sup> Place Holiday Piece
- 2005 – 2<sup>nd</sup> Place Promotional Campaign
- 2004 – 2<sup>nd</sup> Place Promotional Campaign
- 2003 – 3<sup>rd</sup> Place Direct Mail Campaign
- 2002 – 2<sup>nd</sup> Place Multimedia Award
- 2000 – 1<sup>st</sup> Place Special Events
- 1999 – 1<sup>st</sup> Place Special Events
- 1995 – 2<sup>nd</sup> Place Special Events

Ad Club of West Michigan

- 2002 – Black and White Print Advertisement
- 2001 – Announcement, Invitation
- 1995 – Citation of Excellence

**Affiliations**

SMPS Society for Marketing Professional Services

APT Association for Psychological Type

Holland Area Chamber of Commerce

Grand Rapids Chamber of Commerce

CLA – Community Leadership Association

The Greenleaf Center for Servant, Leadership

Rotary Downtown Grand Rapids

## **Floyd Wilson, Jr. Joins Metro Health as Executive Vice President of HR**

Floyd Wilson, Jr. has joined Metro Health as executive vice president of human resources.

Wilson brings more than 16 years of human resources, management, information technology and related experience to his new role at Metro Health. As executive vice president, Wilson will be responsible for all human resources functions that serve the needs of Metro's 2,000+ physicians, nursing staff and other employees. In his new role, he will oversee all aspects of human capital management and related operational activities, as well as Metro University.

"We are pleased to welcome Floyd to this key leadership position at Metro Health," said Mike Faas, president and CEO of Metro Health. "He is an accomplished HR executive with a proven track record of developing people, designing processes and delivering results."

"His unique blend of operational and healthcare experience, along with his track record of community involvement, make Floyd a tremendous addition to our team."

Prior to joining Metro Health, Wilson spent almost five years with Spectrum Health in its Continuing Care Division as its chief HR officer. In this role, he was responsible for compensation and benefits, workforce planning and forecasting, contract negotiations, employee relations, recruiting, diversity initiatives and strategic planning for the division.

Prior to joining Spectrum, Wilson served as director of human resources of D&W Foods in Grand Rapids. In this role, he was responsible for all employee relations activities and policy formation, including hiring, benefits and compensation, diversity and related activities.

"This is an exciting time in the history of Metro Health, and I am very pleased to be joining the team," Wilson said. "With the new hospital open and growing demand for our services, human resources will play an even more critical role in the hospital."

"Our continued success as a health-care organization will greatly depend on how well we recruit, reward and retain the best people."

Active in the community, Wilson serves on the boards of Goodwill Industries, Catholic Social Services, Health Care Employers' Council and Mary Free Bed Rehabilitation Hospital. He is actively involved with Grand Rapids Economics Club, Society for Human Resource Management, Alliance for Health, Michigan Minority Business Development Committee, United Way and Special Olympics. He also coaches children's basketball.

He holds a bachelor of science degree from Central Michigan University and from Grand Valley State University and a master's degree from Western Michigan University.

Wilson grew up in Saginaw and now resides in Forest Hills with his wife, Yolanda, and their children, Floyd III, Garrison Kamilie and Zachery Thomas.



## **Floyd Wilson, Jr., Executive Vice President of Human Resources**

Floyd is responsible for defining, developing and implementing strategic human resource initiatives for the over 2,200 physicians, nurses, administrators and other health-care providers in our organization. He oversees all programs related to HR, including compensation, employee benefits, executive recruiting, leadership development and related programs. He and Metro's team of HR professionals are responsible for organizational structure and design, managing labor costs and ensuring the privacy of HR data.

Originally from Saginaw, Floyd now resides in Forest Hills with his wife, Yolanda, and their children, Floyd III, Garrison Kamille and Zachery Thomas. Floyd holds a bachelor of science degree from Central Michigan University in and from Grand Valley State University. He also holds a master's degree from Western Michigan University.

Floyd joined Metro Health in 2007, bringing more than 18 years of experience in HR, management and information technology to our organization. He had held senior leadership roles at Spectrum Health and D&W Foods, honing his skills in both HR and customer service.

Active in the community, Floyd serves on many boards; Goodwill Industries International, Kent County Aeronautics Board, Frederik Meijer Garden and Sculpture Park and Mary Free Bed Rehabilitation Hospital. He volunteers many hours of his time to personal and professional organizations, as well as coaching children's basketball.

Floyd's hobbies are reading, exercising and all sports.

Floyd's decision to go into health care is that he was determined to serve an industry that served people and the community. Health care is a noble profession that touches all areas of people lives in a caring compassionate manor.

Metro has the best people, best physicians, best community services, and we treat our patients better than anyone.

# Carlos Sanchez

## Biography

Carlos Sánchez was born in México City. He attended Universidad Iberoamericana where he was recruited by Club Mediterranéé during his last year to spend the next four years working for the organization in seven countries and three different continents. Carlos moved to Grand Rapids with his wife in 1998 and earned his B.A. in International Business at Davenport University.

### Carlos Sánchez professional career in Grand Rapids includes:

- Intern at the Parks and Recreation Dept., City of Grand Rapids
- Sales manager for Sharpe Buick-BMW
- Medical interpreter for Voices For Health
- Voice over talent for WOOD TV8 (6 o'clock news)
- Diversity programs coordinator for the Grand Rapids Area Chamber of Commerce
- Diversity Specialist, Spectrum Health
- Executive Director, West Michigan Hispanic Chamber of Commerce

### Service on Boards and Community Involvement:

- |  |               |
|--|---------------|
| ▪ Grand Rapids Sister Cities – Zapopan Committee | Present       |
| ▪ Urban Institute for Contemporary Arts          | Present       |
| ▪ Multicultural Association of Professionals     | 2001 – 2004   |
| ▪ Campfire USA Board of Directors                | 2001 – 2004   |
| ▪ Project Blueprint Steering Committee           | 2001 – 2003   |
| ▪ Mexican Heritage Association                   | 2000 - 2002   |
| ▪ Leadership Grand Rapids                        | Class of 2002 |
| ▪ Project Blueprint graduate                     | Class of 2001 |

Carlos Sánchez is a trained Institute For Healing Racism facilitator and lives with his wife Lynne in the Cascade area.

# VAN ANDEL ARENA® WEEKLY

## Item V

DATE	EVENT	EC	MOD	ROOM	TIME	FUNCTION
Wed, Nov 25	Available					
Thur, Nov 26	Available 					
Fri, Nov 27	Griffins vs Rockford	RS	JIM	Arena	10A-12:30P 6:00 PM 7P-9:30P 9:30P-9:50P	Team practice Doors Hockey game Post-game skate
	RLA Management	MJD		East Nest	6P-9:50P	Banquet
	Griffins Friends & Family			West Nest	6P-9:50P	Banquet
	Douglas J			Talsma Terrace	6P-9:50P	Banquet
	Jeff Rae			North Tunnel	6P-9:50P	Banquet
	Pro Travel International – G.R.			Suite 101A	6P-9:50P	Banquet
	John Blizzard			Suite 101B	6P-9:50P	Banquet
	Sat, Nov 28			Available		
Sun, Nov 29	Available					
Mon, Nov 30	Savor...Grand Rapids	MJD		Banquet B	6P-8:30P	TIPS training
Tue, Dec 1	Available					
Wed, Dec 2	Available					
Thur, Dec 3	Available					
Fri, Dec 4	Griffins vs Rockford	GC	ROD	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
	Johnson Controls	MJD		Banquet B	6P-7P	Banquet
	MMPC Otolaryngology			East Nest	6P-9:30P	Banquet
	G.R. Springs and Stamping			Talsma Terrace	6P-9:30P	Banquet
	Bair Lake Bible Camp			North Tunnel	6P-9:30P	Banquet
	Clarion Technologies			Suite 101A/B	6P-9:30P	Banquet
	Sat, Dec 5			Griffins vs Peoria	RS	CHRIS
Altus	MJD	East Nest	6P-10:10P	Banquet		
The Chemist Shoppe		West Nest	6P-10:10P	Banquet		
Hackney, Grover, Hoover & Bean		Talsma Terrace	6P-10:10P	Banquet		
Comerica Bank		Suite 101A	6P-10:10P	Banquet		
Smith Construction Group		Suite 101B	6P-10:10P	Banquet		
Sun, Dec 6		SMG	LI	KATHY	Arena	
Mon, Dec 7	Available					
Tue, Dec 8	Available					
Wed, Dec 9	Griffins vs San Antonio	GC	CHRIS	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
	Richard’s Kitchen/Bath	MJD		East Nest	6P-9:30P	Banquet
	Fremont Insurance Company			Talsma Terrace	6P-9:30P	Banquet
	Barnes & Thornburg			Suite 101A/B	6P-9:30P	Banquet
Thur, Dec 10	Available					
Fri, Dec 11	Griffins vs Lake Erie	RS	LYNNE	Arena	10A-12:30P 5:30 PM 6:30P-9P 9:30P-11P	Team practice Doors Hockey game GVSU v FSU hockey game
	Aon	MJD		Banquet B	5:30P-6:30P	Banquet
	West Side Beer	MJD		East Nest	5:30P-9P	Banquet
	Rutherford & Associates			West Nest	5:30P-9P	Banquet
	Northern Physical Therapy			Talsma Terrace	5:30P-9P	Banquet
	ServPro			Suite 101A	5:30P-9P	Banquet
	Rich Korc			Suite 101B	5:30P-9P	Banquet



Sat, Dec 12	Grand Valley State University	GC	ROD	Arena	10:00 AM	Commencement ceremony
	Griffins vs Milwaukee	RS		Arena	10A-12:30P 7:00 PM 8P-10:30P 10:30P-10:50P	Team practice Doors Hockey game Post-game skate
		MJD		Banquet All	7P-8P	Alex Meraz autographs
	KDP Retirement Services			East/West Nests	7P-10:50P	Banquet
	MI Assn of Chiropractors			Talsma Terrace	7P-10:50P	Banquet
	Summit Training Source			Suite 101A	7P-10:50P	Banquet
Sun, Dec 13	Available					
Mon, Dec 14	Available					
Tue, Dec 15	Available					
Wed, Dec 16	Available					
Thur, Dec 17	Available					
Fri, Dec 18	Available					
Sat, Dec 19	Available					
Sun, Dec 20	Available					
Mon, Dec 21	Available					
Tue, Dec 22	Available					
Wed, Dec 23	Available					
Thur, Dec 24	Closed – Holiday					
Fri, Dec 25	Closed - Holiday 🎅🎄🐻🧑🏻					
Sat, Dec 26	Griffins vs Chicago	RS	JIM	Arena	10A-12:30P 7:00 PM 8P-10:30P 10:30P-10:50P	Team practice Doors Hockey game Post-game autograph
	Nancy Gamby	MJD		Suite 101B	7P-10:50P	Banquet
Sun, Dec 27	Griffins vs Peoria	GC	JIM	Arena	10A-12:30P 3:00 PM 4P-6:30P 6:30P-6:50P	Team practice Doors Hockey game Post-game skate

# DEVOS-PLACE

WEEKLY - 2009

TUES. NOV 24	MEL TROTTER MINISTRIES THANKSGIVING BANQUET	DeVos Place Kitchen Lyon Dock	1:00pm	Food Delivery	JL
WED. NOV 25	MEL TROTTER MINISTRIES THANKSGIVING BANQUET	DeVos Place Kitchens Ballroom A-D	5:00am 6:00am 9:00am 9:00am 9:00am-12:00pm 9:00am- 2:00pm 12:30pm 4:00pm	Chef Arrival Maintenance to open kitchen Client Arrival Ballroom and Kitchen Volunteer Arrival Production Set-Up Ballroom Set Up Food Service Set Up Crew (Kitchen) Ballroom Volunteers out Kitchen Crew Out	JL
THURS. NOV 26	MEL TROTTER MINISTRIES THANKSGIVING BANQUET	BALL A-D GG F	Devos Place Kitchens	5:00am 6:00am 7:30am 7:00am-3:00pm 9:00am-1:00pm 8:00am-1:00pm 9:00am 10:00am 10:45am 10:45am-11:45am 11:45pm 1:00pm 1:00pm-4:00pm 1:30pm 4:00pm	JL
FRI. NOV 27	DARK				
SAT. NOV 28	DARK				
SUN. NOV 29	DARK				

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# DEVOSPLACE

## WEEKLY - 2009

MON. NOV 30	MICHIGAN FARM BUREAU ANNUAL MEETING	Ballroom Show Office Michigan and Lyon Dock	6:30am 7:00am 8:00am	Client Arrival Press Room set-up by Client Vehicle Load In	JL	
TUES. DEC 1	MICHIGAN FARM BUREAU ANNUAL MEETING	Ballroom Show Office Chase Boardroom Chase Boardroom Secchia Lobby Secchia Lobby Ballroom BCD MON A-D	8:00am All Day All Day 1:30pm 5:00pm-6:30pm 5:15pm-6:15pm 6:30pm- 10:00pm 10:00AM	Client Arrival Press Room Policy Development Committee Policy Development Committee Lunch Registration Member Services Reception Membership Awards Banquet Production In	JL	
	NESTLE GERBER 2009 INNOVATION AWARDS	MON A-D	10:00AM	Production In	RC	
	CALVIN COLLEGE MESSIAH	DVPH	8:00am - 12:00pm 9:00am - 11:00am 2:00pm - 4:00pm 7:00pm - 10:00pm	Move In School Tours Rehearsal	AK	
WED. DEC 2	MICHIGAN FARM BUREAU ANNUAL MEETING	Secchia Lobby Ballroom Show Office Chase Boardroom Ballroom BCD River Overlook Ballroom A  Ballroom BCD Ballroom BCD  Gallery Overlook River Overlook  Gallery Overlook Secchia Lobby Ballroom BCD River Overlook	6:00am 6:30am-6:30pm All Day All Day 7:00am-8:15am 8:00am-10:30am 8:30am-11:45am 9:30am 10:30am 11:30am 11:45am-12:45pm  1:00pm 1:30pm  2:30pm 5:30pm 6:30pm 8:00pm	Client Arrival Delegate Registration Press Room Policy Development Committee AgriPac Breakfast Young Farmer Registration Delegate Session Discussion Meet P & E Committee Lunch Young Farmer and P & E Lunch Young Farmer Contestant Recognition Ag Promoter of the Year Educator Award FFA Discussion Meets Young Farmer Activities Semi-Finals FFA Discussion Finals Young Farmer Reception Mi's Rising Star Banquet Young Farmer Committee Mtg MEETING	JL	
	SMG - DVP MAINTENANCE AND OPS MEETING	RO A	12:00PM-3:00PM			
	NESTLE GERBER 2009 INNOVATION AWARDS	MON A-D	8:00AM 9:00AM - 4:00PM	Client Arrival Rehearsal	RC	
	CALVIN COLLEGE MESSIAH	DVPH	10:00am - 12:00pm 4:30pm	School Tours Piano/Harpsichord Tuning	AK	

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# DEVOSPLACE

WEEKLY - 2009

THURS. DEC 3	MICHIGAN FARM BUREAU ANNUAL MEETING			6:00pm 6:30pm 7:00pm 7:30pm - 10:00pm 10:00pm - 12:00am	Outside Doors Open Lobby Open Seating Open Performance Move Out		
THURS. DEC 3	MICHIGAN FARM BUREAU ANNUAL MEETING	Secchia Lobby Ballroom Show Office Chase Boardroom Ballroom BCD Grand Gallery A Ballroom A Grand Gallery A-F Ballroom BCD	All Day All Day 7:00am-8:30am 8:30am-9:00am 8:45am-11:30am 9:00am-11:30am 11:45am-1:20pm	Client Arrival Registration Press Room Policy Development Committee Breakfast Defending Ag Registration Defending Ag Workshops Presidents Lunch Communicators Awards President's Address Ice Cream Social Defending Ag Workshops Delegate Session P & E Critique Taste of Michigan Annual Banquet DSA - Presentation	JL		
FRI. DEC 4	NESTLE GERBER 2009 INNOVATION AWARDS	MON A-D	8:00AM 8:00AM - 12:00PM 12:45PM 12:45PM - 2:30PM 2:30PM - 3:30PM 3:30PM - 4:30PM 4:30PM	Client Arrival Rehearsal Guest Arrival Awards GRSO Dress Rehearsal Attendance Reception Production Load Out	RC		
FRI. DEC 4	NAPA AUTO PARTS	River Overlook AB River Overlook Pre-Func	8:00AM 1:00PM-3:00PM 3:00PM-5:00PM	Vendor Arrival/Set UP Meeting Vendor Visitation in Pre-Function Area Event Complete	ME		
FRI. DEC 4	GRAND RAPIDS SYMPHONY FIFTH THIRD HOLIDAY POPS	DE VOS HALL	9:00PM 8AM-1PM 2:30P-5:30P 7:30P-9:30P	MOVE IN REHEARSAL PERFORMANCE	AK		
FRI. DEC 4	MICHIGAN FARM BUREAU ANNUAL MEETING	Ballroom Show Office Chase Boardroom Secchia	7:00am 7:00am-12:30pm 7:00am-12:30pm 8:00am-12:30pm	Client Arrival Press Room Policy Development Committee Registration	JL		

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WEEKLY - 2009

		Ballroom A	9:15am-12:30pm 10:00am-10:30am	Delegate Session Break	
	KBO GROUP	BALL C-D	8:00AM-11:59PM	SETUP	
	GRAND RAPIDS SYMPHONY FIFTH THIRD HOLIDAY POPS	DE VOS HALL	8PM-10PM	PERFORMANCE	AK
SAT. DEC 5	YU-GI-OH! TCG REGIONAL QUALIFIER	MON B-D	8:00AM-11:59PM	CARD GAME TOURNAMENT	ME
	KBO GROUP	BALL C-D	8:00AM-11:59PM	DINNER / PARTY	
	APPLIED IMAGING CHRISTMAS PARTY	RO A-B RO P-FUNC	8:00AM-11:59PM 8:00AM-11:59PM	DINNER HOR D'OURVES	ME
	GRAND RAPIDS SYMPHONY FIFTH THIRD HOLIDAY POPS	DE VOS HALL	3PM-5PM 8PM-10PM	PERFORMANCE PERFORMANCE	AK
SUN. DEC 6	KBO GROUP	BALL C-D	8:00AM-11:59PM	MOVE OUT	
	GREAT LAKES FRUIT, VEGETABLE & FARM MARKET EXPO	EH A-C		SETUP	RC
	GRAND RAPIDS SYMPHONY FIFTH THIRD HOLIDAY POPS	DE VOS HALL	3PM-5PM	PERFORMANCE	AK
MON. DEC 7	GREAT LAKES FRUIT, VEGETABLE & FARM MARKET EXPO	EH A-C		SETUP	RC
	HOLLAND HOME CHRISTMAS DINNER	Ballroom AB	8:00am 9:00am 12:00pm 1:00pm 2:00pm	All tables to be set with linen IA call/ Chase Creative Truck Unload Piano Arrival Center Pieces set/stage décor Arrival	DA
		Ballroom Show Office Ballroom AB Secchia Lobby Ballroom AB	4:30pm 5:45pm 6:00pm 6:00pm 6:30pm 6:50pm 7:00pm 7:10pm 8:00pm - 9:00pm 9:00pm - 11:00pm	Client Arrival Entertainment Green Room Rehearsal Holland Home Volunteers Arrival Doors Beverage Reception Captain to ring dinner bell Welcome/Invocation Dinner Program IA Load-out	
	GRAND RAPIDS BALLET: THE NUTCRACKER	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	8AM-6PM 7PM-10PM	AK

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## WEEKLY - 2009

TUES. DEC 8	GREAT LAKES FRUIT, VEGETABLE & FARM MARKET EXPO	BALL C-D EH A-C GG A-F GO A-H DE VOS HALL	8AM-6PM 7PM-10PM	BREAKOUT ROOMS EXHIBIT BREAKOUT ROOMS BREAKOUT ROOMS MOVE IN REHEARSAL	RC	RC
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER				AK	AK
WED. DEC 9	GREAT LAKES FRUIT, VEGETABLE & FARM MARKET EXPO	BALL C-D EH A-C GG A-F GO A-H		BREAKOUT ROOMS EXHIBIT BREAKOUT ROOMS BREAKOUT ROOMS	RC	RC
	GVSU SCHOOL OF EDUCATION COMMENCEMENT	BALL A-B BOARDROOM	8:00AM-11:59PM	COMMENCEMENT	RC	RC
	FREEDOM ONE FINANCIAL GROUP "GET SMART" TRAINING	MON A	8:00AM-11:59PM	MEETING	DA	DA
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	8AM-6PM 7PM-10PM	MOVE IN REHEARSAL	AK	AK
THURS. DEC 10	GREAT LAKES FRUIT, VEGETABLE & FARM MARKET EXPO	BALL C-D EH A-C GG A-F GO A-H		BREAKOUT ROOMS EXHIBIT BREAKOUT ROOMS BREAKOUT ROOMS	RC	RC
	SPHERION @ MICROSOFT CORP	RO A	8:00AM-11:59PM	MEETING	DA	DA
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	8AM-6PM 7PM-10PM	MOVE IN OPEN REHEARSAL	AK	AK
FRI. DEC 11	GORDON FOOD 2009 ANNUAL EMPLOYEE MEETING	EH A-C O A-H BALL A-D G A-F RO A-F BOARD MON A-D	8:00AM-10:00PM 8:00AM-10:00PM 8:00AM-10:00PM 8:00AM-10:00PM	SETUP SETUP SETUP SETUP	RC	RC
	GREAT LAKES FRUIT, VEGETABLE & FARM MARKET EXPO	EH A-C		TEARDOWN	RC	RC
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	8AM-6PM 7:30PM-10:30PM	MOVE IN PERFORMANCE	AK	AK
SAT. DEC 12	GORDON FOOD 2009 ANNUAL EMPLOYEE MEETING	EH A-C O A-H BALL A-D G A-F RO A-F BOARD	8:00AM-10:00PM 8:00AM-10:00PM 8:00AM-10:00PM 1:00PM-10:00PM	MEETING BREAKOUT ROOM GENERAL SESSION MEETING	JL	JL

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# DEVOSPLACE

## WEEKLY - 2009

		MON A-D				
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	2PM-4PM 7:30PM-10:30PM	PERFORMANCE PERFORMANCE	AK	
SUN. DEC 13	GORDON FOOD 2009 ANNUAL EMPLOYEE MEETING	EH A-C GGO A-H	8:00AM-12:00PM 8:00AM-12:00PM	TEARDOWN TEARDOWN	JL	
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	1PM-3PM 5:30PM-7:30PM	PERFORMANCE PERFORMANCE	AK	
MON. DEC 14	SPECTRUM HEALTH - DISASTER ESPECTRUM HEALTH - DISASTER EXERCISE	BALL A-D BUSINESS OFFICE	8:00AM-11:59PM 8:00AM-11:59PM	MEETING OFFICE / STAFF AREA	DA	
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL		DARK	AK	
TUES. DEC 15	SMG - ALARM TESTING	WHOLE BUILDING	8:00AM-11:59PM	ALARM TESTING		
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL		DARK	AK	
SUN. DEC 16	FIFTH THIRD BANK LEADERSHIP MEETING	BALL C	8:00AM-11:59PM	MEETING		
	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL		DARK	AK	
MON. DEC 17	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	7:30PM-10:30PM	PERFORMANCE	AK	
TUES. DEC 18	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	10AM-11AM 7:30PM-10:30PM	SCHOOL SHOW PERFORMANCE	AK	
SUN. DEC 19	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	2PM-4PM 7:30PM-10:30PM	PERFORMANCE PERFORMANCE	AK	
MON. DEC 20	GRAND RAPIDS BALLET COMPANY THE NUTCRACKER	DE VOS HALL	1PM-3PM 5:30PM-7:30PM 7:30PM-11:30PM	PERFORMANCE PERFORMANCE MOVE OUT	AK	
TUES. DEC 21	GRAND RAPIDS SYMPHONY A CELTIC CHRISTMAS WITH CHERISH THE LADIES	DE VOS HALL	8:00AM-1:59PM	MOVE IN	AK	

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