

## Meeting of Board of Directors

**Wednesday, January 25, 2006**  
**8:00 a.m. – 9:30 a.m.**  
**Kent County Board Room, 3<sup>rd</sup> Floor**  
**Grand Rapids, Michigan 49503**

### A G E N D A

**I. Call to Order**

**II. Approval of December 9, 2005 Minutes**

Action

**III. Election of Officers**

Action

**IV. Committee Reports**

**a. Operations Committee**

- i. Charitable Event Update
- ii. CVB Update

Information  
Information

**b. Finance Committee**

- i. Approval of SMG November and December 2005 Financial Statements - DeVos Place® and Van Andel Arena® Action
- ii. Approval of CAA November and December 2005 Financial Statements and Disbursements Action

**V. Resolution Approving and Authorizing the Execution of a Management Agreement with SMG for Management of Van Andel Arena® and DeVos Place®**

Action

**VI. Resolution Approving the Engagement of Bigelow Companies, Inc., to Provide Consultation Services Related to Contract for Food Concession Services at the Van Andel Arena®**

Action

**VII. SMG Report and Facilities Calendars**

Information

**VII. Public Comment**

**VIII. Next Meeting Date – Wednesday, February 22, 2006**

**IX. Adjournment**



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

**DEVOS PLACE**

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

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY  
CONVENTION/ARENA AUTHORITY  
BOARD OF DIRECTORS MEETING  
Friday, December 9, 2005**

**I. Call to Order**

Chairman Steve Heacock called the meeting to order at 8:30 a.m. Chairman Heacock presided and Susan Waddell recorded in the absence of Birgit Klohs.

**Attendance**

**Members Present:** Steve Heacock, Chairman  
Clif Charles  
Gary McInerney  
Joseph Tomaselli

**Members Absent:** Lew Chamberlin  
George Heartwell  
Birgit Klohs

<b>Staff/Others:</b>	George Helmstead	CVB
	Janet Korn	CVB
	Chris Knappe	<i>The Grand Rapids Press</i>
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Robert Mihos	Kent County
	Steve Miller	SMG
	Susan Waddell	CAA
	Jim Watt	SMG
	Richard Wendt	Dickinson Wright
	Robert White	Kent County
	Steve Wilson	CVB

**II. Minutes of Prior Meeting**

*Motion: Mr. Tomaselli, supported by Mr. Charles, moved to approve the Minutes of the October 26, 2005, meeting of the Authority. Motion carried unanimously.*

**III. Committee Reports**

**Operations Committee**

**a. DeVos Performance Hall Premium Seat Program**

Mr. Tomaselli recommended approval of a plan for the lease of premium seats at DeVos Place®. Under the proposal, SMG will offer 400 seats to Van Andel Arena® premium seat lessors (VAA PSLs) on a first come, first served basis. After VAA PSLs receive the offer, any remaining seats will be offered to the general public. Seats will be positioned as a benefit to VAA PSLs. Tickets will be offered to SMG shows only and will guarantee the DeVos Place® premium seat lessor a minimum of 10 shows per year, providing a percentage refund of the lease if that number is not met. For current VAA PSLs, the fee is

locked in at \$200 per seat for a 1, 3, or 5-year contract. Suggested rates for any remaining seats for the general public range from \$200-\$250 in the fifth year. There is a \$200 per seat deposit that is refunded or applied to the final year of the contract. The program could generate up to \$400,000, assuming all 400 seats are sold on a 5-year lease at \$200 per seat for VAA PSL (more if seats are purchased by the general public).

Mr. MacKeigan stated that Attorney Wendt has finalized a lease agreement. Without heavy marketing, SMG has pre-sold 171 seats. Unlike the Arena, patrons will not be assigned specific seats but assured seating within the most desirable areas. Even though this program will not apply to events of the arts tenants', Mr. MacKeigan has spoken to each of the organizations and none have expressed reservations.

*Motion: Mr. Tomaselli, supported by Mr. McInerney, moved to approve DeVos Performance Hall Premium Seat Program as presented. Motion approved unanimously.*

b. CVB Update

Mr. Wilson reported that the Michigan Horticultural Society convention attracted 3,200 delegates to DeVos Place® this week. Last week, Michigan Farm Bureau was in town for the first time since 1992. Grand Rapids is in the top three for the Religious Conference Management Association for 2009. Ms. Korn distributed copies of the CVB's current e-newsletter and copies of the 2006 Visitors Guide. Mr. Helmstead presented the sales report and noted that bookings for national groups have increased from 25% to 33%.

Finance Committee

a. SMG October 2005 Financial Statements for DeVos Place® and Van Andel Arena®

*Motion: Mr. Charles, supported by Mr. Tomaselli, moved to approve the SMG Financial Statements for DeVos Place® and the Van Andel Arena® for the period ended October 31, 2005. After review and discussion, the motion was unanimously adopted.*

b. CAA October 2005 Disbursements and Financial Statements

*Motion: Mr. Chamberlin, supported by Mr. Tomaselli, moved to approve the CAA Disbursements and Financial Statements for the period ended October 31, 2005. After review and discussion, the motion was unanimously adopted.*

IV. SMG Management Agreement

Mr. Heacock noted that the CAA is required to give SMG notice of contract renewal or termination by December 31, 2005. A resolution authorizing the chairman to send a notice of termination of the management agreement to SMG by December 31, 2005 was included in the agenda packet. Given the active negotiations between CAA and SMG, Mr. Heacock stated it would be more accurate to extend the date for giving the notice to January 31, 2006, in order to provide additional time for the parties to complete negotiations for a new agreement.

*Motion: Mr. McInerney, supported by Mr. Tomaselli, moved to authorize the chairman to execute a letter agreement with SMG extending the date for giving notice of contract renewal to January 31, 2006, in order to provide additional time for the parties to negotiate a new agreement. Motion approved unanimously.*

V. Resolution Consenting to the Sublease of Certain Retail Space at the Van Andel Arena® by West Michigan Hockey, Inc. to Perfect Game, Inc.

Attorney Wendt recommended approval of the following resolution:

**RESOLUTION CONSENTING TO THE SUBLEASE OF CERTAIN RETAIL SPACE AT THE VAN ANDEL ARENA BY WEST MICHIGAN HOCKEY, INC. TO PERFECT GAME, INC.**

*WHEREAS, West Michigan Hockey, Inc. ("WMH") entered into a Lease Agreement dated October 11, 1995 (the "Lease"), related to the use of Van Andel Arena, with the Downtown Development Authority of the City of Grand Rapids (the "DDA") which was subsequently assigned by the DDA to the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"); and*

*WHEREAS, said Lease authorized WMH to use certain designated space at the Van Andel Arena as a retail store (the "Retail Store Leased Space") subject to the terms and conditions of the Lease; and*

*WHEREAS, WMH desires to sublease such Retail Store Leased Space to Perfect Game, Inc. ("Perfect Game") subject to the terms of a sublease dated September 1, 2005 between WMH and Perfect Game and has requested the CAA to consent to such sublease of the Retail Store Lease Space.*

**RESOLVED:**

1. *That the CAA consents to the sublease by WMH to Perfect Game pursuant to the terms and conditions of the Sublease in the form presented at this meeting and authorizes the Chairman or any other officer of the CAA to acknowledge such consent in the Sublease.*
2. *That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded to the extent of such conflict.*

*Motion: Mr. McInerney, supported by Mr. Tomaselli, moved to authorize Resolution Consenting to the Sublease of Certain Retail Space at the Van Andel Arena® by West Michigan Hockey, Inc. to Perfect Game, Inc.. Motion approved unanimously.*

VI. SMG Report and Facilities Calendar

Mr. MacKeigan presented an update on the upcoming concerts and shows that will be held this season at DeVos Place® and the Van Andel Arena®.

VII. Public Comment

None.

VIII. Next Meeting Date

The next CAA Board meeting will be held Wednesday, January 25, 2006.

IX. Adjournment

There being no other business, the meeting adjourned at 9:15 a.m.

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Susan M. Waddell, Recording Secretary



## Memorandum

**To:** C/AA Board Members

**From:** Susan Waddell, Administrative Manager

**Date:** January 16, 2006

**Re:** Election of Officers

Convention  
Arena  
Authority

According to Section 5.1 of the Grand Rapids-Kent County Convention/Arena Authority Bylaws, the officers of the Board are the Chairperson, Vice Chairperson, Secretary and Treasurer. The Chairperson and Vice Chairperson shall be selected by the Board from its directors. The Secretary and Treasurer shall be selected by the Board but need not be directors of the Board. The same person may hold the office of Secretary and Treasurer.

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

The Bylaws also provide that officers shall be elected at the initial organizational meeting of the Board and biannually at the Board meeting in January of every second year thereafter. The first officers were elected at the inaugural Board meeting on April 18, 2000. An election of officers should be held for terms expiring in January 2008.

The current officers are:

Chairman	Steven R. Heacock
Vice Chairperson	Clifton B. Charles, Jr.
Secretary/Treasurer	Birgit M. Klohs

Recommended slate:

Chairman	Steven R. Heacock
Vice Chairman	Clifton B. Charles, Jr.
Secretary/Treasurer	Birgit M. Klohs

**Action Requested:** Elect officers of the Board for terms expiring in January 2008.



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# DEVOS PLACE

## DE VOS PLACE

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED NOVEMBER 30, 2005**

**Distribution:**

Grand Rapids – Kent County Convention / Arena Authority  
Robert White  
Thom Connors  
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, 2006

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
<b>NO. EVENTS</b>	235	263	498	467	31
<b>ATTENDANCE</b>	150,427	508,589	659,016	672,025	(13,009)
<b>DIRECT EVENT REVENUE</b>	803,544	1,395,437	2,198,981	2,082,127	116,854
<b>ANCILLARY REVENUE</b>	717,150	766,402	1,483,552	1,440,286	43,266
<b>TOTAL EVENT REVENUE</b>	1,520,695	2,161,839	3,682,533	3,522,413	160,120
<b>TOTAL OTHER REVENUE</b>	47,398	94,906	142,304	158,000	(15,696)
<b>TOTAL OPERATING REVENUE</b>	1,568,093	2,256,745	3,824,837	3,680,413	144,424
<b>INDIRECT EXPENSES</b>					
<b>EXECUTIVE</b>	48,990	80,984	129,974	133,805	3,831
<b>FINANCE</b>	84,867	121,224	206,091	201,426	(4,665)
<b>MARKETING</b>	23,091	39,551	62,642	66,743	4,101
<b>OPERATIONS</b>	428,521	639,026	1,067,547	1,073,910	6,363
<b>EVENT SERVICES</b>	315,594	569,519	885,113	846,786	(38,327)
<b>BOX OFFICE</b>	32,421	57,419	89,840	85,107	(4,733)
<b>SALES</b>	59,753	109,079	168,832	195,040	26,208
<b>OVERHEAD</b>	743,880	1,467,574	2,211,454	2,231,833	20,379
<b>TOTAL OPERATING EXP.</b>	1,737,117	3,084,376	4,821,493	4,834,650	13,157
<b>NET REVENUE ABOVE EXPENSES</b>	(169,024)	(827,631)	(996,656)	(1,154,237)	157,581
<b>CAPITAL</b>					
<b>NET OPERATING REVENUE OVER OPERATING EXPENSES</b>	(169,024)	(827,631)	(996,656)	(1,154,237)	157,581

Comments:

DeVos Place performed consistent with the budget for the month, and a little ahead of revised expectations. A couple of smaller unbudgeted events helped offset some of the shortfall generated by the smaller than expected electrical revenue generated from the Midwest Woodworkers Show.

  
General Manager

  
Finance Director

**DE VOS PLACE  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED NOVEMBER 30, 2005**

The following schedule summarizes operating results for the current month ending and the YTD ending June 30, 2006, compared to budget and to the prior year:

<b>MONTH</b>	<b>November Actual</b>	<b>November Budget</b>	<b>November FY 2005</b>
Number of Events	49	39	50
Attendance	45,945	45,100	42,863
Direct Event Income	\$155,809	\$143,274	\$127,283
Ancillary Income	175,510	198,967	128,122
Other Income	16,570	13,167	19,595
Indirect Expenses	(401,057)	(412,446)	(345,877)
Net Income	(\$53,168)	(\$57,038)	(\$70,877)

<b>YTD</b>	<b>YTD 2006 Actual</b>	<b>YTD 2006 Budget</b>	<b>YTD 2005 Prior Year</b>
Number of Events	235	191	164
Attendance	150,427	187,500	140,868
Direct Event Income	\$803,544	\$663,425	\$534,840
Ancillary Income	717,150	616,834	424,658
Other Income	47,398	65,835	43,109
Indirect Expenses	(1,737,117)	(1,841,230)	(1,535,438)
Net Income	(\$169,025)	(\$495,136)	(\$532,831)

**EVENT INCOME**

Event income came in higher than budget due to unbudgeted smaller events, and the Maly's annual meeting using more of the facility than originally expected.

**ANCILLARY INCOME**

Ancillary income was down from budget. Most of the shortage was due to the lower than expected electrical revenue generated by the Midwest Woodworking show.

**INDIRECT EXPENSES**

Indirect expenses held consistent with budget.



DE VOS PLACE  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 11/30/05

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	160,338	135,950	125,144	799,985	638,295	522,638
SERVICES INCOME	<4,529>	7,324	2,139	3,559	25,130	12,201
TOTAL DIRECT EVENT INCOME	155,809	143,274	127,283	803,544	663,425	534,840
ANCILLARY INCOME						
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FOOD & BEVERAGE	42,833	51,807	37,903	242,602	224,558	138,932
NOVELTY	1,971	2,000	1,884	3,102	10,600	2,975
ELECTRICAL	55,634	72,252	17,542	180,008	143,498	99,680
OTHER ANCILLARY	75,073	72,908	70,794	291,438	238,178	183,072
TOTAL ANCILLARY INCOME	175,510	198,967	128,122	717,150	616,834	424,658
TOTAL EVENT INCOME	331,319	342,241	255,405	1,520,695	1,280,259	959,498
OTHER OPERATING INCOME	16,570	13,167	19,595	47,398	65,835	43,109
ADJUSTED GROSS INCOME	347,889	355,408	275,000	1,568,093	1,346,094	1,002,607
INDIRECT EXPENSES						
EXECUTIVE	8,416	11,151	10,244	48,990	55,755	49,082
FINANCE	16,056	16,786	15,938	84,867	83,930	88,242
MARKETING	8,475	5,562	4,557	23,091	27,810	23,485
OPERATIONS	75,960	88,284	77,938	428,521	445,920	321,594
EVENT MANAGEMENT	60,344	70,317	42,412	315,594	351,585	280,732
BOX OFFICE	6,307	7,093	6,039	32,421	35,465	30,850
SALES	14,498	16,254	9,371	59,753	81,270	60,976
OVERHEAD	211,001	196,999	179,379	743,880	759,495	680,477
INDIRECT EXPENSES	401,057	412,446	345,877	1,737,117	1,841,230	1,535,438
NET OPERATING INCOME	<53,168>	<57,038>	<70,877>	<169,024>	<495,136>	<532,831>
OTHER EXPENSES						
-----						
NET INCOME (LOSS)	<53,168>	<57,038>	<70,877>	<169,024>	<495,136>	<532,831>
=====	=====	=====	=====	=====	=====	=====

DE VOS PLACE  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 11/30/05

	CURRENT			YEAR TO DATE		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	23,129	0	0	30,728	0	1,168
Changeover Setup Billed	1,273	0	716	4,559	0	3,117
Stagehands Billed	132,157	76,150	170,757	412,941	288,300	328,867
Security Billed	23,893	10,790	14,156	81,595	44,620	41,087
Ushers & Tix Takers Billed	14,994	10,100	18,338	42,737	35,025	39,466
Box Office Billed	1,500	1,300	2,200	4,800	4,600	5,300
Ticketing Service Billed	12,426	9,100	17,537	31,425	32,825	32,765
Utilities Billed	3,000	0	0	3,000	0	0
City Police Fire Billed	2,380	0	5,828	16,260	350	11,673
Traffic Control Billed	0	0	0	0	1,425	4,781
EMT Medical Billed	2,825	1,172	2,400	10,000	5,644	8,369
Cleaning Billed	1,000	0	106	2,824	0	1,246
Insurance Billed	354	0	75	1,937	0	3,285
Telephone Billed	4,075	2,850	3,300	20,855	13,375	29,620
Other Production Billed	6,672	0	6,531	16,417	0	17,493
<b>TOTAL SERVICE INCOME</b>	<b>229,679</b>	<b>111,462</b>	<b>241,943</b>	<b>680,080</b>	<b>426,164</b>	<b>528,237</b>
Advertising Expense	23,508	0	0	31,237	0	1,168
Stagehand Wages	124,501	73,866	156,926	380,749	279,652	301,389
Security Wages	0	10,790	0	0	44,620	0
Contracted Security Expense	22,947	0	13,166	77,819	0	38,371
Ushers & T/T Wages	10,496	7,070	12,836	29,916	24,518	27,626
Ticket Sellers Wages	1,135	1,550	782	4,191	5,200	3,081
Ticket Service Charge Expense	5,792	4,240	8,255	12,486	16,430	13,760
Ticket Supplies	0	0	0	0	0	5,481
City Police Fire Expense	3,034	0	5,828	16,914	0	11,611
Traffic Control Expense	0	0	0	0	2,875	6,052
EMT Medical Expense	2,399	1,122	2,557	8,820	5,544	7,522
Cleaning Wages	1,000	5,500	0	1,000	22,195	0
Contracted Cleaning Expense	33,615	0	13,454	94,479	0	60,172
Insurance Expense	293	0	1,029	1,586	0	2,463
Allocated Telephone Expense	1,019	0	825	5,214	0	7,519
Production Expense	4,467	0	24,148	12,110	0	29,823
<b>TOTAL SERVICE EXPENSE</b>	<b>234,208</b>	<b>104,138</b>	<b>239,804</b>	<b>676,520</b>	<b>401,034</b>	<b>516,036</b>
<b>NET SERVICE INCOME</b>	<b>&lt;4,529&gt;</b>	<b>7,324</b>	<b>2,139</b>	<b>3,559</b>	<b>25,130</b>	<b>12,201</b>

**SMG DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Year to Date Event Summary Report**  
**For Month Ended November 30, 2005**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	67	51	45,145	52,900	795,277	602,232
Consumer/Gated Shows	12	5	9,634	15,250	97,842	31,113
Devos Performance Hall	45	45	52,807	71,200	213,994	223,273
Ballroom Exclusive	22	30	12,633	19,500	108,220	198,954
Other	89	60	30,208	28,650	305,334	224,687
GRAND TOTALS	235	191	150,427	187,500	1,520,667	1,280,259

**As Percentage of Overall**

Convention/Trade Shows	28.51%	26.70%	30.01%	28.21%	52.30%	47.04%
Consumer/Gated Shows	5.11%	2.62%	6.40%	8.13%	6.43%	2.43%
Devos Performance Hall	19.15%	23.56%	35.10%	37.97%	14.07%	17.44%
Ballroom Exclusive	9.36%	15.71%	8.40%	10.40%	7.12%	15.54%
Other	37.87%	31.41%	20.08%	15.28%	20.08%	17.55%

DE VOS PLACE  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 11/30/05

ASSETS

CURRENT ASSETS

CASH	1,576,365
ACCOUNTS RECEIVABLE	738,218
PREPAID EXPENSES	130,449

TOTAL CURRENT ASSETS	2,445,032
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FIXED ASSETS

TOTAL ASSETS	2,445,032
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	94,241
ACCRUED EXPENSES	252,068
DEFERRED INCOME	24,678
ADVANCED TIX SALES & DEPOSITS	673,333

TOTAL CURRENT LIABILITIES	1,044,320
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EQUITY

FUNDS REMITTED	<200,000>
FUNDING RECEIVED	472,830
RETAINED EARNINGS	1,296,905
NET INCOME (LOSS)	<169,024>

TOTAL EQUITY	1,400,711
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TOTAL LIABILITIES & EQUITY	2,445,032
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**SMG - DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ended November 30, 2005**

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Current - Under 30 Days	
Food & Beverage	104,076
Ticketing	289,289
Decorating	40,343
Audio/Visual	45,089
Operating	198,654
 Over 30 Days	 35,478
 Over 60 Days	 10,569
 Over 90 Days	
Donnell Productions	5,736
Paragon Leather	1,696
Saigon Entertainment	5,002
Grinder Promotions	2,286
 Total Accounts Receivable	 738,218

CURRENT			YTD		
ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
59,702	63,590	53,101	307,821	317,950	289,266
10,682	13,167	11,780	40,229	65,835	36,988
147,430	97,400	163,490	535,606	487,000	442,043
1,971	0	1,971	9,854	0	9,554
150	2,121	150	750	10,605	750
50,664	42,356	51,761	216,601	211,780	190,170
<152,429>	<79,787>	<186,407>	<501,421>	<398,935>	<417,234>
118,169	138,847	95,846	609,439	694,235	551,538
21,445	19,000	18,183	100,127	95,000	96,594
2,891	0	106	9,867	0	106
224	200	447	1,118	1,000	688
484	1,626	939	5,873	8,130	2,513
0	0	0	0	0	<221>
4,470	1,958	2,185	10,326	11,290	11,643
113	300	650	2,499	1,500	2,023
0	833	0	1,300	4,165	7,021
5,272	6,250	2,938	18,487	31,250	26,004
2,200	3,000	2,160	11,000	15,000	16,567
5,856	3,383	3,112	12,032	16,915	16,086
<3>	0	<159>	<61>	0	173
0	0	0	389	0	75
4,575	2,500	3,466	9,949	12,500	6,403
1,275	1,000	1,248	6,547	5,000	4,733
300	0	0	2,886	0	0
814	6,300	400	23,026	31,500	5,393
0	0	0	9,600	3,000	0
0	0	0	0	0	2,307
18,060	19,167	29,771	120,082	95,835	79,409
11,975	18,250	9,350	69,051	91,250	52,758
2,106	1,000	1,476	6,706	5,000	4,674
21,391	19,915	16,978	94,681	99,575	79,060
133	0	0	133	0	99
0	917	0	0	4,585	629
980	750	2,241	5,991	3,750	3,161
500	417	19	1,344	2,085	619
1,695	1,500	1,136	8,427	7,500	7,175
7,137	6,000	7,369	25,769	30,000	30,123
149,581	138,800	126,907	472,830	468,500	435,349
20,433	20,533	19,935	102,914	102,665	100,255
<1,019>	0	<825>	<5,214>	0	<7,519>
282,888	273,599	250,031	1,127,678	1,146,995	983,900
401,057	412,446	345,877	1,737,117	1,841,230	1,535,438

**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2006**

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Net Revenue above Expenses	1,327,683	(996,656)	331,027	527,507
Benchmark	1,689,156	(1,154,237)	534,919	259,115
Excess	(361,473)	157,581	(203,892)	268,392

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Base Fee	245,200	245,200	490,400	478,439
Incentive Fee				
Revenue	4,723,614	3,824,834	8,548,448	8,684,919
Benchmark Revenue	4,576,971	3,680,413	8,257,384	7,712,250
Revenue Excess	146,643	144,421	291,064	972,669
Incentive Fee **	-	-	-	194,533
Total SMG Management Fee	245,200	245,200	490,400	672,972

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



# **VAN ANDEL ARENA**

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED NOVEMBER 30, 2005**

**Distribution:**

**Grand Rapids – Kent County Convention / Arena Authority**  
**Robert White**  
**Thom Connors**  
**Gary McAneney**  
**Howard Feldman**  
**Richard MacKeigan**  
**Chris Machuta**



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*An SMG Managed Facility*

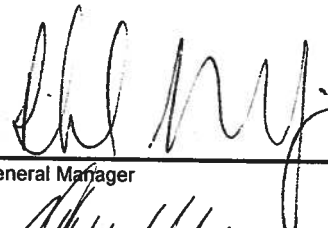


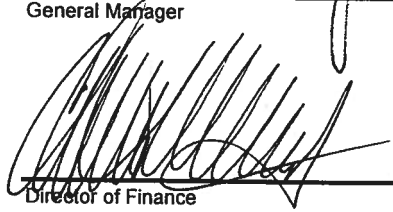
VAN ANDEL ARENA  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2006

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	42	80	122	123	(1)
ATTENDANCE	164,037	527,776	691,813	709,400	(17,587)
DIRECT EVENT INCOME	184,459	983,086	1,167,545	1,187,222	(19,677)
ANCILLARY INCOME	411,405	1,008,503	1,419,908	1,487,665	(67,757)
TOTAL EVENT INCOME	595,864	1,991,589	2,587,453	2,674,887	(87,434)
TOTAL OTHER INCOME	863,365	1,272,796	2,136,161	2,166,000	(29,839)
TOTAL INCOME	1,459,229	3,264,385	4,723,614	4,840,887	(117,273)
INDIRECT EXPENSES					
EXECUTIVE	50,219	68,113	118,332	116,853	(1,479)
FINANCE	80,944	121,568	202,512	196,780	(5,732)
MARKETING	105,307	134,817	240,124	236,837	(3,287)
OPERATIONS	556,033	708,258	1,264,291	1,230,834	(33,457)
BOX OFFICE	43,774	64,258	108,032	108,507	475
LUXURY SEATING	37,729	74,637	112,366	115,222	2,856
SKYWALK ADMIN	13,399	19,765	33,164	39,856	6,692
OVERHEAD	516,668	800,442	1,317,110	1,333,075	15,965
TOTAL INDIRECT EXP.	1,404,073	1,991,858	3,395,931	3,377,964	(17,967)
NET REVENUE ABOVE EXPENSES	55,157	1,272,527	1,327,683	1,462,923	(135,240)
LESS ALLOCATION FOR CAPITAL REPLACEMENT					
NET REVENUE ABOVE EXPENSES AFTER CAPITAL	55,157	1,272,527	1,327,683	1,462,923	(135,240)

Comments:

The Arena performed well behind budget for the month, however consistent with expected levels from the revised forecast. December looks to be very strong as the facility comes upon the halfway point of the fiscal year.

  
General Manager

  
Director of Finance

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED NOVEMBER 30, 2005**

The following schedule summarizes operating results for the current month ending and the YTD ending June 30, 2006 compared to budget and to the prior year:

<b>MONTH</b>	<b>November Actual</b>	<b>November Budget</b>	<b>November FY 2005</b>
Number of Events	17	14	12
Attendance	42,352	71,000	48,675
Direct Event Income	\$2,999	\$149,784	\$18,003
Ancillary Income	64,334	177,095	92,611
Other Income	162,338	180,500	184,395
Indirect Expenses	(293,670)	(280,872)	(281,637)
Net Income	(\$63,999)	\$226,507	\$13,372

<b>YTD</b>	<b>YTD 2006 Actual</b>	<b>YTD 2006 Budget</b>	<b>YTD 2005 Prior Year</b>
Number of Events	42	36	38
Attendance	164,037	192,900	180,058
Direct Event Income	\$184,459	\$428,318	\$302,915
Ancillary Income	411,405	504,063	465,329
Other Income	863,365	902,500	867,725
Indirect Expenses	(1,404,073)	(1,404,360)	(1,259,277)
Net Income	\$55,156	\$430,521	\$376,692

**EVENT INCOME**

Direct event income fell well below expectations due to the budget calling for 3 concerts, and the Arena not hosting a single traditional concert. Celtic Tiger and Dragon Tales ticket sales fell well below expectations, the highlight of the month being a very strong selling Tyler Perry event.

**ANCILLARY INCOME**

Ancillary income fell well below expectations for the month. Most of the events held during the month were either children based (Dragon Tales 7 performances), or more theatrical in nature (Celtic Tiger & Tyler Perry). While per caps were consistent for those types of events, they are not what we would see for a traditional concert.

**INDIRECT EXPENSES**

Indirect expenses held consistent with budget for the month.

VAN ANDEL ARENA  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 11/30/05

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	81,664	213,500	137,094	369,164	616,750	466,575
SERVICES INCOME	<78,665>	<63,716>	<119,091>	<184,705>	<188,432>	<163,660>
TOTAL DIRECT EVENT INCOME	2,999	149,784	18,003	184,459	428,318	302,915
ANCILLARY INCOME						
-----						
FOOD & BEVERAGE	57,099	137,715	79,826	344,480	400,703	382,126
NOVELTY	3,384	36,300	5,855	58,977	96,800	70,753
OTHER ANCILLARY	3,850	3,080	6,930	7,949	6,560	12,450
TOTAL ANCILLARY INCOME	64,334	177,095	92,611	411,405	504,063	465,329
TOTAL EVENT INCOME	67,333	326,879	110,614	595,864	932,381	768,245
OTHER OPERATING INCOME	162,338	180,500	184,395	863,365	902,500	867,725
ADJUSTED GROSS INCOME	229,672	507,379	295,009	1,459,229	1,834,881	1,635,970
INDIRECT EXPENSES						
EXECUTIVE	9,579	9,612	10,786	50,219	48,060	48,360
FINANCE	14,922	16,273	15,656	80,944	81,365	76,723
MARKETING	19,891	19,612	22,903	105,307	98,060	96,802
LUXURY SEATING	9,655	9,602	5,912	37,729	48,010	36,631
OPERATIONS	104,974	102,318	102,940	556,033	511,590	507,131
BOX OFFICE	9,120	9,043	7,187	43,774	45,215	42,849
SKYWALK ADMINISTRATION	2,228	3,322	3,471	13,399	16,610	15,468
OVERHEAD	123,300	111,090	112,781	516,668	555,450	435,314
INDIRECT EXPENSES	293,670	280,872	281,637	1,404,073	1,404,360	1,259,277
NET OPERATING INCOME	<63,999>	226,507	13,372	55,157	430,521	376,693
OTHER EXPENSES						
NET INCOME (LOSS)	<63,999>	226,507	13,372	55,157	430,521	376,693
=====	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 11/30/05

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	47,029	0	18,964	111,655	0	172,066
Labor Billed	2,625	2,700	1,485	8,003	5,940	6,458
Changeover Setup Billed	13,266	13,650	10,122	44,586	44,450	37,949
Stagehands Billed	44,470	45,500	22,673	169,776	137,700	169,618
Security Billed	12,425	19,500	10,636	60,348	57,600	59,694
Ushers & Tix Takers Billed	10,530	15,450	9,438	39,717	40,450	37,893
Box Office Billed	903	2,950	2,297	4,107	5,350	6,038
Ticketing Service Billed	6,903	24,150	2,443	26,624	76,150	64,690
Utilities Billed	875	0	0	4,075	0	1,000
City Police Fire Billed	1,050	1,008	280	3,850	3,024	3,860
EMT Medical Billed	1,140	2,150	1,204	5,802	5,875	7,968
Production Materials Billed	0	0	0	3,778	0	0
Cleaning Billed	11,139	16,400	8,859	34,445	41,000	31,420
Insurance Billed	0	0	0	1,123	0	0
Group Sales Commissions Billed	680	0	0	3,719	0	870
Telephone Billed	1,375	3,100	2,955	9,040	9,135	14,750
Other Production Billed	18,837	12,000	9,355	131,722	37,000	80,802
<b>TOTAL SERVICE INCOME</b>	<b>173,246</b>	<b>158,558</b>	<b>100,711</b>	<b>662,367</b>	<b>463,674</b>	<b>695,075</b>
Advertising Expense	47,170	0	19,103	117,553	0	172,597
Labor Wages	2,231	3,213	1,262	6,802	6,885	5,489
Contracted Changeover Setup Expense	37,298	25,809	51,232	82,431	73,359	77,839
Stagehand Wages	53,702	55,915	21,562	176,695	161,836	167,906
Contracted Security Expense	23,821	28,000	20,744	103,155	78,980	93,888
Contracted Ushers & T/T Expense	28,568	28,500	44,707	84,618	81,280	81,712
Ticket Sellers Wages	768	0	1,953	3,491	0	5,133
Ticket Service Charge Expense	2,323	27,150	1,960	21,304	97,150	59,763
City Police Fire Expense	3,529	1,680	280	6,329	5,618	3,780
EMT Medical Expense	2,601	3,712	1,034	8,954	10,544	9,402
Contracted Cleaning Expense	26,181	32,309	46,201	80,487	91,072	82,511
Allocated Cleaning Expense	233	0	0	233	0	0
Group Sales Commissions	517	0	0	1,601	0	0
Allocated Telephone Expense	413	1,386	887	2,382	3,782	4,305
Production Expense	22,555	14,600	8,878	151,036	41,600	94,411
<b>TOTAL SERVICE EXPENSE</b>	<b>251,910</b>	<b>222,274</b>	<b>219,802</b>	<b>847,072</b>	<b>652,106</b>	<b>858,735</b>
<b>NET SERVICE INCOME</b>	<b>&lt;78,665&gt;</b>	<b>&lt;63,716&gt;</b>	<b>&lt;119,091&gt;</b>	<b>&lt;184,705&gt;</b>	<b>&lt;188,432&gt;</b>	<b>&lt;163,660&gt;</b>
	=====	=====	=====	=====	=====	=====

SMG - Van Andel Arena  
Year to Date Event Summary Report  
For Month Ended October 31, 2005

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	19	16	40,494	59,000	67,716	189,019
Sporting Event	3	4	13,973	23,400	83,853	90,212
Concert	8	9	48,138	72,000	253,462	582,261
Team Home Games	10	7	43,113	38,500	79,072	70,889
Other	2	-	18,319	-	111,756	-
GRAND TOTALS	42	36	164,037	192,900	595,859	932,381

As Percentage of Overall

Family Show	45.24%	44.44%	24.69%	30.59%	11.36%	20.27%
Sporting Event	7.14%	11.11%	8.52%	12.13%	14.07%	9.68%
Concert	19.05%	25.00%	29.35%	37.33%	42.54%	62.45%
Team Home Games	23.81%	19.44%	26.28%	19.96%	13.27%	7.60%
Other	4.76%	0.00%	11.17%	0.00%	18.76%	0.00%

VAN ANDEL ARENA  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 11/30/05

ASSETS

CURRENT ASSETS

CASH	4,425,751
ACCOUNTS RECEIVABLE	598,927
PREPAID EXPENSES	83,107

TOTAL CURRENT ASSETS	5,107,785
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FIXED ASSETS

TOTAL ASSETS	5,107,785
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	747,539
ACCRUED EXPENSES	279,666
DEFERRED INCOME	1,248,836
ADVANCED TIX SALES & DEPOSITS	1,839,636

TOTAL CURRENT LIABILITIES	4,115,676
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EQUITY

FUNDS REMITTED	<300,000>
FUNDING RECEIVED	254,487
RETAINED EARNINGS	982,464
NET INCOME (LOSS)	55,157

TOTAL EQUITY	992,108
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TOTAL LIABILITIES & EQUITY	5,107,785
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**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ending November 30, 2005**

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Current - Under 30 Days	
Food & Beverage	114,361
Ticketing	81,875
Merchandise	113
Permanent Advertising	84,974
Operating	187,478
 Over 30 Days	 78,458
 Over 60 Days	 22,016
 Over 90 Days	
Time Out for Women	29,652
 Total Accounts Receivable @ 11/30/2005	 598,927

CURRENT			YTD		
ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
52,866	57,384	51,460	291,708	286,920	288,751
5,854	3,333	5,803	25,430	16,665	24,305
77,324	77,921	50,477	330,774	389,605	322,121
0	0	200	0	0	5,219
325	0	0	1,867	0	0
577	0	577	2,885	0	2,885
300	985	300	1,500	4,925	1,500
37,961	33,992	29,908	181,342	169,960	165,556
<73,079>	<64,795>	<40,211>	<259,166>	<323,975>	<259,402>
102,129	108,820	98,514	576,339	544,100	550,935
21,498	19,000	19,720	100,277	95,000	95,522
73	2,500	2,346	15,287	12,500	12,493
<4,277>	300	314	2,842	1,500	2,190
1,083	858	1,377	4,539	4,290	2,314
0	625	0	509	3,125	0
435	350	1,710	2,557	1,750	4,146
788	208	784	2,648	1,040	2,193
0	750	0	337	3,750	200
5,102	5,417	4,333	30,512	27,085	24,648
1,875	2,583	1,875	10,306	12,915	10,781
6,811	7,834	11,010	23,971	39,170	21,336
<47>	0	377	<910>	0	225
348	0	0	348	0	409
1,985	1,500	2,930	6,723	7,500	6,464
1,085	1,250	982	6,851	6,250	5,703
0	0	0	1,284	0	0
206	300	248	1,757	1,500	1,238
0	900	0	2,650	4,500	0
20,640	9,333	10,805	72,373	46,665	55,315
13,183	12,841	14,036	80,380	64,205	54,391
575	750	939	2,874	3,750	3,212
17,742	15,473	11,486	62,663	77,365	53,119
<203>	0	0	<203>	0	0
0	1,750	0	0	8,750	687
484	1,000	2,502	6,403	5,000	6,319
1,131	1,000	423	3,679	5,000	3,940
2,076	2,000	2,149	10,944	10,000	12,843
4,586	5,000	4,369	33,811	25,000	28,750
76,319	61,317	72,438	255,169	306,585	218,833
20,433	20,533	19,935	101,419	102,665	99,094
<1,976>	<2,945>	<3,078>	<11,882>	<14,725>	<13,717>
<413>	<375>	<887>	<2,382>	<1,875>	<4,305>
191,542	172,052	183,123	827,733	860,260	708,342
293,670	280,872	281,637	1,404,073	1,404,360	1,259,277



**SMG - Van Andel Arena & DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Management Fee Summary**  
**Fiscal Year Ending June 30, 2006**

**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Net Revenue above Expenses	1,327,683	(996,656)	331,027	527,507
Benchmark	1,689,156	(1,154,237)	534,919	259,115
Excess	(361,473)	157,581	(203,892)	268,392

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Base Fee	245,200	245,200	490,400	478,439
Incentive Fee				
Revenue	4,723,614	3,824,834	8,548,448	8,684,919
Benchmark Revenue	4,576,971	3,680,413	8,257,384	7,712,250
Revenue Excess	146,643	144,421	291,064	972,669
Incentive Fee **	-	-	-	194,533
Total SMG Management Fee	245,200	245,200	490,400	672,972

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

# DEVOS PLACE

## DE VOS PLACE

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED DECEMBER 31, 2005**

**Distribution:**

Grand Rapids – Kent County Convention / Arena Authority  
Robert White  
Thom Connors  
Gary McAneney  
Howard Feldman  
Richard MacKeigan  
Chris Machuta



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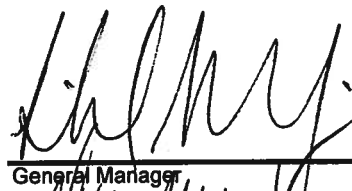
*An SMG Managed Facility*

DE VOS PLACE  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2006

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	289	241	530	467	63
ATTENDANCE	211,380	458,775	670,155	672,025	(1,870)
DIRECT EVENT REVENUE	938,577	1,205,375	2,143,952	2,082,127	61,825
ANCILLARY REVENUE	912,645	876,487	1,789,132	1,440,286	348,846
TOTAL EVENT REVENUE	1,851,222	2,081,862	3,933,084	3,522,413	410,671
TOTAL OTHER REVENUE	77,127	103,547	180,674	158,000	22,674
TOTAL OPERATING REVENUE	1,928,349	2,185,409	4,113,758	3,680,413	433,345
INDIRECT EXPENSES					
EXECUTIVE	56,772	73,489	130,261	133,805	3,544
FINANCE	100,877	103,874	204,751	201,426	(3,325)
MARKETING	36,567	32,587	69,154	66,743	(2,411)
OPERATIONS	513,296	578,412	1,091,708	1,073,910	(17,798)
EVENT SERVICES	381,234	455,699	836,933	846,786	9,853
BOX OFFICE	38,955	48,741	87,696	85,107	(2,589)
SALES	71,692	115,201	186,893	195,040	8,147
OVERHEAD	1,032,802	1,307,452	2,340,254	2,231,833	(108,421)
TOTAL OPERATING EXP.	2,232,196	2,715,455	4,947,650	4,834,650	(113,000)
NET REVENUE ABOVE EXPENSES	(303,847)	(530,046)	(833,892)	(1,154,237)	320,345
CAPITAL					
NET OPERATING REVENUE OVER OPERATING EXPENSES	(303,847)	(530,046)	(833,892)	(1,154,237)	320,345

Comments:

December marks the end of the first half of the fiscal year for the facility. DeVos Place continues to perform ahead of budgeted expectations, and is well positioned to finish the year over \$300,000 ahead of budget. The second half of the fiscal year includes the addition of the Theater Premium Seats that will help Other Revenue finish ahead of budget.



General Manager



Finance Director

**DE VOS PLACE  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED DECEMBER 31, 2005**

The following schedule summarizes operating results for the current month ending December and the YTD ending June 30, 2006, compared to budget and to the prior year:

<b>MONTH</b>	<b>December Actual</b>	<b>December Budget</b>	<b>December FY 2005</b>
Number of Events	54	47	38
Attendance	60,953	59,325	62,381
Direct Event Income	\$135,033	\$184,217	\$132,295
Ancillary Income	195,495	163,130	82,506
Other Income	29,728	13,167	14,595
Indirect Expenses	(495,080)	(450,446)	(429,330)
Net Income	(\$134,824)	(\$89,932)	(\$199,934)

<b>YTD</b>	<b>YTD 2006 Actual</b>	<b>YTD 2006 Budget</b>	<b>YTD 2005 Prior Year</b>
Number of Events	289	238	125
Attendance	211,380	246,825	144,662
Direct Event Income	\$938,577	\$847,642	\$667,135
Ancillary Income	912,645	779,964	507,164
Other Income	77,127	79,002	57,705
Indirect Expenses	(2,232,196)	(2,291,676)	(1,964,768)
Net Income	(\$303,847)	(\$585,068)	(\$732,764)

### **EVENT INCOME**

Event income fell short of expectations due to miscellaneous Theater events and a Youth Conference held during the month producing less than expected revenue.

### **ANCILLARY INCOME**

Ancillary income came in ahead of budget for the month due to higher than anticipated spending on decorator and audio/visual needs for the shows hosted during the month.

### **INDIRECT EXPENSES**

Indirect expenses came in higher than budget for the month. This was mainly due to utility expenses coming in a little higher than anticipated during the month.

DE VOS PLACE  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 12/31/05

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	253,875	177,894	121,010	1,053,860	816,189	643,648
SERVICES INCOME	<118,841>	6,323	11,285	<115,282>	31,453	23,487
TOTAL DIRECT EVENT INCOME	135,033	184,217	132,295	938,577	847,642	667,135
ANCILLARY INCOME						
-----						
FOOD & BEVERAGE	91,733	90,182	36,125	334,335	314,740	175,057
NOVELTY	442	1,200	138	3,544	11,800	3,113
ELECTRICAL	35,697	27,786	17,358	215,704	171,284	117,038
OTHER ANCILLARY	67,623	43,962	28,884	359,061	282,140	211,956
TOTAL ANCILLARY INCOME	195,495	163,130	82,506	912,645	779,964	507,164
TOTAL EVENT INCOME	330,528	347,347	214,801	1,851,222	1,627,606	1,174,299
OTHER OPERATING INCOME	29,728	13,167	14,595	77,127	79,002	57,704
ADJUSTED GROSS INCOME	360,256	360,514	229,396	1,928,349	1,706,608	1,232,003
INDIRECT EXPENSES						
EXECUTIVE	7,783	11,151	10,389	56,772	66,906	59,471
FINANCE	16,010	16,786	15,327	100,877	100,716	103,569
MARKETING	13,477	5,562	5,955	36,567	33,372	29,440
OPERATIONS	84,775	91,284	71,433	513,296	537,204	393,027
EVENT MANAGEMENT	65,640	70,317	64,094	381,234	421,902	344,825
BOX OFFICE	6,534	7,093	6,705	38,955	42,558	37,554
SALES	11,939	16,254	10,319	71,692	97,524	71,296
OVERHEAD	288,922	231,999	245,109	1,032,802	991,494	925,585
INDIRECT EXPENSES	495,080	450,446	429,330	2,232,196	2,291,676	1,964,768
NET OPERATING INCOME	<134,824>	<89,932>	<199,934>	<303,847>	<585,068>	<732,765>
OTHER EXPENSES						
NET INCOME (LOSS)	<134,824>	<89,932>	<199,934>	<303,847>	<585,068>	<732,765>
	=====	=====	=====	=====	=====	=====

DE VOS PLACE  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 12/31/05

	CURRENT			YEAR TO DATE		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	0	0	0	30,728	0	1,168
Changeover Setup Billed	1,868	0	1,654	6,427	0	4,771
Stagehands Billed	164,841	71,200	90,996	577,782	359,500	419,863
Security Billed	14,631	7,140	6,720	96,226	51,760	47,808
Ushers & Tix Takers Billed	17,684	12,800	14,184	60,422	47,825	53,650
Box Office Billed	2,000	1,700	1,700	6,800	6,300	7,000
Ticketing Service Billed	17,254	9,100	16,202	48,680	41,925	48,966
Utilities Billed	0	0	0	3,000	0	0
City Police Fire Billed	3,185	600	1,995	19,445	950	13,668
Traffic Control Billed	0	1,600	1,286	0	3,025	6,067
EMT Medical Billed	2,200	1,897	2,525	12,200	7,541	10,894
Cleaning Billed	375	0	24	3,199	0	1,270
Insurance Billed	0	0	0	1,937	0	3,285
Group Sales Commissions Billed	86	0	0	86	0	0
Telephone Billed	2,890	225	150	23,745	13,600	29,770
Other Production Billed	15,785	0	7,214	32,202	0	24,707
<b>TOTAL SERVICE INCOME</b>	<b>242,799</b>	<b>106,262</b>	<b>144,650</b>	<b>922,879</b>	<b>532,426</b>	<b>672,887</b>
Advertising Expense	0	0	0	31,237	0	1,168
Stagehand Wages	161,195	69,064	82,829	541,944	348,716	384,218
Security Wages	0	7,140	0	0	51,760	0
Contracted Security Expense	20,649	0	5,659	98,468	0	44,029
Ushers & T/T Wages	13,904	8,960	9,929	43,820	33,478	37,555
Ticket Sellers Wages	1,730	750	796	5,920	5,950	3,877
Ticket Service Charge Expense	6,775	3,628	6,886	19,261	20,058	20,646
Ticket Supplies	0	0	0	0	0	5,481
City Police Fire Expense	9,280	0	1,995	26,194	0	13,606
Traffic Control Expense	0	2,100	2,086	0	4,975	8,138
EMT Medical Expense	5,431	1,897	2,205	14,251	7,441	9,727
Cleaning Wages	0	6,400	0	1,000	28,595	0
Contracted Cleaning Expense	45,180	0	15,215	139,659	0	75,387
Insurance Expense	301	0	33	1,887	0	2,496
Group Sales Commissions	34	0	0	34	0	0
Allocated Telephone Expense	723	0	38	5,936	0	7,556
Production Expense	96,440	0	5,695	108,550	0	35,518
<b>TOTAL SERVICE EXPENSE</b>	<b>361,640</b>	<b>99,939</b>	<b>133,365</b>	<b>1,038,161</b>	<b>500,973</b>	<b>649,401</b>
<b>NET SERVICE INCOME</b>	<b>&lt;118,841&gt;</b>	<b>6,323</b>	<b>11,285</b>	<b>&lt;115,282&gt;</b>	<b>31,453</b>	<b>23,487</b>

**SMG DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Year to Date Event Summary Report**  
**For Month Ended November 30, 2005**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	79	63	65,145	72,900	917,169	751,747
Consumer/Gated Shows	12	5	9,634	15,250	97,842	31,113
Devos Performance Hall	65	65	79,284	96,900	298,756	292,876
Ballroom Exclusive	32	39	21,757	28,875	240,127	309,388
Other	101	66	35,560	32,900	297,297	242,482
GRAND TOTALS	289	238	211,380	246,825	1,851,191	1,627,606

**As Percentage of Overall**

Convention/Trade Shows	27.34%	26.47%	30.82%	29.54%	49.54%	46.19%
Consumer/Gated Shows	4.15%	2.10%	4.56%	6.18%	5.29%	1.91%
Devos Performance Hall	22.49%	27.31%	37.51%	39.26%	16.14%	17.99%
Ballroom Exclusive	11.07%	16.39%	10.29%	11.70%	12.97%	19.01%
Other	34.95%	27.73%	16.82%	13.33%	16.06%	14.90%

DE VOS PLACE  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 12/31/05

ASSETS

CURRENT ASSETS

CASH	1,685,186
ACCOUNTS RECEIVABLE	956,359
PREPAID EXPENSES	117,080

TOTAL CURRENT ASSETS	2,758,625
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FIXED ASSETS

TOTAL ASSETS	2,758,625
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	169,269
ACCRUED EXPENSES	179,549
DEFERRED INCOME	79,878
ADVANCED TIX SALES & DEPOSITS	888,494

TOTAL CURRENT LIABILITIES	1,317,189
---------------------------	-----------

EQUITY

FUNDS REMITTED	<250,000>
FUNDING RECEIVED	698,378
RETAINED EARNINGS	1,296,905
NET INCOME (LOSS)	<303,847>

TOTAL EQUITY	1,441,436
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TOTAL LIABILITIES & EQUITY	2,758,625
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**SMG - DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ended December 31, 2005**

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Current - Under 30 Days	
Food & Beverage	134,566
Ticketing	342,260
Decorating	12,233
Audio/Visual	53,121
Operating	289,544
 Over 30 Days	 87,458
 Over 60 Days	 22,457
 Over 90 Days	
Donnell Productions	5,736
Paragon Leather	1,696
Saigon Entertainment	5,002
Grinder Promotions	2,286
 Total Accounts Receivable	 956,359

DE VOS PLACE  
INDIRECT EXPENSE SUMMARY  
PERIOD ENDING 12/31/05

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	57,443	63,590	54,174	365,264	381,540	343,440
Part-Time	18,207	13,167	14,756	58,435	79,002	51,744
Wages-Trade	177,787	97,400	103,063	713,393	584,400	545,106
Sales Commissions Group Sales	408	0	0	408	0	0
Auto Allowance	1,971	0	1,971	11,825	0	11,525
Auto Expense	150	2,121	150	900	12,726	900
Taxes & Benefits	62,089	42,356	44,366	278,690	254,136	234,536
Less: Allocation/Reimbursement	<194,671>	<79,787>	<111,000>	<696,093>	<478,722>	<528,234>
<b>TOTAL LABOR COSTS</b>	<b>123,384</b>	<b>138,847</b>	<b>107,479</b>	<b>732,823</b>	<b>833,082</b>	<b>659,017</b>
Contracted Security	25,833	19,000	23,595	125,959	114,000	120,189
Contracted Cleaning	1,760	0	228	11,627	0	334
Other Contracted Services	224	200	0	1,342	1,200	688
Travel & Entertainment	515	1,626	2,637	6,388	9,756	5,150
Corporate Travel	0	0	0	0	0	<221>
Meetings & Conventions	925	1,958	700	11,251	13,248	12,343
Dues & Subscriptions	0	300	42	2,499	1,800	2,065
Employee Training	0	833	0	1,300	4,998	7,021
Computer Expense	3,605	6,250	10,316	22,092	37,500	36,320
Professional Fees	2,654	3,000	2,160	13,654	18,000	18,727
Marketing & Advertising	10,379	3,383	4,125	22,411	20,298	20,211
Box Office Expenses	33	0	55	<29>	0	228
Small Equipment	0	0	0	389	0	75
Trash Removal	871	2,500	1,390	10,820	15,000	7,793
Equipment Rental	1,894	1,000	1,545	8,442	6,000	6,278
Landscaping	785	0	0	3,671	0	0
Exterminating	814	6,300	780	23,840	37,800	6,173
Cleaning	0	3,000	0	9,600	6,000	0
Construction Costs	0	0	0	0	0	2,307
Repairs & Maintenance	24,563	19,167	24,287	144,645	115,002	103,696
Supplies	14,244	18,250	15,794	83,295	109,500	68,552
Bank Service Charges	1,285	1,000	804	7,991	6,000	5,478
Insurance	25,793	19,915	17,668	120,474	119,490	96,728
Licenses & Fees	0	0	0	133	0	99
Printing & Stationary	80	917	229	80	5,502	857
Office Supplies	935	750	71	6,926	4,500	3,232
Postage	500	417	500	1,844	2,502	1,119
Parking Expense	1,663	1,500	1,136	10,089	9,000	8,312
Telephone Long Distance	7,084	6,000	7,120	32,853	36,000	37,244
Utilities	225,548	173,800	186,772	698,378	642,300	622,120
Base Fee	20,433	20,533	19,935	123,348	123,198	120,190
Less: Allocated/Reimbursement	<723>	0	<38>	<5,936>	0	<7,556>
<b>TOTAL MATERIAL AND SERVICES</b>	<b>371,696</b>	<b>311,599</b>	<b>321,850</b>	<b>1,499,373</b>	<b>1,458,594</b>	<b>1,305,751</b>
<b>TOTAL INDIRECT EXPENSES</b>	<b>495,080</b>	<b>450,446</b>	<b>429,330</b>	<b>2,232,196</b>	<b>2,291,676</b>	<b>1,964,768</b>
=====						

**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2006**

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Net Revenue above Expenses	1,266,092	(833,892)	432,200	527,507
Benchmark	1,689,156	(1,154,237)	534,919	259,115
Excess	(423,064)	320,345	(102,719)	268,392

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Base Fee	245,200	245,200	490,400	478,439
Incentive Fee				
Revenue	4,700,761	4,113,758	8,814,519	8,684,919
Benchmark Revenue	4,576,971	3,680,413	8,257,384	7,712,250
Revenue Excess	123,790	433,345	557,135	972,669
Incentive Fee **	-	-	-	194,533
Total SMG Management Fee	245,200	245,200	490,400	672,972

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



# **VAN ANDEL ARENA**

## **FINANCIAL STATEMENT FOR THE PERIOD ENDED DECEMBER 31, 2005**

### **Distribution:**

Grand Rapids – Kent County Convention / Arena Authority  
Robert White  
Thom Connors  
Gary McAneney  
Howard Feldman  
Richard MacKeigan  
Chris Machuta



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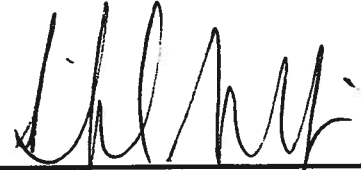
*An SMG Managed Facility*

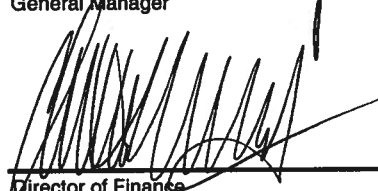
**VAN ANDEL ARENA  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2006**

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
<b>NO. EVENTS</b>	55	70	125	123	2
<b>ATTENDANCE</b>	246,466	407,000	653,466	709,400	(55,934)
<b>DIRECT EVENT INCOME</b>	430,597	714,565	1,145,162	1,187,222	(42,060)
<b>ANCILLARY INCOME</b>	584,961	784,760	1,369,721	1,487,665	(117,944)
<b>TOTAL EVENT INCOME</b>	1,015,558	1,499,325	2,514,883	2,674,887	(160,004)
<b>TOTAL OTHER INCOME</b>	1,065,421	1,120,457	2,185,878	2,166,000	19,878
<b>TOTAL INCOME</b>	2,080,979	2,619,782	4,700,761	4,840,887	(140,126)
<b>INDIRECT EXPENSES</b>					
<b>EXECUTIVE</b>	59,649	61,478	121,127	116,853	(4,274)
<b>FINANCE</b>	96,199	95,145	191,344	196,780	5,436
<b>MARKETING</b>	134,431	122,963	257,394	236,837	(20,557)
<b>OPERATIONS</b>	649,692	605,520	1,255,212	1,230,834	(24,378)
<b>BOX OFFICE</b>	51,882	53,410	105,292	108,507	3,215
<b>LUXURY SEATING</b>	52,152	59,687	111,839	115,222	3,383
<b>SKYWALK ADMIN</b>	18,557	20,036	38,593	39,856	1,263
<b>OVERHEAD</b>	675,238	678,630	1,353,868	1,333,075	(20,793)
<b>TOTAL INDIRECT EXP.</b>	1,737,800	1,696,869	3,434,669	3,377,964	(56,705)
<b>NET REVENUE ABOVE EXPENSES</b>	343,179	922,913	1,266,092	1,462,923	(196,831)
<b>LESS ALLOCATION FOR CAPITAL REPLACEMENT</b>					
<b>NET REVENUE ABOVE EXPENSES AFTER CAPITAL</b>	343,179	922,913	1,266,092	1,462,923	(196,831)

**Comments:**

December concludes the end of the second quarter for the Arena. As seen during the first quarter, the Arena performed below expectations due to lower than expected ticket sales for many of the events hosted during those months. December rebounded with sold out Michigan State Basketball, Aerosmith, and two TSO concerts. The revised forecast shows the Arena falling short of original budget, however, performing better the second half of the fiscal year.

  
General Manager

  
Director of Finance

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED NOVEMBER 30, 2005**

The following schedule summarizes operating results for the current month ending December 31, 2005 and the YTD ending June 30, 2006 compared to budget and to the prior year:

<b>MONTH</b>	<b>December Actual</b>	<b>December Budget</b>	<b>December FY 2005</b>
Number of Events	13	10	10
Attendance	82,429	66,000	71,583
Direct Event Income	\$246,138	\$119,474	\$168,149
Ancillary Income	173,556	144,899	102,891
Other Income	202,056	180,500	191,610
Indirect Expenses	(331,852)	(280,872)	(340,699)
Net Income	<u>\$289,898</u>	<u>\$164,001</u>	<u>\$121,951</u>

<b>YTD</b>	<b>YTD 2006 Actual</b>	<b>YTD 2006 Budget</b>	<b>YTD 2005 Prior Year</b>
Number of Events	55	46	51
Attendance	246,466	258,900	286,223
Direct Event Income	\$430,597	\$547,792	\$471,065
Ancillary Income	584,961	648,962	568,221
Other Income	1,065,421	1,083,000	1,059,335
Indirect Expenses	(1,737,800)	(1,685,232)	(1,599,977)
Net Income	<u>\$343,179</u>	<u>\$594,522</u>	<u>\$498,644</u>

**EVENT INCOME**

Event income came in ahead of budget for the month due to very strong sales for the Michigan State Basketball game hosted, as well as, Aerosmith (highest grossing artist in Arena history) and 2 TSO shows (number six on the same list). Over 8 days, the Arena generated its 2 highest rental revenue days in history.

**ANCILLARY INCOME**

Ancillary income came in ahead of budget for the month. The overage was due to the very high concession and merchandise sales for the Aerosmith concert and strong attendance numbers for the other events hosted during the month.

**INDIRECT EXPENSES**

Indirect expenses came in higher than budget, mainly due to utilities coming in a little higher than budget for the month, and a couple of marketing campaigns to end the calendar year.

VAN ANDEL ARENA  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 12/31/05

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	330,765	156,000	199,114	699,929	772,750	665,689
SERVICES INCOME	<84,627>	<36,526>	<30,965>	<269,332>	<224,958>	<194,624>
	-----	-----	-----	-----	-----	-----
TOTAL DIRECT EVENT INCOME	246,138	119,474	168,149	430,597	547,792	471,065
	-----	-----	-----	-----	-----	-----
ANCILLARY INCOME						
-----						
FOOD & BEVERAGE	150,100	117,179	91,406	494,579	517,882	473,532
NOVELTY	17,296	23,100	6,650	76,273	119,900	77,403
OTHER ANCILLARY	6,160	4,620	4,835	14,109	11,180	17,285
	-----	-----	-----	-----	-----	-----
TOTAL ANCILLARY INCOME	173,556	144,899	102,891	584,961	648,962	568,221
	-----	-----	-----	-----	-----	-----
TOTAL EVENT INCOME	419,693	264,373	271,041	1,015,558	1,196,754	1,039,285
	-----	-----	-----	-----	-----	-----
OTHER OPERATING INCOME	202,056	180,500	191,610	1,065,421	1,083,000	1,059,335
	-----	-----	-----	-----	-----	-----
ADJUSTED GROSS INCOME	621,749	444,873	462,651	2,080,979	2,279,754	2,098,621
	-----	-----	-----	-----	-----	-----
INDIRECT EXPENSES						
EXECUTIVE	9,431	9,612	13,195	59,649	57,672	61,555
FINANCE	13,379	16,273	15,607	96,199	97,638	92,330
MARKETING	29,124	19,612	19,288	134,431	117,672	116,090
LUXURY SEATING	14,423	9,602	11,204	52,152	57,612	47,834
OPERATIONS	93,659	102,318	128,414	649,692	613,908	635,545
BOX OFFICE	8,108	9,043	7,716	51,882	54,258	50,565
SKYWALK ADMINISTRATION	5,158	3,322	3,942	18,557	19,932	19,411
OVERHEAD	158,570	111,090	141,333	675,238	666,540	576,647
	-----	-----	-----	-----	-----	-----
INDIRECT EXPENSES	331,852	280,872	340,699	1,737,800	1,685,232	1,599,977
	-----	-----	-----	-----	-----	-----
NET OPERATING INCOME	289,898	164,001	121,951	343,179	594,522	498,644
	-----	-----	-----	-----	-----	-----
OTHER EXPENSES						
-----						
NET INCOME (LOSS)	289,898	164,001	121,951	343,179	594,522	498,644
=====	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 12/31/05

	CURRENT			YEAR TO DATE		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	8,524	0	34,465	120,179	0	206,530
Labor Billed	2,425	2,160	2,430	10,428	8,100	8,888
Changeover Setup Billed	14,761	12,700	16,686	59,347	57,150	54,635
Stagehands Billed	59,210	61,200	48,668	228,986	198,900	218,286
Security Billed	23,202	19,150	22,677	83,550	76,750	82,371
Ushers & Tix Takers Billed	14,678	14,550	16,772	54,395	55,000	54,666
Box Office Billed	903	1,200	1,634	5,010	6,550	7,672
Ticketing Service Billed	9,547	24,000	11,255	36,171	100,150	75,945
Utilities Billed	0	0	0	4,075	0	1,000
City Police Fire Billed	1,820	1,008	1,456	5,670	4,032	5,316
EMT Medical Billed	2,201	1,950	2,106	8,003	7,825	10,074
Production Materials Billed	0	0	0	3,778	0	0
Cleaning Billed	12,194	13,050	14,815	46,639	54,050	46,235
Insurance Billed	0	0	0	1,123	0	0
Group Sales Commissions Billed	0	0	2,346	3,719	0	3,216
Telephone Billed	4,300	3,150	1,120	13,340	12,285	15,870
Other Production Billed	23,681	12,000	17,265	155,403	49,000	98,067
<b>TOTAL SERVICE INCOME</b>	<b>177,446</b>	<b>166,118</b>	<b>193,695</b>	<b>839,813</b>	<b>629,792</b>	<b>888,771</b>
Advertising Expense	13,658	0	36,106	131,211	0	208,702
Labor Wages	2,061	1,836	2,066	8,863	8,721	7,554
Contracted Changeover Setup Expense	36,481	22,645	30,252	118,912	96,004	108,091
Stagehand Wages	55,772	60,485	45,594	232,467	222,321	213,500
Contracted Security Expense	37,100	23,720	22,110	140,254	102,700	115,998
Contracted Ushers & T/T Expense	39,062	25,800	27,453	123,680	107,080	109,165
Ticket Sellers Wages	768	0	1,389	4,258	0	6,521
Ticket Service Charge Expense	8,757	24,000	9,231	30,061	121,150	68,993
City Police Fire Expense	1,820	1,008	1,456	8,149	6,626	5,236
EMT Medical Expense	3,952	2,895	2,546	12,906	13,439	11,948
Contracted Cleaning Expense	36,256	27,463	27,185	116,743	118,535	109,697
Allocated Cleaning Expense	<233>	0	0	0	0	0
Group Sales Commissions	408	0	0	2,009	0	0
Allocated Telephone Expense	1,290	792	426	3,672	4,574	4,731
Production Expense	24,922	12,000	18,846	175,959	53,600	113,257
<b>TOTAL SERVICE EXPENSE</b>	<b>262,073</b>	<b>202,644</b>	<b>224,660</b>	<b>1,109,145</b>	<b>854,750</b>	<b>1,083,395</b>
<b>NET SERVICE INCOME</b>	<b>&lt;84,627&gt;</b>	<b>&lt;36,526&gt;</b>	<b>&lt;30,965&gt;</b>	<b>&lt;269,332&gt;</b>	<b>&lt;224,958&gt;</b>	<b>&lt;194,624&gt;</b>
	=====	=====	=====	=====	=====	=====

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**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ending November 30, 2005**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	19	16	40,494	59,000	56,343	189,019
Sporting Event	4	4	24,714	23,400	186,752	90,212
Concert	11	12	76,877	96,000	508,118	776,348
Team Home Games	18	13	80,638	71,500	141,157	131,651
Other	3	1	23,743	9,000	123,179	9,524
GRAND TOTALS	55	46	246,466	258,900	1,015,549	1,196,754

**As Percentage of Overall**

Family Show	34.55%	34.78%	16.43%	22.79%	5.55%	15.79%
Sporting Event	7.27%	8.70%	10.03%	9.04%	18.39%	7.54%
Concert	20.00%	26.09%	31.19%	37.08%	50.03%	64.87%
Team Home Games	32.73%	28.26%	32.72%	27.62%	13.90%	11.00%
Other	5.45%	2.17%	9.63%	3.48%	12.13%	0.80%

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VAN ANDEL ARENA  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 12/31/05

ASSETS

CURRENT ASSETS

CASH	3,748,113
ACCOUNTS RECEIVABLE	669,667
PREPAID EXPENSES	63,441
	-----
TOTAL CURRENT ASSETS	4,481,220
	-----

FIXED ASSETS

TOTAL ASSETS	4,481,220
	=====

LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	1,632,645
ACCRUED EXPENSES	218,658
DEFERRED INCOME	1,084,061
ADVANCED TIX SALES & DEPOSITS	467,477
	-----
TOTAL CURRENT LIABILITIES	3,402,842
	-----

EQUITY

FUNDS REMITTED	<600,000>
FUNDING RECEIVED	352,735
RETAINED EARNINGS	982,464
NET INCOME (LOSS)	343,179
	-----
TOTAL EQUITY	1,078,378
	-----

TOTAL LIABILITIES & EQUITY	4,481,220
	=====

**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ending November 30, 2005**

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Current - Under 30 Days	
Food & Beverage	230,279
Ticketing	24,997
Merchandise	-
Permanent Advertising	-
Operating	277,414
 Over 30 Days	 44,785
 Over 60 Days	 62,540
 Over 90 Days	
Time Out for Women	29,652
 Total Accounts Receivable @ 11/30/2005	 669,667

VAN ANDEL ARENA  
INDIRECT EXPENSE SUMMARY  
PERIOD ENDING 12/31/05

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	52,203	57,384	58,889	343,910	344,304	347,640
Part-Time	7,224	3,333	5,769	32,654	19,998	30,074
Wages-Trade	80,244	77,921	72,971	411,017	467,526	395,091
Wages-Trade Part-Time	0	0	0	0	0	5,219
Sales Commissions Group Sales	496	0	0	2,363	0	0
Auto Allowance	577	0	577	3,463	0	3,463
Auto Expense	300	985	300	1,800	5,910	1,800
Taxes & Benefits	40,090	33,992	37,485	221,432	203,952	203,042
Less: Allocation/Reimbursement	<76,189>	<64,795>	<64,536>	<335,355>	<388,770>	<323,938>
<b>TOTAL LABOR COSTS</b>	<b>104,945</b>	<b>108,820</b>	<b>111,455</b>	<b>681,284</b>	<b>652,920</b>	<b>662,390</b>
Contracted Security	18,904	19,000	15,589	119,181	114,000	111,111
Contracted Cleaning	2,098	2,500	2,098	17,385	15,000	14,591
Other Contracted Services	314	300	0	3,156	1,800	2,190
Travel & Entertainment	652	858	372	5,191	5,148	2,685
Corporate Travel	0	625	0	509	3,750	0
Meetings & Conventions	0	350	428	2,557	2,100	4,574
Dues & Subscriptions	304	208	4,700	2,952	1,248	6,893
Employee Training	0	750	0	337	4,500	200
Computer Expense	4,942	5,417	12,747	35,454	32,502	37,395
Professional Fees	349	2,583	1,875	12,530	15,498	12,656
Marketing & Advertising	20,998	7,834	5,786	44,969	47,004	27,122
Box Office Expenses	<45>	0	<51>	<954>	0	174
Small Equipment	0	0	0	348	0	409
Trash Removal	1,796	1,500	981	8,519	9,000	7,445
Equipment Rental	1,792	1,250	1,375	8,643	7,500	7,078
Landscaping	950	0	0	2,234	0	0
Exterminating	248	300	248	2,005	1,800	1,485
Cleaning	0	900	4,050	2,650	5,400	4,050
Repairs & Maintenance	10,860	9,333	26,747	83,233	55,998	82,062
Supplies	9,942	12,841	20,563	90,322	77,046	74,955
Bank Service Charges	555	750	641	3,428	4,500	3,853
Insurance	17,377	15,473	15,230	80,040	92,838	68,349
Licenses & Fees	72	0	0	72	0	0
Other Taxes	<17>	0	0	<220>	0	0
Printing & Stationary	261	1,750	0	261	10,500	687
Office Supplies	3,212	1,000	153	9,615	6,000	6,471
Postage	214	1,000	1,359	3,892	6,000	5,299
Parking Expense	2,076	2,000	0	13,019	12,000	12,843
Telephone Long Distance	16,237	5,000	6,377	50,047	30,000	35,127
Utilities	98,248	61,317	91,964	353,416	367,902	310,797
Base Fee	20,433	20,533	19,935	121,852	123,198	119,029
Common Area Expense	<4,574>	<2,945>	<3,496>	<16,456>	<17,670>	<17,213>
Less: Allocated/Reimbursement	<1,290>	<375>	<426>	<3,672>	<2,250>	<4,731>
<b>TOTAL MATERIAL AND SERVICES</b>	<b>226,907</b>	<b>172,052</b>	<b>229,244</b>	<b>1,056,515</b>	<b>1,032,312</b>	<b>937,586</b>
<b>TOTAL INDIRECT EXPENSES</b>	<b>331,852</b>	<b>280,872</b>	<b>340,699</b>	<b>1,737,800</b>	<b>1,685,232</b>	<b>1,599,977</b>

**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2006**

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Net Revenue above Expenses	1,266,092	(833,892)	432,200	527,507
Benchmark	1,689,156	(1,154,237)	534,919	259,115
Excess	(423,064)	320,345	(102,719)	268,392

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2005 Estimate
Base Fee	245,200	245,200	490,400	478,439
Incentive Fee				
Revenue	4,700,761	4,113,758	8,814,519	8,684,919
Benchmark Revenue	4,576,971	3,680,413	8,257,384	7,712,250
Revenue Excess	123,790	433,345	557,135	972,669
Incentive Fee **	-	-	-	194,533
Total SMG Management Fee	245,200	245,200	490,400	672,972

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

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12/20/05

Accrual Basis

## Grand Rapids-Kent County Convention/Arena Authority

## Balance Sheet

As of November 30, 2005

	Nov 30, 05
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1030 · Cash - Construction	433,823.46
1050 · Operations - Cash	1,637,457.93
<b>Total Checking/Savings</b>	2,071,281.39
<b>Other Current Assets</b>	
1070 · Kent County - Operating	5,604,398.95
1080 · Kent County - Capital Replcmnt	11,269,095.56
<b>Total Other Current Assets</b>	16,873,494.51
<b>Total Current Assets</b>	18,944,775.90
<b>Fixed Assets</b>	
<b>Vehicles</b>	23,470.00
<b>Total Fixed Assets</b>	23,470.00
<b>TOTAL ASSETS</b>	<b>18,968,245.90</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 · Accounts Payable	153,015.51
<b>Total Accounts Payable</b>	153,015.51
<b>Total Current Liabilities</b>	153,015.51
<b>Total Liabilities</b>	153,015.51
<b>Equity</b>	
3000 · Opening Bal Equity	37,652,992.39
3900 · Retained Earnings	-18,297,908.43
Net Income	-539,853.57
<b>Total Equity</b>	18,815,230.39
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>18,968,245.90</b>

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12/12/05

**Grand Rapids-Kent County Convention/Arena Authority****Reconciliation Detail****1020 - Cash - Construction - Max Saver, Period Ending 11/30/2005**

Type	Date	Num	Name	Memo	Clr	Amount
<b>Beginning Balance</b>						
<b>Cleared Transactions</b>						
<b>Checks and Payments - 1 item</b>						
Transfer	11/28/2005			Funds Transfer	X	-1,256,743.95
Total Checks and Payments						-1,256,743.95
<b>Deposits and Credits - 1 item</b>						
Deposit	11/30/2005			Interest	X	2,893.05
Total Deposits and Credits						2,893.05
Total Cleared Transactions						-1,253,850.90
Cleared Balance						-1,253,850.90
Register Balance as of 11/30/2005						-1,253,850.90
<b>Ending Balance</b>						<b>-1,253,850.90</b>

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12/12/05

**Grand Rapids-Kent County Convention/Arena Authority****Reconciliation Detail****1030 - Cash - Construction, Period Ending 11/30/2005**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Clr</u>	<u>Amount</u>	<u>Balance</u>
<b>Beginning Balance</b>							<b>432,592.28</b>
<b>Cleared Transactions</b>							
<b>Deposits and Credits - 1 item</b>							
Deposit	11/28/2005			Interest	X	1,231.18	1,231.18
Total Deposits and Credits						1,231.18	1,231.18
Total Cleared Transactions						1,231.18	1,231.18
Cleared Balance						1,231.18	433,823.46
Register Balance as of 11/30/2005						1,231.18	433,823.46
<b>New Transactions</b>							
<b>Checks and Payments - 1 item</b>							
Transfer	12/1/2005			Funds Transfer		-433,823.46	-433,823.46
Total Checks and Payments						-433,823.46	-433,823.46
Total New Transactions						-433,823.46	-433,823.46
<b>Ending Balance</b>						<b>-432,592.28</b>	<b>0.00</b>



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12/12/05

# Grand Rapids-Kent County Convention/Arena Authority Reconciliation Detail

1050 - Operations - Cash, Period Ending 11/30/2005

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Beginning Balance</b>							1,278,899.65
<b>Cleared Transactions</b>							
<b>Checks and Payments - 27 Items</b>							
Bill Pmt -Check	10/28/2005	6211	Priority Health		X	-312.72	-312.72
Bill Pmt -Check	10/28/2005	6212	SMG - Philadelphia		X	-194,533.00	-194,845.72
Bill Pmt -Check	10/28/2005	6207	ICMA Retirement Cor...		X	-260.96	-195,106.68
Bill Pmt -Check	10/28/2005	6206	DTE Energy		X	-1,475.19	-196,581.87
Bill Pmt -Check	10/28/2005	6204	Amway Grand Plaza		X	-1,314.04	-197,895.91
Bill Pmt -Check	10/28/2005	6209	Kendall Electric, Inc.		X	-2,462.40	-200,358.31
Bill Pmt -Check	10/28/2005	6208	ICMA Retirement Cor...		X	-50.00	-200,408.31
Check	11/11/2005	10116	Susan M. Waddell		X	-924.50	-201,332.81
Check	11/11/2005	10116	Susan M. Waddell		X	-1,434.68	-202,767.49
Bill Pmt -Check	11/14/2005	6227	Tony Betten & Sons ...		X	-20,444.30	-223,211.79
Bill Pmt -Check	11/14/2005	6226	Tele-Rad, Inc.		X	-16,382.74	-239,594.53
Bill Pmt -Check	11/14/2005	6225	Rapid Hot Coffee Ser...		X	-27.68	-239,622.21
Bill Pmt -Check	11/14/2005	6224	Premovation Audio & ...		X	-30,000.00	-269,622.21
Bill Pmt -Check	11/14/2005	6223	Musco Sports Lightin...		X	-12,971.03	-282,593.24
Bill Pmt -Check	11/14/2005	6222	Kent Count Dept of P...		X	-48,836.11	-331,429.35
Bill Pmt -Check	11/14/2005	6221	J & L Roofing		X	-156,860.00	-488,289.35
Bill Pmt -Check	11/14/2005	6220	ICMA Retirement Cor...		X	-50.00	-488,339.35
Bill Pmt -Check	11/14/2005	6219	ICMA Retirement Cor...		X	-260.96	-488,600.31
Bill Pmt -Check	11/14/2005	6218	Hurst Industries		X	-63,300.00	-551,900.31
Bill Pmt -Check	11/14/2005	6217	Grand Rapids City Tr...		X	-9,329.97	-561,230.28
Bill Pmt -Check	11/14/2005	6215	DTE Energy		X	-940.85	-562,171.13
Bill Pmt -Check	11/14/2005	6214	Dickinson Wright PLLC		X	-1,444.30	-563,615.43
Bill Pmt -Check	11/14/2005	6213	Consumers Energy		X	-33,087.91	-596,703.34
Bill Pmt -Check	11/14/2005	6216	Global Computer Sup...		X	-2,981.95	-599,685.29
Check	11/25/2005	10117	Susan M. Waddell		X	-1,434.68	-601,119.97
Check	11/25/2005	10117	Susan M. Waddell		X	-791.09	-601,911.06
Transfer	11/28/2005			Funds Transfer	X	-500,000.00	-1,101,911.06
<b>Total Checks and Payments</b>						-1,101,911.06	-1,101,911.06
<b>Deposits and Credits - 34 Items</b>							
Deposit	10/31/2005		DeVos Place parking revenue		X	187.00	187.00
Deposit	11/1/2005		DeVos Place parking revenue		X	1,066.00	1,253.00
Deposit	11/2/2005		Van Andel Arena parking revenue-October 2005		X	11,522.00	12,775.00
Deposit	11/2/2005		DeVos Place parking revenue		X	2,263.00	15,038.00
Deposit	11/3/2005		DeVos Place parking revenue		X	4,947.50	19,985.50
Deposit	11/4/2005		DeVos Place parking revenue		X	4,515.50	24,501.00
Deposit	11/5/2005		DeVos Place parking revenue		X	1,695.00	26,196.00
Deposit	11/6/2005		DeVos Place parking revenue		X	1,033.50	27,229.50
Deposit	11/7/2005		DeVos Place parking revenue		X	261.00	27,490.50
Deposit	11/8/2005		DeVos Place parking revenue		X	722.00	28,212.50
Deposit	11/9/2005		DeVos Place parking revenue		X	1,242.00	29,454.50
Deposit	11/10/2005		Excess cash flow to CAA for Van Andel Arena-October 2005		X	150,000.00	179,454.50
Deposit	11/10/2005		Excess cash flow to CAA for DeVos Place-October 2005		X	100,000.00	279,454.50
Deposit	11/10/2005		DeVos Place parking revenue		X	1,020.00	280,474.50
Deposit	11/11/2005		DeVos Place parking revenue		X	1,730.00	282,204.50
Deposit	11/12/2005		DeVos Place parking revenue		X	1,388.00	283,592.50
Deposit	11/13/2005		DeVos Place parking revenue		X	1,848.00	285,440.50
Deposit	11/14/2005		DeVos Place parking revenue		X	1,051.00	286,491.50
Deposit	11/15/2005		DeVos Place parking revenue		X	131.00	286,622.50
Deposit	11/16/2005		DeVos Place parking revenue		X	90.00	286,712.50
Deposit	11/17/2005		DeVos Place parking revenue		X	574.00	287,286.50
Deposit	11/18/2005		DeVos Place parking revenue		X	144.00	287,430.50
Deposit	11/19/2005		DeVos Place parking revenue		X	1,055.50	288,486.00
Deposit	11/21/2005		DeVos Place parking revenue		X	1,041.50	289,527.50
Deposit	11/22/2005		DeVos Place parking revenue		X	975.00	290,502.50
Deposit	11/23/2005		DeVos Place parking revenue		X	704.50	291,207.00
Deposit	11/24/2005		DeVos Place parking revenue		X	624.00	291,831.00
Deposit	11/25/2005		DeVos Place parking revenue		X	632.50	292,463.50
Deposit	11/26/2005		DeVos Place parking revenue		X	1,092.00	293,555.50
Deposit	11/27/2005		DeVos Place parking revenue		X	1,274.00	294,829.50
Transfer	11/28/2005		Funds Transfer		X	1,256,743.95	1,551,573.45
Deposit	11/28/2005		DeVos Place parking revenue		X	134.00	1,551,707.45
Deposit	11/29/2005		DeVos Place parking revenue		X	365.50	1,552,072.95
Deposit	11/30/2005		Interest		X	3,972.69	1,556,045.64
<b>Total Deposits and Credits</b>						1,556,045.64	1,556,045.64
<b>Total Cleared Transactions</b>						454,134.58	454,134.58
<b>Cleared Balance</b>						454,134.58	1,733,034.23
<b>Uncleared Transactions</b>							
<b>Checks and Payments - 10 Items</b>							
Bill Pmt -Check	4/28/2005	6112	Priority Health			-398.73	-398.73
Bill Pmt -Check	11/28/2005	6233	ICMA Retirement Cor...			-50.00	-448.73
Bill Pmt -Check	11/28/2005	6234	Magnuson Group			-7,965.50	-8,414.23
Bill Pmt -Check	11/28/2005	6235	Priority Health			-312.72	-8,726.95
Bill Pmt -Check	11/28/2005	6236	Rick L. Van Sweden ...			-37.00	-8,763.95
Bill Pmt -Check	11/28/2005	6232	ICMA Retirement Cor...			-260.96	-9,024.91
Bill Pmt -Check	11/28/2005	6231	Grand Rapids City Tr...			-2,746.00	-11,770.91
Bill Pmt -Check	11/28/2005	6230	Eagle Star Equipment			-16,096.00	-27,866.91
Bill Pmt -Check	11/28/2005	6229	DTE Energy			-1,231.95	-29,098.86
Bill Pmt -Check	11/28/2005	6228	Consumers Energy			-67,356.94	-96,455.80
<b>Total Checks and Payments</b>						-96,455.80	-96,455.80

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12/12/05

## Grand Rapids-Kent County Convention/Arena Authority

## Reconciliation Detail

1050 - Operations - Cash, Period Ending 11/30/2005

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Deposits and Credits - 1 Item</b>							
Deposit	11/30/2005			DeVos Place parking revenue		879.50	879.50
Total Deposits and Credits						879.50	879.50
Total Uncleared Transactions						-95,576.30	-95,576.30
Register Balance as of 11/30/2005						358,558.28	1,637,457.93
<b>New Transactions</b>							
<b>Checks and Payments - 2 Items</b>							
Check	12/9/2005	10118	Susan M. Waddell			-896.03	-896.03
Check	12/9/2005	10118	Susan M. Waddell			-1,434.68	-2,330.71
Total Checks and Payments						-2,330.71	-2,330.71
<b>Deposits and Credits - 13 Items</b>							
Deposit	12/1/2005			DeVos Place parking revenue		1,490.00	1,490.00
Transfer	12/1/2005			Funds Transfer		433,823.46	435,313.46
Deposit	12/2/2005			VanAndel Arena parking revenue-November 2005		11,522.00	446,835.46
Deposit	12/2/2005			DeVos Place parking revenue		1,967.50	448,802.96
Deposit	12/3/2005			DeVos Place parking revenue		2,815.00	451,617.96
Deposit	12/4/2005			DeVos Place parking revenue		1,547.00	453,164.96
Deposit	12/5/2005			DeVos Place parking revenue		781.00	453,945.96
Deposit	12/6/2005			DeVos Place parking revenue		3,962.50	457,908.46
Deposit	12/7/2005			Fall Promotion Rebate		960.00	458,868.46
Deposit	12/7/2005			DeVos Place parking revenue		3,934.00	462,802.46
Deposit	12/8/2005			Van Andel Arena excess cash flow-November 2005		300,000.00	762,802.46
Deposit	12/8/2005			DeVos Place excess cash flow-November 2005		50,000.00	812,802.46
Deposit	12/8/2005			DeVos Place parking revenue		3,562.00	816,364.46
Total Deposits and Credits						816,364.46	816,364.46
Total New Transactions						814,033.75	814,033.75
Ending Balance						1,172,592.03	2,451,491.68

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12/12/05

**Grand Rapids-Kent County Convention/Arena Authority****Reconciliation Detail****1070 - Kent County - Operating, Period Ending 11/30/2005**

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Beginning Balance</b>							5,089,929.45
<b>Cleared Transactions</b>							
<b>Deposits and Credits - 1 Item</b>							
Deposit	11/1/2005			Interest	X	14,469.50	14,469.50
Total Deposits and Credits						14,469.50	14,469.50
Total Cleared Transactions						14,469.50	14,469.50
Cleared Balance						14,469.50	5,104,398.95
<b>Uncleared Transactions</b>							
<b>Deposits and Credits - 1 Item</b>							
Transfer	11/28/2005			Funds Transfer		500,000.00	500,000.00
Total Deposits and Credits						500,000.00	500,000.00
Total Uncleared Transactions						500,000.00	500,000.00
Register Balance as of 11/30/2005						514,469.50	5,604,398.95
<b>New Transactions</b>							
<b>Deposits and Credits - 1 Item</b>							
Transfer	12/1/2005			Funds Transfer		11,269,095.56	11,269,095.56
Total Deposits and Credits						11,269,095.56	11,269,095.56
Total New Transactions						11,269,095.56	11,269,095.56
<b>Ending Balance</b>						<b>11,783,565.06</b>	<b>16,873,494.51</b>

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12/12/05

**Grand Rapids-Kent County Convention/Arena Authority****Reconciliation Detail****1080 - Kent County - Capital Replcmnt, Period Ending 11/30/2005**

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Beginning Balance</b>							11,237,150.92
<b>Cleared Transactions</b>							
<b>Deposits and Credits - 1 Item</b>							
Deposit	11/1/2005			Interest	X	31,944.64	31,944.64
<b>Total Deposits and Credits</b>						31,944.64	31,944.64
<b>Total Cleared Transactions</b>						31,944.64	31,944.64
<b>Cleared Balance</b>						31,944.64	11,269,095.56
<b>Register Balance as of 11/30/2005</b>						31,944.64	11,269,095.56
<b>New Transactions</b>							
<b>Checks and Payments - 1 Item</b>							
Transfer	12/1/2005			Funds Transfer		-11,269,095.56	-11,269,095.56
<b>Total Checks and Payments</b>						-11,269,095.56	-11,269,095.56
<b>Total New Transactions</b>						-11,269,095.56	-11,269,095.56
<b>Ending Balance</b>						<b>-11,237,150.92</b>	<b>0.00</b>

SERIES 2 FUND LEDGER

10/01/05 THROUGH 10/31/05  
FUND : CAA-OPERATING NUMBER: 0701 221 13913

DATE	TYPE	SOURCE	ADDITIONS	DEDUCTIONS	BALANCE	TIME POSTED	POSTED BY
10/01/05	3	APPINT	14,469.50		5,089,929.45	10/21/05 08:19:08	km102
					5,104,398.95		

RECAP BY TYPE CODE

-----ADDITIONS-----		-----DEDUCTIONS-----		NET AMOUNT
TYPE	NO	AMOUNT	NO	AMOUNT
3	1	14,469.50	0	14,469.50
TOTAL		14,469.50		14,469.50
AVERAGE DAILY BALANCE				5,104,398.95



RECEIVED  
11/23/05

Reconciled  
12/12/05  
JLW

SERIES 2 FUND LEDGER

10/01/05 THROUGH 10/31/05  
FUND : CAA-CAPITAL REPLACEMENT NUMBER: 0701 221 13912

DATE	TYPE	SOURCE	ADDITIONS	DEDUCTIONS	BALANCE	TIME POSTED	POSTED BY
10/01/05	3	APPINT	31,944.64		11,237,150.92	10/21/05 08:19:08	knt102
					11,269,095.56		

RECAP BY TYPE CODE

-----ADDITIONS-----		-----DEDUCTIONS-----		NET AMOUNT
TYPE	NO	AMOUNT	NO	AMOUNT
3	1	31,944.64	0	31,944.64
TOTAL		31,944.64		31,944.64
AVERAGE DAILY BALANCE				11,269,095.56



RECEIVED

11/23/05

for

Reconciled  
12/12/05  
chr

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12/20/05

Accrual Basis

# Grand Rapids-Kent County Convention/Arena Authority

## Profit & Loss

July through November 2005

	Jul - Nov 05
<b>Income</b>	
4500 · Interest on Investments	257,590.13
4530 · Facility Operations	500,000.00
4540 · Land Lease	59,015.50
4545 · Parking Revenues	114,195.75
4550 · Miscellaneous Revenue	500.00
<b>Total Income</b>	<b>931,301.38</b>
<b>Expense</b>	
6000 · Professional Services	
6001 · Accounting/Auditing Services	2,213.17
6040 · Legal Services	1,800.80
<b>Total 6000 · Professional Services</b>	<b>4,013.97</b>
6060 · Other Contractual Services	-23,400.00
6065 · Pedestrian Safety	19,763.75
6068 · Parking Management	19,775.40
6100 · Other Supplies & Expenses	
6020 · Computer Services	249.95
6030 · Insurance-Property/Liability	8,630.00
6110 · Meeting Expense	1,397.08
6120 · Supplies	963.80
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>11,240.83</b>
6160 · Facility Repair and Maintenance	27,306.25
6200 · Capital Replacement Projects	582,324.51
6300 · Utilities Expense	
6301 · Electricity	479,897.61
6310 · Natural Gas	4,900.76
6320 · Steam	81,968.16
6340 · Water & Sewer	37,205.53
<b>Total 6300 · Utilities Expense</b>	<b>603,972.06</b>
6600 · SMG Incentive Fees	194,533.00
8000 · Personal Services	
8001 · Employee Wages	24,059.15
8030 · Employee Benefits	7,566.03
<b>Total 8000 · Personal Services</b>	<b>31,625.18</b>
<b>Total Expense</b>	<b>1,471,154.95</b>
<b>Net Income</b>	<b>-539,853.57</b>

# Grand Rapids-Kent County Convention/Arena Authority

## Profit & Loss by Fund

July through November 2005

	Convention Center (Construction)	Admin & Capital Replacement (Operations)	TOTAL
<b>Income</b>			
4500 · Interest on Investments	170,651.34	86,938.79	257,590.13
4530 · Facility Operations	0.00	500,000.00	500,000.00
4540 · Land Lease	0.00	58,638.50	58,638.50
4545 · Parking Revenues	0.00	114,572.75	114,572.75
4550 · Miscellaneous Revenue	0.00	500.00	500.00
<b>Total Income</b>	<b>170,651.34</b>	<b>760,650.04</b>	<b>931,301.38</b>
<b>Expense</b>			
6000 · Professional Services			
6001 · Accounting/Auditing Services	0.00	2,213.17	2,213.17
6040 · Legal Services	0.00	1,800.80	1,800.80
<b>Total 6000 · Professional Services</b>	<b>0.00</b>	<b>4,013.97</b>	<b>4,013.97</b>
6060 · Other Contractual Services	-23,400.00	0.00	-23,400.00
6065 · Pedestrian Safety	0.00	19,763.75	19,763.75
6068 · Parking Management	0.00	19,775.40	19,775.40
6100 · Other Supplies & Expenses			
6020 · Computer Services	0.00	249.95	249.95
6030 · Insurance-Property/Liability	0.00	8,630.00	8,630.00
6110 · Meeting Expense	0.00	1,397.08	1,397.08
6120 · Supplies	0.00	963.80	963.80
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>0.00</b>	<b>11,240.83</b>	<b>11,240.83</b>
6160 · Facility Repair and Maintenance	0.00	27,306.25	27,306.25
6200 · Capital Replacement Projects	0.00	582,324.51	582,324.51
6300 · Utilities Expense			
6301 · Electricity	0.00	479,897.61	479,897.61
6310 · Natural Gas	0.00	4,900.76	4,900.76
6320 · Steam	0.00	81,968.16	81,968.16
6340 · Water & Sewer	0.00	37,205.53	37,205.53
<b>Total 6300 · Utilities Expense</b>	<b>0.00</b>	<b>603,972.06</b>	<b>603,972.06</b>
6600 · SMG Incentive Fees	0.00	194,533.00	194,533.00
8000 · Personal Services			
8001 · Employee Wages	0.00	24,059.15	24,059.15
8030 · Employee Benefits	0.00	7,566.03	7,566.03
<b>Total 8000 · Personal Services</b>	<b>0.00</b>	<b>31,625.18</b>	<b>31,625.18</b>
<b>Total Expense</b>	<b>-23,400.00</b>	<b>1,494,554.95</b>	<b>1,471,154.95</b>
<b>Net Income</b>	<b>194,051.34</b>	<b>-733,904.91</b>	<b>-539,853.57</b>



**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss Budget vs. Actual**  
July through November 2005

	TOTAL			
	Jul - Nov 05	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4500 · Interest on Investments	257,590.13	241,790.00	15,800.13	106.54%
4530 · Facility Operations	500,000.00	1,049,765.00	-549,765.00	47.63%
4540 · Land Lease	58,638.50	57,580.00	1,058.50	101.84%
4545 · Parking Revenues	114,572.75	213,960.00	-99,387.25	53.55%
4550 · Miscellaneous Revenue	500.00	6,250.00	-5,750.00	8.0%
<b>Total Income</b>	<b>931,301.38</b>	<b>1,569,345.00</b>	<b>-638,043.62</b>	<b>59.34%</b>
<b>Expense</b>				
6000 · Professional Services				
6001 · Accounting/Auditing Services	2,213.17	15,915.00	-13,701.83	13.91%
6040 · Legal Services	1,800.80	12,500.00	-10,699.20	14.41%
<b>Total 6000 · Professional Services</b>	<b>4,013.97</b>	<b>28,415.00</b>	<b>-24,401.03</b>	<b>14.13%</b>
6060 · Other Contractual Services	-23,400.00			
6065 · Pedestrian Safety	19,763.75	31,920.00	-12,156.25	61.92%
6068 · Parking Management	19,775.40	142,460.00	-122,684.60	13.88%
6100 · Other Supplies & Expenses				
6020 · Computer Services	249.95			
6030 · Insurance-Property/Liability	8,630.00	8,665.00	-35.00	99.6%
6110 · Meeting Expense	1,397.08	335.00	1,062.08	417.04%
6120 · Supplies	963.80	415.00	548.80	232.24%
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>11,240.83</b>	<b>9,415.00</b>	<b>1,825.83</b>	<b>119.39%</b>
6160 · Facility Repair and Maintenance	27,306.25			
6200 · Capital Replacement Projects	582,324.51	1,903,665.00	-1,321,340.49	30.59%
6300 · Utilities Expense				
6301 · Electricity	479,897.61	455,625.00	24,272.61	105.33%
6310 · Natural Gas	4,900.76	13,335.00	-8,434.24	36.75%
6320 · Steam	81,968.16	392,440.00	-310,471.84	20.89%
6340 · Water & Sewer	37,205.53	59,750.00	-22,544.47	62.27%
<b>Total 6300 · Utilities Expense</b>	<b>603,972.06</b>	<b>921,150.00</b>	<b>-317,177.94</b>	<b>65.57%</b>
6500 · DID Assessment	0.00	19,600.00	-19,600.00	0.0%
6600 · SMG Incentive Fees	194,533.00			
8000 · Personal Services				
8001 · Employee Wages	24,059.15	23,560.00	499.15	102.12%
8030 · Employee Benefits	7,566.03	7,320.00	246.03	103.36%
<b>Total 8000 · Personal Services</b>	<b>31,625.18</b>	<b>30,880.00</b>	<b>745.18</b>	<b>102.41%</b>
<b>Total Expense</b>	<b>1,471,154.95</b>	<b>3,087,505.00</b>	<b>-1,616,350.05</b>	<b>47.65%</b>
<b>Net Income</b>	<b>-539,853.57</b>	<b>-1,518,160.00</b>	<b>978,306.43</b>	<b>35.56%</b>

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12/20/05

Accrual Basis

**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss Prev Year Comparison**  
**July through November 2005**

	<u>Jul - Nov 05</u>	<u>Jul - Nov 04</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Income</b>				
4030 · Federal Support	0.00	2,823,107.20	-2,823,107.20	-100.0%
4040 · Private Support	0.00	2,204,000.00	-2,204,000.00	-100.0%
4500 · Interest on Investments	257,590.13	191,285.40	66,304.73	34.7%
4530 · Facility Operations	500,000.00	1,450,000.00	-950,000.00	-65.5%
4540 · Land Lease	58,638.50	50,571.00	8,067.50	16.0%
4545 · Parking Revenues	114,572.75	164,602.00	-50,029.25	-30.4%
4550 · Miscellaneous Revenue	500.00	0.00	500.00	100.0%
<b>Total Income</b>	<b>931,301.38</b>	<b>6,883,565.60</b>	<b>-5,952,264.22</b>	<b>-86.5%</b>
<b>Expense</b>				
5000 · Architectural and Engineering	0.00	4,057,855.06	-4,057,855.06	-100.0%
5010 · Construction Material Testing	0.00	53,979.05	-53,979.05	-100.0%
5020 · Construction in Progress-GMP	0.00	14,304,445.00	-14,304,445.00	-100.0%
6000 · Professional Services	4,013.97	47,125.92	-43,111.95	-91.5%
6050 · Project Mgt/Owner's Rep	0.00	102,595.00	-102,595.00	-100.0%
6060 · Other Contractual Services	-23,400.00	1,118,754.55	-1,142,154.55	-102.1%
6065 · Pedestrian Safety	19,763.75	14,218.71	5,545.04	39.0%
6068 · Parking Management	19,775.40	42,836.00	-23,060.60	-53.8%
6070 · Facility Management Fees	0.00	139,190.00	-139,190.00	-100.0%
6100 · Other Supplies & Expenses	11,240.83	15,872.05	-4,631.22	-29.2%
6160 · Facility Repair and Maintenance	27,306.25	0.00	27,306.25	100.0%
6200 · Capital Replacement Projects	582,324.51	9,406.00	572,918.51	6,091.0%
6300 · Utilities Expense	603,972.06	674,475.26	-70,503.20	-10.5%
6600 · SMG Incentive Fees	194,533.00	0.00	194,533.00	100.0%
8000 · Personal Services	31,625.18	30,893.05	732.13	2.4%
<b>Total Expense</b>	<b>1,471,154.95</b>	<b>20,611,645.65</b>	<b>-19,140,490.70</b>	<b>-92.9%</b>
<b>Net Income</b>	<b><u>-539,853.57</u></b>	<b><u>-13,728,080.05</u></b>	<b><u>13,188,226.48</u></b>	<b><u>96.1%</u></b>

1:37 PM  
01/13/06  
Accrual Basis

**Grand Rapids-Kent County Convention/Arena Authority**  
**Balance Sheet**  
**As of December 31, 2005**

**Item IV.b.ii.**

	<u>Dec 31, 05</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
1050 · Operations - Cash	<u>19,980.19</u>
Total Checking/Savings	<u>19,980.19</u>
Other Current Assets	
1070 · Kent County - Operating	<u>18,931,131.35</u>
Total Other Current Assets	<u>18,931,131.35</u>
Total Current Assets	<u>18,951,111.54</u>
<b>Fixed Assets</b>	
Vehicles	<u>23,470.00</u>
Total Fixed Assets	<u>23,470.00</u>
<b>TOTAL ASSETS</b>	<u><u>18,974,581.54</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
2000 · Accounts Payable	<u>172,883.31</u>
Total Accounts Payable	<u>172,883.31</u>
Total Current Liabilities	<u>172,883.31</u>
Total Liabilities	<u>172,883.31</u>
<b>Equity</b>	
3000 · Opening Bal Equity	<u>37,652,992.39</u>
3900 · Retained Earnings	<u>-18,297,908.43</u>
Net Income	<u>-553,385.73</u>
Total Equity	<u>18,801,698.23</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>18,974,581.54</u></u>

2:40 PM

## Grand Rapids-Kent County Convention/Arena Authority

## Reconciliation Detail

01/12/06

1030 - Cash - Construction, Period Ending 12/31/2005

Type	Date	Num	Name	Memo	Cir	Amount	Balance
Beginning Balance							433,823.46
Cleared Transactions							
Checks and Payments - 1 Item							
Transfer	12/1/2005			Funds Transfer	X	-433,823.46	-433,823.46
Total Checks and Payments						-433,823.46	-433,823.46
Total Cleared Transactions						-433,823.46	-433,823.46
Cleared Balance						-433,823.46	0.00
Register Balance as of 12/31/2005						-433,823.46	0.00
Ending Balance						-433,823.46	0.00

3:44 PM

01/12/06

# Grand Rapids-Kent County Convention/Arena Authority Reconciliation Detail

1050 - Operations - Cash, Period Ending 12/31/2005

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Beginning Balance</b>							1,733,034.23
<b>Cleared Transactions</b>							
<b>Checks and Payments - 29 Items</b>							
Bill Pmt -Ch...	11/28/2005	6228	Consumers Energy		X	-67,356.94	-67,356.94
Bill Pmt -Ch...	11/28/2005	6230	Eagle Star Equipm...		X	-16,096.00	-83,452.94
Bill Pmt -Ch...	11/28/2005	6231	Grand Rapids City ...		X	-2,746.00	-86,198.94
Bill Pmt -Ch...	11/28/2005	6232	ICMA Retirement C...		X	-260.96	-86,459.90
Bill Pmt -Ch...	11/28/2005	6233	ICMA Retirement C...		X	-50.00	-86,509.90
Bill Pmt -Ch...	11/28/2005	6234	Magnuson Group		X	-7,965.50	-94,475.40
Bill Pmt -Ch...	11/28/2005	6235	Priority Health		X	-312.72	-94,788.12
Bill Pmt -Ch...	11/28/2005	6236	Rick L. Van Swede...		X	-37.00	-94,825.12
Bill Pmt -Ch...	11/28/2005	6229	DTE Energy		X	-1,231.95	-96,057.07
Check	12/9/2005	10118	Susan M. Waddell		X	-896.03	-96,953.10
Check	12/9/2005	10118	Susan M. Waddell		X	-1,434.68	-98,387.78
Bill Pmt -Ch...	12/14/2005	6249	Rockford Constructi...		X	-78,849.00	-177,236.78
Bill Pmt -Ch...	12/14/2005	6250	Voice Data Systems		X	-4,123.75	-181,360.53
Transfer	12/14/2005		Funds Transfer		X	-2,007,676.16	-2,189,036.69
Bill Pmt -Ch...	12/14/2005	6248	Progressive AE		X	-5,101.18	-2,194,137.87
Bill Pmt -Ch...	12/14/2005	6247	Kent Count Dept of ...		X	-111,490.82	-2,305,628.69
Bill Pmt -Ch...	12/14/2005	6246	ICMA Retirement C...		X	-50.00	-2,305,678.69
Bill Pmt -Ch...	12/14/2005	6245	ICMA Retirement C...		X	-260.96	-2,305,939.65
Bill Pmt -Ch...	12/14/2005	6244	Grand Rapids City ...		X	-27,419.86	-2,333,359.51
Bill Pmt -Ch...	12/14/2005	6243	Global Computer S...		X	-418.99	-2,333,778.50
Bill Pmt -Ch...	12/14/2005	6242	G.B. Russo & Son, ...		X	-140.00	-2,333,918.50
Bill Pmt -Ch...	12/14/2005	6241	Dickinson Wright P...		X	-46.50	-2,333,965.00
Bill Pmt -Ch...	12/14/2005	6240	Consumers Energy		X	-32,928.46	-2,366,893.46
Bill Pmt -Ch...	12/14/2005	6239	Chic's Frame & Po...		X	-342.00	-2,367,235.46
Bill Pmt -Ch...	12/14/2005	6238	Beuschel Sales, Inc.		X	-5,868.50	-2,373,103.96
Bill Pmt -Ch...	12/14/2005	6237	Andy J. Egan Com...		X	-31,055.00	-2,404,158.96
Check	12/23/2005	10120	Susan M. Waddell		X	-393.00	-2,404,551.96
Check	12/23/2005	10119	Susan M. Waddell		X	-1,434.68	-2,405,986.64
Check	12/23/2005	10119	Susan M. Waddell		X	-936.34	-2,406,922.98
<b>Total Checks and Payments</b>						-2,406,922.98	-2,406,922.98
<b>Deposits and Credits - 34 Items</b>							
Deposit	11/30/2005		DeVos Place parking revenue		X	879.50	879.50
Transfer	12/1/2005		Funds Transfer		X	433,823.46	434,702.96
Deposit	12/1/2005		DeVos Place parking revenue		X	1,490.00	436,192.96
Deposit	12/2/2005		DeVos Place parking revenue		X	1,967.50	438,160.46
Deposit	12/2/2005		VanAndel Arena parking revenue-November 2005		X	11,522.00	449,682.46
Deposit	12/3/2005		DeVos Place parking revenue		X	2,815.00	452,497.46
Deposit	12/4/2005		DeVos Place parking revenue		X	1,547.00	454,044.46
Deposit	12/5/2005		DeVos Place parking revenue		X	781.00	454,825.46
Deposit	12/6/2005		DeVos Place parking revenue		X	3,862.50	458,787.96
Deposit	12/7/2005		Fall Promotion Rebate		X	960.00	459,747.96
Deposit	12/7/2005		DeVos Place parking revenue		X	3,934.00	463,681.96
Deposit	12/8/2005		DeVos Place excess cash flow-November 2005		X	50,000.00	513,681.96
Deposit	12/8/2005		DeVos Place parking revenue		X	3,562.00	517,243.96
Deposit	12/8/2005		Van Andel Arena excess cash flow-November 2005		X	300,000.00	817,243.96
Deposit	12/9/2005		DeVos Place parking revenue		X	1,468.50	818,712.46
Deposit	12/10/2005		DeVos Place parking revenue		X	1,250.50	819,962.96
Deposit	12/11/2005		DeVos Place parking revenue		X	799.50	820,762.46
Deposit	12/12/2005		DeVos Place parking revenue		X	761.00	821,523.46
Deposit	12/13/2005		DeVos Place parking revenue		X	1,156.00	822,679.46
Deposit	12/14/2005		DeVos Place parking ramp-October 2005		X	4,831.00	827,510.46
Deposit	12/14/2005		DeVos Place parking revenue		X	623.00	828,133.46
Deposit	12/15/2005		DeVos Place parking revenue		X	2,480.00	830,613.46
Deposit	12/16/2005		DeVos Place parking revenue		X	2,598.00	833,211.46
Deposit	12/17/2005		DeVos Place parking revenue		X	1,192.50	834,403.96
Deposit	12/18/2005		DeVos Place parking revenue		X	559.00	834,962.96
Deposit	12/19/2005		DeVos Place parking revenue		X	122.00	835,084.96
Deposit	12/20/2005		DeVos Place parking revenue		X	46.00	835,130.96
Deposit	12/21/2005		DeVos Place parking revenue		X	759.50	835,890.46
Deposit	12/22/2005		DeVos Place parking revenue		X	1,773.00	837,663.46
Deposit	12/23/2005		DeVos Place parking revenue		X	21.00	837,684.46
Deposit	12/27/2005		DeVos Place parking revenue		X	103.00	837,787.46
Deposit	12/28/2005		DeVos Place parking revenue		X	148.50	837,935.96
Deposit	12/29/2005		DeVos Place parking revenue		X	241.00	838,176.96
Deposit	12/31/2005		Interest		X	3,750.87	841,927.83
<b>Total Deposits and Credits</b>						841,927.83	841,927.83
<b>Total Cleared Transactions</b>						-1,564,995.15	-1,564,995.15
<b>Cleared Balance</b>						-1,564,995.15	168,039.08

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# Grand Rapids-Kent County Convention/Arena Authority Reconciliation Detail

1050 - Operations - Cash, Period Ending 12/31/2005

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Uncleared Transactions</b>							
<b>Checks and Payments - 17 Items</b>							
Bill Pmt -Ch...	4/28/2005	6112	Priority Health			-398.73	-398.73
Bill Pmt -Ch...	12/28/2005	6259	McBee Systems, Inc.			-412.70	-811.43
Bill Pmt -Ch...	12/28/2005	6258	ICMA Retirement C...			-50.00	-861.43
Bill Pmt -Ch...	12/28/2005	6255	Grand Rapids City ...			-7,523.00	-8,384.43
Bill Pmt -Ch...	12/28/2005	6257	ICMA Retirement C...			-280.96	-8,665.39
Bill Pmt -Ch...	12/28/2005	6256	Hoekstra Truck Eq...			-2,155.00	-10,800.39
Bill Pmt -Ch...	12/28/2005	6260	Priority Health			-312.72	-11,113.11
Bill Pmt -Ch...	12/28/2005	6261	Rapid Hot Coffee S...			-27.68	-11,140.79
Bill Pmt -Ch...	12/28/2005	6262	Rick L. Van Swede...			-88.00	-11,228.79
Bill Pmt -Ch...	12/28/2005	6263	Robinson Equipment			-11,698.14	-22,926.93
Bill Pmt -Ch...	12/28/2005	6264	Schindler Elevator ...			-16,293.00	-39,219.93
Bill Pmt -Ch...	12/28/2005	6265	Susan Waddell			-1,588.31	-40,808.24
Bill Pmt -Ch...	12/28/2005	6266	United Rentals (Nor...			-18,400.80	-59,209.04
Bill Pmt -Ch...	12/28/2005	6254	DTE Energy			-3,169.97	-62,379.01
Bill Pmt -Ch...	12/28/2005	6253	Dickinson Wright P...			-1,314.00	-63,693.01
Bill Pmt -Ch...	12/28/2005	6252	Consumers Energy			-67,452.88	-131,145.89
Bill Pmt -Ch...	12/28/2005	6251	Andy J. Egan Com...			-18,767.00	-149,912.89
Total Checks and Payments						-149,912.89	-149,912.89
<b>Deposits and Credits - 2 Items</b>							
Deposit	12/30/2005		DeVos Place parking revenue			322.00	322.00
Deposit	12/31/2005		DeVos Place parking revenue			1,532.00	1,854.00
Total Deposits and Credits						1,854.00	1,854.00
Total Uncleared Transactions						-148,058.89	-148,058.89
Register Balance as of 12/31/2005						-1,713,054.04	19,980.19
<b>New Transactions</b>							
<b>Checks and Payments - 16 Items</b>							
Check	1/6/2006	10121	Susan M. Waddell			-1,437.88	-1,437.88
Check	1/6/2006	10121	Susan M. Waddell			-940.69	-2,378.57
Bill Pmt -Ch...	1/14/2006	6272	Hurst Industries			-23,030.00	-25,408.57
Bill Pmt -Ch...	1/14/2006	6273	ICMA Retirement C...			-280.96	-25,689.53
Bill Pmt -Ch...	1/14/2006	6274	ICMA Retirement C...			-50.00	-25,739.53
Bill Pmt -Ch...	1/14/2006	6275	Kent Count Dept of ...			-209,487.33	-235,206.86
Bill Pmt -Ch...	1/14/2006	6276	McConomy Properli...			-11,300.00	-246,506.86
Bill Pmt -Ch...	1/14/2006	6277	Midstate Security			-78,000.00	-324,506.86
Bill Pmt -Ch...	1/14/2006	6278	Premovation Audio ...			-30,000.00	-354,506.86
Bill Pmt -Ch...	1/14/2006	6279	PricewaterhouseCo...			-22,000.00	-376,506.86
Bill Pmt -Ch...	1/14/2006	6280	Total Plastics, Inc.			-40,758.10	-417,264.96
Bill Pmt -Ch...	1/14/2006	6270	Feyen-Zystra Inc			-7,590.00	-424,854.96
Bill Pmt -Ch...	1/14/2006	6269	DTE Energy			-1,222.06	-426,077.02
Bill Pmt -Ch...	1/14/2006	6268	Consumers Energy			-29,427.79	-455,504.81
Bill Pmt -Ch...	1/14/2006	6267	Andy J. Egan Com...			-11,330.00	-466,834.81
Bill Pmt -Ch...	1/14/2006	6271	Grand Rapids City ...			-9,898.27	-476,733.08
Total Checks and Payments						-476,733.08	-476,733.08
<b>Deposits and Credits - 11 Items</b>							
Deposit	1/3/2006		DeVos Place parking revenue			176.00	176.00
Deposit	1/4/2006		DeVos Place parking revenue			208.00	384.00
Deposit	1/5/2006		DeVos Place parking revenue			93.00	477.00
Deposit	1/6/2006		DeVos Place parking revenue			1,000.50	1,477.50
Deposit	1/6/2006		VanAndel Arena parking revenue-December 2005			11,522.00	12,999.50
Deposit	1/6/2006		DeVos Place excess cash flow-December 2005			100,000.00	112,999.50
Deposit	1/6/2006		Van Andel Arena excess cash flow-December 2005			250,000.00	362,999.50
Deposit	1/6/2006		Deposit			131.24	363,130.74
Deposit	1/7/2006		DeVos Place parking revenue			2,823.50	365,954.24
Deposit	1/9/2006		DeVos Place parking revenue			2,924.50	368,878.74
Deposit	1/10/2006		2005 Administrative Services			13,454.47	382,333.21
Total Deposits and Credits						382,333.21	382,333.21
Total New Transactions						-94,399.87	-94,399.87
Ending Balance						-1,807,453.91	-74,419.68

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## Grand Rapids-Kent County Convention/Arena Authority

## Reconciliation Detail

1070 · Kent County - Operating, Period Ending 12/31/2005

Type	Date	Num	Name	Memo	Clr	Amount	Balance
Beginning Balance							5,104,398.95
Cleared Transactions							
Deposits and Credits - 3 Items							
Transfer	11/28/2005			Funds Transfer	X	500,000.00	500,000.00
Deposit	12/1/2005			Interest	X	15,575.12	515,575.12
Transfer	12/1/2005			Funds Transfer	X	11,303,481.12	11,819,056.24
Total Deposits and Credits						11,819,056.24	11,819,056.24
Total Cleared Transactions						11,819,056.24	11,819,056.24
Cleared Balance						11,819,056.24	16,923,455.19
Register Balance as of 12/31/2005						11,819,056.24	16,923,455.19
Ending Balance						11,819,056.24	16,923,455.19

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## Grand Rapids-Kent County Convention/Arena Authority

## Reconciliation Detail

1080 - Kent County - Capital Replcmnt, Period Ending 12/31/2005

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Beginning Balance</b>							11,269,095.56
<b>Cleared Transactions</b>							
<b>Checks and Payments - 1 Item</b>							
Transfer	12/1/2005			Funds Transfer	X	-11,303,481.12	-11,303,481.12
Total Checks and Payments						-11,303,481.12	-11,303,481.12
<b>Deposits and Credits - 1 Item</b>							
Deposit	12/1/2005			Interest	X	34,385.56	34,385.56
Total Deposits and Credits						34,385.56	34,385.56
Total Cleared Transactions						-11,269,095.56	-11,269,095.56
Cleared Balance						-11,269,095.56	0.00
Register Balance as of 12/31/2005						-11,269,095.56	0.00
<b>Ending Balance</b>						<b>-11,269,095.56</b>	<b>0.00</b>



11/01/05 THROUGH 11/30/05  
FUND : CAA-CAPITAL REPLACEMENT NUMBER: 0701 221 13912

DATE	TYPE	SOURCE	ADDITIONS	DEDUCTIONS	BALANCE	TIME POSTED	POSTED BY
11/01/05	3	APPOINT	34,385.56		11,269,095.56	11/21/05 13:21:30	kn1102
11/01/05	35	TRV02146		11,303,481.12	11,303,481.12	12/09/05 00:00:11	kn1102
					.00		

RECAP BY TYPE CODE

-----ADDITIONS-----		-----DEDUCTIONS-----		NET AMOUNT
TYPE	NO	AMOUNT	NO	AMOUNT
3	1	34,385.56	0	34,385.56
35	0		1	11,303,481.12
				-11,303,481.12
TOTAL		34,385.56		11,303,481.12
				-11,269,095.56
AVERAGE DAILY BALANCE				.00



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SERIES 2 FUND LEDGER

11/01/05 THROUGH 11/30/05  
FUND : CAA-OPERATING NUMBER: 0701 221 13913

DATE	TYPE	SOURCE	ADDITIONS	DEDUCTIONS	BALANCE	TIME POSTED	POSTED BY
11/01/05	3	APPOINT	15,575.12		5,104,398.95	11/21/05 13:21:30	knct102
11/01/05	15	TRV02146	11,303,481.12		5,119,974.07	12/09/05 00:00:11	knct102
11/23/05	10	-	500,000.00		16,423,455.19	12/09/05 00:00:11	knct102
					16,923,455.19		

RECAP BY TYPE CODE

ADDITIONS		DEDUCTIONS		NET AMOUNT
TYPE	NO	AMOUNT	NO	
3	1	15,575.12	0	15,575.12
10	1	500,000.00	0	500,000.00
15	1	11,303,481.12	0	11,303,481.12
TOTAL		11,819,056.24		11,819,056.24
AVERAGE DAILY BALANCE				16,556,788.52



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Accrual Basis

**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss**  
 July through December 2005

	Jul - Dec 05
<b>Income</b>	
4500 · Interest on Investments	311,301.68
4530 · Facility Operations	850,000.00
4540 · Land Lease	69,132.00
4545 · Parking Revenues	246,046.25
4550 · Miscellaneous Revenue	1,460.00
<b>Total Income</b>	<b>1,477,939.93</b>
<b>Expense</b>	
6000 · Professional Services	
6001 · Accounting/Auditing Services	24,318.11
6040 · Legal Services	3,114.80
<b>Total 6000 · Professional Services</b>	<b>27,432.91</b>
6060 · Other Contractual Services	-23,400.00
6065 · Pedestrian Safety	26,990.97
6068 · Parking Management	114,897.40
6100 · Other Supplies & Expenses	
6020 · Computer Services	249.95
6030 · Insurance-Property/Liability	8,630.00
6110 · Meeting Expense	1,424.76
6120 · Supplies	1,376.50
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>11,681.21</b>
6160 · Facility Repair and Maintenance	27,306.25
6200 · Capital Replacement Projects	777,439.98
6300 · Utilities Expense	
6301 · Electricity	576,778.28
6310 · Natural Gas	9,292.79
6320 · Steam	193,458.98
6340 · Water & Sewer	55,687.97
<b>Total 6300 · Utilities Expense</b>	<b>835,218.02</b>
6600 · SMG Incentive Fees	194,533.00
8000 · Personal Services	
8001 · Employee Wages	28,908.45
8030 · Employee Benefits	10,317.47
<b>Total 8000 · Personal Services</b>	<b>39,225.92</b>
<b>Total Expense</b>	<b>2,031,325.66</b>
<b>Net Income</b>	<b>-553,385.73</b>

**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss by Fund**  
**July through December 2005**

	<b>Convention Center (Construction)</b>	<b>Admin &amp; Capital Replacement (Operations)</b>	<b>TOTAL</b>
<b>Income</b>			
4500 · Interest on Investments	205,036.90	106,264.78	311,301.68
4530 · Facility Operations	0.00	850,000.00	850,000.00
4540 · Land Lease	0.00	69,132.00	69,132.00
4545 · Parking Revenues	0.00	246,046.25	246,046.25
4550 · Miscellaneous Revenue	0.00	1,460.00	1,460.00
<b>Total Income</b>	<b>205,036.90</b>	<b>1,272,903.03</b>	<b>1,477,939.93</b>
<b>Expense</b>			
6000 · Professional Services			
6001 · Accounting/Auditing Services	0.00	24,318.11	24,318.11
6040 · Legal Services	0.00	3,114.80	3,114.80
<b>Total 6000 · Professional Services</b>	<b>0.00</b>	<b>27,432.91</b>	<b>27,432.91</b>
6060 · Other Contractual Services	-23,400.00	0.00	-23,400.00
6065 · Pedestrian Safety	0.00	26,990.97	26,990.97
6068 · Parking Management	0.00	114,897.40	114,897.40
6100 · Other Supplies & Expenses			
6020 · Computer Services	0.00	249.95	249.95
6030 · Insurance-Property/Liability	0.00	8,630.00	8,630.00
6110 · Meeting Expense	0.00	1,424.76	1,424.76
6120 · Supplies	0.00	1,376.50	1,376.50
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>0.00</b>	<b>11,681.21</b>	<b>11,681.21</b>
6160 · Facility Repair and Maintenance	0.00	27,306.25	27,306.25
6200 · Capital Replacement Projects	0.00	777,439.98	777,439.98
6300 · Utilities Expense			
6301 · Electricity	0.00	576,778.28	576,778.28
6310 · Natural Gas	0.00	9,292.79	9,292.79
6320 · Steam	0.00	193,458.98	193,458.98
6340 · Water & Sewer	0.00	55,687.97	55,687.97
<b>Total 6300 · Utilities Expense</b>	<b>0.00</b>	<b>835,218.02</b>	<b>835,218.02</b>
6600 · SMG Incentive Fees	0.00	194,533.00	194,533.00
8000 · Personal Services			
8001 · Employee Wages	0.00	28,908.45	28,908.45
8030 · Employee Benefits	0.00	10,317.47	10,317.47
<b>Total 8000 · Personal Services</b>	<b>0.00</b>	<b>39,225.92</b>	<b>39,225.92</b>
<b>Total Expense</b>	<b>-23,400.00</b>	<b>2,054,725.66</b>	<b>2,031,325.66</b>
<b>Net Income</b>	<b>228,436.90</b>	<b>-781,822.63</b>	<b>-553,385.73</b>

**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss Budget vs. Actual**  
July through December 2005

	TOTAL			
	Jul - Dec 05	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4500 · Interest on Investments	311,301.68	290,148.00	21,153.68	107.29%
4530 · Facility Operations	850,000.00	1,259,718.00	-409,718.00	67.48%
4540 · Land Lease	69,132.00	69,096.00	36.00	100.05%
4545 · Parking Revenues	246,046.25	256,752.00	-10,705.75	95.83%
4550 · Miscellaneous Revenue	1,460.00	7,500.00	-6,040.00	19.47%
<b>Total Income</b>	<b>1,477,939.93</b>	<b>1,883,214.00</b>	<b>-405,274.07</b>	<b>78.48%</b>
<b>Expense</b>				
6000 · Professional Services				
6001 · Accounting/Auditing Services	24,318.11	19,098.00	5,220.11	127.33%
6040 · Legal Services	3,114.80	15,000.00	-11,885.20	20.77%
<b>Total 6000 · Professional Services</b>	<b>27,432.91</b>	<b>34,098.00</b>	<b>-6,665.09</b>	<b>80.45%</b>
6060 · Other Contractual Services	-23,400.00			
6065 · Pedestrian Safety	26,990.97	38,304.00	-11,313.03	70.47%
6068 · Parking Management	114,897.40	170,952.00	-56,054.60	67.21%
6100 · Other Supplies & Expenses				
6020 · Computer Services	249.95			
6030 · Insurance-Property/Liability	8,630.00	10,398.00	-1,768.00	83.0%
6110 · Meeting Expense	1,424.76	402.00	1,022.76	354.42%
6120 · Supplies	1,376.50	498.00	878.50	276.41%
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>11,681.21</b>	<b>11,298.00</b>	<b>383.21</b>	<b>103.39%</b>
6160 · Facility Repair and Maintenance	27,306.25			
6200 · Capital Replacement Projects	777,439.98	2,284,398.00	-1,506,958.02	34.03%
6300 · Utilities Expense				
6301 · Electricity	576,778.28	546,750.00	30,028.28	105.49%
6310 · Natural Gas	9,292.79	16,002.00	-6,709.21	58.07%
6320 · Steam	193,458.98	470,928.00	-277,469.02	41.08%
6340 · Water & Sewer	55,687.97	71,700.00	-16,012.03	77.67%
<b>Total 6300 · Utilities Expense</b>	<b>835,218.02</b>	<b>1,105,380.00</b>	<b>-270,161.98</b>	<b>75.56%</b>
6500 · DID Assessment	0.00	23,520.00	-23,520.00	0.0%
6600 · SMG Incentive Fees	194,533.00			
8000 · Personal Services				
8001 · Employee Wages	28,908.45	28,272.00	636.45	102.25%
8030 · Employee Benefits	10,317.47	8,784.00	1,533.47	117.46%
<b>Total 8000 · Personal Services</b>	<b>39,225.92</b>	<b>37,056.00</b>	<b>2,169.92</b>	<b>105.86%</b>
<b>Total Expense</b>	<b>2,031,325.66</b>	<b>3,705,006.00</b>	<b>-1,673,680.34</b>	<b>54.83%</b>
<b>Net Income</b>	<b>-553,385.73</b>	<b>-1,821,792.00</b>	<b>1,268,406.27</b>	<b>30.38%</b>

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Accrual Basis

**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss Prev Year Comparison**  
**July through December 2005**

	<u>Jul - Dec 05</u>	<u>Jul - Dec 04</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Income</b>				
4030 · Federal Support	0.00	3,528,884.00	-3,528,884.00	-100.0%
4040 · Private Support	0.00	2,204,000.00	-2,204,000.00	-100.0%
4500 · Interest on Investments	311,301.68	237,231.47	74,070.21	31.2%
4530 · Facility Operations	850,000.00	1,450,000.00	-600,000.00	-41.4%
4540 · Land Lease	69,132.00	50,571.00	18,561.00	36.7%
4545 · Parking Revenues	246,046.25	242,688.00	3,358.25	1.4%
4550 · Miscellaneous Revenue	1,460.00	0.00	1,460.00	100.0%
<b>Total Income</b>	<b>1,477,939.93</b>	<b>7,713,374.47</b>	<b>-6,235,434.54</b>	<b>-80.8%</b>
<b>Expense</b>				
5000 · Architectural and Engineering	0.00	4,092,477.97	-4,092,477.97	-100.0%
5010 · Construction Material Testing	0.00	58,689.17	-58,689.17	-100.0%
5020 · Construction in Progress-GMP	0.00	16,032,902.00	-16,032,902.00	-100.0%
6000 · Professional Services	27,432.91	48,275.86	-20,842.95	-43.2%
6050 · Project Mgt/Owner's Rep	0.00	123,797.50	-123,797.50	-100.0%
6060 · Other Contractual Services	-23,400.00	1,277,192.72	-1,300,592.72	-101.8%
6065 · Pedestrian Safety	26,990.97	14,218.71	12,772.26	89.8%
6068 · Parking Management	114,897.40	107,089.00	7,808.40	7.3%
6070 · Facility Management Fees	0.00	139,190.00	-139,190.00	-100.0%
6100 · Other Supplies & Expenses	11,681.21	16,289.33	-4,608.12	-28.3%
6160 · Facility Repair and Maintenance	27,306.25	0.00	27,306.25	100.0%
6200 · Capital Replacement Projects	777,439.98	48,894.75	728,545.23	1,490.0%
6300 · Utilities Expense	835,218.02	943,765.79	-108,547.77	-11.5%
6410 · Interest & Paying Agent Fees	0.00	750.00	-750.00	-100.0%
6600 · SMG Incentive Fees	194,533.00	0.00	194,533.00	100.0%
8000 · Personal Services	39,225.92	36,708.33	2,517.59	6.9%
<b>Total Expense</b>	<b>2,031,325.66</b>	<b>22,940,241.13</b>	<b>-20,908,915.47</b>	<b>-91.2%</b>
<b>Net Income</b>	<b><u>-553,385.73</u></b>	<b><u>-15,226,866.66</u></b>	<b><u>14,673,480.93</u></b>	<b><u>96.4%</u></b>

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

**RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION  
OF A MANAGEMENT AGREEMENT WITH SMG FOR MANAGEMENT  
OF VAN ANDEL ARENA AND DEVOS PLACE**

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

**WHEREAS**, the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"),  
as the lessee/operator of the Van Andel Arena and DeVos Place (collectively, the "CAA  
Facilities") have an existing agreement for the management of the CAA Facilities with SMG  
which has a five-year term ending June 30, 2006; and

**WHEREAS**, the CAA has been pleased with the management services provided by SMG  
during the term of the current agreement; and

**WHEREAS**, a Contract Committee of the CAA has been engaged in negotiations with  
SMG over the past six months for a new management agreement; and

**WHEREAS**, the Contract Committee has negotiated a new five-year agreement with  
SMG which it has recommended to the CAA Board for approval.

**RESOLVED:**

1. That the Management Agreement with SMG for management of the CAA  
Facilities in the form presented at this meeting is approved and the Chairperson of the CAA is  
authorized and directed to execute said Agreement for and on behalf of the CAA.

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

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

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

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

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

**RESOLUTION DECLARED ADOPTED.**

Dated: January 25, 2006

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

**CERTIFICATION**

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on January 25, 2006, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: January 25, 2006

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



**COMPARISON OF KEY PROVISIONS OF EXISTING AND  
NEW MANAGEMENT AGREEMENTS BETWEEN THE CAA AND SMG**

<b>Provision</b>	<b>Existing Agreement</b>	<b>New Agreement</b>
Contracting Authority	Contracts involving a long-term lease with a sports team, for a term longer than the term of the Management Agreement or in an amount over \$2,500 (other than rental of facilities in ordinary course) require prior approval of CAA Board	Deletes requirement that contracts over \$2,500 require CAA Board approval and adds language that contracts may be entered into in accordance with policies adopted from time to time by Board and requires the CAA be provided with executed copies of all agreements and contracts
Advertising Policy	SMG required to develop and maintain a commercial advertising policy approved by CAA Board	Adds language indicating policy may be reflected in either a stand-alone policy or in a written agreement with provider of such services
Parking	Net parking revenues incorrectly included in Operating Revenues	Parking revenues excluded from Operating Revenues
Term	3-year term and one 2-year CAA option ending June 30, 2006	3-year term and one 2-year CAA option ending June 30, 2011
Base Fee	\$225,000 per year for the Arena and \$225,000 per year for DeVos Place increasing annually by CPI capped at 3% (current total base fee - \$490,400)	\$175,000 per year for the Arena and \$175,000 per year for DeVos Place increasing annually by CPI capped at 3%
Incentive Fee	May not exceed 100% of base fee	May not exceed 100% of base fee
	20% of first \$1,000,000 of Revenue Increase over Revenue Benchmark and 25% over \$1,000,000	25% of first \$500,000 of Revenue Increase over Revenue Benchmark and 30% over \$500,000
	Revenue Benchmark - \$4,199,913 for Arena (increasing annually by CPI capped at 3%) plus budgeted Operating Revenues for DeVos Place (current combined projected Revenue Benchmark - \$8,257,384)	Revenue Benchmark - \$8,600,000 (\$4,600,000 for Arena and \$4,000,000 for DeVos Place) increasing annually after the first year by \$100,000 per year
	Threshold net operating increase requirement - \$1,550,000 for Arena (increasing annually by CPI capped at 3%) plus budgeted net operating income for DeVos Place (current combined projected net operating income - \$534,919)	Threshold net operating income requirement for first 3 years – the lesser of \$700,000 or combined net fiscal year 2006 operating income plus \$100,000 for each year of the first 3 years and for last 2 years - \$700,000

<b>Provision</b>	<b>Existing Agreement</b>	<b>New Agreement</b>
Budgets	SMG to submit proposed budgets to CAA by May 1	SMG to submit to CAA draft proposed budgets by April 1 and final proposed budgets by May 1
Cash Advances	CAA makes cash advances to SMG to cover projected quarterly requirement	CAA makes cash advances to SMG to cover projected monthly requirement
Event Settlement	After settlement of an event SMG required to deposit balance in a CAA account	After settlement of an event SMG required to deposit balance in a CAA account no later than 5:00 p.m. on the business day following the event
Monthly Reports	SMG to provide by 21 <sup>st</sup> day of each month	SMG to provide by the Friday preceding the 3 <sup>rd</sup> Thursday of each month
Internal Audits	SMG required to periodically conduct internal audits and promptly advise CAA of results	SMG required to periodically conduct internal audits and immediately thereafter provide the CAA with copies of such audits
Early Termination	CAA may terminate early upon 60 days' notice with affirmative vote of 70% of Boardmembers and payment to SMG of an additional amount equal to 100% of the current annual base fee	CAA may terminate early upon 180 days' notice with a majority vote of Boardmembers currently serving and the payment to SMG of the greater of the remaining balance of the current annual base fee or one-half of such base fee

**COMPARISON OF KEY PROVISIONS OF EXISTING AND  
NEW MANAGEMENT AGREEMENTS BETWEEN THE CAA AND SMG**

<b>Provision</b>	<b>Existing Agreement</b>	<b>New Agreement</b>
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Advertising Policy	SMG required to develop and maintain a commercial advertising policy approved by CAA Board	Adds language indicating policy may be reflected in either a stand-alone policy or in a written agreement with provider of such services
Parking	Net parking revenues included in Operating Revenues	Parking revenues excluded from Operating Revenues
Term	3-year term and one 2-year CAA option ending June 30, 2006	3-year term and one 2-year CAA option ending June 30, 2011
Base Fee	\$450,000 per year increasing annually by CPI capped at 3% (current base fee - \$490,400)	\$175,000 per year for the Arena and \$175,000 per year for DeVos Place increasing annually by CPI capped at 3%
Incentive Fee	May not exceed 100% of base fee	May not exceed 100% of base fee
	20% of first \$1,000,000 of Revenue Increase over Revenue Benchmark and 25% over \$1,000,000	25% of first \$500,000 of Revenue Increase over Revenue Benchmark and 30% over \$500,000
	Revenue Benchmark - \$4,199,913 for Arena (increasing annually by CPI capped at 3%) plus budgeted Operating Revenues for DeVos Place (current combined projected Revenue Benchmark - \$8,257,384)	Revenue Benchmark - \$8,600,000 (\$4,600,000 for Arena and \$3,900,000 for DeVos Place) increasing annually after the first year by \$100,000 per year
	Threshold net operating income requirement - \$1,550,000 for Arena (increasing annually by CPI capped at 3%) plus budgeted net operating income for DeVos Place (current combined projected net operating income - \$534,919)	Threshold net operating income requirement for first 3 years – the lesser of \$700,000 or combined net fiscal year 2006 operating income plus \$100,000 and for last 2 years - \$700,000

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**MANAGEMENT AGREEMENT**

**between the**

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

**and**

**SMG**

**Dated as of July 1, 2006**

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## **MANAGEMENT AGREEMENT**

**THIS MANAGEMENT AGREEMENT** (this "Agreement") is dated as of the 1st day of July, 2006, between the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY**, a Michigan authority created pursuant to Act 203 of the Public Acts of Michigan of 1999, whose current address is 303 Monroe Avenue, N.W., Grand Rapids, Michigan 49503 (the "Authority"), and **SMG**, a Pennsylvania general partnership, whose current address is 701 Market Street, 4th Floor, Philadelphia, Pennsylvania 19106 ("SMG").

### **BACKGROUND**

The Authority is the lessee and operator of the Van Andel Arena® (the "Arena") as more fully described herein and located at 130 West Fulton Street in the City of Grand Rapids, Kent County, Michigan (the "City").

The Authority is the lessee and operator of the DeVos Place® convention center, consisting of the Steelcase Ballroom, DeVos Performance Hall, exhibit space and other meeting rooms and conference areas (the "Place") as more fully described herein and located at 303 Monroe Avenue, N.W. in the City.

SMG is engaged in the business of providing management services, including operations and marketing services for public assembly facilities.

The Authority and SMG are currently parties to a Management Agreement dated July 1, 2001, as amended (the "2001 Management Agreement"), pursuant to which SMG is currently providing management services to the Arena and the Place. The term of the 2001 Management Agreement ends June 30, 2006.

The Authority and SMG desire to enter into a new agreement for the management of the Arena and the Place to be effective July 1, 2006.

**NOW, THEREFORE**, in consideration of the mutual premises, covenants and agreements herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

### **ARTICLE I DEFINITIONS**

#### **Section 1.1. Definitions.**

For purposes of this Agreement, the following terms have the following meanings:

"Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, a specified person. For purposes of this definition, "control" means ownership of equity securities or other ownership interests which represent more than 40% of the voting power in the controlled person.

"Approved Budget" means the annual operating budget for the Place or the Arena, as approved by the Authority Board and amended in accordance with Article V hereof.

"Arena" means the Van Andel Arena® located at 130 W. Fulton Street in the City and shall include the Pedestrian Walkway.

"Arena Operating Account" means the account maintained by SMG in accordance with Article V hereof (with signature authority in such SMG employees as SMG may from time to time determine) at a banking institution selected by SMG as provided herein that is licensed to conduct business in the State and currently conducting business in the County.

"Authority" means the Grand Rapids-Kent County Convention/Arena Authority, a Michigan authority created pursuant to Act 203 of the Public Acts of Michigan of 1999.

"Authority Board" means the Board of Directors of the Authority, its governing body.

"Authority's Administrative Official" means the administrative official of the Authority as from time to time appointed by the Authority Board, or such person as may from time to time be authorized in writing by such administrative official to act for him/her with respect to any or all matters pertaining to this Agreement.

"Capital Equipment" means any and all furniture, machinery or equipment, either additional or replacement, having a per item original cost of \$5,000 or more and an expected useful life of more than one year.

"Capital Improvements" means any and all building additions, alterations, renovations, repairs (which extend the original useful life of the repaired asset) or improvements that have an initial dollar cost of not less than \$25,000 per project.

"City" means the City of Grand Rapids, Kent County, Michigan.

"City Commission" means the City Commission of the City, its governing body.

"County" means Kent County, Michigan.

"County Board" means the Board of Commissioners of the County, its governing body.

"Facility" or "Facilities" means individually and collectively the Arena and the Place.

"Fiscal Year" means a one year period beginning July 1 and ending June 30.

"Initial Term" means, subject to Section 3.1(a) hereof, the period commencing on July 1, 2006 and ending on June 30, 2009.

"Net Operating Income/Incentive Benchmark" shall have the meaning set forth in Section 4.2 hereof.

"Operating Expenses" means any and all expenditures of whatever kind or nature incurred, directly or indirectly, by SMG on behalf of the Authority in promoting, operating,

maintaining or managing each Facility, including, but not limited to: employee compensation (e.g., base salaries, bonuses and car allowances); employee benefits and related costs (e.g., relocation expenses and parking); the purchase of operating supplies; advertising costs; cleaning expenses; data processing costs; dues, subscriptions and membership costs, the costs of procuring and maintaining the insurance and fidelity bond referred to in Article VIII below; amounts expended to procure and maintain permits and licenses and to pay charges, taxes, excises and fees, professional fees, printing and stationery costs, all event-related expenses (e.g., fees payable to promoters and performers, costs for event staffing and costs relating to set-up and clean-up); postage and freight costs; equipment rental costs; computer line charges; repairs and maintenance costs; security expenses; the cost of office supplies; utility and telephone charges; travel expenses; reasonable entertainment expenses; the cost of employee uniforms; exterminator and trash removal costs; Authority internal service charges; reimbursable corporate (travel) expenses directly related to SMG's management of each Facility; the cost of annual independent audits; the costs of operation and maintenance responsibilities of the Authority related to the Pedestrian Walkway; the cost of compliance with all laws with respect to the premises of each Facility; and the fixed management fees payable to SMG pursuant to Section 4.1 hereof, all as determined in accordance with generally accepted accounting principals and recognized on a full accrual basis; provided that Operating Expenses shall not include expenditures in connection with Capital Improvements and Capital Equipment purchases (and any capital reserves related thereto), the incentive fees payable pursuant to Section 4.2 hereof and any capital costs or operating expenses of any nature whatsoever relating to the operation of the parking lots servicing the Arena. Solely for purposes of (i) calculating Net Operating Income/Incentive Benchmark and (ii) identifying Operating Expenses for each Facility which will be budgeted in the applicable Approved Budgets, Operating Expenses shall exclude fees paid to promoters and other amounts which are excluded from Operating Revenues (in accordance with the second to last sentence in the definition of Operating Revenues), among other things, in calculating SMG's incentive fee hereunder. For the sake of clarity, the fees and amounts, which are excluded from Operating Expenses pursuant to the immediately preceding sentence, shall include all event-related expenses (including costs for event staffing and costs relating to set-up and clean-up).

"Operating Revenues" means any and all revenues of every kind or nature derived from operating, managing or promoting each Facility, including, but not limited to, license, lease and concession fees and rentals; revenues from merchandise sales; advertising sales; equipment rentals; utility revenues; box office revenues; commissions or other revenues from decoration, set-up and security subcontractors; the revenues the Authority receives from the Pedestrian Walkway pursuant to paragraph 6 of the Memorandum; miscellaneous operating revenues, revenues generated from separate agreements with SMG Affiliates pertaining to each Facility; and interest revenues, all as determined in accordance with generally accepted accounting principles and recognized on a full accrual basis. Solely for purposes of (i) calculating Net Operating Income/Incentive Benchmark, (ii) identifying Operating Revenues for each Facility which will be budgeted in applicable Approved Budgets, (iii) calculating any Revenue Increase pursuant to Section 4.2 hereof, and (iv) determining amounts of Operating Revenues to be deposited by SMG into the appropriate designated depository(ies) pursuant to Section 5.3 hereof, Operating Revenues will be calculated on a "net" basis to exclude (w) Operating Revenues which are paid to promoters of events, (x) Operating Revenues which are collected in the first instance by and retained by concessionaires at each Facility, (y) Operating Revenues which are collected in the first instance by and retained by subcontractors working within or for each

Facility and (z) Operating Revenues which are used to pay event-related (or comparable) expenses and which, in accordance with principles applied by SMG on a consistent basis at each Facility, are to be netted against Operating Revenues in calculating budgeted Operating Revenues. In addition, solely for purposes of calculating the Net Operating Income/Incentive Benchmark, and any Revenue Increase pursuant to Section 4.2 hereof Operating Revenues (A) from advertising sales shall consist of such revenues after deduction for payments (1) of any commissions owing in respect of such advertising sales and (2) in respect of advertising sales due under any long term tenant agreement(s) (including without limitation the hockey and arena football teams), and (B) from food and beverage concession sales shall consist of such revenues after deduction for payments in respect of such sales due under any long term tenant agreement(s) (including without limitation the hockey and arena football teams).

"Pedestrian Walkway" means an enclosed elevated pedestrian walkway extending from the west wall of the Arena to Plaza Towers located at the northwest corner of Fulton Street and Monroe Avenue, N.W., in the City as described in the Memorandum and identified in Exhibit A attached thereto.

"Place" means the DeVos Place® convention center including the Steelcase Ballroom, DeVos Performance Hall, exhibit space, meeting rooms, and conference areas located at 303 Monroe Avenue, N.W., in the City.

"Place Operating Account" means the account maintained by SMG in accordance with Article V hereof (with signature authority in such SMG employees as SMG may from time to time determine) at a banking institution selected by SMG as provided herein that is licensed to conduct business in the State and currently conducting business in the County.

"Renewal Term" means the 2-year period from July 1, 2009 to June 30, 2011 for which this Agreement may be renewed (beyond the Initial Term) at the option of the Authority Board in accordance with Section 3.1 hereof.

"Revenue Benchmark" shall have the meaning set forth in Section 4.2 hereof.

"Revenue Increase" shall have the meaning set forth in Section 4.2 hereof.

"SMG" means SMG, a Pennsylvania general partnership.

"State" means the State of Michigan.

## **ARTICLE II ENGAGEMENT OF SMG; SCOPE OF SERVICES**

**Section 2.1. Engagement.** Subject to the terms and conditions set forth herein, the Authority hereby engages SMG to promote, operate and manage the Facilities during the Initial Term and the Renewal Term, if any, and SMG hereby accepts such engagement.

**Section 2.2. Scope of Services.** SMG shall perform and furnish such management services and systems as are appropriate or necessary to operate, maintain, manage and promote the Facilities in a manner consistent with SMG's policies and procedures and the operations of

other similar first-class facilities. SMG shall have exclusive authority over the day-to-day operation of the Facilities and all activities therein; provided that SMG shall, subject to Section 2.5 hereof, follow the booking policy for each Facility as now in effect and as amended from time to time and all other policies and guidelines of the Authority hereafter established by the Authority, that the Authority notifies SMG in writing are applicable to each Facility; provided further that to the extent that such policies or guidelines hereafter established by the Authority materially affect revenues or expenses at either Facility, then and in that event, the Net Operating Income/Incentive Benchmark and the Revenue Benchmarks for the affected Facility, as appropriate, shall be correspondingly adjusted by mutual agreement of the Authority and SMG so that they properly reflect the changed costs or adjusted revenues resulting from such policies or guidelines. For purposes hereof, changes in the policies and guidelines of the Authority shall include, but not be limited to, changes in the assumptions relating to expense allocations of the Authority from those contained in the Approved Budgets for the Arena and the Place for the Fiscal Year ending June 30, 2006.

**Section 2.3. Specific Services.** Without limiting the generality of the foregoing, SMG shall have, without prior approval of the Authority, except as otherwise expressly provided below, the sole right, responsibility and authority to:

(a) employ, subject to Section 7.1 hereof, supervise and direct employees and personnel at each of the Facilities consistent with the provisions of this Agreement.

(b) administer relationships with all subcontractors, concessionaires and all other contracting parties and assume responsibility for (i) negotiating, subject to subsection (c) below, any renewals and extensions of such agreements to the extent necessary or desirable, and (ii) the compliance with, and enforcement of, such agreements.

(c) negotiate, execute and enter into, in its own name or in its own name as agent for the Authority, as the case may be, and administer any and all licenses, occupancy agreements, booking commitments (subject to Section 2.5 hereof), advertising agreements, concession, agreements, supplier agreements service contracts (including, without limitation, contracts for cleaning, decorating, and set-up; snow removal, general maintenance; maintenance and inspection of HVAC systems, elevators, stage equipment, fore control panel and other safety equipment; staffing and personnel needs including guards and ushers; and other services which are necessary or appropriate) and all other contracts in connection with the management, promotion and operation of the Facilities, provided that in the event SMG desires to execute or enter into a written agreement in its own name as agent for the Authority and such agreement (i) involves a long term lease with a sports team or (ii) is for a term longer than the Initial Term or Renewal Term then in effect, SMG shall obtain the approval of the Authority Board prior to executing and delivering any such agreement in its own name as agent for the Authority. Said written agreements shall be executed or entered into in accordance with the policies adopted by the Authority from time to time. SMG will promptly provide the Authority with fully executed copies of service agreements, service contracts, license agreements, rental agreements, settlement reports, and any other agreements referenced herein. In connection with its activities under this subparagraph (c), SMG will give consideration, where appropriate, to local contractors and suppliers.

(d) to the extent that funds provided by the Authority are made available therefor, maintain the Facilities in the condition received, reasonable wear and tear excepted; provided that the Authority shall be responsible for undertaking all Capital Improvements and Capital Equipment purchases as pursuant to Section 5.5 hereof; provided, further, SMG shall develop, periodically update and adhere to a maintenance plan with respect to each Facility which plan will include specific timeframes for required repairs and refurbishings.

(e) to the extent that funds provided by the Authority are made available therefor, rent, lease or purchase all equipment and maintenance supplies necessary or appropriate for the operation and maintenance of the Facilities, provided that the Authority shall be responsible for undertaking all Capital Improvements and Capital Equipment purchases pursuant to Section 5.5 hereof.

(f) establish and adjust prices, rates and rate schedules for licenses, agreements, contracts and any other commitments relating to each Facility to be negotiated by SMG in the course of its management, operation and promotion of each Facility, provided, however, that such adjustments that would bind the Authority or changes to rate schedules in effect at either Facility shall be subject to the prior approval of the Authority Board which approval shall not be unreasonably withheld. In determining such prices and proposing rate schedules for approval by the Authority Board, SMG shall evaluate comparable rates and charges at similar facilities.

(g) collect Operating Revenues for each Facility in accordance with Sections 5.3 and 5.4 hereof.

(h) pay Operating Expenses for each Facility using funds on deposit in the Place Operating Account or the Arena Operating Account, respectively.

(i) after consultation with and approval of the Authority's legal counsel, institute on behalf of the Authority and at the reasonable expense of the Authority with counsel selected by SMG and approved by the Authority's legal counsel (which counsel will be from the Grand Rapids area if such action is filed in the Grand Rapids area), such legal actions or proceedings as SMG shall deem necessary or appropriate in connection with the operation of the Facilities, including, without limitation, to collect charges, rates, rents or other revenues due to the Authority or to cancel, terminate or sue for damages under any license, use, advertisement or concession agreement for the breach thereof or default thereunder by any licensee, user, advertiser, or concessionaire at either Facility.

(j) maintain a master set of all booking records and schedules for each Facility and provide the Authority Board with a monthly update with respect thereto.

(k) provide day-to-day administrative services in support of its management activities pursuant to applicable Approved Budgets and annual plans described herein, including, but not limited to, the acquisition of services, equipment, supplies and facilities; internal budgeting and accounting; maintenance and property management; personnel management; record-keeping; billing and collections; and similar services.

(l) engage in such advertising, solicitation, and promotional activities as SMG deems necessary and appropriate to develop the potential of each Facility and the cultivation of broad-community support (including without limitation selling advertising inventory and securing product rights for each Facility in a manner which is not in violation of any long term tenant agreement); provided, however, that Authority funds shall not be used to co-promote any event at either Facility without the prior consent of the Authority. SMG shall work with the Kent County Convention and Visitors Bureau to market the Facilities for conventions, trade shows and entertainment events. In advertising relating to the Facilities, SMG shall be permitted to use the terms "Van Andel Arena," "DeVos Place," "DeVos Place Convention Center," "Grand Rapids-Kent Convention/Arena Authority" or "CAA" and related logos, subject to the prior approval of the Authority's Administrative Official.

(m) develop a general customer feedback system for each Facility (subject to the approval of the Authority) which permits users and event attendees to complete focus surveys and/or evaluation reports, which SMG agrees to make available to the Authority.

(n) review and make recommendation to the Authority regarding box office operations for the Facilities.

(o) represent the interests of each Facility, as necessary or appropriate, with City and County departments, the City Commission, the County Board and the Authority Board.

(p) use reasonable efforts to negotiate multiyear occupancy or license agreements with key Place tenants.

(q) develop, implement and maintain a policy for commercial advertising within each Facility, which policy shall be subject to the approval of the Authority Board. Said policy for commercial advertising shall be reflected in either a stand-alone policy or in a written agreement with the provider of such services.

#### **Section 2.4. Use of Premises.**

SMG may use and occupy the premises of each Facility only for the purpose of operating, promoting and managing each Facility consistent with the terms and conditions of this Agreement and any tenant leases that may be in effect from time to time.

#### **Section 2.5. Bookings.**

SMG shall have the sole authority to book events in each Facility, provided that all bookings shall be consistent with a booking policy for each Facility approved by the Authority Board. SMG shall periodically review each such policy and make recommendations for revisions as appropriate to the Authority.

## **Section 2.6. Insurance.**

SMG shall obtain certificates or other evidence of insurance carried by licensees, users, promoters, exhibitors, concessionaries or other persons contracting for use of either Facility. SMG shall require that the Authority and SMG to be named as additional insured on such insurance policies, which shall be issued by companies licensed to do business in the State or qualified by virtue of being surplus lines carriers. SMG shall promptly provide the Authority's Administrative Official with such insurance certificates or other evidence of insurance coverage.

## **Section 2.7. Right of Entry Reserved.**

Representatives of the Authority shall have the right, in the course of performing their responsibilities for the Authority, upon reasonable advance notice to SMG and at appropriate times, to enter all portions of each Facility to inspect same, to observe the performance of SMG of its obligations under this Agreement, to install, remove, adjust, repair, replace or otherwise handle any equipment, utility lines, or other matters in, on, or about the premises, or to do any act or thing which the Authority may be obligated or have the right to do under this Agreement or otherwise. Nothing contained in this Section 2.7 is intended or shall be construed to limit any other rights of the Authority under this Agreement. The Authority shall not interfere with the activities of SMG hereunder, and the Authority's actions shall be conducted such that disruption of SMG activities shall be kept to a minimum. Nothing in this Section 2.7 shall impose or be construed to impose upon the Authority any independent obligation to maintain or make repairs, replacements, alterations, additions or improvements to the Facilities or create any independent liability for any failure to do so.

## **Section 2.8. Computer System.**

SMG has installed a computer system for the Facilities in connection with its operation, maintenance and promotion of such Facilities. The hardware for such computer system is the property of the Authority. SMG supplied, at its cost, the initial software for such computer system and it remains the property of SMG. All copies of such software shall be returned to SMG upon termination of this Agreement, provided, however, (a) any records within the data base covered by such software shall remain the property of the Authority and shall, upon termination of this Agreement, be turned over to the Authority or such other party as the Authority may designate and (b) any software supplied and paid for by the Authority as an Operating Expense for the Facilities shall be the property of the Authority.

## **Section 2.9. Parking.**

(a) SMG shall have no management, operation or promotion rights or obligation with respect to the parking facility located below grade in the Place. The general manager and all director-level employees at the Place employed by SMG shall be entitled to park in such facility as provided in the operating budget. Other full time employees of SMG located at the Place shall have parking privileges at such facility comparable to those offered to full-time County and City employees.



(b) SMG employees located at the Arena shall be entitled to park in the lot adjacent and to the South of the Arena as provided in the operating budget.

### **ARTICLE III TERM AND RENEWAL**

#### **Section 3.1. Initial Term and Renewal Term.**

(a) The Initial Term of this Agreement with respect to both Facilities shall commence at 12:01 a.m. on July 1, 2006, and will end at midnight on June 30, 2009, unless (i) earlier terminated (a) pursuant to the provisions of this Agreement or (b) at the option of the Authority at the end of the Initial Term, i.e., June 30, 2009, upon not less than 180 days' prior written notice of such termination from the Authority to SMG or (ii) renewed for the Renewal Term as provided in subsection (b) below.

(b) The Authority Board, in its sole discretion, may extend the term of this Agreement for the Renewal Term to commence on July 1, 2009, and end at midnight on June 30, 2011, unless earlier terminated pursuant to the provisions of this Agreement.

#### **Section 3.2. New Agreement.**

If the Authority intends, upon termination of the Initial Term or Renewal Term, to continue to provide for the promotion, operation and management of either Facility through a private party and this Agreement has not been terminated upon a default by SMG or pursuant to Section 12.2(b) hereof, then the Authority will during the final year of the Initial Term or Renewal Term, as applicable, negotiate and discuss in good faith a new contract or arrangement with SMG for the provision of such services following the completion of such term. The obligation to negotiate with SMG is not intended to guarantee any rights for a future agreement with SMG or any specific terms of a new agreement.

### **ARTICLE IV SMG'S COMPENSATION**

#### **Section 4.1. Base Fee.**

As base compensation to SMG for providing the services herein specified during the Initial Term and the Renewal Term, if any, the Authority shall pay SMG during the Initial Term and the Renewal Term, if any, an annual fixed base fee of \$350,000 for the first year of the Initial Term, which amount shall be adjusted upward on the first day of each subsequent Fiscal Year during the term hereof by the percentage change in the Consumer Price Index All Urban Consumers (CPI-U), U.S. city average, during the one year period ending in June immediately preceding such Fiscal Year, as published by the U.S. Department of Labor, provided that for purposes of this adjustment the amount of any yearly increase in the foregoing index in excess of 3% shall be disregarded. The foregoing annual fixed compensation shall be payable in equal monthly installments due on or before the last day of each month during each such Fiscal Year

from the advances of funds pursuant to Sections 5.2 and 5.3 hereof. During each Fiscal Year the fixed base fee shall be allocated equally between the Facilities.

#### **Section 4.2. Incentive Fee.**

SMG shall be entitled to an annual incentive fee with respect to each Fiscal Year during the Initial Term or Renewal term, if any, which shall be equal to the amount established in accordance with the following sentence, provided, however, that in no event shall the incentive fee for any Fiscal Year exceed 100% of the base fee payable for such Fiscal Year pursuant to Section 4.1 hereof. Subject to the proviso in the immediately preceding sentence, the annual incentive fee shall be an amount calculated with respect to each Fiscal Year equal to the sum of (i) 25% of the first \$500,000 of any Revenue Increase and (ii) 30% of any Revenue Increase in excess of \$500,000.

Notwithstanding the foregoing paragraph, no incentive fee shall be paid (a) for a Fiscal Year during the Initial Term if for such Fiscal Year the combined Operating Revenues for the Facilities do not exceed the combined Operating Expenses for the Facilities by an amount equal to the lesser of (i) \$700,000 or (ii) the actual combined Operating Revenues less combined Operating Expenses for Fiscal Year 2006 plus and additional \$100,000 for each year of the Initial Term and (b) for a Fiscal Year during the Renewal Term, if any, if for such Fiscal Year the combined Operating Revenues for the Facilities do not exceed the combined Operating Expenses for the Facilities by \$700,000.

Revenue Increase means the amount by which Operating Revenues for a given Fiscal Year exceed the Revenue Benchmark for such Fiscal Year. The Revenue Benchmark, for the first year of the Initial Term, shall be an amount equal to the total of \$4,600,000 attributable to the Arena plus \$4,000,000 attributable to the Place. After the first year of the Initial Term, the Revenue Benchmark shall be adjusted upward \$100,000 annually during the remainder of the term hereof.

The Authority shall pay SMG any incentive fee earned under this Section 4.2 within 30 days of its receipt of audited financial statements for the Facilities for the applicable Fiscal Year for which the incentive fee is payable. Such audited financial statements shall include a supplemental statement containing the calculation of any incentive fee payable.

### **ARTICLE V FUNDING; BUDGETS; BANK ACCOUNTS**

#### **Section 5.1. Annual Budgets.**

(a) It is the intention of the parties that SMG maintain separate financial records and accounts, as well as prepare separate budgets, for each Facility. In connection with the preparation of budgets for each Facility, SMG will seek to identify areas of Operating Expenses (such as, split-function personnel, equipment and vendor supervision) where possible synergies from its management of both Facilities can be achieved and in such instances specifically

identify and allocate such Operating Expenses between both Facilities in such budgets and provide such information to the Authority.

(b) In conjunction with the preparation of the annual budget the Authority Board shall adopt an annual operating budget for each of the Facilities (the "Approved Budgets").

(c) For each Fiscal Year during the Initial Term or any Renewal Term, if any, SMG will prepare a recommended annual operating budget for each Facility which it believes will meet the scope of services and objectives under this Agreement. The budget shall contain estimates of Operating Revenues and Operating Expenses, as well as any recommendations for Capital Improvements or Capital Equipment in such detail and format as the Authority Board or the Authority's Administrative Official may reasonably require. Such proposed annual budgets shall be submitted in a timely manner with a fully documented draft version no later than April 1 and a final budget submission no later than May 1 immediately preceding each new Fiscal Year. SMG shall cooperate with the Authority's Administrative Official, as it relates to the preparation and submission to the Authority Board of the annual operating budget for each Facility, including such meetings with the Authority Board and Committees of the Authority Board, as may be reasonably necessary to explain the proposed annual budget.

(d) Upon adoption of the Approved Budgets for each of the Facilities for any Fiscal Year, which in no event shall be later than the June 30 immediately preceding such Fiscal Year, the Authority's Administrative Official shall provide SMG with Approved Budgets for each of the Facilities for such Fiscal Year.

(e) If the Approved Budget for either Facility for a Fiscal Year modifies the proposed annual operating budget for such Fiscal Year submitted by SMG to such an extent that, in SMG's reasonable judgment, such budget would materially interfere, impede or impair the ability of SMG to manage, operate, maintain or promote such Facility, SMG shall have the right to terminate this Agreement pursuant to Section 12.2(a) hereof, and the exercise of such right shall not be considered a breach of this Agreement. Any exercise of SMG's right to terminate under this subsection (e) shall be exercised within 30 days of receipt of the applicable Approved Budgets from the Authority's Administrative Official or shall be considered waived for such Fiscal Year.

(f) At any time during a Fiscal Year, SMG shall have the right to seek an amendment to the Approved Budget for either Facility for such Fiscal Year. Nothing in this subsection (f) shall require the Authority, to grant such requests, nor shall the denial of any such requested amendment constitute grounds for termination of this Agreement by SMG. The Authority's Administrative Official shall also have the right to request amendments to the applicable Approved Budget for each Facility, provided that such requested amendments shall not, without SMG's prior consent, reduce the aggregate amount of budgeted Operating Expenses for such Facility. Upon approval by the Authority Board of any such requested amendment (a copy of which shall be promptly furnished to SMG), the Approved Budget for such Facility shall thereafter be as amended. SMG shall have the right to request an amendment to the Approved Budget for either Facility as may be necessary or appropriate as the result of the scheduling by

SMG of additional events or activities at either Facility (and the incidence of additional Operating Expenses arising from the scheduling of additional events or activities at either Facility) as long as prior to the scheduling of such events or activities, SMG has a good faith belief that the combined Net Operating Income/Incentive Fee Benchmark for the Facilities would not be adversely affected as a result of such additional events or activities.

### **Section 5.2. Funding.**

(a) Cash Flow Analyses and Cash Advance. Utilizing the Approved Budget for each Facility for a Fiscal Year, SMG shall prepare an analysis of the monthly cash flow needed for the operation of each Facility and shall furnish a copy of same to the Authority's Administrative Official. At the commencement of the Fiscal Year beginning July 1, 2006 and annually thereafter, the Authority shall advance to SMG sufficient funds to satisfy the cash flow needs for operation of the Arena and the Place, respectively, for each month covered thereby as provided in Section 5.3 hereof. Such funds shall be deposited into the respective Arena Operating Account and the Place Operating Account established by SMG in accordance with subsection (b) hereof at the banking institution of its choice, licensed to conduct business within the State and be conducting business within the County. SMG may use these funds for the payment of respective Operating Expenses as approved in the Approved Budgets for the Arena and the Place respectively.

(b) Selection of Banking Institution. Currently SMG has established the Arena Operating Account and the Place Operating Account with Fifth Third Bank. If during the Initial Term or the Renewal Term, if any, SMG decides to change the banking institution providing such services, SMG may, but shall not be obligated to, rebid such services. Any subsequent banking institution selected shall be licensed to conduct business within the State and be conducting business in the County.

### **Section 5.3. Receipts.**

(a) Upon receipt by SMG, all Operating Revenues for each Facility shall be deposited by SMG in the Place Operating Account or the Arena Operating Account, respectively. SMG shall pay event-related and other Operating Expenses for each Facility out of the funds on deposit from time to time in such Account for such Facility. Within 30 days following the end of each fiscal quarter, SMG shall provide a cash reconciliation of the Operating Revenues and Operating Expenses for each Facility for the fiscal quarter just ended.

(b) In addition, 30 days prior to the end of each fiscal quarter, SMG will prepare a projected cash flow for the upcoming fiscal quarter for each Facility. Based on SMG's cash flow projections, if Operating Revenues for such upcoming fiscal quarter are not sufficient to pay Operating Expenses in a timely fashion for either Facility, SMG shall prepare a request for funds to satisfy the cash flow needs for each month representing the upcoming fiscal quarter for the affected Facility, and the Authority will make available to SMG the funds necessary to pay such Operating Expenses based upon the Approved Budget in effect for such Fiscal Year for such Facility. If the Operating Revenues exceed the Operating Expenses for either Facility for the fiscal quarter just ended, the amount of SMG's request for funds for such Facility under this

subsection (b) shall be reduced by the amount of such excess or by an amount which SMG estimates at the time of the funding of such request for funds to be the probable amount of such excess.

(c) If the excess (based on actual numbers or on SMG's estimates at the time of funding of a request for funds under subsection (b)) of Operating Revenues over Operating Expenses for either Facility for the fiscal quarter just ended) exceeds SMG's entire request for funds for such Facility under subsection (b) above for the upcoming fiscal quarter, then the amount of such excess under this subsection (c) shall be promptly paid to the Authority.

(d) To the extent that any such estimates by SMG are used under subsections (b) or (c), the quarterly cash reconciliation's shall include a reconciliation of the difference between (i) such estimates of the excess of Operating Revenues over Operating Expenses for the prior fiscal quarter, if any, and (ii) the actual amount of such excess. At the time of the year end audit pursuant to Section 6.1 hereof, SMG and the Authority shall perform a final cash reconciliation for the Arena Operating Account and the Place Operating Account for the previous Fiscal Year. All such Operating Revenues shall, from the time received by SMG, be the sole property of the Authority. Any breach of the provisions of this Section 5.3 shall constitute a material breach of this Agreement.

(e) With respect to each of the Arena Operating Account, the Place Operating Account and the accounts for each Facility referred to in Section 5.4 hereof (such other accounts being referred to as the "Ticket Sales Accounts"), (i) title to each such account shall include, in addition to SMG, the name of the Authority, (ii) to the extent that any such account contains signing authority, a designated representative of the Authority shall be added to the list of individuals who have signing authority thereunder, and (iii) the funds therein are the property of the Authority (x) subject to the rights granted SMG under this Agreement to make deposits and withdrawals from each such account and to be entitled to receive payments therefrom for any fees and reimbursements due SMG hereunder and, (y) with respect to Ticket Sales Accounts, subject to the rights of the Authority and SMG as provided in Section 5.4 hereof.

#### **Section 5.4. Ticket Sales Revenues.**

SMG shall hold in a separate interest-bearing account for each Facility (each a "Ticket Sales Account") in a banking institution depository licensed by the State and operating in the County any ticket sales revenues which it receives with respect to an event to be held at each Facility pending the completion of the event. Such monies are to be held for the protection of ticket purchasers, the Authority and SMG, and to provide a source of funds, as required for payments to performers and promoters and for payments of Operating Expenses for such Facility in connection with the presentation of events as may be required to be paid contemporaneously with the event. Following the satisfactory completion of each event, SMG shall immediately deposit such funds into the Place Operating Account or the Arena Operating Account, respectively. The balance of such funds that remain after the payment by SMG, from funds deposited in such account, of event-related and other Operating Expenses excluded from the definition of Operating Expenses pursuant to the last sentence thereof, shall be deposited by SMG in the Authority's designated depository in accordance with the procedures set forth in

Section 5.3 by 5:00 p.m. local time on the next business day following such event. SMG will promptly provide full event settlement reports for review by the Authority. Interest which accrues on amounts deposited in the Ticket Sales Accounts shall be considered Operating Revenues for the applicable Facility. Bank service charges, if any, on such account shall be considered Operating Expenses for such Facility.

#### **Section 5.5. Capital Improvements; Capital Equipment.**

The obligation to pay for, and authority to perform, direct and supervise Capital Improvements and Capital Equipment purchases shall remain with the Authority, as the case may be, and will not be considered Operating Expenses for either Facility. All capital improvements and equipment purchases which do not constitute Capital Improvements or Capital Equipment hereunder shall be included in the applicable annual budget prepared by SMG for each Facility, and to the extent provided for in the Approved Budget for the applicable Facility, shall be acquired and installed at the direction of SMG and accounted for as Operating Expenses for the applicable Facility. The annual plan submitted pursuant to Section 6.2 hereof shall include SMG's recommendation for Capital Improvements and Capital Equipment purchases to be accomplished during the Fiscal Year for each Facility and shall be accompanied by an estimate of the cost of all such items and projects and a request that the Authority budget funds therefor. The Authority shall retain the discretion to determine whether and to what level to fund Capital Improvements and Capital Equipment purchases to the respective Facility.

#### **Section 5.6. Limitation of SMG Liability.**

Notwithstanding any provision herein to the contrary and except for SMG's express indemnification responsibilities in Section 8. 1 hereof, SMG shall have no obligation to fund any cost, expense or liability with respect to the operation, maintenance, management or promotion of the Facilities beyond the extent of the funds deposited for each Facility from time to time in the Place Operating Account or the Arena Operating Account, respectively.

### **ARTICLE VI RECORDS, AUDITS AND REPORTS**

#### **Section 6.1. Records and Audits.**

SMG shall keep full and accurate accounting records relating to its activities at each Facility in accordance with generally accepted accounting principles. SMG shall maintain a system of bookkeeping adequate for its operations hereunder. SMG shall give the authorized representative of the Authority access to such books and records maintained at each Facility during reasonable business hours and upon reasonable advance notice. SMG shall keep and preserve for at least 3 years following each Fiscal Year all sales slips, rental agreements, purchase orders, sales books, credit card invoices, bank books or duplicate deposit slips, and other evidence of Operating Revenues and Operating Expenses for each Facility for such period. In addition, on or before September 30th following each Fiscal Year, SMG shall furnish to the Authority a set of special purpose financial statements and notes thereto in a format consistent with disclosure contained in such statements previously provided for the year ended June 30,

2005, accompanied by an independent auditor's report of a nationally recognized, independent certified public accountant. The audit shall contain an opinion expressed by the independent auditor of the accuracy of financial records kept by SMG for such Facility. The audit shall also provide a certification of Operating Revenues and Operating Expenses for such Fiscal Year. The Authority shall have the right to participate in the pre-audit meeting(s) with the auditors. The audit shall be conducted by a reputable firm selected by SMG with approval by the Authority. The Authority shall not withhold or delay such consent or approval unreasonably. Notwithstanding anything to the contrary herein, the costs of such audit for each Facility shall be deemed Operating Expenses for such Facility.

#### **Section 6.2. Annual Plan.**

SMG shall provide to the Authority on or before May 1 of each year, an annual management plan for each Facility, which shall include the annual operating budget proposed by SMG for such Facility for the next Fiscal Year. The annual plan for each Facility shall include information regarding SMG's anticipated operations for such Facility for such Fiscal Year, including planned operating maintenance activities by SMG, requested Capital Improvements and Capital Equipment purchases and an anticipated budget therefor, anticipated events at such Facility, anticipated advertising and promotional activities, and planned equipment and furnishings purchases. The annual plan for each Facility shall be used by the Authority Board in reviewing and making decisions upon the annual operating budget for the applicable Facility.

#### **Section 6.3. Monthly Reports.**

By the Friday preceding the third Thursday of each month, SMG shall provide to the Authority a written monthly report in a form approved by the Authority and similar to that used in other SMG-managed facilities setting out the anticipated activities and financial condition of the applicable Facility for the upcoming month and reporting on the prior month's activities and finances. Such monthly reports shall include such detail that is not less than that currently being provided at the effective date of this Agreement.

#### **Section 6.4. Annual Performance Review.**

The Authority shall be entitled to prepare a written annual performance review of SMG's performance hereunder based upon operating results, SMG's reporting systems and such other criteria as the Authority and SMG mutually agree. Any such annual review shall be delivered to SMG prior to December 1 following any Fiscal Year during the term hereof. SMG shall, if appropriate, respond to such performance review in its annual plan for the Fiscal Year following the delivery of such a review.

#### **Section 6.5. Internal Audits.**

SMG agrees that during the term of this Agreement it will periodically (a minimum of once each Fiscal Year for each Facility) conduct internal audits of the operations of each Facility and immediately thereafter provide the Authority with copies of such audits.

## **ARTICLE VII EMPLOYEES**

### **Section 7.1. SMG Employees.**

(a) SMG shall select, train and employ at each Facility such number of employees as SMG deems necessary or appropriate to satisfy its responsibilities under this Agreement. SMG shall use its best efforts to recruit and hire employees who will be proficient, productive, and courteous to patrons. SMG shall have the authority to hire, terminate and discipline any and all personnel working at either Facility.

(b) SMG shall assign to the Facilities a competent, full-time general manager who shall have no duties other than the day-to-day operation and management of the Facilities. Prior to its assignment of a general manager for the Facilities, SMG agrees to consult with the Authority regarding the qualifications of the person to be assigned.

(c) SMG employees at the Facilities shall not for any purpose be considered to be employees of the Authority. SMG shall be solely responsible for their supervision, daily direction and control, compensation (and tax withholding), any employee benefits, unemployment insurance and worker's compensation liability, and insurance expenses, provided that the foregoing expenses shall be considered Operating Expenses of the applicable Facility.

### **Section 7.2. No Solicitation of Employment by Authority.**

During the period commencing on the date hereof and ending one (1) year after the termination of this Agreement, except with SMG's prior written consent, the Authority will not, for any reason, solicit for employment any of the senior management personnel employed by SMG at the Facilities, including, without limitation, the general manager and director-level employees. In addition to any other remedies which SMG may have, specific performance in the form of injunctive relief shall be available for the enforcement of this provision.

## **ARTICLE VIII INDEMNIFICATION AND INSURANCE**

### **Section 8.1. Indemnification.**

(a) SMG shall indemnify, defend and hold harmless the Authority and its officers, boardmembers, agents and employees ("Authority Indemnified Persons") from and against any and all losses, liabilities, claims, damages and expenses (including reasonable attorneys fees) (collectively, "Losses") arising from any negligent act or omission or willful misconduct of SMG or its officers, employees or agents, provided, however, that the foregoing indemnification shall not extend to Losses to the extent such Losses (i) arise from any breach or default by the Authority of its obligations under subsection (b) below, (ii) are of the type that are or would normally be covered by commercial insurance covering (x) the premises at each Facility and (y) business interruption, irrespective of the decision of the Authority to carry or not to carry such insurance or (iii) arise from violations of the Michigan Liquor Control Act, Act 8 of the Public



Acts of Michigan of 1933, as amended, and the regulations promulgated thereto to the extent such Act and regulations prohibit such indemnification. The Authority Indemnified Persons shall be required to exhaust all available insurance coverage for the Facilities prior to asserting any claim against SMG pursuant to this subsection (a).

(b) The Authority shall indemnify, defend and hold harmless SMG, its partners, officers, agents and employees ("SMG Indemnified Persons") from and against any and all Losses arising from (i) any negligent act or omission or willful misconduct of the Authority or its officers, boardmembers employees or agents; provided, however, that the foregoing indemnification shall not extend to Losses to the extent such Losses arise from any negligent act or omission or willful misconduct of SMG or its officers, employees or agents, (ii) the fact that at any time prior to October 1, 1996, either Facility has not been operated, and either Facility and its premises are not, or have not been, in compliance with all laws (as defined in Section 11.2 hereof), (iii) the fact that prior to October 1, 1996 there is any condition on, above, beneath or arising from the premises occupied by either Facility which might, under any law, give rise to liability or which would or may require any "response," "removal" or "remedial action" as such terms are defined under the Comprehensive Environmental Response Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act, (iv) any structural defect or unsound operating condition with respect to either Facility or the premises occupied by either Facility as of October 1, 1996, (v) any obligation or liability under or in respect of any contract, agreement or other instrument properly executed by SMG as agent for the Authority as authorized herein, (vi) any obligation or liability for physical damage, except for such physical damage caused by the willful misconduct of SMG or its officers, employees or agents, or other Loss to any real property assets located at either Facility or intended to be incorporated therein, whether such property is insured by the Authority or whether the Authority decides not to insure for such Losses, or (vii) any act or omission carried out by SMG at or pursuant to the written direction or instruction of the Authority, its agents or employees. SMG Indemnified Persons shall be required to exhaust all available insurance coverage for the Facilities prior to asserting any claim against the Authority pursuant to this subsection (b).

(c) The provisions set forth in subsections (a) and (b) above shall survive termination of this Agreement, provided, however, that except for indemnification based upon subsection (b)(ii), (iii), (iv), (v), (vi) or (vii) above, a claim for indemnification pursuant to this Section 8.1 shall be valid only if the party entitled to such indemnification provides written notice thereof to the other party prior to three years following the date of termination of this Agreement.

(d) The terms of all insurance policies referred to in this Article VIII shall preclude subrogation claims against SMG, the Authority and their respective partners, boardmembers, officers, employees or agents. In addition, if the Authority fails to maintain commercial insurance covering (i) the premises at either Facility and (ii) business interruption, then the Authority hereby waives any subrogation claims that it may have against SMG and its partners, officers, employees or agents with respect to Losses that would normally be covered by such insurance.

## **Section 8.2. Liability Insurance.**

(a) SMG has secured and delivered to the Authority prior to the commencement of this Agreement, and shall keep in force at all times during the term of this Agreement, a commercial liability insurance policy, including public liability and property damage, in such form and from such company as is reasonably acceptable to the Authority, covering the Facilities, the operations hereunder with respect thereto, and any negligent acts or omissions of SMG or the Authority in connection therewith, in the amount of \$2,000,000 for bodily injury and \$2,000,000 for property damage, or in a combined single limit of \$4,000,000, for each occurrence and in the annual aggregate.

(b) SMG shall also maintain comprehensive automotive bodily injury and property damage insurance for business use covering all vehicles operated by SMG officers, agents and employees in connection with either Facility, whether owned by SMG, the Authority, or otherwise, with a combined single limit of not less than \$2,000,000.

(c) SMG shall be an insured under all such policies referred to in subsections (a) and (b). The Authority shall be an additional insured under the foregoing insurance policies, as its interests may appear, and said policies shall contain a provision covering the parties' indemnification liabilities to each other. Except as otherwise approved by the Authority, all such policies must be written by companies licensed to do business in the State.

(d) The original or a certified-copy of the above policy, or policies, or certificates evidencing the existence thereof, all in such form as the Authority Administrative Official may reasonably require, shall be delivered to the Authority Administrative Official prior to the commencement of this Agreement. Each such policy or certificate shall contain a valid provision or endorsement stating, "This policy or certificate of insurance will not be canceled or materially changed or altered without first giving 30 days' written notice thereof to the Authority Administrative Official, 130 W. Fulton Street, Grand Rapids, Michigan 49503, sent by certified mail, return receipt requested."

(e) A certificate of insurance shall be delivered to the Authority Administrative Official at least 15 days prior to the expiration date of the expiring policy and, upon request, a renewal policy or policies will be delivered following the renewal, except for any policy or policies expiring on the termination date of this Agreement or thereafter. If a certificate of insurance is not available by said date, SMG will provide to the Authority other documentation acceptable to the Authority confirming coverage.

(f) All insurance procured by SMG in accordance with the requirements of this Agreement shall be primary over any insurance carried by the Authority and shall not require contribution by the Authority.

### **Section 8.3. Workers Compensation Insurance.**

SMG shall at all times maintain worker's compensation insurance (including occupational disease hazards) with an authorized insurance company or through the Michigan State Compensation Insurance Fund or through an authorized self-insurance plan approved by the State, insuring its employees at the Facilities in amounts equal to or greater than required under State law.

### **Section 8.4. Fidelity Bond.**

SMG shall provide to the Authority a fidelity bond covering all of SMG's officers, employees and agents under this Agreement in the amount of \$1,000,000 for each loss, to reimburse the Authority for losses experienced due to the dishonest acts of SMG's officers, employees or agents.

### **Section 8.5. Property Insurance.**

(a) SMG shall maintain or cause to be maintained sufficient property damage or loss insurance to cover personal property owned by the Authority, the City of Grand Rapids Downtown Development Authority, the City of Grand Rapids/County of Kent Joint Building Authority, and SMG at each Facility and shall maintain such insurance throughout the term of this Agreement.

(b) If the Authority elects to maintain property insurance covering the premises of the Facilities, the Authority shall cause SMG to be named as an additional insured under all of the Authority's property and hazard insurance policies covering or relating to the Facilities. Nothing in this Agreement is intended to require SMG to maintain property and hazard insurance covering the premises of either Facility or business interruption insurance for the activities held at either Facility.

(c) The original or a certified copy of the above policy, or policies, referred to in subsection (b), or certificates evidencing the existence thereof, all in such form as SMG may reasonably require, shall be delivered to SMG. Each such policy or certificate shall contain a valid provision or endorsement stating, "This policy will not be canceled or materially changed or altered without first giving 30 days' written notice thereof to SMG, Risk Management Director, 701 Market Street, 4th Floor, Philadelphia, PA, 19106, sent by certified mail, return receipt requested."

(d) A renewal policy (or satisfactory evidence of such renewal) shall be delivered to SMG following the renewal, except for any policy expiring on the termination date of this Agreement or thereafter.

### **Section 8.6. Certain Other Insurance.**

If SMG enters into any agreements during the term of this Agreement with any independent contractors for the provision of services hereunder, SMG shall have the right to

require such contractors to name SMG as an additional insured under any insurance required by SMG thereunder and to deliver to SMG prior to the performance of such services a certified copy of such policy or a certificate evidencing the existence thereof, which policy contains the same type of endorsements and provisions as provided in Section 8.5(c).

## **ARTICLE IX OWNERSHIP OF ASSETS**

### **Section 9.1. Ownership.**

The ownership of buildings and real estate, technical and office equipment and facilities, furniture, displays, fixtures, vehicles and similar tangible property located at either of the Facilities shall remain with the Authority. Ownership of, and title to, all intellectual property rights of whatsoever value, held in the name of the Authority, shall remain in the name of the Authority and any intellectual property rights acquired by SMG pursuant to its management of the Facilities shall be placed in the name of SMG as agent for the Authority. The ownership of consumable assets, such as office supplies and cleaning materials, purchased with funds of the Authority shall remain with the Authority, but such assets may be utilized and consumed by SMG in the performance of services under this Agreement. The ownership of data processing programs and software owned by the Authority shall remain with the Authority and the ownership of data processing programs and software owned by SMG shall remain with SMG. SMG shall not take or use, for its own purposes, customer or exhibitor lists or similar materials developed by the Authority for the use of the Facilities, unless written consent is granted by the Authority Administrative Official. Ownership of equipment, furnishings, materials, or fixtures not considered to be real property and other personal property purchased by SMG with funds of the Authority for use at or for either Facility shall vest in the Authority automatically and immediately upon purchase or acquisition. The assets of the Authority as described herein shall not be pledged, liened, encumbered or otherwise alienated or assigned other than in the ordinary course of business of either Facility without the prior approval of the Authority.

### **Section 9.2. Authority Obligations.**

Except as herein otherwise set forth, throughout the term of this Agreement, the Authority will maintain full beneficial use and ownership of, respectively, the Place and the Arena and will pay, keep, observe and perform all payments, terms, covenants, conditions and obligations under any bonds, debentures or other security agreements or contracts relating, respectively, to the Place and the Arena to which the Authority may be bound.

## **ARTICLE X ASSIGNMENT; AFFILIATES**

### **Section 10.1. Assignment.**

Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party hereto. For the sake of clarity, the parties acknowledge that the foregoing does not preclude the assignment by SMG of

its right to receive its fees hereunder to its lender(s) as collateral security for SMG's obligations under any credit facilities provided to it by such lender(s) provided that such collateral assignment shall not in any event cover SMG's right to manage, promote or operate the Facilities hereunder.

## **Section 10.2. SMG Affiliates.**

(a) Transactions with Affiliates. Any contract entered into between SMG and an Affiliate of SMG relating to the Facilities shall be on terms and for prices customarily charged in the industry for comparable goods and services. In addition, SMG, as agent for the Authority may rent either Facility or any part thereof to itself in connection with any event in the promotion of which SMG is involved, so long as such rental is made on rates and terms that comply with the booking policy for such Facility as then in effect. SMG shall notify the Authority in writing, whenever any such transaction with an SMG Affiliate is contemplated.

(b) Conflicts of Interest.

(i) The Authority acknowledges that SMG manages other public assembly facilities which may, from time to time, be in competition with the Facilities. Subject to subparagraph (ii) below, the management of competing facilities will not, in and of itself, be deemed a conflict of interest or breach of SMG's duties hereunder, provided, however, in all instances in which either Facility is in competition with other public assembly facilities managed by SMG for the solicitation of certain events, SMG shall not involve its principal office (currently in Philadelphia, Pennsylvania) on behalf of any such other facility in an attempt to influence the decision-making process regarding the selection of a site for such events.

(ii) During the term hereof, neither SMG nor any SMG Affiliate shall, without the prior approval of the Authority render on-site management services to any facility other than the Facilities within a 100 mile radius of the Facilities; provided that notwithstanding such defined territory, SMG shall be entitled to provide on-site management services to any facility within the Detroit Metropolitan area.

## **ARTICLE XI LAWS AND PERMITS**

### **Section 11.1. Permits, Licenses, Taxes and Liens.**

SMG shall use reasonable efforts to procure any permits and licenses required for the business to be conducted by it hereunder. The Authority shall cooperate with SMG in applying for such permits and licenses. SMG shall deliver copies of all such permits and licenses to the Authority Administrative Official. SMG shall pay promptly from Operating Revenues of the applicable Facility or funds provided by the Authority under this Agreement all taxes, excise and license and permit fees of whatever nature arising from its operation, promotion and management of the Facilities (all of such taxes, excise and license and permit fees constituting Operating Expenses of the applicable Facility). SMG shall use reasonable efforts to prevent mechanic's or materialman's or any other lien from becoming attached to the premises or

improvements at either of the Facilities or any part or parcel thereof, by reason of any work or labor performed or materials furnished by any mechanic or materialman, so long as the work, labor or material was provided at SMG's direction and the Authority has budgeted funds for the payment of charges therefor in accordance with this Agreement.

### **Section 11.2. Governmental Compliance.**

SMG, its officers, agents and employees shall comply with all federal, state, local and municipal regulations, ordinances, statutes, rules, laws and constitutional provisions (collectively, "Laws") applicable to SMG's operation, maintenance, management and promotion of the Facilities hereunder. SMG shall take all reasonable and appropriate measures to enforce such Laws against its invitees and licensees at the Facilities.

### **Section 11.3. No Discrimination in Employment.**

In connection with the performance of services under this Agreement, SMG shall not refuse to hire, discharge, refuse to promote or demote, or to discriminate in matters of compensation against, any person otherwise qualified, solely because of race, color, religion, gender, age, national origin, military status, sexual orientation, marital status or physical or mental disability.

## **ARTICLE XII TERMINATION**

### **Section 12.1. Termination Upon Default.**

Either party may terminate this Agreement upon a default by the other party hereunder. A party shall be in default hereunder if (i) such party fails to pay any sum payable hereunder within 30 days after same is due and payable, or (ii) such party fails in any material respect to perform or comply with any of the other terms, covenants, agreements or conditions hereof and such failure continues for more than 60 days after written notice thereof from the other party. In the event that a default (other than a default in the payment of money) is not reasonably susceptible to being cured within the 60-day period, the defaulting party shall not be considered in default if it shall within such 60-day period have commenced with due diligence and dispatch to cure such default and thereafter completes with dispatch and due diligence the curing of such default. Any termination pursuant to this Section 12.1 will be effective upon notice from the non-defaulting party following the expiration of all of the applicable aforementioned time periods.

### **Section 12.2. Termination Other than Upon Default.**

(a) SMG shall have the right to terminate this Agreement upon sixty (60) days written notice to Authority (i) under the circumstances described in Section 5.1(e) hereof, or (ii) if the Authority fails to make Capital Improvements or Capital Equipment purchases at either Facility to the extent that such omission, in SMG's judgment, materially interferes with, impedes or impairs the ability of SMG to manage such Facility effectively.

(b) The Authority shall have the right to terminate this Agreement upon 180 days prior written notice to SMG if the Authority Board by affirmative vote of at least a majority of its members currently serving, determines that it is in the best interest of the Authority to do so. Prior to taking any action to terminate under this provision, the Authority Administrative Official shall provide SMG with a written list of concerns or deficiencies relating to SMG's performance under this Agreement. SMG shall have 45 days to cure such deficiencies or respond to such concerns in writing to the Authority Board. Upon the expiration of such 45-day period, the Authority Board shall have the right to conduct such other hearing into the matter as it, in its sole discretion, deems appropriate. Any action to terminate under this provision shall only be taken at a public meeting to which SMG has been provided at least ten (10) days prior written notice.

(c) Either party hereto shall have the right to terminate this Agreement under the circumstances specified in Section 13.6(d) hereof.

### **Section 12.3. Effect of Termination.**

In the event this Agreement is terminated, (i) all Operating Expenses for the Facilities incurred or committed for prior to the date of termination shall be paid by SMG out of funds deposited in the Place Operating Account and the Arena Operating Account, respectively; provided that (a) to the extent that the funds on deposit in each such account are insufficient for the Operating Expenses of the applicable Facility, the Authority shall promptly reimburse SMG therefor and shall indemnify and hold SMG harmless therefrom and (b) to the extent the funds on deposit in each such account exceed the aggregate amount of such Operating Expenses for the applicable Facility, SMG shall deposit such excess into the account designated by the Authority Administrative Official, (ii) the Authority shall promptly pay SMG all fees earned to the date of termination (the base and incentive fees described in Section 4 hereof being subject to proration), provided that in the case of a termination by the Authority pursuant to Section 12.1 hereof, the Authority shall be entitled to offset against such unpaid fees any costs incurred by the Authority in remedying any default by SMG hereunder which resulted in such termination (other than the fees or expenses of any replacement manager for the Facilities) and (iii) in the case of a termination pursuant to Section 12.2(b) hereof, the Authority shall, as liquidated damages for such early termination and in addition to the foregoing, promptly pay SMG a termination fee equal to the greater of the remaining balance of SMG's current annual base fee for the Facilities under Section 4.1 hereof in effect for the Fiscal Year during which termination occurs or the amount equal to one-half of such current annual base fee. Upon a termination pursuant to Section 12.1, all further obligations of the parties hereunder shall terminate except for the obligations in this Section 12.3 and in Sections 8.1, 8.2(c) and 12.5 hereof; provided, however, that if such termination is the result of a willful default, the non-defaulting party exercising its right to terminate this Agreement shall be entitled to recover damages for breach arising from such willful default.

### **Section 12.4. Non-Exclusive Remedies.**

Each party's rights of termination pursuant to this Article XII are in addition to any other rights it may have hereunder or otherwise and the exercise of a right of termination shall not be an election of remedies.

### **Section 12.5. Surrender of Premises.**

Upon termination of this Agreement (termination shall, for all purposes in this Agreement, include termination pursuant to the terms of this Article XII and any expiration of the term hereof), SMG shall surrender and vacate the Facilities upon the effective date of such termination. Each Facility and all equipment and furnishings shall be returned to the Authority in good repair, reasonable wear and tear excepted, to the extent funds were made available therefor by the Authority. All reports, records, including financial records, and documents maintained by SMG at each Facility relating to this Agreement shall be immediately surrendered to the Authority by SMG upon termination.

## **ARTICLE XIII MISCELLANEOUS**

### **Section 13.1. Use of the Facilities at Direction of the County, the City or the Authority.**

(a) The County, the City and the Authority shall have the right to use either Facility or any part thereof, upon reasonable advance notice and subject to availability, for such purposes as meetings, seminars, training classes or other uses without the payment of any rental or use fee except that direct out-of-pocket expenses incurred in connection with such uses shall be paid by the County, the City or the Authority, as the case may be.

(b) The County, the City and the Authority shall not schedule use of either Facility pursuant to subsection (a) above if such use will conflict with paying events booked by SMG and shall in all instances be subordinate thereto in terms of priority of use of either Facility, provided, however, that the County, the City and the Authority shall not be subordinate with respect to any competing use which is first scheduled within the 21 day period immediately preceding the scheduled use of the County, the City or the Authority. If either of the Facilities are to be used at the County's, the City's or the Authority's request or by the County, the City or the Authority pursuant to subparagraph (a) above, a normal rent or use fee which otherwise would be chargeable for such event shall be deemed to have been paid, and any such deemed payments which exceed the amount of \$25,000 in any Fiscal Year shall constitute Operating Revenues for the respective Facility for the purpose of calculating SMG's incentive fee pursuant to Section 4.2 hereof.

### **Section 13.2. Alternative Dispute Resolution.**

(a) The parties desire to cooperate with each other in the management and operation of the Facilities pursuant to the terms hereof. In keeping with the cooperative spirit and intent, any dispute arising hereunder may, with the mutual consent of both parties, be first referred to the parties' respective agents or representatives prior to either party initiating a legal suit, who in such instance will endeavor in good faith to resolve any such disputes within the limits of their authority and within 45 days after the commencement of such discussions. If any dispute remains unresolved after the parties have elected to follow the dispute resolution procedure set



forth above, the matter may, at the option of both parties, be resolved pursuant to subsections (b) and (c) below.

(b) If both parties so elect, and such elections are made in written form executed by an officer of each party legally authorized to do so and delivered to the other party in compliance with the notice provisions hereof, (either after exhausting the procedures in subsection (a) above or as an initial means of dispute resolution), the parties will endeavor to settle the dispute by mediation under the then current CPR International Institute for Conflict Prevention and Resolution ("CPR") model procedure for mediation of business disputes or, if such model procedure no longer exists, some other mutually agreeable procedure. Within 10 business days from the date that the parties mutually elect to proceed with mediation hereunder, the Authority shall select a neutral third party mediator, who shall be subject to the reasonable approval of SMG. Each party will bear its own cost of mediation, provided, however, the cost charged by any independent third party mediator will be borne equally by the parties.

(c) The parties agree that any mediation proceeding (as well as any discussion pursuant to subsection (a) above) will constitute settlement negotiations for purposes of the federal and State rules of evidence and will be treated as non-discoverable, confidential and privileged communication by the parties and the mediator. No stenographic, visual or audio record will be made of any mediation proceedings or such discussions. All conduct, statements, promises, offers and opinions made in the course of the mediation or such discussion by any party, its agents, employees, representatives or other invitees and by the mediator will not be discoverable nor admissible for any purposes in any litigation or other proceeding involving the parties and will not be disclosed to any third party.

(d) The parties agree that if the parties mutually elect to proceed with mediation hereunder then this mediation procedure will be obligatory and participation therein legally binding upon each of them. In the event that either party refuses to adhere to the mediation procedure set forth in this Section 13.2, the other party may bring an action to seek enforcement of such obligation in any court of competent jurisdiction.

(e) The parties' efforts to reach a settlement of any dispute will continue until the conclusion of the mediation proceeding. The mediation proceeding will be concluded when: (i) a written settlement agreement is executed by the parties, or (ii) the mediator concluded and informs the parties in writing that further efforts to mediate the dispute would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Notwithstanding the foregoing, either party may withdraw from the mediation proceeding without liability therefor in the event such proceeding continues for more than 45 days from the commencement of such proceeding. For purposes of the preceding sentence, the proceeding will be deemed to have commenced following the completion of the selection of a mediator as provided in subsection (b).

(f) If the parties mutually elect to proceed with the above dispute resolution procedures and any dispute has not been resolved pursuant to those procedures, either party can then initiate litigation and/or terminate the Agreement as provided in Article XII hereof. If the parties mutually elect to proceed with the above disputed resolution procedures, then such

procedures shall be the sole and exclusive procedures for the resolution of disputes between the parties arising out of or relating to this Agreement provided, however, that a party, without prejudice to the above procedures (if they have been so selected by the parties) may file a complaint to seek a preliminary injunction or other provisional judicial relief, if in its sole discretion such action is necessary to avoid irreparable damage or to preserve the status quo. Despite such action, the parties will continue to participate in good faith in the procedures specific in this Section 13.2, if they have been so selected by the parties.

(g) All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specific in this Section 13.2 are pending. The parties will take such action, if any, required to effectuate such tolling. Each party shall be required to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement, unless to do so would be impossible or impracticable under the circumstances.

### **Section 13.3. No Partnership Joint Venture; Prohibited Relationships.**

(a) It is understood that nothing herein contained is intended or shall be construed in any way to create or establish the relationship of partners or a joint venture between the Authority and SMG. None of the officers, agents or employees of SMG shall be or be deemed to be employees of the Authority for any purpose whatsoever.

(b) None of the voting power of the Authority Board is vested in SMG and its directors, officers, partners or employees, and the chief executive officer of SMG is not a member of the Authority Board.

(c) None of the voting power of the management committee of SMG is vested in the Authority, the Authority Board and the Authority's officers and employees, and the chairperson of the Authority is not a member of the management committee of SMG.

(d) SMG and the Authority are not related parties within the meaning of 144(a)(3) of the Internal Revenue Code of 1986, as amended, and are not members of the same controlled group within the meaning of U.S. Treasury Regulations Section 1.150-1(e).

(e) As required by, and limited to, the provisions of, the Michigan Liquor Control Act, Act 8 of the Public Acts of Michigan of 1933, as amended, and the rules promulgated pursuant hereto, and subject to the terms of this Agreement, the Authority shall be responsible for the conduct of Arena and Place operations and the activities of SMG and its employees.

### **Section 13.4. Entire Agreement.**

This Agreement, together with the Exhibit A attached hereto, contains the entire agreement among the parties with respect to the subject matter hereof. In addition, this Agreement shall supersede all prior agreements and understandings with respect to the subject matter hereof.

### **Section 13.5. Written Amendments.**

This Agreement shall not be altered, modified or amended in whole or in part, except in a writing executed by both of the parties hereto.

### **Section 13.6. Force Majeure.**

(a) Neither party hereto shall be liable to the other for any failure, delay, or interruption in performing its obligations hereunder due to causes or conditions beyond its control. In the event of strikes, boycotts, picketing, slowdowns, work stoppages or labor disputes of any other type affecting either Facility, SMG shall not thereby be deemed to be in default or to have breached any part of this Agreement unless such event shall have been caused solely by unfair labor practices of SMG or violations by SMG of applicable collective bargaining agreements.

(b) No party hereto shall be under any obligation to supply any service or services if and to the extent and during any period that the supplying of any such service or services or the provision of any component necessary therefor shall be prohibited or rationed by any federal, State, city or municipal law, rule, regulation, order or directive.

(c) Except as otherwise expressly provided in this Agreement, no abatement, diminution or reduction of the payments payable to SMG shall be claimed by the Authority or charged against SMG, nor shall SMG be entitled to additional payments beyond those provided for in this Agreement for any inconvenience, interruption, cessation, or loss of business or other loss caused, directly or indirectly, by any present or future laws, rules, requirements, orders, directives, ordinances or regulations of the United States, or of the State, or the Authority or of any other lawful authority whosoever, or by priorities, rationing, or curtailment of labor or materials, or by war or any matter or thing.

(d) In the event of damage to or destruction of either Facility by reason of fire, storm or other casualty or occurrence of any nature or any regulatory action or requirements that, in either case, is expected to render either Facility materially untenable, notwithstanding the reasonable efforts of the Authority to remedy such situation, for a period estimated by an architect mutually selected by the Authority and SMG of at least 180 days from the happening of the fire, other casualty or any other such event, the Authority on the one hand, or SMG, on the other hand, may terminate this Agreement upon written notice to the other. In the event that either Facility becomes either wholly or partially untenable as a result of any of the foregoing, appropriate adjustments to the Net Operating Income/Incentive and Revenue Benchmarks shall be made.

(e) SMG may suspend performance required under this Agreement with respect to either Facility, without any further liability, in the event of any act of God or other occurrence, which act or occurrence is of such effect and duration as to effectively curtail the use of the affected Facility so as to effect a substantial reduction in the need for the services provided by SMG for a period in excess of 90 days; provided, however, that for the purposes of this subsection (e), SMG shall have the right to suspend performance retroactively effective as of the

date of the use of the affected Facility was effectively curtailed. "Substantial reduction in the need for the services provided by SMG" shall mean such a reduction as shall make the provision of any services by SMG economically impractical. No payments of the management fees otherwise due and payable to SMG shall be made by the Authority during the period of suspension with respect to the affected Facility. In lieu thereof, the Authority's Administrative Official and SMG may agree to a reduced management fee payment for the period of reduction in services.

#### **Section 13.7. Binding Upon Successors and Assigns, No Third-Party Beneficiaries.**

(a) This Agreement and the rights and obligations set forth herein shall inure to the benefit of, and be binding upon, the parties hereto and each of their respective successors and permitted assigns.

(b) This Agreement shall not be construed as giving any person, other than the parties hereto and their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any of the provisions herein contained, this Agreement and all provisions and conditions hereof being intended to be, and being, for the sole and exclusive benefit of such parties and their successors and permitted assigns and for the benefit of no other person or entity.

#### **Section 13.8. Notices.**

All notices or other communications permitted or required under this Agreement shall be in writing and shall be sufficiently given if and when hand delivered to the persons set forth below or if sent by documented overnight delivery service or registered or certified mail, postage prepaid, return receipt requested, or by telegram, telex or telecopy, receipt acknowledged, addressed as set forth below or to such other person or persons and/or at such other address or addresses as shall be furnished in writing by either party hereto to the other. Any such notice or communication shall be deemed to have been given as of the date received, in the case of personal delivery, or on the date shown on the receipt or confirmation therefor in all other cases.

#### **To the Authority:**

Grand Rapids-Kent County  
Convention/Arena Authority  
c/o Chairperson  
303 Monroe Avenue, N.W.  
Grand Rapids, MI 49503

With a copy to:

Richard A. Wendt, Esquire  
Dickinson Wright PLLC  
200 Ottawa Avenue, N.W.  
Suite 900  
Grand Rapids, MI 49503

To SMG:

SMG  
701 Market Street, 4th Floor  
Philadelphia, PA 19106  
Attention: President

With a copy to:

William R. Sasso, Esquire or  
Steven A. Scolari, Esquire  
Stradley, Ronon, Stevens & Young, LLP  
2600 One Commerce Square  
Philadelphia, PA 19103-7098

#### **Section 13.9. Section Headings and Defined Terms.**

The section headings contained herein are for reference purposes only and shall not in any way affect the meaning and interpretation of this Agreement. The terms defined herein and in any agreement executed in connection herewith include the plural as well as the singular and the singular as well as the plural, and the use of masculine pronouns shall include the feminine and neuter. Except as otherwise indicated, all agreements defined herein refer to the same as from time to time amended or supplemented or the terms thereof waived or modified in accordance herewith and therewith.

#### **Section 13.10. Counterparts.**

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and either party may become a party hereto by executing a counterpart hereof, but all of such counterparts together shall be deemed to be one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

#### **Section 13.11. Severability.**

The invalidity or unenforceability of any particular provision, or part of any provision, of this Agreement shall not affect the other provisions or parts hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions or parts were omitted.

#### **Section 13.12. Non-Waiver.**

A failure by either party to take any action with respect to any default or violation by the other of any of the terms, covenants, or conditions of this Agreement shall not in any respect limit, prejudice, diminish or constitute a waiver of any rights of such party to act with respect to any prior, contemporaneous or subsequent violation or default or with respect to any continuation or repetition of the original violation or default.

#### **Section 13.13. Approvals.**

The Authority and SMG each represent and warrant to the other that all required approvals have been obtained, and that each has full legal right, power and authority to enter into and perform its obligations hereunder.

#### **Section 13.14. Michigan Law to Apply.**

This Agreement shall be construed in accordance with the laws of the State and any action brought in law or equity arising out of its construction or enforcement shall be filed in the Circuit Court for the 17th Judicial District of Michigan (Kent County Circuit Court) or in the United States District Court for the Western District of Michigan, Southern Division.

#### **Section 13.15. Certain Other Representations of the Authority.**

The Authority hereby represents and warrants to SMG that it has full legal right, power and authority to enter into this Agreement and to perform its obligations hereunder and that its obligations hereunder are not subject to appropriations, budgeting or any other funding contingency.

#### **Section 13.16. Minority and Women-Owned Businesses.**

SMG agrees that it will make every reasonable good faith effort to include minority-owned business enterprises ("MBEs") and women-owned business enterprises ("WBEs") in goods, services and supplied contracting opportunities at each Facility. These good faith efforts shall include, but not be limited to:

- (a) Seeking out qualified MBEs and WBEs which are capable of furnishing goods, services and supplies for each Facility.
- (b) Placing qualified MBEs and WBEs on solicitation and contact lists.
- (c) Assuring that qualified MBEs and WBEs are contacted whenever they are potential sources of furnishing goods, services and supplies for each Facility.

(d) Structuring requirements, when economically feasible, into smaller or more discrete tasks which will allow qualified MBEs and WBEs to participate in supplying such goods, services and supplies.

(e) Using available listings of MBEs and WBEs from the Small Business Administration, the Minority Business Development Agency, the County, the City, the Grand Rapids Board of Education and other applicable private and public entities.

(f) Requesting prime contractors to use the steps set out in this Section 13.16 to employ subcontractors for goods, supplies and services to be provided for each Facility.

#### **Section 13.17. Host Neighborhood Provisions.**

(a) For purposes of this Section 13.17, the "Host Neighborhood" means the following areas in the City of Grand Rapids which are bounded by: (i) US Route 131 on the west, Michigan Street on the north, Franklin Street on the south, and College Avenue on the east (the "Primary Area") and (ii) Lexington Avenue on the west, Leonard Street on the north, Hall Street on the south, and College Avenue on the east (the "Secondary Area"). With respect to subsection (b) hereof, SMG's efforts thereunder shall be focused on the Primary Area; however, if SMG is unable to meet the employment goals under subsection (b) from the Primary Area, SMG shall be entitled to expand such efforts to include the Secondary Area.

(b) SMG agrees that it will engage in every reasonable good faith effort to recruit, employ and retain residents of the Host Neighborhood for employment at each Facility. Such good faith efforts will include, but not be limited to:

(i) Utilizing appropriate Host Neighborhood and other applicable human service agencies to identify employment opportunities, candidates and training opportunities for Host Neighborhood residents.

(ii) Establishing a goal of not less than ten percent (10%) of all permanent and part-time jobs at the Facilities for Host Neighborhood residents.

SMG agrees to report to the Authority periodically on its compliance efforts with the terms of this Section 13.17 and to share with the Authority such information and data as will enable the Authority to review SMG's reasonable good faith efforts hereunder. Nothing contained in this Section 13.17 shall require SMG to take, or omit to take, any action which is in violation of any applicable law, regulation or court order.

**IN WITNESS WHEREOF**, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

**WITNESSED:**

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

\_\_\_\_\_

By: \_\_\_\_\_

Name: Steven R. Heacock

Title: Executive Chairperson

**SMG**

\_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:



**EXHIBIT A**

**VAN ANDEL ARENA AND DEVOS PLACE  
BOOKING POLICY**

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

**RESOLUTION APPROVING THE ENGAGEMENT OF BIGELOW  
COMPANIES, INC., TO PROVIDE CONSULTATION SERVICES  
RELATED TO CONTRACT FOR FOOD CONCESSION SERVICES AT  
THE VAN ANDEL ARENA**

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

**WHEREAS**, the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"),  
contracts for food concession services at the Van Andel Arena; and

**WHEREAS**, the current contract for such services expires on June 30, 2006; and

**WHEREAS**, the CAA will need to obtain a new agreement for such services to be  
effective July 1, 2006; and

**WHEREAS**, the CAA desires to engage the services of a consultant to advise and assist  
it in obtaining a new food concession services agreement; and

**WHEREAS**, Bigelow Companies, Inc. (the "Consultant"), has provided the CAA with a  
proposal to provide such services as set forth in its letter presented at this meeting (the  
"Proposal") and the CAA has determined to accept the Proposal.

**RESOLVED:**

1. That the Proposal of the Consultant to provide the CAA advice and assistance in  
obtaining a new food concession services agreement for the Van Andel Arena is approved in an  
amount, including expenses, not to exceed \$9,000, and the Chairman of the CAA is authorized  
and directed to acknowledge the CAA's approval of the Proposal.

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

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

\_\_\_\_\_

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

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

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

**RESOLUTION DECLARED ADOPTED.**

Dated: January 25, 2006

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

**CERTIFICATION**

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on January 25, 2006, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: January 25, 2006

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

**A Proposal for Management Advisory Services  
Foodservice/Merchandise Contractor Selection  
For the  
Van Andel Arena  
In  
Grand Rapids, Michigan**

**Client Objective**

To select the best foodservice and merchandise provider for the Van Andel Arena. The facilities that these providers will manage may include concessions, in-seat hawking, brand name quick service stands, club services, suites, catering, and novelty stands.

In order to ensure the highest level of customer services, financial return to management and be an integral part of creating a truly unique entertainment experience, the following process will be implemented:

**Scope of Services**

**Phase I - Facility History and Projections**

- Meet with Arena Authority to develop the framework for the new contract terms
- Review existing contracts and detail any recommended changes in terms or operational issues to bring new agreement in line with current benchmarks and controls retained by Authority
- Review event, attendance and sales history
- Develop event, attendance and sales projections with client
- Review existing commission statements and audits
- Understand client's service goals and objectives
- Project contractor's investment requirements, based on current Arena requirements

**Phase II – Modified Request for Proposal (RFP) Development**

- Prepare initial RFP draft for client and staff review and comments
- The RFP will contain basic bullet points of contract terms that may differ from the current agreement
- Review RFP with appropriate authority members and legal counsel
- Revise RFP as necessary

**Phase III - Proposal Distribution**

- Distribute RFP to Centerplate and SMG Foodservice
- Respond to all questions from proposers

**Phase IV - Proposal Evaluations**

- Receive proposals
- Provide a written qualitative and quantitative evaluation of all proposals ensuring that proposals meet the current operational and financial benchmarks for comparable venues
- Review evaluations with clients evaluation committee

**Phase V - Oral Presentations (optional)**

- Develop a format for the oral presentations
- Develop oral presentation evaluation format
- Supervise oral presentations
- Lead evaluation team in review of the presentations
- Develop consensus of evaluation team
- Select best proposer

**Phase VI - Contracting**

- Blend successful proposal into the first contract draft
- Review draft and subsequent revisions with client and client's legal counsel
- Assist client in contract negotiations with proposer until final agreement is approved by all parties

**Project Fees and Expenses**

The Bigelow Companies, Inc. will provide the services described above on an hourly as-needed basis, including travel time, at the rate of two hundred dollars (\$200.00) per hour plus reimbursable expenses invoiced at 110% of cost. Reimbursable expenses include all out of pocket costs directly attributable to the project including, but not limited to travel, lodging, meals, communications, postage and form reproductions. Airfare is based on the lowest refundable, non-penalty coach fare available at the time of reservation.

Client is invoiced monthly as work progresses. Invoices are due upon receipt. These financial arrangements are based on the prompt payment of our invoices and the continuous progress of the project. Within twenty-one days of receipt of our invoice, client shall thoroughly examine the invoice to ascertain its accuracy and completeness and notify the Bigelow Companies, Inc. of any questions or objections to the invoice. Failure to notify The Bigelow Companies, Inc. of any objections within twenty-one days of receipt obligates the Client for full payment of the invoice.

Outstanding balances are assessed 1½% monthly. Upon sixty days written notice, The Bigelow Companies, Inc. may suspend services until all outstanding balances are paid in full. Client is liable for any legal or collection fees in any effort to enforce the payment of the outstanding invoices.

Client may cancel the consultant's services at anytime with seven (7) days written notice and will be invoiced for only those services rendered.

The project price is valid until the proposal is approved or May 25, 2006, whichever occurs first.

**Date** \_\_\_\_\_

**Approved by** \_\_\_\_\_

**Print Name** \_\_\_\_\_

**Title** \_\_\_\_\_

**Organization** \_\_\_\_\_

*Please return approved proposal to:  
The Bigelow Companies, Inc.  
1575 Universal Ave., Suite 156  
Kansas City, MO 64120  
Fax 816-483-5510*

**VAN ANDEL ARENA® WEEKLY**  
(Revised)

**Item VII**

DATE	EVENT	EC	MOD	ROOM	TIME	FUNCTION
Wed, Jan 18	Griffins vs Iowa	AH/SC	JIM	Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
	SMG	MW		Banquet C	12:30P-3P	Suite administrator's luncheon
	CSM	MW		Banquet A/B	10:00 AM 5:15P-8P	Set-up Group party
Thur, Jan 19	Available					
Fri, Jan 20	Griffins vs Toronto	AH/SC	TODD	Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
	Sara Lee	MW		Banquet B/C/D	5:00 PM	Set-up
Sat, Jan 21	Griffins vs Toronto	AH/SC	LYNNE	Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
	Sara Lee	MW		Banquet B/C/D	4P-7P	Reception
Sun, Jan 22	Harlem Globetrotters	AH/SC	CHRIS	Arena	10:00 AM 1:00 PM 1:30 PM 3P-5:30P 3:30P-6P	Show arrival Doors Globetrotter University Performance Autographs
Mon, Jan 23	Pepsi Jam	AH	CHRIS	Arena	5:00 PM 6:15 PM	Doors Lowell vs Greenville B-ball game Holland Christian vs Hudsonville Unity Christian B-ball game
Tue, Jan 24	Available					
Wed, Jan 25	Griffins vs San Antonio	AH	RICH	Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
Thur, Jan 26	Arenacross	AH/SC		Arena	6:00 AM 9:00 AM 1:00 PM 3P-4P	Dirt move-in Production move-in Production meeting Media access
Fri, Jan 27	Arenacross	AH/SC	LYNNE	Arena	11A-1P 1:30P-5:30P 6:30 PM 7:30P-10:30P 10:30 PM	Rider registration Practice Doors Show Autographs
Sat, Jan 28	Arenacross	AH/SC	LYNNE	Arena	11A-1P 1:30P-5:30P 6:30 PM 7:30P-10:30P 10:30 PM	Rider registration Practice Doors Show Autographs
Sun, Jan 29	Arenacross	AH/SC	JIM	Arena	6:30A-8A 8A-10:30A 11:00 AM 12P-5P 5:00 PM	Rider registration Practice Doors Amateur racing Move-out
Mon, Jan 30	Available					
Tue, Jan 31	Available					
Wed, Feb 1	Available					
Thur, Feb 2	Rascal Flatts	AH		Arena	6:30 PM 7:30 PM	Doors Performance

Fri, Feb 3	Rampage vs Tampa Bay	AH/SC		Arena	9:00 AM 10:00 AM 6:30 PM 7:30P-10P 10P-10:30P	Team practice Visiting team practice Doors Rampage home season opener Post-game autographs
Sat, Feb 4	Griffins vs Syracuse	SC		Arena	10A-12:30P 6:00 PM 7P-9:30P 9:30P-10P	Teams practice Doors Hockey game Post-game skate
Sun, Feb 5	Available					
Mon, Feb 6	Available					
Tue, Feb 7	Available					
Wed, Feb 8	Available					
Thur, Feb 9	Available					
Fri, Feb 10	Griffins vs Philadelphia	AH		Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
	ITT Technical Institute	MW		Banquet B	10:00 AM	Set-up
Sat, Feb 11	Griffins vs Peoria	SC		Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
	ITT Technical Institute	MW		Banquet B	6P-8P	Banquet
Sun, Feb 12	Rampage vs Los Angeles	AH		Arena	9:00 AM 10:00 AM 6:30 PM 7:30P-10P 10P-10:30P	Team practice Visiting team practice Doors Football game Post-game autographs
Mon, Feb 13	Nickelback	AH		Arena	6:30 PM 7:30 PM	Doors Performance
Tue, Feb 14	Griffins vs Manitoba	SC		Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
Wed, Feb 15	Available					
Thur, Feb 16	Available					
Fri, Feb 17	Griffins vs Hamilton	AH		Arena	10A-12:30P 6:00 PM 7P-9:30P	Teams practice Doors Hockey game
Sat, Feb 18	Griffins vs Manitoba	SC		Arena	10A-12:30P 12:30 PM 12:45P-2P 2:45P-4P 6:00 PM 7P-9:30P 9:30P-10P	Teams practice Doors Northview v Hudsonville H.S. hockey S. Christian v Wayland H.S. hockey Hockey game Post-game skate
Sun, Feb 19	Rampage vs San Jose	AH		Arena	9:00 AM 10:00 AM 6:30 PM 7:30P-10P 10P-10:30P	Team practice Visiting team practice Doors Football game Post-game autographs



# DEVOS PLACE

WEEKLY - 2006

DATE	EVENT	ROOM	TIME	FUNCTION	EC	OPERATIONS/CONSTRUCTION
TUES. JAN 17	MICHIGAN LUMBER & BUILDING MATERIALS ASSOCIATION	GF EHC EHC EHC EHC EHC GC-F GC-F	8:00AM-9:30AM	MEETING	KB	
			8:00AM-4:30PM	REGISTRATION OPEN		
			9:00AM-4:30PM	EXHIBITS OPEN		
			9:30AM-10:30AM	CONSTRUCTION ZONE		
			10:45AM-12:00PM	WINDOW INSTALLATION		
			1:30PM-2:45PM	WATER MGMT & MOLD		
			3:00PM-4:00PM	CONSTRUCTION ZONE		
			4:30PM-6:30PM	RECEPTION		
			5:45PM-6:15PM	LIVE AUCTION		
	CHAMBER OF COMMERCE ANNUAL MEETING	BALL A-D	8:00AM	IA SOUND CHECK	MJ	Estimated Attendance: 800
			9:00AM-11:00AM	DRESS REHEARSAL		
			11:00AM	DOORS		
			11:30AM-1:30PM	SHOW		
			(12:00PM-12:30PM)	(CREW LUNCH)		
			2:00PM	IA LOAD-OUT		
			8:00AM-5:00PM	MOVE IN		
			8:00AM	CLIENT ARRIVAL		
			ALL DAY	OFFICE		
			11:00AM - 12:15PM	LUNCH		
	GENERAL RV WYETH PHARMACEUTICALS	EH A-B	12:30PM - 5:30PM	GENERAL SESSION	AF	Estimated Attendance: 150
			8:00AM - 8:30AM	PRE-EVENT MEETING		
			9:00AM - 4:00PM	SCHEDULED MEETINGS		
WED. JAN 18	MICHIGAN LUMBER & BUILDING MATERIALS ASSOCIATION	GG EHC EHC OF GF OF EHC GF EHC	8:00AM-4:00PM	REGISTRATION OPEN	KB	
			9:00PM-4:00PM	EXHIBITS OPEN		
			9:00AM-10:30AM	CONSTRUCTION ZONE		
			9:30AM-11:30AM	SESSION		
			10:00AM-11:30AM	SESSION		
			1:00PM-2:00PM	SESSION		
			1:00PM-2:00PM	CONSTRUCTION ZONE		
			2:15PM-5:00PM	SESSION		
			4:00PM-10:00PM	LOAD-OUT		
	GENERAL RV 2006 MICHIGAN MUSIC CONFERENCE	EH A-B BALL A-B LYON DOCK G A-F GG, EH C, G A-F	8:00AM-6:00PM	MOVE IN	AF	
			8:00AM-1:00PM	AV SET		
			10:00AM-4:00PM	EQUIPMENT DELIVERY		
			12:00PM-5:00PM	AV SETUP		
			4:00PM-8:00PM	STAFF SETUP		
			5:30AM	CLIENT ARRIVAL		
			6:15AM - 7:45AM	BREAKFAST		
			8:00AM - 5:30PM	MEETINGS		
			9:30AM - 10:00AM	BREAK		
			12:00PM - 1:00PM	LUNCH		
	WYETH PHARMACEUTICALS	O G-H RO A-D O A O G-H	2:30PM - 2:45PM	BREAK	MJ	Estimated Attendance: 150

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# DEVOS PLACE

## WEEKLY - 2006

	YOUNG PRESIDENT'S ORGANIZATION	BOARDROOM	7:00AM 8:00AM 8:30AM - 12:00PM 1:00PM-4:00PM 5:00PM 5:30PM-6:30PM 6:30PM 6:30PM-7:30PM 7:30PM-8:30PM 9:00PM	CLIENT ARRIVAL REGISTRATION MEETING AV SET UP CLIENT ARRIVAL COCKTAILS WELCOMING REMARKS DINNER PROGRAM GUESTS DEPART	MJ	Estimated Attendance: 70
	MILLER, JOHNSON, SNELL AND CUMMISKEY PLC	BALL C			AF	Estimated Attendance: 150
	MICHIGAN FARM BUREAU	MON A MON A MON B-D	8:30AM 8:30AM-9:30AM 9:30AM-12:30PM 12:30PM-1:30PM 1:30PM	CLIENT ARRIVAL CONTINENTAL BREAKFAST BUSINESS MEETING LUNCH GUESTS DEPART	KB	Estimated Attendance: 100
THURS. JAN 19	GR SYMPHONY- POPS IV EMPIRE BRASS	DV	8:00AM-12:00PM 2:30PM-5:30PM 6:00PM 6:30PM 7:30PM-10:00PM 10:00AM-12:00PM 12:00PM-9:00PM	MOVE IN REHEARSAL LOBBY OPEN SEATING OPEN PRIVATE CONCERT CLIENT/SALESMAN ARRIVAL SHOW OPEN	AK	Estimated Attendance: 5000
	GENERAL RV	EH A-B	6:00AM 6:45AM - 8:00AM 8:00AM - 3:00PM	CLIENT ARRIVAL BREAKFAST MEETINGS	AF	Estimated Attendance: 150
	WYETH PHARMACEUTICALS	O G-H O A-E, RO C-F O G-H O G-H	9:30AM - 9:45AM 12:00PM-1:00PM 1:00PM 2:45PM - 3:00PM 3:00PM - 3:30PM	BREAK LUNCH QUICK CHANGE BREAK GENERAL SESSION	MJ	Estimated Attendance: 1500 # of student participants: 6000 throughout the weekend
	2006 MICHIGAN MUSIC CONFERENCE	BALL A,B, MON A, RECITAL G A-F O F G A-B, C-D, E-F G A-B, C-D, E-F EH C G A-B, C-D, E-F G A-F DV	8:00AM-5:00PM 9:00AM-9:50AM 9:00AM-4:00PM 10:00AM-12:00PM 12:00PM-1:00PM 12:00PM-9:00PM 1:00PM-4:00PM 4:00PM-5:00PM 7:00PM-9:30PM	REHEARSALS OPENING SESSION SESSIONS LUNCH EXHIBITOR LOAD IN SESSIONS KEYNOTE SESSION GR SYMPHONY CONCERT (SEE SYMPHONY MEMO)	AF	Estimated Attendance: 1500 # of student participants: 6000 throughout the weekend
	MI ASSN. OF REALTORS	BALL C BALL D BALL C	7:15AM 7:30AM - 9:00AM 9:00AM - 12:00PM 12:00PM - 1:15PM 1:30PM - 3:00PM	CLIENT ARRIVAL REGISTRATION MEETING LUNCH MEETING	MJ	Estimated Attendance: 200

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# DEVOS PLACE

## WEEKLY - 2006

				3:00PM - 3:15PM 3:15PM - 5:00PM	BREAK MEETING		
FRI. JAN 20	GR SYMPHONY-POPS IV- EMPIRE BRASS	DV		8:00AM-5:00PM 6:30PM 7:00PM 7:30PM 8:00PM-10PM	MI MUSIC CONFERENCE OUTSIDE DOORS OPEN LOBBY OPEN SEATING OPEN PERFORMANCE	AK	Box Office (as of 1/15): 1697
	MARSHALL MUSIC RECEPTION GENERAL RV	BALL D EH A-B		10:00AM -12:00PM 12:00PM-9:00PM 8:00AM -5:00PM	RECEPTION CLIENT/SALESMAN ARRIVAL SHOW OPEN REHEARSALS	AF	Estimated Attendance: 5000
	2006 MICHIGAN MUSIC CONFERENCE	BALL A, B, MON A, RECITAL, GG O A-H, MON B-D, O A-H EH C DV G A-B, D, E-F DV G A-B, C, E-F G E-F DV G A-B, C, D, E-F G A-B, D, E-F G A-B, E-F DV BALL AB DV BALL A-B		8:30AM -5:00PM 9:00AM -10:00AM 10:00AM -11:00AM 10:00AM -11:00AM 11:00AM -12:00PM 12:00PM -1:00PM 1:00PM -2:40PM 1:00PM -2:00PM 2:00PM -3:00PM 3:00PM -5:00PM 3:00PM -3:40PM 4:00PM -6:30PM 4:00PM -5:00PM 7:00PM 7:30PM -9:00PM 9:30PM -10:30PM	EXHIBITS OPEN KEYNOTE ADDRESS SESSIONS HS ORCHESTRA PERF SESSIONS OPEN LAB HS ORCHESTRA PERF SESSIONS SESSIONS SESSIONS HS SYMPHONY PERF MSU WARM UPS HS SYMPHONY PERF DOORS OPEN MSU WIND SYMPHONY CONC WMU GOLD COMPANY CONCERT	AF	Estimated Attendance: 1500 # of student participants: 6000 throughout the weekend
	MI ASSN. OF REALTORS	BALLROOM D BALLROOM C RIVER OVERLOOK A-B		7:15AM 8:15AM - 9:00AM 9:00AM - 11:45AM 11:45AM-1:00PM	CLIENT ARRIVAL BREAKFAST MEETING LUNCH	MJ	Estimated Attendance: 200
SAT. JAN 21	GR SYMPHONY-POPS IV- EMPIRE BRASS	DV		8:00AM-5:00PM 6:30PM 7:00PM 7:30PM 8:00PM-10PM	MI MUSIC CONFERENCE OUTSIDE DOORS OPEN LOBBY OPEN SEATING OPEN PERFORMANCE	AK	Box Office (as of 1/15): 1465
	GENERAL RV	EH A-B		10:00AM -12:00PM 12:00PM-9:00PM	CLIENT/SALESMAN ARRIVAL SHOW OPEN	AF	Estimated Attendance: 5000
	2006 MICHIGAN MUSIC CONFERENCE	BALL A, B, MON A, BCD, RECITAL GG AB, GG OL AB, CD EH C GG C		8:00AM -11:00AM 8:00AM -2:00PM 8:30AM -1:00PM 9:00AM -10:00PM	REHEARSALS CHOIR REHEARSALS EXHIBITS OPEN SESSION	AF	Estimated Attendance: 1500 # of student participants: 6000 throughout the weekend

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# DEVOS PLACE

## WEEKLY - 2006

		DVPH GG EF GG C, D, EF BALL AB GG EF BALL AB GG E, F EH C	9:00AM - 11:45PM 10:00AM - 11:00AM 11:00AM - 12:00PM 12:00PM - 1:00PM 1:00PM - 4:00PM 1:00PM - 6:00PM	HS PERFORMANCES SESSION SESSION ALL STATE WARM UP SESSION HS ALL STATE PERFORM SESSIONS EXHIBITOR LOAD OUT		
SUN. JAN 22	GR SYMPHONY-POPS IV- EMPIRE BRASS	DV	1:30PM 2:00PM 2:30PM 3:00PM-5:00PM 5:00PM-8:00PM	OUTSIDE DOORS OPEN LOBBY OPEN SEATING OPEN PERFORMANCE MOVE OUT	AK	Box Office (as of 1/15): 1531
	GENERAL RV	EH A-B	10:00AM - 12:00PM 12:00PM-6:00PM 6:00PM-10:00PM	CLIENT/SALESMAN ARRIVAL SHOW OPEN MOVE OUT	AF	Estimated Attendance: 5000
MON. JAN 23	MICHIGAN TOWNSHIPS ASSOC.	EH C BOARDROOM	8:00AM-5:00PM	MOVE IN	MJ	
	WEST MICHIGAN WHITECAPS ANNUAL BANQUET	BALL A	8:00AM 8:00AM 3:00PM 5:00PM-6:00PM 5:30PM 6:00PM 7:15PM-10:00PM	CLIENT ARRIVAL P-FUNC SETUP FLORAL DELIVERY MEDIA EVENT REGISTRATION SILENT AUCTION DINNER AND PROGRAM MOVE OUT	MJ	Estimated Attendance: 550
	GENERAL RV	EH A-B	8:00AM-4:00PM	MOVE OUT	AF	
TUES. JAN 24	GR SYMPHONY-CLASSICAL V RESURRECTION	DV	8AM-12PM 3:30PM-6PM	MOVE IN REHEARSAL	AK	
	MICHIGAN TOWNSHIPS ASSOC.	BOARDROOM EH C BALL A-D	8:00AM-6:00PM	MOVE IN EXHIBITS MEETINGS	MJ	
	MTA CARNIVAL	EH B		SET UP	MJ	
WED. JAN 25	GR SYMPHONY-CLASSICAL V RESURRECTION	DV	3:30PM-6PM 7:30PM-10PM	REHEARSAL REHEARSAL	AK	
	MICHIGAN TOWNSHIPS ASSOC.	BALL A-B BALL A-D EH C BOARDROOM MON A-D	8:00AM-8:00PM	GENERAL SESSION MEAL EXHIBITS MEETINGS	MJ	
	MTA CARNIVAL	EH B		DINNER	MJ	
THURS. JAN 26	GR SYMPHONY-CLASSICAL V RESURRECTION	DV	7:00PM-10:00PM	REHEARSAL	AK	

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# DEVOS PLACE

## WEEKLY - 2006

FRI. JAN 27	GR SYMPHONY-CLASSICAL V- RESURRECTION	RECITAL HALL DV	7:00PM-7:30PM 8:00PM-10:00PM	UPBEAT PERFORMANCE	AK	Box Office (as of 1/15): 1274
	MICHIGAN TOWNSHIPS ASSOC.	RO A-F BALL A-B BOARDROOM	8:00AM-7:00PM	GENERAL SESSION MOVE OUT	MJ	
	ROCKFORD CONSTRUCTION HOLIDAY PARTY	G A-F	1:00PM-6:00PM 6:00PM-7:00PM 7:00PM-12:00AM 12:00AM-1:00AM	AV LOAD-IN COCKTAILS DINNER/DANCING AV LOAD-OUT	KB	
	US FOOD SERVICE	BALL C		DINNER	TJ	
SAT. JAN 28	GR SYMPHONY-CLASSICAL V- RESURRECTION	RECITAL HALL DV	7:00PM-7:30PM 8:00PM-10:00PM 10:00PM-12:00AM	UPBEAT PERFORMANCE MOVE OUT	AK	Box Office (as of 1/15): 929
	KENDALL ELECTRIC	BALL A-B	12:00PM-11:59PM	DINNER	MJ	
	STATE OF THE CITY ADDRESS	BALL C-D	8:00AM-12:00PM	BREAKFAST	TJ	Estimated Attendance: 650
SUN. JAN 29	2006 MI INTERNATIONAL AUTOSHOW	EH A-C	8:00AM-5:00PM	ARTCRAFT ONLY	TJ	
MON. JAN 30	2006 MI INTERNATIONAL AUTOSHOW	EH A-C	7:00AM-7:00PM	FREIGHT LOAD-IN	TJ	
	MICHIGAN COUNCIL FOR SOCIAL STUDIES	BALL A-B	2:30PM-8:00PM	MOVE-IN	MJ	
	MARITZ MCGETTIGAN- TIA PCRM	BALL C SKYWALK	12:00PM-11:59PM 12:00PM-11:59PM	SET UP SHOW OFFICE	AF	
TUES. JAN 31	2006 MI INTERNATIONAL AUTOSHOW	EH A-C, G A-F, O A-H	8:00AM-7:00PM	VEHICLE LOAD-IN	TJ	
	MICHIGAN COUNCIL FOR SOCIAL STUDIES	BALL A-B	7:30AM 8:00AM-5:00PM	CLIENT ARRIVAL EXHIBIT	MJ	Estimated Attendance: 500
	BTG- BLAST	DV	8:00AM-5PM 7:30PM-9:30PM	MOVE IN PERFORMANCE	AK	Box Office (as of 1/15): 874
	MARITZ MCGETTIGAN- TIA PCRM	SKYWALK O H RO A BALL C RO F BOARD RO B-E BALL D	7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM	SHOW OFFICE BREAKOUT ROOM BREAKOUT ROOM GENERAL SESSION BREAKOUT ROOM BREAKOUT ROOM BREAKOUT ROOM LUNCH	AF	
WED. FEB 1	MI INTERNATIONAL AUTOSHOW	EH A-C G A-F O A-H BALL C		MOVE IN	TJ	

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# DEVOS PLACE WEEKLY - 2006

	MICHIGAN COUNCIL FOR SOCIAL STUDIES	BALLROOM A-B	7:30AM 8:00AM-1:00PM 1:00PM-3:00PM	CLIENT ARRIVAL EXHIBIT MOVE-OUT	MJ	Estimated Attendance: 500
	BTG- BLAST	DV	7:30PM-9:30PM 9:30PM-1:30AM	PERFORMANCE MOVE OUT	AK	Box Office (as of 1/15): 663
	MARITZ MCGETTIGAN- TIA PCRM	BALL D BALL C BOARD, RO A-F	7:00AM-8:00AM 7:00AM-3:00PM 7:00AM-4:00PM 12:00PM-1:00PM	BREAKFAST GENERAL SESSION BREAKOUT ROOMS LUNCH	AF	
	SUCCESS MAGAZINE INVESTOR WORKSHOP	MON A-D	6:00AM-6:00PM	MEETING		
THURS. FEB 2	AUTOWARES	BALL A-B	2:00PM-8:00PM	MOVE IN	MJ	
	MI INTERNATIONAL AUTOSHOW	EH A-C G A-F O A-H		SHOW	TJ	
	MARITZ MCGETTIGAN- TIA PCRM	BALL D BALL C BOARD, RO A-F	7:00AM-8:00AM 7:00AM-3:00PM 7:00AM-4:00PM 12:00PM-1:00PM	BREAKFAST GENERAL SESSION BREAKOUT ROOMS LUNCH	AF	
	WEST MI CHRYSLER, DODGE, JEEP CHARITY GALA RECEPTION	BOARDROOM	3:00PM-8:00PM	RECEPTION	MJ	
FRI. FEB 3	AUTOWARES	BALL A-B BALL C RO A-F	8:00AM-12:00AM	EXHIBITS SETUP MEETINGS SHOW	MJ	
	MI INTERNATIONAL AUTOSHOW	EH A-C G A-F O A-H			TJ	
	WEST MI DENTAL SOCIETY CONTINUING ED SEMINAR JERRY SEINFELD	BALL D DV	8:00AM-4:00PM 2:00PM-6:00PM 7:00PM-8:30PM 9:30PM-11:00PM 11:00PM-12:00AM	SEMINAR MOVE IN PERFORMANCE PERFORMANCE MOVE OUT	AF AK	Box Office (as of 1/17): 2310 Box Office (as of 1/17): 2334
SAT. FEB 4	GR OPERA- WEST SIDE STORY	DV	8:00AM-10:00PM	MOVE IN	AK	
	AUTOWARES	BALL B BALL C RO A-F	8:00AM-5:00PM 8:00AM-5:00PM	MEALS MEETINGS MEETINGS	MJ	
	MI INTERNATIONAL AUTOSHOW	EH A-C G A-F O A-H		SHOW	TJ	
	SCHWAN'S- CENTRAL MICHIGAN	BALL A BALL D	2:00PM-12:00AM	DINNER MEETING	MJ	

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DV = DeVos Performance Hall  
BALL A-D = Ballroom A-D

# DeVosPLACE

## WEEKLY - 2006

SUN. FEB 5	GR OPERA- WEST SIDE STORY MI INTERNATIONAL AUTOSHOW	DV EH A-C G A-F O A-H		REHEARSAL SHOW	AK TJ
	MI CAREER FOR CAREER & TECHNICAL EDUCATION	BALL C-D BALL A-D Pre-Func BALL A-B O D-H RO A-F BOARDROOM MON B-C	7:00AM -6:00PM	EXHIBIT REGISTRATION BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS	AF
MON. FEB 6	GR OPERA- WEST SIDE STORY MI INTERNATIONAL AUTOSHOW	DV EH A-C G A-F O A-B		REHEARSAL MOVE OUT	AK TJ
	MI CAREER FOR CAREER & TECHNICAL EDUCATION	BALL C-D BALL A-D Pre-Func BALL A-B O D-H RO A-F BOARDROOM MON B-C	7:00AM -6:00PM	EXHIBIT REGISTRATION BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOMS	AF
TUES. FEB 7	GR OPERA- WEST SIDE STORY	DV		LIGHT CUES REHEARSAL REHEARSAL	AK
	MI CAREER FOR CAREER & TECHNICAL EDUCATION	BALL C-D BALL A-D Pre-Func	1:00PM-5:00PM 7:30PM-10:30PM	EXHIBIT REGISTRATION	AF
	GREENRIDGE REALTY INC	BALL C-D	7:00AM -6:00PM 2:00PM-		MJ
WED. FEB 8	GR OPERA- WEST SIDE STORY	DV		REHEARSAL DANCE REHEARSAL REHEARSAL W ORCH	AK
	WEST MICHIGAN GOLF SHOW	O A-B	8:00AM-1:00PM 2:00PM-5:00PM 7:30PM-10:30PM	SHOW OFFICE	AF
	GREENRIDGE REALTY INC	BALL C-D	8:00AM-5:00PM	MEETING	MJ
	YOUNG & RUBICAM	MON B	7:00AM-3:00PM	MEETING	
THURS. FEB 9	GR OPERA- WEST SIDE STORY	DV		LIGHT CUEING DANCE REHEARSAL OPEN REHEARSAL (EXPECT 2000)	AK
	WEST MICHIGAN GOLF SHOW	EH A-B O A-B	8:00AM-1:00PM 2:00PM-5:00PM 7:30PM-10:30PM	SET UP SHOW OFFICE	AF
	GRAND RAPIDS BOAT SHOW	EH C	7:00AM -5:00PM 8:00AM-5:00PM	MOVE-IN	MJ

G A-F = Grand Gallery Meeting Rooms A-F  
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GG = Grand Gallery Area  
RO A-F = River Overlook A-F  
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# DEVOS PLACE WEEKLY - 2006

FRI. FEB 10	GR OPERA- WEST SIDE STORY	DV	5:00PM-6:00PM 7:30PM-10:30PM 12:00PM -9:00PM	DANCE WARM UPS PERFORMANCE EXHIBIT SHOW OFFICE	AK	Box Office (as of 1/15): 1312
	WEST MICHIGAN GOLF SHOW	EH A-B O A-B			AF	
	GRAND RAPIDS BOAT SHOW PRESIDENT'S BALL	EH C BALL B-D	10:00AM-2:00PM 10:00AM-5:00PM 5:00PM -7:00PM 7:00PM -12:00AM	MOVE-IN SETUP DINNER DANCE	MJ AF	
	BANK ONE OPERA AFTERGLOW CITY OF GRAND RAPIDS	BOARDROOM O C	8:00AM-12:00PM	RECEPTION MEETING	TJ MJ	
SAT. FEB 11	GR OPERA- WEST SIDE STORY	DV	5:00PM-6:00PM 7:30PM-10:30PM 10:30PM-2:30AM	DANCE WARM UPS PERFORMANCE MOVE OUT	AK	Box Office (as of 1/15): 1381
	WEST MICHIGAN GOLF SHOW	EH A-B O A-B	10:00AM -9:00PM	EXHIBIT SHOW OFFICE	AF	
	GRAND RAPIDS BOAT SHOW	EH C O A-H	8:00AM-8:00PM	MOVE IN	MJ	
	CRESTON HS SWIRL DANCE	BALL C		DANCE	AF	
	FAMOUS FAIRWAYS SEMINAR	G A	8:00AM-5:00PM	MEETING	AF	
	TEAM REGIONAL MEETING	BALL A-B G F		MEETING EXHIBIT	TJ	
SUN. FEB 12	GRAND RAPIDS BOAT SHOW	EH C O A-H	8:00AM-6:00PM	MOVE IN	MJ	
	WEST MICHIGAN GOLF SHOW	EH A-B O A-B	12:00PM -6:00PM 6:00PM -10:00PM	EXHIBIT SHOW OFFICE MOVE OUT	AF	
MON. FEB 13	GRAND RAPIDS BOAT SHOW	EH A-C, BALL, G A-F, O A-H	7:30AM-8:00PM	MOVE IN	MJ	
TUES. FEB 14	GR SYMPHONY- CLASSICAL VI BEETHOVEN'S EROICA	DV	8:00AM-1:00PM 3:30PM-6:00PM 7:30PM-10:00PM	MOVE IN 5 <sup>TH</sup> GD REHEARSAL C6 REHEARSAL	AK	

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