

## Board of Directors

Wednesday, June 27, 2007

8:00 a.m. – 9:30 a.m.

Kent County Commission Chambers  
300 Monroe Avenue, NW – Grand Rapids, MI

### A G E N D A

- |  |             |
|--|-------------|
| <b>I. Call to Order</b>  |             |
| <b>II. Approval of May 23, 2007, Minutes</b>   | Action      |
| <b>III. Committee Reports</b>  |             |
| a. Operations Committee  |             |
| i. Committee Report  | Information |
| ii. CVB Report   | Information |
| b. Finance Committee   |             |
| i. SMG May 2007 Financial Statements -<br>DeVos Place® and Van Andel Arena®  | Action      |
| ii. CAA May 2007 Financial Statements  | Action      |
| iii. Food & Beverage Revenue and Commission Report   | Information |
| iv. FY 2008 SMG Facility Operating Budgets   | Action      |
| v. FY 2008 CAA Administrative Budget   | Action      |
| <b>IV. DeVos Place® Five-Year Rate Sheets</b>  | Action      |
| <b>V. Booking Policy Review and Recommendation</b>   | Action      |
| <b>VI. Resolution Consenting to the Sublease of Certain Retail Space<br/>At the Van Andel Arena® by West Michigan Hockey, Inc.<br/>To Destroyer Merchandising Company, LLC</b> | Action      |
| <b>VII. SMG Report and Facilities Calendars</b>  | Information |
| <b>VIII. Public Comment</b>  |             |
| <b>IX. Next Meeting Date: August 22, 2007</b>  |             |
| <b>X. Adjournment</b>  |             |



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  
Wednesday, May 23, 2007**

**I. Call to Order**

Chairman Steve Heacock called the meeting to order at 8:05 a.m. Chairman Heacock presided and Susan Waddell recorded in the absence of Secretary/Treasurer Birgit Klohs.

**Attendance**

**Members Present:** Steve Heacock, Chairman  
Lew Chamberlin  
Clif Charles  
George Heartwell  
Joseph Tomaselli

**Members Absent:** Birgit Klohs  
Gary McInerney

<b>Staff/Others:</b>	David Czurak	<i>Grand Rapids Business Journal</i>
	Jim Day	Kent County
	Brian Dykema	Interested Citizen
	Lynne Ike	SMG
	Kurt Kimball	City of Grand Rapids
	Chris Knape	<i>The Grand Rapids Press</i>
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Bob McClintock	SMG
	Bob Mihos	Kent County
	Steve Miller	SMG
	Sheryl Favreau Rittenhouse	SMG
	Susan Waddell	CAA
	Richard Wendt	Dickinson Wright
	Robert White	Kent County
	Jennifer Wilson	Hospice of West Michigan
	Steve Wilson	CVB

**II. Minutes of Prior Meeting**

*Motion: Mr. Heartwell, supported by Mr. Tomaselli, moved to approve the Minutes of the April 25, 2007, meeting of the Authority. Motion carried unanimously.*

**III. Introduction of Bob McClintock, Vice President SMG Convention Centers**

Mr. McClintock has been with the SMG team 20 years and part of the convention center business for 15 years. Mr. McClintock recently replaced former Vice President Thom Connors who initiated the convention center side of the business and is now in San Juan, Puerto Rico. A few weeks ago, the SMG

senior management team developed a business plan that will focus on people, process, and product. Details of the plan will be available soon. Chair Heacock inquired about creative uses for DeVos Place®. Mr. McClintock responded that festivals, fairs, specialty niche markets, and amateur sports events are successful events for convention centers.

#### IV. Committee Reports

##### a. Operations Committee.

Mr. Chamberlin stated that the Operations Committee received a report from Lynne Ike, SMG Director of Marketing, who updated the committee on SMG's diversity in event programming at the facilities. In late January, Tyler Perry's "What's Done in the Dark" had two sold-out shows despite the inclement weather. On March 21<sup>st</sup>, BB King played to a nearly sold-out audience at DeVos Performance Hall, and in April, "Go Diego Go" was close to sold out for three shows. 4 Real Entertainment will present "Comedy Explosion" on June 23 in DeVos Performance Hall.

Mr. Wilson presented a report on recent sales activities and major bid presentations. Mr. Wilson announced that Mike Guswiler has been hired as the director of the West Michigan Sports Commission.

b. Finance Committee. Mr. Charles presented the financial reports and stated that the Committee did not meet in May.

##### i. SMG 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 April 30, 2007. After review and discussion, the motion was unanimously adopted.*

##### ii. CAA Financial Statements

*Motion: Mr. Charles, supported by Mr. Tomaselli, moved to approve the CAA Financial Statements for the period ended April 30, 2007. After review and discussion, the motion was unanimously adopted.*

##### iii. SMG Food & Beverage Revenue and Commission Report

Mr. Charles presented the report and referred to the per cap comparison. Patronage of the Huntington Club has been slow but is picking up as people become aware of it.

##### iv. Proposed FY 2008 SMG Facility Operating Budgets

Mr. Machuta presented the proposed fiscal year 2008 operating budgets for DeVos Place® and the Van Andel Arena®. Although the number of event days at DeVos Place® will decrease, larger events will be replacing multiple smaller events. The budget forecasts the highest revenue of any fiscal year, which will shorten the deficit. Total indirect expenses will increase slightly due to the addition of MIS/IT personnel. The Arena is expected to post its highest budgeted revenue in its history. Chair Heacock asked Board members to review the budgets and forward their questions to Mr. Machuta. The budgets will come back to the Board in June for approval.

v. Proposed FY 2008 CAA Administrative Budget

Mr. White summarized the proposed CAA administrative operating budget and consolidated income statement. A summary of the SMG budget documents notes an original budgeted net income for FY 2007 of \$422,707. Based on SMG's most recent budget roll, the current year forecast has been updated to a net operating income balance of \$722,269. The FY 2008 consolidated income statement forecasts a net operating income totaling \$591,357. This income will be applied to finance a capital outlay request totaling \$649,000. The balance of funds requested will be drawn from the capital reserve account. Revenues in the administrative budget include regularly scheduled transfers from the facility manager, parking, interest, and the miscellaneous contributions to the organization. Expenditures from this fund include utilities, capital projects, parking management fees, and other administrative expenses. The FY 2007 drain on reserves is believed to be short-term. For the next several years, capital projects are expected to total less than \$1 million per year. Revenue forecasts and appropriation requests for the FY 2008 budget disclose a net income of \$942,357. It is expected that the CAA will close its FY 2007 activities with a fund balance of approximately \$20.1 million, which would include a recommended minimum operating reserve balance of \$6 million and a capital reserve of \$14.1 million. Chair Heacock asked Board members to review the budget and forward any questions to Mr. White. The budget will come back to the Board in June for approval.

vi. Proposed Five-Year Rate Sheets

Mr. MacKeigan presented the proposed five-year rate card for DeVos Place®. Each year as part of the budget process, SMG develops the rate card in order to have the opportunity to guarantee rental rates to potential clients. The rate increases are approximately 2.75%-3% and both the CVB and representatives from the hotel community are comfortable with this range. SMG has the flexibility to discount or increase the rack rates 20%, which give the opportunity to be competitive in the bidding process. The rate sheets will come back to the Board in June for approval.

V. Presentation of Heart of SMG Award

Chair Heacock stated that the Heart of SMG is a new employee recognition program beginning in Spring 2007 to honor men and women who make SMG and their client facilities special. In the first quarter of 2007, SMG corporate asked the general managers from their 200 plus buildings to look at employees under their supervision to find people that make a difference in their communities. Sheryl Favreau Rittenhouse, head of accounting, payroll, and electrical at DeVos Place® is the first recipient of this award. In the past two years, Sheryl has worked with Hospice of West Michigan spending a great deal of time with people in the last stages of life while providing comfort for their families. Mr. McClintock presented Sheryl with a "Heart of SMG" crystal heart paperweight, as well as a \$250 American Express gift check. Sheryl will be featured on the SMG website. Sheryl thanked SMG for the nomination and thanked her immediate supervisor for allowing her time off from work to volunteer for Hospice. Sheryl is on the speakers' bureau for the Hospice organization and invited members to call her if the need arises.

VI. SMG Report and Facilities Calendar

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

VII. Public Comment

None.

X. Next Meeting Date

The date for next CAA Board meeting is Wednesday, June 27, 2007, 8:00 a.m.

IX. Adjournment

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

---

Susan M. Waddell, Recording Secretary

# DEVOS PLACE

## DE VOS PLACE

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED MAY 31, 2007**

**Distribution:**

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



---

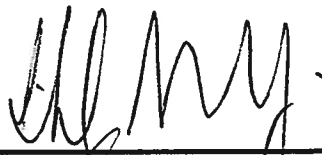
*An SMG Managed Facility*


DE VOS PLACE  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2007

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	629	26	655	624	31
ATTENDANCE	632,839	12,000	644,839	727,780	(82,941)
DIRECT EVENT REVENUE	2,380,173	42,965	2,423,138	2,323,417	99,721
ANCILLARY REVENUE	2,005,372	37,899	2,043,271	2,007,628	35,643
TOTAL EVENT REVENUE	4,385,545	80,864	4,466,409	4,331,045	135,364
TOTAL OTHER REVENUE	213,506	14,873	228,379	231,000	(2,621)
TOTAL OPERATING REVENUE	4,599,051	95,737	4,694,788	4,562,045	132,743
INDIRECT EXPENSES					
EXECUTIVE	124,439	24,064	148,503	140,906	(7,597)
FINANCE	200,912	11,336	212,248	205,722	(6,526)
MARKETING	64,432	11,287	75,719	78,379	2,660
OPERATIONS	1,291,512	75,168	1,366,680	1,343,743	(22,937)
EVENT SERVICES	859,298	75,081	934,379	961,288	26,909
BOX OFFICE	80,749	4,068	84,817	73,588	(11,229)
SALES	199,022	45,710	244,732	245,772	1,040
OVERHEAD	2,115,563	134,210	2,249,773	2,238,289	(11,484)
TOTAL OPERATING EXP.	4,935,927	380,924	5,316,851	5,287,687	(29,164)
NET REVENUE ABOVE EXPENSES	(336,876)	(285,187)	(622,063)	(725,642)	103,579
INCENTIVE FEE		109,241	109,241	153,702	(44,461)
NET OPERATING REVENUE OVER OPERATING EXPENSES	(336,876)	(394,428)	(731,304)	(879,344)	148,040

Comments:

DeVos Place with one month to go continues to perform ahead of budget and should end the year a little more than \$100,000 ahead. The month of May saw solid business for all events hosted with a shift from the anticipated high spending in the electric area to catering. May was busier than what the facility has seen in previous years, and this hopefully will be a trend that will continue in future fiscal years.

  
General Manager

  
Finance Director

**DE VOS PLACE  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED MAY 31, 2007**

The following schedule summarizes operating results for the current month ending May 31, 20 and the YTD ending June 30, 2007, compared to budget and to the prior year:

<b>MONTH</b>	<b>May Actual</b>	<b>May Budget</b>	<b>May FY 2006</b>
Number of Events	59	54	51
Attendance	50,945	53,130	39,953
Direct Event Income	\$166,142	\$173,045	\$133,248
Ancillary Income	176,482	184,826	146,260
Other Income	20,264	19,250	9,829
Indirect Expenses	(508,386)	(388,088)	(466,541)
Net Income	(\$145,498)	(\$10,967)	(\$177,204)

<b>YTD</b>	<b>YTD 2007 Actual</b>	<b>YTD 2007 Budget</b>	<b>YTD 2006 Prior Year</b>
Number of Events	629	607	607
Attendance	632,839	715,780	618,148
Direct Event Income	\$2,380,173	\$2,295,452	\$2,298,080
Ancillary Income	2,005,372	1,972,669	1,926,975
Other Income	213,506	211,750	149,304
Indirect Expenses	(4,935,927)	(4,925,128)	(4,646,707)
Net Income	(\$336,876)	(\$445,257)	(\$272,348)

**EVENT INCOME**

Event income came in slightly behind budget, however, a little ahead of the forecasted expectations. A couple of small meetings that were very short term bookings help when compared to the forecast.

**ANCILLARY INCOME**

Ancillary income fell below budget for the month, however, ahead of forecast. Lower than expected electrical revenue was offset by higher than anticipated catering revenue as there were more dinner events at spending a little higher than the normal per plate average.

**INDIRECT EXPENSES**

Indirect expenses finished the month above budget, however, consistent with the revised forecast.



DE VOS PLACE  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 05/31/07

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
DIRECT EVENT INCOME						
RENTAL INCOME	190,403	176,050	160,200	2,523,060	2,349,975	2,460,842
SERVICES INCOME	<24,261>	<3,005>	<26,952>	<142,886>	<54,523>	<162,762>
TOTAL DIRECT EVENT INCOME	166,142	173,045	133,248	2,380,173	2,295,452	2,298,080
ANCILLARY INCOME						
FOOD & BEVERAGE	94,761	43,326	103,870	758,652	686,565	755,453
NOVELTY	356	1,450	0	15,963	12,100	9,882
ELECTRICAL	14,181	69,044	26,088	419,509	451,519	442,014
OTHER ANCILLARY	67,184	71,006	16,302	811,248	822,485	719,626
TOTAL ANCILLARY INCOME	176,482	184,826	146,260	2,005,372	1,972,669	1,926,975
TOTAL EVENT INCOME	342,624	357,871	279,508	4,385,545	4,268,121	4,225,055
OTHER OPERATING INCOME	20,264	19,250	9,829	213,506	211,750	149,304
ADJUSTED GROSS INCOME	362,888	377,121	289,337	4,599,051	4,479,871	4,374,359
INDIRECT EXPENSES						
EXECUTIVE	10,467	11,743	12,851	124,439	129,173	109,724
FINANCE	17,651	17,143	15,853	200,912	188,573	187,533
MARKETING	2,719	6,531	4,656	64,432	71,841	64,656
OPERATIONS	168,375	102,548	146,700	1,291,512	1,241,188	1,110,678
EVENT MANAGEMENT	143,345	79,859	118,751	859,298	881,449	777,688
BOX OFFICE	6,107	6,133	6,017	80,749	67,463	72,956
SALES	15,495	20,481	12,934	199,022	225,291	144,878
OVERHEAD	144,228	143,650	148,779	2,115,563	2,120,150	2,178,594
INDIRECT EXPENSES	508,386	388,088	466,541	4,935,927	4,925,128	4,646,707
NET OPERATING INCOME	<145,498>	<10,967>	<177,204>	<336,876>	<445,257>	<272,348>
OTHER EXPENSES						
NET INCOME (LOSS)	<145,498>	<10,967>	<177,204>	<336,876>	<445,257>	<272,348>

DE VOS PLACE  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 05/31/07

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	0	0	1,287	48,305	0	36,528
Changeover Setup Billed	812	0	1,743	7,738	0	15,010
Stagehands Billed	156,146	104,700	112,324	1,113,718	892,950	1,119,801
Security Billed	7,363	7,910	8,501	183,810	185,740	214,470
Ushers & Tix Takers Billed	15,978	15,700	8,706	144,369	139,925	141,766
Box Office Billed	1,900	1,800	1,000	16,850	17,200	15,800
Ticketing Service Billed	9,288	15,950	2,178	152,808	182,865	138,278
Utilities Billed	0	0	0	3,641	0	3,374
City Police Fire Billed	5,320	0	2,093	48,131	2,575	33,845
EMT Medical Billed	3,425	1,797	2,113	43,874	21,682	31,005
Cleaning Billed	350	0	0	15,027	0	5,235
Insurance Billed	250	0	300	5,638	0	4,264
Group Sales Commissions Billed	133	0	0	1,419	0	256
Telephone Billed	1,050	750	475	45,440	27,950	56,140
Damages Billed	0	0	0	12,029	0	550
Other Production Billed	3,745	0	2,907	70,764	0	62,803
<b>TOTAL SERVICE INCOME</b>	<b>205,758</b>	<b>148,607</b>	<b>143,626</b>	<b>1,913,561</b>	<b>1,470,887</b>	<b>1,879,124</b>
Advertising Expense	0	0	2,884	46,056	0	39,348
Sponsorship Expenses	0	0	0	2,500	0	500
Stagehand Wages	146,233	101,559	107,133	1,045,018	864,466	1,048,411
Contracted Security Expense	13,879	7,910	14,880	275,525	182,690	240,017
Ushers & T/T Wages	11,185	10,990	6,094	101,058	97,213	100,761
Ticket Sellers Wages	1,174	2,000	698	21,023	18,000	18,474
Ticket Service Charge Expense	3,853	6,380	976	41,351	71,885	39,323
City Police Fire Expense	4,066	0	2,240	41,787	300	40,352
EMT Medical Expense	3,492	1,747	1,670	38,938	20,032	27,158
Cleaning Wages	2,652	0	0	5,070	0	1,000
Contracted Cleaning Expense	39,738	21,026	31,655	341,793	270,824	329,556
Insurance Expense	327	0	300	4,973	0	3,756
Group Sales Commissions	0	0	0	207	0	116
Allocated Telephone Expense	263	0	119	11,360	0	13,694
Damage Expense	0	0	0	6,696	0	0
Production Expense	3,157	0	1,931	73,092	0	139,421
<b>TOTAL SERVICE EXPENSE</b>	<b>230,019</b>	<b>151,612</b>	<b>170,578</b>	<b>2,056,447</b>	<b>1,525,410</b>	<b>2,041,887</b>
<b>NET SERVICE INCOME</b>	<b>&lt;24,261&gt;</b>	<b>&lt;3,005&gt;</b>	<b>&lt;26,952&gt;</b>	<b>&lt;142,886&gt;</b>	<b>&lt;54,523&gt;</b>	<b>&lt;162,762&gt;</b>
	=====	=====	=====	=====	=====	=====

**SMG DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Year to Date Event Summary Report**  
**For Month Ended May 31, 2007**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	157	133	141,120	133,100	1,744,764	1,553,508
Consumer/Gated Shows	78	78	233,271	235,100	1,043,718	1,047,694
Devos Performance Hall	145	145	182,091	254,450	740,264	662,548
Ballroom Exclusive	70	65	37,764	43,650	418,583	432,649
Other	179	186	38,593	49,480	438,151	571,722
<b>GRAND TOTALS</b>	<b>629</b>	<b>607</b>	<b>632,839</b>	<b>715,780</b>	<b>4,385,480</b>	<b>4,268,121</b>

**As Percentage of Overall**

Convention/Trade Shows	24.96%	21.91%	22.30%	18.60%	39.79%	36.40%
Consumer/Gated Shows	12.40%	12.85%	36.86%	32.85%	23.80%	24.55%
Devos Performance Hall	23.05%	23.89%	28.77%	35.55%	16.88%	15.52%
Ballroom Exclusive	11.13%	10.71%	5.97%	6.10%	9.54%	10.14%
Other	28.46%	30.64%	6.10%	6.91%	9.99%	13.40%

5

DE VOS PLACE  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 05/31/07

ASSETS

CURRENT ASSETS

CASH	974,261
ACCOUNTS RECEIVABLE	916,407
PREPAID EXPENSES	39,065
	-----
TOTAL CURRENT ASSETS	1,929,733
	-----

FIXED ASSETS

TOTAL ASSETS	1,929,733
	=====

LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	389,618
ACCRUED EXPENSES	393,219
DEFERRED INCOME	90,990
ADVANCED TIX SALES & DEPOSITS	610,529
	-----
TOTAL CURRENT LIABILITIES	1,484,356
	-----

EQUITY

FUNDS REMITTED	<1,950,000>
FUNDING RECEIVED	1,516,299
RETAINED EARNINGS	1,215,904
NET INCOME (LOSS)	<336,826>
	-----
TOTAL EQUITY	445,377
	-----

TOTAL LIABILITIES & EQUITY	1,929,733
	=====

**SMG - DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ended May 31, 2007**

---

Current - Under 30 Days	
Food & Beverage	78,225
Ticketing	423,450
Decorating	12,611
Audio/Visual	41,896
Operating	190,089
 Over 30 Days	 110,090
 Over 60 Days	 44,912
 Over 90 Days	
Donnell Productions	5,736
Paragon Leather	2,110
Saigon Entertainment	5,002
Grinder Promotions	2,286
 Total Accounts Receivable	 916,407

DE VOS PLACE  
INDIRECT EXPENSE SUMMARY  
PERIOD ENDING 05/31/07

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	66,832	70,649	55,315	780,102	777,139	691,138
Part-Time	14,475	13,167	9,874	150,318	144,837	137,582
Wages-Trade	165,238	119,523	134,448	1,408,756	1,314,753	1,387,423
Sales Commissions Group Sales	74	0	0	851	0	1,308
Auto Allowance	2,121	0	1,821	23,329	0	21,929
Auto Expense	150	2,271	150	1,650	24,981	1,650
Taxes & Benefits	130,632	52,188	105,390	631,163	574,068	605,128
Less: Allocation/Reimbursement	<177,412>	<111,581>	<127,793>	<1,386,041>	<1,227,391>	<1,358,523>
<b>TOTAL LABOR COSTS</b>	<b>202,110</b>	<b>146,217</b>	<b>179,205</b>	<b>1,610,129</b>	<b>1,608,387</b>	<b>1,487,635</b>
Contracted Security	27,819	26,917	18,930	254,272	296,087	225,924
Contracted Cleaning	3,523	0	2,095	33,415	0	23,773
Other Contracted Services	190	200	224	2,197	2,200	2,460
Travel & Entertainment	819	1,209	1,471	13,930	13,299	12,249
Corporate Travel	0	417	87	0	4,587	8,152
Meetings & Conventions	208	1,958	4,211	16,266	30,038	20,953
Dues & Subscriptions	342	300	0	5,815	3,300	3,366
Employee Training	1,255	833	0	10,140	9,163	1,300
Miscellaneous Expense	256	0	0	264	0	0
Computer Expense	4,980	6,250	3,360	57,203	68,750	47,123
Professional Fees	2,250	3,042	2,200	28,641	33,462	33,847
Marketing & Advertising	357	4,217	2,352	37,692	46,387	35,465
Box Office Expenses	<148>	0	10	<94>	0	237
Small Equipment	0	0	0	0	0	389
Vehicle Maintenance	0	0	0	14	0	0
Trash Removal	5,620	2,500	4,990	32,672	27,500	30,934
Equipment Rental	1,847	1,000	1,191	15,891	11,000	13,491
Landscaping	1,062	833	1,213	10,461	9,163	4,884
Exterminating	23,848	1,000	23,034	51,412	77,660	50,130
Cleaning	1,850	0	0	15,200	41,000	26,366
Construction Costs	0	0	0	150	0	0
Repairs & Maintenance	40,140	36,462	40,240	419,558	401,082	331,287
Supplies	51,976	18,250	38,914	274,201	200,750	194,371
Bank Service Charges	1,999	1,500	1,456	18,450	16,500	16,889
Insurance	21,905	22,232	21,364	248,851	244,552	248,278
Licenses & Fees	0	0	0	3,489	0	253
Printing & Stationary	<178>	917	113	6,370	10,087	629
Office Supplies	2,505	750	2,253	17,529	8,250	16,266
Postage	48	417	1,149	3,357	4,587	4,309
Parking Expense	2,174	1,500	1,844	22,888	16,500	18,939
Telephone Long Distance	7,620	6,000	7,240	83,126	66,000	69,253
Utilities	89,774	92,500	87,082	1,516,299	1,557,500	1,506,192
Base Fee	12,500	12,500	20,433	137,500	137,500	225,514
Less: Allocated/Reimbursement	<263>	<1,833>	<119>	<11,360>	<20,163>	<14,149>
<b>TOTAL MATERIAL AND SERVICES</b>	<b>306,276</b>	<b>241,871</b>	<b>287,336</b>	<b>3,325,798</b>	<b>3,316,741</b>	<b>3,159,073</b>
<b>TOTAL INDIRECT EXPENSES</b>	<b>508,386</b>	<b>388,088</b>	<b>466,541</b>	<b>4,935,927</b>	<b>4,925,128</b>	<b>4,646,707</b>

8

**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2007**

---

**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2006 Actual
Net Revenue above Expenses	1,701,636	(622,063)	1,079,573	603,704
Benchmark			700,000	534,919
Excess	1,701,636	(622,063)	379,573	68,785

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2006 Actual
Base Fee	150,000	150,000	300,000	490,400
Incentive Fee				
Revenue	5,483,673	4,694,788	10,178,461	9,374,417
Benchmark Revenue	4,600,000	4,000,000	8,600,000	8,257,384
Revenue Excess	883,673	694,788	1,578,461	1,117,033
Incentive Fee **	222,154	77,846	300,000	229,259
Total SMG Management Fee	372,154	227,846	600,000	719,659

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

Please note: Incentive fee is currently projected to be capped at the base fee amount. The fee will be allocated between facilities based on the net revenue above expenses increase above the original budget.



# **VAN ANDEL ARENA**

## **FINANCIAL STATEMENT FOR THE PERIOD ENDED MAY 31, 2007**

### **Distribution:**

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



---

*An SMG Managed Facility*



VAN ANDEL ARENA  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2007

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	125	5	130	121	9
ATTENDANCE	653,119	37,000	690,119	680,500	9,619
DIRECT EVENT INCOME	1,484,237	35,075	1,519,312	1,284,118	235,194
ANCILLARY INCOME	1,580,664	29,823	1,610,487	1,456,159	154,328
TOTAL EVENT INCOME	3,064,901	64,898	3,129,799	2,740,277	389,522
TOTAL OTHER INCOME	2,201,396	152,478	2,353,874	2,240,000	113,874
TOTAL INCOME	5,266,296	217,376	5,483,673	4,980,277	503,396
INDIRECT EXPENSES					
EXECUTIVE	141,316	10,658	151,974	118,845	(33,129)
FINANCE	181,225	16,539	197,764	197,258	(506)
MARKETING	271,419	10,720	282,139	315,994	33,855
OPERATIONS	1,341,014	130,113	1,471,127	1,337,761	(133,366)
BOX OFFICE	129,337	6,532	135,869	106,590	(29,279)
LUXURY SEATING	105,481	6,298	111,779	115,775	3,996
SKYWALK ADMIN	42,239	2,864	45,103	39,856	(5,247)
OVERHEAD	1,317,408	68,874	1,386,282	1,342,153	(44,129)
TOTAL INDIRECT EXP.	3,529,437	252,598	3,782,037	3,574,232	(207,805)
NET REVENUE ABOVE EXPENSES	1,736,859	(35,222)	1,701,636	1,406,045	295,591
LESS INCENTIVE FEE		190,759	190,759	103,994	(86,765)
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	1,736,859	(225,981)	1,510,877	1,302,051	208,826

Comments:

The Arena performed well again during the month of May with two sold out Kenny Chesney concerts and two additional concerts that sold very well. Both Chesney concerts had concessions revenue in the top ten of all-time highest grossing concessions events (including the top spot), and breaks the all-time ticket gross record as well.

  
General Manager

  
Director of Finance

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED MAY 31, 2007**

The following schedule summarizes operating results for the current month ending April 30, 2007 and the YTD ending June 30, 2007 compared to budget and to the prior year:

<b>MONTH</b>	<b>May Actual</b>	<b>May Budget</b>	<b>May FY 2006</b>
Number of Events	7	6	11
Attendance	51,716	42,400	56,994
Direct Event Income	\$142,035	\$108,713	\$141,668
Ancillary Income	156,379	90,038	159,474
Other Income	198,861	186,667	191,773
Indirect Expenses	(284,419)	(297,242)	(250,411)
Net Income	<u>\$212,857</u>	<u>\$88,176</u>	<u>\$242,503</u>

<b>YTD</b>	<b>YTD 2007 Actual</b>	<b>YTD 2007 Budget</b>	<b>YTD 2006 Prior Year</b>
Number of Events	125	117	125
Attendance	653,119	668,900	589,630
Direct Event Income	\$1,484,237	\$1,208,371	\$908,392
Ancillary Income	1,580,664	1,396,405	1,296,241
Other Income	2,201,396	2,053,337	1,943,823
Indirect Expenses	(3,529,439)	(3,277,162)	(3,303,326)
Net Income	<u>\$1,736,859</u>	<u>\$1,380,951</u>	<u>\$845,129</u>

**EVENT INCOME**

Event income came in ahead of both budget and forecast as Bill Gaither and Andre Rieu concerts ended up having stronger walkup sales than anticipated.

**ANCILLARY INCOME**

Ancillary income ended the month ahead of budget, and a little ahead of revised forecast. The two Kenny Chesney concerts performed above expectation which helped offset lower than anticipated sales for the other concerts held during the month.

**INDIRECT EXPENSES**

Indirect expenses came in comparable to budget, and a little higher than forecasted for the month.

2

VAN ANDEL ARENA  
FACILITY STATEMENT OF INCOME  
PERIOD ENDING 05/31/07

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						
-----						
DIRECT EVENT INCOME						
RENTAL INCOME	112,404	114,500	181,197	2,076,860	1,894,500	1,596,931
SERVICES INCOME	29,630	<5,787>	<39,530>	<592,622>	<686,129>	<688,539>
TOTAL DIRECT EVENT INCOME	142,035	108,713	141,668	1,484,237	1,208,371	908,392
ANCILLARY INCOME						
-----						
FOOD & BEVERAGE	120,307	63,930	130,632	1,329,682	1,150,142	1,077,621
NOVELTY	29,493	24,480	23,452	207,195	218,495	162,682
OTHER ANCILLARY	6,580	1,628	5,390	43,788	27,768	55,938
TOTAL ANCILLARY INCOME	156,379	90,038	159,474	1,580,664	1,396,405	1,296,241
TOTAL EVENT INCOME	298,414	198,751	301,142	3,064,902	2,604,776	2,204,633
OTHER OPERATING INCOME	198,861	186,667	191,773	2,201,396	2,053,337	1,943,823
ADJUSTED GROSS INCOME	497,276	385,418	492,915	5,266,298	4,658,113	4,148,456
INDIRECT EXPENSES						
EXECUTIVE	11,271	9,778	10,434	141,316	109,058	114,213
FINANCE	17,386	16,314	14,916	181,225	180,954	176,476
MARKETING	16,224	26,209	16,084	271,419	289,799	236,405
LUXURY SEATING	7,112	9,648	5,711	105,481	106,128	107,898
OPERATIONS	105,678	111,228	94,834	1,341,014	1,226,508	1,222,398
BOX OFFICE	8,722	8,897	7,627	129,337	97,867	93,932
SKYWALK ADMINISTRATION	2,794	3,322	2,859	42,239	36,542	37,049
OVERHEAD	115,232	111,846	97,946	1,317,408	1,230,306	1,314,955
INDIRECT EXPENSES	284,419	297,242	250,411	3,529,439	3,277,162	3,303,326
NET OPERATING INCOME	212,857	88,176	242,503	1,736,859	1,380,951	845,129
OTHER EXPENSES						
NET INCOME (LOSS)	212,857	88,176	242,503	1,736,859	1,380,951	845,129
=====	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA  
STATEMENT OF SERVICES INCOME  
PERIOD ENDING 05/31/07

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	53,224	0	32,031	509,630	113,000	284,288
Sponsorship Income	0	0	0	121,593	0	15,000
Labor Billed	3,275	2,070	2,725	24,142	12,100	17,628
Changeover Setup Billed	25,836	13,600	20,543	127,713	89,150	116,595
Stagehands Billed	56,094	49,000	59,742	472,279	425,350	416,977
Security Billed	26,965	18,900	26,465	157,468	131,050	143,291
Ushers & Tix Takers Billed	21,017	12,650	16,451	116,879	101,650	88,003
Box Office Billed	774	1,200	1,419	7,832	7,716	7,977
Ticketing Service Billed	13,440	24,000	5,921	89,744	191,200	66,692
Utilities Billed	4,438	0	1,400	10,250	0	11,275
City Police Fire Billed	2,275	1,680	1,610	13,405	10,972	13,596
EMT Medical Billed	3,690	1,950	1,990	22,034	19,650	20,440
Production Materials Billed	0	0	0	0	0	3,778
Cleaning Billed	22,076	11,600	12,618	120,576	87,600	76,046
Insurance Billed	0	0	0	0	0	1,123
Group Sales Commissions Billed	4,277	0	3,856	15,649	0	11,124
Telephone Billed	2,820	2,400	3,095	24,185	23,550	22,915
Damages Billed	0	0	0	1,079	0	0
Other Production Billed	20,468	21,900	36,238	238,994	167,100	324,230
<b>TOTAL SERVICE INCOME</b>	<b>260,666</b>	<b>160,950</b>	<b>226,103</b>	<b>2,073,452</b>	<b>1,380,088</b>	<b>1,640,978</b>
Advertising Expense	54,631	0	34,222	568,132	157,000	294,284
Sponsorship Expenses	0	0	0	1,653	0	1,157
Labor Wages	2,784	1,760	2,316	20,521	11,204	14,983
Contracted Changeover Setup Expense	18,471	17,455	26,162	221,468	240,953	262,493
Stagehand Wages	52,614	47,870	57,232	488,741	463,782	432,339
Contracted Security Expense	29,562	17,480	37,257	302,985	231,520	298,409
Contracted Ushers & T/T Expense	26,506	15,360	26,537	285,335	262,050	282,087
Ticket Sellers Wages	658	0	1,206	6,841	0	6,780
Ticket Service Charge Expense	12,817	24,000	4,941	99,203	190,480	52,389
City Police Fire Expense	847	1,680	2,572	8,776	13,722	16,381
Traffic Control Expense	0	0	0	0	0	238
EMT Medical Expense	3,830	2,295	7,175	37,959	36,476	33,280
Contracted Cleaning Expense	16,291	16,145	21,876	226,004	289,175	254,877
Group Sales Commissions	1,283	0	1,157	7,951	0	4,300
Allocated Telephone Expense	606	792	749	6,956	6,455	6,050
Production Expense	10,135	21,900	42,232	383,549	163,400	369,472
<b>TOTAL SERVICE EXPENSE</b>	<b>231,036</b>	<b>166,737</b>	<b>265,632</b>	<b>2,666,074</b>	<b>2,066,217</b>	<b>2,329,517</b>
<b>NET SERVICE INCOME</b>	<b>29,630</b>	<b>&lt;5,787&gt;</b>	<b>&lt;39,530&gt;</b>	<b>&lt;592,622&gt;</b>	<b>&lt;686,129&gt;</b>	<b>&lt;688,539&gt;</b>
	=====	=====	=====	=====	=====	=====

**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ending May 31, 2007**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	34	33	138,454	125,000	698,075	481,030
Sporting Event	8	7	45,563	43,500	367,439	322,735
Concert	18	20	174,737	160,400	1,349,656	1,266,108
Team Home Games	49	47	242,651	271,000	485,108	397,879
Other	16	10	51,714	69,000	164,600	137,024
GRAND TOTALS	125	117	653,119	668,900	3,064,878	2,604,776

**As Percentage of Overall**

Family Show	27.20%	28.21%	21.20%	18.69%	22.78%	18.47%
Sporting Event	6.40%	5.98%	6.98%	6.50%	11.99%	12.39%
Concert	14.40%	17.09%	26.75%	23.98%	44.04%	48.61%
Team Home Games	39.20%	40.17%	37.15%	40.51%	15.83%	15.27%
Other	12.80%	8.55%	7.92%	10.32%	5.37%	5.26%

5

VAN ANDEL ARENA  
STATEMENT OF FINANCIAL POSITION  
PERIOD ENDING 05/31/07

ASSETS

CURRENT ASSETS

CASH	2,990,815
ACCOUNTS RECEIVABLE	866,132
PREPAID EXPENSES	64,111

TOTAL CURRENT ASSETS	3,921,058
----------------------	-----------

FIXED ASSETS

TOTAL ASSETS	3,921,058
--------------	-----------

LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	108,013
ACCRUED EXPENSES	159,616
DEFERRED INCOME	1,095,130
ADVANCED TIX SALES & DEPOSITS	1,701,481

TOTAL CURRENT LIABILITIES	3,064,240
---------------------------	-----------

EQUITY

FUNDS REMITTED	<2,800,000>
FUNDING RECEIVED	858,634
RETAINED EARNINGS	1,061,324
NET INCOME (LOSS)	1,736,859

TOTAL EQUITY	856,818
--------------	---------

TOTAL LIABILITIES & EQUITY	3,921,058
----------------------------	-----------

**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**Month Ending May 31, 2007**

---

Current - Under 30 Days	
Food & Beverage	154,276
Ticketing	342,634
Merchandise	-
Permanent Advertising	40,726
Operating	122,076
 Over 30 Days	 110,874
 Over 60 Days	 65,894
 Over 90 Days	
Time Out for Women	29,652
 Total Accounts Receivable	 866,132

VAN ANDEL ARENA  
INDIRECT EXPENSE SUMMARY  
PERIOD ENDING 05/31/07

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	56,151	59,541	44,232	657,820	654,951	623,896
Part-Time	5,446	5,833	4,953	79,480	64,163	71,764
Wages-Trade	81,188	69,232	84,655	847,543	761,552	782,148
Sales Commissions Group Sales	1,458	0	<163>	12,270	0	3,481
Auto Allowance	594	985	494	6,531	10,835	6,231
Auto Expense	300	0	300	3,300	0	3,300
Taxes & Benefits	36,360	38,187	41,876	415,868	420,057	419,767
Less: Allocation/Reimbursement	<74,037>	<59,837>	<76,195>	<721,250>	<658,207>	<639,614>
<b>TOTAL LABOR COSTS</b>	<b>107,461</b>	<b>113,941</b>	<b>100,152</b>	<b>1,301,562</b>	<b>1,253,351</b>	<b>1,270,973</b>
Contracted Security	17,872	19,760	17,300	222,069	217,360	211,717
Contracted Cleaning	2,224	3,250	2,098	25,432	35,750	27,752
Other Contracted Services	400	300	314	20,218	3,300	6,506
Travel & Entertainment	307	858	2,119	14,363	9,438	11,668
Corporate Travel	0	625	147	0	6,875	147
Meetings & Conventions	208	350	0	3,528	11,350	2,557
Dues & Subscriptions	300	208	1,302	6,887	2,288	9,818
Employee Training	1,255	750	450	3,519	8,250	787
Miscellaneous Expense	0	0	0	269	0	0
Computer Expense	4,453	5,417	6,542	64,695	59,587	65,513
Professional Fees	3,420	2,583	1,875	34,383	28,413	21,975
Marketing & Advertising	3,671	15,000	477	144,588	165,000	86,676
Box Office Expenses	0	0	378	<1,115>	0	<1,432>
Small Equipment	0	0	0	0	0	348
Trash Removal	3,445	1,500	2,356	22,323	16,500	19,666
Equipment Rental	1,660	500	1,226	17,195	5,500	14,099
Landscaping	345	483	625	3,966	5,313	2,859
Exterminating	248	300	495	2,678	3,300	3,242
Cleaning	0	150	0	4,900	1,650	2,650
Rental Office Equipment	0	750	0	0	8,250	0
Repairs & Maintenance	10,528	9,333	4,901	186,655	102,663	152,068
Supplies	15,308	15,758	15,912	187,821	173,338	178,037
Bank Service Charges	336	750	207	5,508	8,250	6,037
Insurance	15,132	15,179	2,758	178,125	166,969	140,446
Licenses & Fees	0	0	0	3,000	0	72
Other Taxes	0	0	<27>	0	0	<289>
Printing & Stationary	0	917	0	5,603	10,087	387
Office Supplies	2,316	1,000	997	16,500	11,000	15,862
Postage	902	1,000	675	13,310	11,000	8,356
Parking Expense	2,538	2,000	2,133	27,807	22,000	23,440
Telephone Long Distance	4,348	7,000	9,281	55,756	77,000	79,061
Utilities	76,327	68,400	58,568	858,634	752,400	760,339
Base Fee	12,500	12,500	20,433	137,500	137,500	224,019
Common Area Expense	<2,477>	<2,945>	<2,536>	<31,282>	<32,395>	<35,977>
Less: Allocated/Reimbursement	<606>	<375>	<749>	<6,956>	<4,125>	<6,050>
<b>TOTAL MATERIAL AND SERVICES</b>	<b>176,958</b>	<b>183,301</b>	<b>150,259</b>	<b>2,227,877</b>	<b>2,023,811</b>	<b>2,032,354</b>
<b>TOTAL INDIRECT EXPENSES</b>	<b>284,419</b>	<b>297,242</b>	<b>250,411</b>	<b>3,529,439</b>	<b>3,277,162</b>	<b>3,303,326</b>



**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2007**

---

**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2006 Actual
Net Revenue above Expenses	1,701,636	(622,063)	1,079,573	603,704
Benchmark			700,000	534,919
Excess	1,701,636	(622,063)	379,573	68,785

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2006 Actual
Base Fee	150,000	150,000	300,000	490,400
Incentive Fee				
Revenue	5,483,673	4,694,788	10,178,461	9,374,417
Benchmark Revenue	4,600,000	4,000,000	8,600,000	8,257,384
Revenue Excess	883,673	694,788	1,578,461	1,117,033
Incentive Fee **	222,154	77,846	300,000	229,259
Total SMG Management Fee	372,154	227,846	600,000	719,659

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

Please note: Incentive fee is currently projected to be capped at the base fee amount. The fee will be allocated between facilities based on the net revenue above expenses increase above the the original budget.

2:36 PM  
06/18/07  
Accrual Basis

# Grand Rapids-Kent County Convention/Arena Authority

## Balance Sheet

As of May 31, 2007

Item III.b.ii.

	May 31, 07
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1040 · Cash - Operations - SMG	4,299,504.10
1050 · Operations - Cash	255,904.50
<b>Total Checking/Savings</b>	4,555,408.60
<b>Other Current Assets</b>	
1070 · Kent County - Operating	20,104,436.43
1200 · Accounts Receivable	2,021,241.17
1300 · Prepaid Expenses	144,082.29
1600 · Advances/Deposits Receivable	-4,750,000.07
<b>Total Other Current Assets</b>	17,519,759.82
<b>Total Current Assets</b>	22,075,168.42
<b>Fixed Assets</b>	
<b>Buildings &amp; Structures</b>	
Depreciation	-41,778.69
Original Cost	322,431.00
<b>Total Buildings &amp; Structures</b>	280,652.31
<b>Equip</b>	
Depreciation	-437,774.44
Original Cost	778,271.02
<b>Total Equip</b>	340,496.58
<b>Vehicles</b>	43,914.30
<b>Total Fixed Assets</b>	665,063.19
<b>TOTAL ASSETS</b>	<b>22,740,231.61</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 · Accounts Payable	78,711.26
2005 · Accounts payable - SMG	486,224.17
<b>Total Accounts Payable</b>	564,935.43
<b>Other Current Liabilities</b>	
2200 · Accrued Expenses	717,173.61
2210 · Advance Ticket Sales	1,872,750.73
2220 · Advance deposits	299,103.00
2500 · Deferred facility income	744,284.74
<b>Total Other Current Liabilities</b>	3,633,312.08
<b>Total Current Liabilities</b>	4,198,247.51
<b>Total Liabilities</b>	4,198,247.51
<b>Equity</b>	
3000 · Opening Bal Equity	37,035,584.45
3900 · Retained Earnings	-15,526,165.80
Net Income	-2,967,434.55
<b>Total Equity</b>	18,541,984.10
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>22,740,231.61</b>

12:44 PM

06/18/07

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

1050 - Operations - Cash, Period Ending 05/31/2007

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Beginning Balance</b>							553,956.13
<b>Cleared Transactions</b>							
<b>Checks and Payments - 36 Items</b>							
Bill Pmt -Check	4/26/2007	6697	Grand Rapids City Treasurer		X	-189.27	-189.27
Bill Pmt -Check	4/26/2007	6696	Gordon Food Service, Inc.		X	-1,824.15	-2,013.42
Bill Pmt -Check	4/26/2007	6695	East Bay Restaurant Supply, Inc.		X	-10,394.26	-12,407.68
Bill Pmt -Check	4/26/2007	6694	DTE Energy		X	-861.35	-13,269.03
Bill Pmt -Check	4/26/2007	6693	Custer Workplace Interiors		X	-26,347.33	-39,616.36
Bill Pmt -Check	4/26/2007	6692	Consumers Energy		X	-69,478.55	-109,094.91
Bill Pmt -Check	4/26/2007	6702	Stafford-Smith, Inc.		X	-582.90	-109,677.81
Bill Pmt -Check	4/26/2007	6703	Team Spirit & Corporate Apparel		X	-1,424.00	-111,101.81
Bill Pmt -Check	4/26/2007	6705	Corporate Sound		X	-10,550.83	-121,652.64
Bill Pmt -Check	4/26/2007	6704	Tele-Rad, Inc.		X	-2,963.54	-124,616.18
Bill Pmt -Check	4/26/2007	6698	Hurst Industries		X	-1,012.42	-125,628.60
Bill Pmt -Check	4/26/2007	6699	ICMA Retirement Corporation - ...		X	-271.40	-125,900.00
Bill Pmt -Check	4/26/2007	6700	ICMA Retirement Corporation - ...		X	-50.00	-125,950.00
Bill Pmt -Check	4/26/2007	6701	Priority Health		X	-370.42	-126,320.42
Check	5/11/2007	10175	Rich MacKeigan		X	-165.65	-126,486.07
Check	5/11/2007	10176	Susan M. Waddell		X	-933.00	-127,419.07
Check	5/11/2007	10175	Rich MacKeigan		X	-870.67	-128,289.74
Check	5/11/2007	10176	Susan M. Waddell		X	-1,496.00	-129,785.74
Bill Pmt -Check	5/14/2007	6717	Valley City Sign		X	-4,201.00	-133,986.74
Bill Pmt -Check	5/14/2007	6716	Susan Waddell		X	-841.59	-134,828.33
Bill Pmt -Check	5/14/2007	6715	Seaman's Air Conditioning & Re...		X	-1,183.05	-136,011.38
Bill Pmt -Check	5/14/2007	6714	Patrick P. Fischer & Associates		X	-968.00	-136,979.38
Bill Pmt -Check	5/14/2007	6713	Kent Count Dept of Public Works		X	-87,084.91	-224,064.29
Bill Pmt -Check	5/14/2007	6712	ICMA Retirement Corporation - ...		X	-50.00	-224,114.29
Bill Pmt -Check	5/14/2007	6711	ICMA Retirement Corporation - ...		X	-271.40	-224,385.69
Bill Pmt -Check	5/14/2007	6710	Grand Rapids City Treasurer		X	-11,608.43	-235,994.12
Bill Pmt -Check	5/14/2007	6708	Consumers Energy		X	-37,952.01	-273,946.13
Bill Pmt -Check	5/14/2007	6707	Central Interconnect, Inc.		X	-45,910.00	-319,856.13
Bill Pmt -Check	5/14/2007	6706	Accident Fund Company		X	-649.00	-320,505.13
Bill Pmt -Check	5/14/2007	6709	Custer Workplace Interiors		X	-371.25	-320,876.38
Check	5/25/2007	10178	Susan M. Waddell		X	-1,496.00	-322,372.38
Check	5/25/2007	10178	Susan M. Waddell		X	-820.82	-323,193.20
Check	5/25/2007	10177	Rich MacKeigan		X	-870.67	-324,063.87
Check	5/25/2007	10177	Rich MacKeigan		X	-164.43	-324,228.30
Bill Pmt -Check	5/29/2007	6724	Pioneer Construction		X	-184,181.00	-508,409.30
Bill Pmt -Check	5/29/2007	6726	Richard N. MacKeigan		X	-7,826.29	-516,235.59
<b>Total Checks and Payments</b>						-516,235.59	-516,235.59
<b>Deposits and Credits - 143 Items</b>							
Deposit	4/30/2007		DeVos Place parking revenue		X	95.50	95.50
Deposit	4/30/2007		DeVos Place parking revenue		X	81.00	176.50
Deposit	5/1/2007		DeVos Place parking revenue		X	129.50	306.00
Deposit	5/1/2007		DeVos Place parking revenue		X	66.00	372.00
Deposit	5/1/2007		DeVos Place parking revenue		X	206.50	578.50
Deposit	5/1/2007		DeVos Place parking revenue		X	283.00	861.50
Deposit	5/1/2007		DeVos Place parking revenue		X	312.00	1,173.50
Deposit	5/2/2007		DeVos Place parking revenue		X	104.50	1,278.00
Deposit	5/2/2007		DeVos Place parking revenue		X	71.50	1,349.50
Deposit	5/2/2007		DeVos Place parking revenue		X	22.00	1,371.50
Deposit	5/2/2007		DeVos Place parking revenue		X	43.50	1,415.00
Deposit	5/2/2007		DeVos Place parking revenue		X	179.00	1,594.00
Deposit	5/3/2007		DeVos Place parking revenue		X	76.00	1,670.00
Deposit	5/3/2007		DeVos Place parking revenue		X	124.00	1,794.00
Deposit	5/4/2007		DeVos Place parking revenue		X	350.00	2,144.00
Deposit	5/4/2007		DeVos Place parking revenue		X	277.50	2,421.50
Deposit	5/4/2007		DeVos Place parking revenue		X	312.00	2,733.50
Deposit	5/4/2007		DeVos Place parking revenue		X	59.00	2,792.50
Deposit	5/4/2007		DeVos Place parking revenue		X	146.00	2,938.50
Deposit	5/5/2007		DeVos Place parking revenue		X	286.00	3,224.50
Deposit	5/5/2007		DeVos Place parking revenue		X	122.00	3,346.50
Deposit	5/5/2007		DeVos Place parking revenue		X	188.50	3,535.00
Deposit	5/5/2007		DeVos Place parking revenue		X	429.00	3,964.00
Deposit	5/5/2007		DeVos Place parking revenue		X	126.50	4,090.50
Deposit	5/6/2007		DeVos Place parking revenue		X	26.00	4,116.50
Deposit	5/6/2007		DeVos Place parking revenue		X	32.50	4,149.00
Deposit	5/7/2007		DeVos Place parking revenue		X	190.00	4,339.00
Deposit	5/7/2007		DeVos Place parking revenue		X	123.00	4,462.00
Deposit	5/8/2007		DeVos Place parking revenue		X	194.00	4,656.00
Deposit	5/8/2007		DeVos Place parking revenue		X	262.00	4,918.00
Deposit	5/8/2007		DeVos Place parking revenue		X	156.00	5,074.00
Deposit	5/8/2007		DeVos Place parking revenue		X	150.00	5,224.00

12:44 PM

## Grand Rapids-Kent County Convention/Arena Authority

06/18/07

## Reconciliation Detail

1050 - Operations - Cash, Period Ending 05/31/2007

Type	Date	Num	Name	Memo	Cir	Amount	Balance
Deposit	5/8/2007			DeVos Place parking revenue	X	657.00	5,881.00
Deposit	5/8/2007			DeVos Place parking revenue	X	777.00	6,658.00
Deposit	5/8/2007			DeVos Place parking revenue	X	247.00	6,905.00
Deposit	5/9/2007			DeVos Place parking revenue	X	279.00	7,184.00
Deposit	5/9/2007			DeVos Place parking revenue	X	695.00	7,879.00
Deposit	5/9/2007			DeVos Place parking revenue	X	436.00	8,315.00
Deposit	5/9/2007			DeVos Place parking revenue	X	582.50	8,897.50
Deposit	5/9/2007			DeVos Place parking revenue	X	606.50	9,504.00
Deposit	5/10/2007			DeVos Place parking revenue	X	441.00	9,945.00
Deposit	5/10/2007			DeVos Place parking revenue	X	218.50	10,163.50
Deposit	5/10/2007			DeVos Place parking revenue	X	380.50	10,544.00
Deposit	5/10/2007			DeVos Place parking revenue	X	298.50	10,842.50
Deposit	5/10/2007			DeVos Place parking revenue...	X	6,288.00	17,130.50
Deposit	5/10/2007			DeVos Place parking revenue	X	423.00	17,553.50
Deposit	5/11/2007			DeVos Place parking revenue	X	432.00	17,985.50
Deposit	5/11/2007			DeVos Place parking revenue	X	1,918.00	19,903.50
Deposit	5/11/2007			DeVos Place parking revenue	X	819.50	20,723.00
Deposit	5/11/2007			DeVos Place parking revenue	X	892.50	21,615.50
Deposit	5/11/2007			DeVos Place parking revenue	X	1,391.00	23,006.50
Deposit	5/11/2007			DeVos Place parking revenue	X	679.00	23,685.50
Deposit	5/11/2007			Interest	X	1,631.85	25,317.35
Deposit	5/12/2007			DeVos Place parking revenue	X	19.50	25,336.85
Deposit	5/12/2007			DeVos Place parking revenue	X	871.00	26,207.85
Deposit	5/12/2007			DeVos Place parking revenue	X	643.50	26,851.35
Deposit	5/12/2007			DeVos Place parking revenue	X	224.00	27,075.35
Deposit	5/12/2007			DeVos Place parking revenue	X	1,085.50	28,160.85
Deposit	5/12/2007			DeVos Place parking revenue	X	409.50	28,570.35
Deposit	5/12/2007			DeVos Place parking revenue	X	747.50	29,317.85
Deposit	5/12/2007			DeVos Place parking revenue	X	1,520.00	30,837.85
Deposit	5/13/2007			DeVos Place parking revenue	X	585.50	31,403.35
Deposit	5/13/2007			DeVos Place parking revenue	X	513.50	31,916.85
Deposit	5/13/2007			DeVos Place parking revenue	X	305.50	32,222.35
Deposit	5/14/2007			DeVos Place parking revenue	X	20.00	32,242.35
Deposit	5/14/2007			DeVos Place parking revenue	X	6.00	32,248.35
Deposit	5/14/2007			DeVos Place parking revenue	X	273.00	32,521.35
Deposit	5/14/2007			DeVos Place parking revenue	X	499.00	33,020.35
Deposit	5/14/2007			DeVos Place parking revenue	X	278.50	33,298.85
Deposit	5/15/2007			DeVos Place parking revenue	X	129.00	33,427.85
Deposit	5/15/2007			DeVos Place parking revenue	X	77.00	33,504.85
Deposit	5/15/2007			DeVos Place parking revenue	X	134.00	33,638.85
Deposit	5/15/2007			DeVos Place parking revenue	X	68.00	33,706.85
Deposit	5/15/2007			DeVos Place parking revenue	X	164.00	33,870.85
Deposit	5/16/2007			DeVos Place parking revenue	X	147.00	34,017.85
Deposit	5/16/2007			DeVos Place parking revenue	X	268.00	34,285.85
Deposit	5/16/2007			DeVos Place parking revenue	X	549.50	34,835.35
Deposit	5/16/2007			DeVos Place parking revenue	X	316.50	35,151.85
Deposit	5/17/2007			DeVos Place parking revenue	X	126.00	35,277.85
Deposit	5/17/2007			Van Andel Arena excess cas...	X	150,000.00	185,277.85
Deposit	5/17/2007			DeVos Place excess cash flo...	X	100,000.00	285,277.85
Deposit	5/17/2007			DeVos Place parking revenue	X	206.00	285,483.85
Deposit	5/17/2007			DeVos Place parking revenue	X	203.50	285,687.35
Deposit	5/17/2007			DeVos Place parking revenue	X	26.00	285,713.35
Deposit	5/17/2007			DeVos Place parking revenue	X	308.00	286,021.35
Deposit	5/18/2007			DeVos Place parking revenue	X	377.00	286,398.35
Deposit	5/18/2007			DeVos Place parking revenue	X	674.00	287,072.35
Deposit	5/18/2007			DeVos Place parking revenue	X	985.00	288,057.35
Deposit	5/18/2007			DeVos Place parking revenue	X	358.00	288,415.35
Deposit	5/18/2007			DeVos Place parking revenue	X	95.00	288,510.35
Deposit	5/19/2007			DeVos Place parking revenue	X	364.00	288,874.35
Deposit	5/19/2007			DeVos Place parking revenue	X	507.00	289,381.35
Deposit	5/19/2007			DeVos Place parking revenue	X	195.00	289,576.35
Deposit	5/19/2007			DeVos Place parking revenue	X	130.00	289,706.35
Deposit	5/19/2007			DeVos Place parking revenue	X	208.00	289,914.35
Deposit	5/19/2007			DeVos Place parking revenue	X	530.50	290,444.85
Deposit	5/20/2007			DeVos Place parking revenue	X	52.00	290,496.85
Deposit	5/20/2007			DeVos Place parking revenue	X	84.50	290,581.35
Deposit	5/20/2007			DeVos Place parking revenue	X	143.00	290,724.35
Deposit	5/21/2007			DeVos Place parking revenue	X	51.00	290,775.35
Deposit	5/21/2007			DeVos Place parking revenue	X	600.00	291,375.35
Deposit	5/21/2007			DeVos Place parking revenue	X	74.00	291,449.35
Deposit	5/21/2007			DeVos Place parking revenue	X	33.00	291,482.35
Deposit	5/22/2007			DeVos Place parking revenue	X	200.00	291,682.35
Deposit	5/22/2007			DeVos Place parking revenue	X	149.50	291,831.85
Deposit	5/22/2007			DeVos Place parking revenue	X	428.00	292,260.85
Deposit	5/22/2007			DeVos Place parking revenue	X	6.50	292,267.35

12:44 PM

## Grand Rapids-Kent County Convention/Arena Authority

06/18/07

## Reconciliation Detail

1050 · Operations - Cash, Period Ending 05/31/2007

Type	Date	Num	Name	Memo	Cir	Amount	Balance
Deposit	5/22/2007			DeVos Place parking revenue	X	50.50	292,314.85
Deposit	5/22/2007			DeVos Place parking revenue	X	35.00	292,349.85
Deposit	5/23/2007			DeVos Place parking revenue	X	115.00	292,464.85
Deposit	5/23/2007			DeVos Place parking revenue	X	614.00	293,078.85
Deposit	5/23/2007			DeVos Place parking revenue	X	115.00	293,193.85
Deposit	5/23/2007			DeVos Place parking revenue	X	252.50	293,446.35
Deposit	5/23/2007			DeVos Place parking revenue	X	45.50	293,491.85
Deposit	5/24/2007			DeVos Place parking revenue	X	462.00	293,953.85
Deposit	5/24/2007			DeVos Place parking revenue	X	39.00	293,992.85
Deposit	5/24/2007			DeVos Place parking revenue	X	495.00	294,487.85
Deposit	5/24/2007			DeVos Place parking revenue	X	14.00	294,501.85
Deposit	5/24/2007			DeVos Place parking revenue	X	162.50	294,664.35
Deposit	5/24/2007			DeVos Place parking revenue	X	209.00	294,873.35
Deposit	5/25/2007			DeVos Place parking revenue	X	254.00	295,127.35
Deposit	5/25/2007			DeVos Place parking revenue	X	220.50	295,347.85
Deposit	5/25/2007			DeVos Place parking revenue	X	149.50	295,497.35
Deposit	5/25/2007			DeVos Place parking revenue	X	10.00	295,507.35
Deposit	5/25/2007			DeVos Place parking revenue	X	41.90	295,549.25
Deposit	5/26/2007			DeVos Place parking revenue	X	286.00	295,835.25
Deposit	5/26/2007			DeVos Place parking revenue	X	149.50	295,984.75
Deposit	5/26/2007			DeVos Place parking revenue	X	136.50	296,121.25
Deposit	5/26/2007			DeVos Place parking revenue	X	396.50	296,517.75
Deposit	5/26/2007			DeVos Place parking revenue	X	143.00	296,660.75
Deposit	5/26/2007			DeVos Place parking revenue	X	130.00	296,790.75
Deposit	5/28/2007			DeVos Place parking revenue	X	377.00	297,167.75
Deposit	5/28/2007			DeVos Place parking revenue	X	123.50	297,291.25
Deposit	5/28/2007			DeVos Place parking revenue	X	130.00	297,421.25
Deposit	5/29/2007			DeVos Place parking revenue	X	3.00	297,424.25
Deposit	5/29/2007			DeVos Place parking revenue	X	17.00	297,441.25
Deposit	5/29/2007			DeVos Place parking revenue	X	15.00	297,456.25
Deposit	5/29/2007			DeVos Place parking revenue	X	22.00	297,478.25
Deposit	5/29/2007			DeVos Place parking revenue	X	9.00	297,487.25
Deposit	5/30/2007			DeVos Place parking revenue	X	102.00	297,589.25
Deposit	5/30/2007			DeVos Place parking revenue	X	22.00	297,611.25
Deposit	5/30/2007			DeVos Place parking revenue	X	76.50	297,687.75
Deposit	5/30/2007			DeVos Place parking revenue	X	2.00	297,689.75
Total Deposits and Credits						297,689.75	297,689.75
Total Cleared Transactions						-218,545.84	-218,545.84
Cleared Balance						-218,545.84	335,410.29
Uncleared Transactions							
Checks and Payments - 8 Items							
Bill Pmt -Check	4/28/2005	6112	Priority Health			-398.73	-398.73
Bill Pmt -Check	5/29/2007	6719	Dickinson Wright PLLC			-237.30	-636.03
Bill Pmt -Check	5/29/2007	6718	Consumers Energy			-72,030.16	-72,666.19
Bill Pmt -Check	5/29/2007	6725	Priority Health			-370.42	-73,036.61
Bill Pmt -Check	5/29/2007	6721	DTE Energy			-790.45	-73,827.06
Bill Pmt -Check	5/29/2007	6722	ICMA Retirement Corporation - ...			-271.40	-74,098.46
Bill Pmt -Check	5/29/2007	6723	ICMA Retirement Corporation - ...			-50.00	-74,148.46
Bill Pmt -Check	5/29/2007	6720	Diversity Management Strategist...			-5,458.33	-79,606.79
Total Checks and Payments						-79,606.79	-79,606.79
Deposits and Credits - 5 Items							
Sales Receipt	9/14/2006		Grand Action Committee			0.00	0.00
Deposit	5/31/2007			DeVos Place parking revenue		17.00	17.00
Deposit	5/31/2007			DeVos Place parking revenue		21.00	38.00
Deposit	5/31/2007			DeVos Place parking revenue		27.00	65.00
Deposit	5/31/2007			DeVos Place parking revenue		36.00	101.00
Total Deposits and Credits						101.00	101.00
Total Uncleared Transactions						-79,505.79	-79,505.79
Register Balance as of 05/31/2007						-298,051.63	255,904.50

12:44 PM

06/18/07

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

1050 - Operations - Cash, Period Ending 05/31/2007

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>New Transactions</b>							
<b>Checks and Payments - 12 Items</b>							
Check	6/8/2007	10179	Rich MacKeigan			-164.43	-164.43
Check	6/8/2007	10180	Susan M. Waddell			-930.14	-1,094.57
Check	6/8/2007	10179	Rich MacKeigan			-870.67	-1,965.24
Check	6/8/2007	10180	Susan M. Waddell			-1,496.00	-3,461.24
Bill Pmt -Check	6/14/2007	6727	Consumers Energy			-37,239.92	-40,701.16
Bill Pmt -Check	6/14/2007	6728	Corporate Sound			-1,655.00	-42,356.16
Bill Pmt -Check	6/14/2007	6729	Dickinson Wright PLLC			-620.00	-42,976.16
Bill Pmt -Check	6/14/2007	6730	Grand Rapids City Treasurer			-8,664.39	-49,640.55
Bill Pmt -Check	6/14/2007	6731	ICMA Retirement Corporation - ...			-271.40	-49,911.95
Bill Pmt -Check	6/14/2007	6732	ICMA Retirement Corporation - ...			-50.00	-49,961.95
Bill Pmt -Check	6/14/2007	6733	Kent Count Dept of Public Works			-28,482.28	-78,444.23
Bill Pmt -Check	6/14/2007	6734	McBee Systems, Inc.			-164.07	-78,608.30
Total Checks and Payments						-78,608.30	-78,608.30
<b>Deposits and Credits - 64 Items</b>							
Deposit	6/1/2007			DeVos Place parking revenue		414.00	414.00
Deposit	6/1/2007			DeVos Place parking revenue		370.00	784.00
Deposit	6/1/2007			DeVos Place parking revenue		56.00	840.00
Deposit	6/1/2007					98.00	938.00
Deposit	6/1/2007			DeVos Place parking revenue		15.00	953.00
Deposit	6/1/2007			DeVos Place parking revenue		57.00	1,010.00
Deposit	6/1/2007			DeVos Place parking revenue		26.00	1,036.00
Deposit	6/1/2007			DeVos Place parking revenue		47.00	1,083.00
Deposit	6/2/2007			DeVos Place parking revenue		175.50	1,258.50
Deposit	6/2/2007			DeVos Place parking revenue		1,540.50	2,799.00
Deposit	6/2/2007			DeVos Place parking revenue		650.00	3,449.00
Deposit	6/2/2007			DeVos Place parking revenue		2,021.50	5,470.50
Deposit	6/2/2007			DeVos Place parking revenue		565.50	6,036.00
Deposit	6/2/2007			DeVos Place parking revenue		464.00	6,500.00
Deposit	6/3/2007			DeVos Place parking revenue		1,475.50	7,975.50
Deposit	6/3/2007			DeVos Place parking revenue		1,716.00	9,691.50
Deposit	6/3/2007			DeVos Place parking revenue		663.00	10,354.50
Deposit	6/4/2007			DeVos Place parking revenue		37.00	10,391.50
Deposit	6/4/2007			DeVos Place parking revenue		15,950.00	26,341.50
Deposit	6/4/2007			DeVos Place parking revenue		78.00	26,419.50
Deposit	6/5/2007			DeVos Place parking revenue		802.00	27,221.50
Deposit	6/5/2007			DeVos Place parking revenue		211.50	27,433.00
Deposit	6/5/2007			DeVos Place parking revenue		75.00	27,508.00
Deposit	6/5/2007			DeVos Place parking revenue		73.00	27,581.00
Deposit	6/5/2007			DeVos Place parking revenue		403.00	27,984.00
Deposit	6/6/2007			DeVos Place parking revenue		18.00	28,002.00
Deposit	6/6/2007			DeVos Place parking revenue		92.00	28,094.00
Deposit	6/6/2007			DeVos Place parking revenue		27.00	28,121.00
Deposit	6/6/2007			DeVos Place parking revenue		32.00	28,153.00
Deposit	6/6/2007			DeVos Place parking revenue		55.00	28,208.00
Deposit	6/6/2007			Van Andel Arena excess cas...		100,000.00	128,208.00
Deposit	6/7/2007			DeVos Place parking revenue		97.00	128,305.00
Deposit	6/7/2007			DeVos Place parking revenue		82.00	128,387.00
Deposit	6/7/2007			DeVos Place parking revenue		125.00	128,512.00
Deposit	6/7/2007			DeVos Place parking revenue		600.00	129,112.00
Deposit	6/7/2007			DeVos Place parking revenue		100.00	129,212.00
Deposit	6/8/2007			DeVos Place parking revenue		27.00	129,239.00
Deposit	6/8/2007			DeVos Place parking revenue		134.50	129,373.50
Deposit	6/8/2007			DeVos Place parking revenue		97.50	129,471.00
Deposit	6/8/2007			DeVos Place parking revenue		356.00	129,827.00
Deposit	6/8/2007			DeVos Place parking revenue		38.00	129,865.00
Deposit	6/8/2007			DeVos Place parking revenue		744.50	130,609.50
Deposit	6/9/2007			DeVos Place parking revenue		130.00	130,739.50
Deposit	6/9/2007			DeVos Place parking revenue		136.50	130,876.00
Deposit	6/9/2007			DeVos Place parking revenue		559.50	131,435.50
Deposit	6/9/2007			DeVos Place parking revenue		344.50	131,780.00
Deposit	6/9/2007			DeVos Place parking revenue		461.50	132,241.50
Deposit	6/9/2007			DeVos Place parking revenue		444.00	132,685.50
Deposit	6/9/2007			DeVos Place parking revenue		45.50	132,731.00
Deposit	6/10/2007			DeVos Place parking revenue		286.00	133,017.00
Deposit	6/10/2007			DeVos Place parking revenue		286.00	133,303.00
Deposit	6/10/2007			DeVos Place parking revenue		422.50	133,725.50
Deposit	6/10/2007			DeVos Place parking revenue		622.50	134,348.00
Deposit	6/10/2007			DeVos Place parking revenue		104.00	134,452.00
Deposit	6/11/2007			DeVos Place parking revenue		34.00	134,486.00
Deposit	6/11/2007			DeVos Place parking revenue		95.00	134,581.00
Deposit	6/12/2007			DeVos Place parking revenue		74.00	134,655.00

12:44 PM

06/18/07

**Grand Rapids-Kent County Convention/Arena Authority****Reconciliation Detail****1050 · Operations - Cash, Period Ending 05/31/2007**

Type	Date	Num	Name	Memo	Cir	Amount	Balance
Deposit	6/12/2007			DeVos Place parking revenue		137.00	134,792.00
Deposit	6/13/2007			DeVos Place parking revenue		86.00	134,878.00
Deposit	6/13/2007			DeVos Place parking revenue		50.00	134,928.00
Deposit	6/13/2007			DeVos Place parking revenue		199.00	135,127.00
Deposit	6/13/2007			DeVos Place parking revenue		236.00	135,363.00
Deposit	6/14/2007			DeVos Place parking revenue		99.00	135,462.00
Deposit	6/14/2007			DeVos Place parking revenue		176.00	135,638.00
Total Deposits and Credits						135,638.00	135,638.00
Total New Transactions						57,029.70	57,029.70
Ending Balance						-241,021.93	312,934.20

12:17 PM

06/18/07

## Grand Rapids-Kent County Convention/Arena Authority

## Reconciliation Detail

1070 · Kent County - Operating, Period Ending 04/30/2007

Type	Date	Num	Name	Memo	Clr	Amount	Balance
<b>Beginning Balance</b>							19,719,633.85
<b>Cleared Transactions</b>							
<b>Deposits and Credits - 2 Items</b>							
Deposit	4/1/2007			Interest	X	84,802.58	84,802.58
Transfer	4/16/2007			Funds Transfer	X	300,000.00	384,802.58
Total Deposits and Credits						384,802.58	384,802.58
Total Cleared Transactions						384,802.58	384,802.58
Cleared Balance						384,802.58	20,104,436.43
Register Balance as of 04/30/2007						384,802.58	20,104,436.43
<b>Ending Balance</b>						<b>384,802.58</b>	<b>20,104,436.43</b>



FUND LEDGER

04/01/07 THROUGH 04/30/07  
FUND : CAA-OPERATING  
NUMBER: 0701 221 13913

DATE	TYPE	SOURCE	ADDITIONS	DEDUCTIONS	BALANCE	TIME POSTED	POSTED BY
04/01/07	3	APPINT	84,802.58 ✓		19,719,633.85		
04/17/07	10	-	300,000.00 ✓		19,804,436.43	04/24/07 12:43:44	knt102
					20,104,436.43 ✓	05/11/07 13:14:46	knt102

RECAP BY TYPE CODE

-----ADDITIONS-----		-----DEDUCTIONS-----		NET AMOUNT	
TYPE	NO	AMOUNT	NO	AMOUNT	
3	1	84,802.58	0		84,802.58
10	1	300,000.00	0		300,000.00
TOTAL		384,802.58			384,802.58
AVERAGE DAILY BALANCE					19,944,436.43

RECEIVED



5/17/07

*Handwritten signature*

*Handwritten: 5/18/07*

2:43 PM

06/18/07

Accrual Basis

**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss**  
 July 2006 through May 2007

	Jul '06 - May 07
<b>Income</b>	
4040 · Private Support	0.00
4500 · Interest on Investments	812,927.29
4540 · Land Lease	128,793.00
4545 · Parking Revenues	784,025.74
<b>Total Income</b>	<b>1,725,746.03</b>
<b>Expense</b>	
6000 · Professional Services	
6001 · Accounting/Auditing Services	24,286.39
6040 · Legal Services	21,203.64
<b>Total 6000 · Professional Services</b>	<b>45,490.03</b>
6060 · Other Contractual Services	33,293.80
6065 · Pedestrian Safety	42,737.39
6068 · Parking Management	248,462.00
6100 · Other Supplies & Expenses	
6010 · Bank Fees	464.05
6020 · Computer Services	299.00
6030 · Insurance-Property/Liability	19,196.86
6110 · Meeting Expense	236.46
6120 · Supplies	5,430.82
6140 · Printing and Binding	4,470.00
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>30,097.19</b>
6200 · Capital Replacement Projects	1,578,614.48
6210 · F&B Repair & Maintenance	49,328.69
6300 · Utilities Expense	
6301 · Electricity	1,090,471.65
6310 · Natural Gas	11,276.05
6320 · Steam	1,106,963.30
6340 · Water & Sewer	99,132.05
<b>Total 6300 · Utilities Expense</b>	<b>2,307,843.05</b>
6500 · DID Assessment	50,298.90
6600 · SMG Incentive Fees	229,259.00
8000 · Personal Services	
8001 · Employee Wages	58,251.14
8030 · Employee Benefits	19,504.91
<b>Total 8000 · Personal Services</b>	<b>77,756.05</b>
<b>Total Expense</b>	<b>4,693,180.58</b>
<b>Net Income</b>	<b>-2,967,434.55</b>

**Grand Rapids-Kent County Convention/Arena Authority**  
**Profit & Loss by Fund**  
**July 2006 through May 2007**

	<b>Admin &amp; Capital Replacement (Operations)</b>	<b>TOTAL</b>
<b>Income</b>		
4040 · Private Support	0.00	0.00
4500 · Interest on Investments	812,927.29	812,927.29
4540 · Land Lease	128,793.00	128,793.00
4545 · Parking Revenues	784,025.74	784,025.74
<b>Total Income</b>	<b>1,725,746.03</b>	<b>1,725,746.03</b>
<b>Expense</b>		
6000 · Professional Services		
6001 · Accounting/Auditing Services	24,286.39	24,286.39
6040 · Legal Services	21,203.64	21,203.64
<b>Total 6000 · Professional Services</b>	<b>45,490.03</b>	<b>45,490.03</b>
6060 · Other Contractual Services	33,293.80	33,293.80
6065 · Pedestrian Safety	42,737.39	42,737.39
6068 · Parking Management	248,462.00	248,462.00
6100 · Other Supplies & Expenses		
6010 · Bank Fees	464.05	464.05
6020 · Computer Services	299.00	299.00
6030 · Insurance-Property/Liability	19,196.86	19,196.86
6110 · Meeting Expense	236.46	236.46
6120 · Supplies	5,430.82	5,430.82
6140 · Printing and Binding	4,470.00	4,470.00
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>30,097.19</b>	<b>30,097.19</b>
6200 · Capital Replacement Projects	1,578,614.48	1,578,614.48
6210 · F&B Repair & Maintenance	49,328.69	49,328.69
6300 · Utilities Expense		
6301 · Electricity	1,090,471.65	1,090,471.65
6310 · Natural Gas	11,276.05	11,276.05
6320 · Steam	1,106,963.30	1,106,963.30
6340 · Water & Sewer	99,132.05	99,132.05
<b>Total 6300 · Utilities Expense</b>	<b>2,307,843.05</b>	<b>2,307,843.05</b>
6500 · DID Assessment	50,298.90	50,298.90
6600 · SMG Incentive Fees	229,259.00	229,259.00
8000 · Personal Services		
8001 · Employee Wages	58,251.14	58,251.14
8030 · Employee Benefits	19,504.91	19,504.91
<b>Total 8000 · Personal Services</b>	<b>77,756.05</b>	<b>77,756.05</b>
<b>Total Expense</b>	<b>4,693,180.58</b>	<b>4,693,180.58</b>
<b>Net Income</b>	<b>-2,967,434.55</b>	<b>-2,967,434.55</b>

2:47 PM

06/18/07

Accrual Basis

# Grand Rapids-Kent County Convention/Arena Authority

## Profit & Loss Budget vs. Actual

July 2006 through May 2007

	Jul '06 - May 07	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4040 · Private Support	0.00			
4500 · Interest on Investments	812,927.29	719,587.00	93,340.29	113.0%
4540 · Land Lease	128,793.00	141,713.00	-12,920.00	90.9%
4545 · Parking Revenues	784,025.74	673,354.00	110,671.74	116.4%
4550 · Miscellaneous Revenue	0.00	13,750.00	-13,750.00	0.0%
<b>Total Income</b>	<b>1,725,746.03</b>	<b>1,548,404.00</b>	<b>177,342.03</b>	<b>111.5%</b>
<b>Expense</b>				
6000 · Professional Services				
6001 · Accounting/Auditing Services	24,286.39	23,837.00	449.39	101.9%
6040 · Legal Services	21,203.64	27,500.00	-6,296.36	77.1%
<b>Total 6000 · Professional Services</b>	<b>45,490.03</b>	<b>51,337.00</b>	<b>-5,846.97</b>	<b>88.6%</b>
6060 · Other Contractual Services	33,293.80	55,000.00	-21,706.20	60.5%
6065 · Pedestrian Safety	42,737.39	73,337.00	-30,599.61	58.3%
6068 · Parking Management	248,462.00	309,133.00	-60,671.00	80.4%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	464.05			
6020 · Computer Services	299.00			
6030 · Insurance-Property/Liability	19,196.86	18,337.00	859.86	104.7%
6110 · Meeting Expense	236.46	3,663.00	-3,426.54	6.5%
6120 · Supplies	5,430.82	9,163.00	-3,732.18	59.3%
6140 · Printing and Binding	4,470.00			
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>30,097.19</b>	<b>31,163.00</b>	<b>-1,065.81</b>	<b>96.6%</b>
6200 · Capital Replacement Projects	1,578,614.48	995,500.00	583,114.48	158.6%
6210 · F&B Repair & Maintenance	49,328.69			
6300 · Utilities Expense				
6301 · Electricity	1,090,471.65	1,094,500.00	-4,028.35	99.6%
6310 · Natural Gas	11,276.05	16,500.00	-5,223.95	68.3%
6320 · Steam	1,106,963.30	1,017,038.00	89,925.30	108.8%
6340 · Water & Sewer	99,132.05	11,352.00	87,780.05	873.3%
<b>Total 6300 · Utilities Expense</b>	<b>2,307,843.05</b>	<b>2,139,390.00</b>	<b>168,453.05</b>	<b>107.9%</b>
6500 · DID Assessment	50,298.90	45,518.00	4,780.90	110.5%
6600 · SMG Incentive Fees	229,259.00			
8000 · Personal Services				
8001 · Employee Wages	58,251.14	53,900.00	4,351.14	108.1%
8030 · Employee Benefits	19,504.91	19,316.00	188.91	101.0%
<b>Total 8000 · Personal Services</b>	<b>77,756.05</b>	<b>73,216.00</b>	<b>4,540.05</b>	<b>106.2%</b>
<b>Total Expense</b>	<b>4,693,180.58</b>	<b>3,773,594.00</b>	<b>919,586.58</b>	<b>124.4%</b>
<b>Net Income</b>	<b>-2,967,434.55</b>	<b>-2,225,190.00</b>	<b>-742,244.55</b>	<b>133.4%</b>

2:48 PM

06/18/07

Accrual Basis

# Grand Rapids-Kent County Convention/Arena Authority Profit & Loss Prev Year Comparison

July 2006 through May 2007

	Jul '06 - May 07	Jul '05 - May 06	\$ Change	% Change
<b>Income</b>				
4040 · Private Support	0.00	0.00	0.00	0.0%
4500 · Interest on Investments	812,927.29	634,348.62	178,578.67	28.2%
4540 · Land Lease	128,793.00	115,220.00	13,573.00	11.8%
4545 · Parking Revenues	784,025.74	677,504.65	106,521.09	15.7%
4550 · Miscellaneous Revenue	0.00	63,236.74	-63,236.74	-100.0%
<b>Total Income</b>	<b>1,725,746.03</b>	<b>1,490,310.01</b>	<b>235,436.02</b>	<b>15.8%</b>
<b>Expense</b>				
6000 · Professional Services				
6001 · Accounting/Auditing Services	24,286.39	45,565.73	-21,279.34	-46.7%
6040 · Legal Services	21,203.64	29,208.38	-8,004.74	-27.4%
<b>Total 6000 · Professional Services</b>	<b>45,490.03</b>	<b>74,774.11</b>	<b>-29,284.08</b>	<b>-39.2%</b>
6060 · Other Contractual Services	33,293.80	16,822.64	16,471.16	97.9%
6065 · Pedestrian Safety	42,737.39	71,292.37	-28,554.98	-40.1%
6068 · Parking Management	248,462.00	231,672.40	16,789.60	7.3%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	464.05	-10.00	474.05	4,740.5%
6020 · Computer Services	299.00	249.95	49.05	19.6%
6030 · Insurance-Property/Liability	19,196.86	16,730.00	2,466.86	14.8%
6110 · Meeting Expense	236.46	1,567.06	-1,330.60	-84.9%
6120 · Supplies	5,430.82	2,206.60	3,224.22	146.1%
6140 · Printing and Binding	4,470.00	0.00	4,470.00	100.0%
<b>Total 6100 · Other Supplies &amp; Expenses</b>	<b>30,097.19</b>	<b>20,743.61</b>	<b>9,353.58</b>	<b>45.1%</b>
6160 · Facility Repair and Maintenance	0.00	27,306.25	-27,306.25	-100.0%
6200 · Capital Replacement Projects	1,578,614.48	1,829,846.96	-251,232.48	-13.7%
6210 · F&B Repair & Maintenance	49,328.69	0.00	49,328.69	100.0%
6300 · Utilities Expense				
6301 · Electricity	1,090,471.65	1,028,459.62	62,012.03	6.0%
6310 · Natural Gas	11,276.05	24,067.23	-12,791.18	-53.2%
6320 · Steam	1,106,963.30	1,026,556.42	80,406.88	7.8%
6340 · Water & Sewer	99,132.05	111,379.02	-12,246.97	-11.0%
<b>Total 6300 · Utilities Expense</b>	<b>2,307,843.05</b>	<b>2,190,462.29</b>	<b>117,380.76</b>	<b>5.4%</b>
6410 · Interest & Paying Agent Fees	0.00	750.00	-750.00	-100.0%
6500 · DID Assessment	50,298.90	0.00	50,298.90	100.0%
6600 · SMG Incentive Fees	229,259.00	194,533.00	34,726.00	17.9%
8000 · Personal Services				
8001 · Employee Wages	58,251.14	28,157.40	30,093.74	106.9%
8030 · Employee Benefits	19,504.91	17,359.14	2,145.77	12.4%
<b>Total 8000 · Personal Services</b>	<b>77,756.05</b>	<b>45,516.54</b>	<b>32,239.51</b>	<b>70.8%</b>
<b>Total Expense</b>	<b>4,693,180.58</b>	<b>4,703,720.17</b>	<b>-10,539.59</b>	<b>-0.2%</b>
<b>Net Income</b>	<b>-2,967,434.55</b>	<b>-3,213,410.16</b>	<b>245,975.61</b>	<b>7.7%</b>

**VAN ANDEL ARENA  
FOOD & BEVERAGE REVENUE & COMMISSIONS  
FOR MONTH ENDED MAY 31, 2007**

<b>MONTH</b>	<b>May Actual</b>	<b>May Budget</b>	<b>May Prior Year</b>
Gross Concessions Revenue	270,490	194,000	288,282
Less: Concessionaire Share	(127,131)	(91,180)	(145,689)
Less: Griffins/Rampage Share	(29,953)	(42,400)	(17,010)
Total Net Concessions to Arena	113,406	60,420	125,583
Gross Catering Revenue	57,407	36,000	46,669
Less: Concessionaire Share	(45,797)	(28,980)	(38,896)
Less: Griffins/Rampage Share	(3,545)	(3,510)	(2,725)
Total Net Catering to Arena	8,065	3,510	5,048
Total SMGFB Payment to Arena	121,471	63,930	130,631
Less: Branded Sales Commissions	(1,165)		
Net Food & Beverage Revenue	120,307	63,930	130,632

<b>YEAR TO DATE</b>	<b>YTD 2007 Actual</b>	<b>YTD 2007 Budget</b>	<b>YTD 2007 Prior Year</b>
Gross Concessions Revenue	2,917,658	2,719,300	2,706,927
Less: Concessionaire Share	(1,371,299)	(1,341,671)	(1,371,828)
Less: Griffins/Rampage Share	(307,979)	(304,800)	(331,581)
Total Net Concessions to Arena	1,238,380	1,072,829	1,003,518
Gross Catering Revenue	747,292	615,600	665,677
Less: Concessionaire Share	(598,096)	(473,830)	(552,555)
Less: Griffins/Rampage Share	(38,271)	(64,457)	(39,018)
Total Net Catering to Arena	110,926	77,313	74,103
Total SMGFB Payment to Arena	1,349,306	1,150,142	1,077,621
Less: Branded Sales Commissions	(19,624)		
Net Food & Beverage Revenue	1,329,682	1,150,142	1,077,621

**MONTHLY EVENTS - PER CAP COMPARISON**

	<b>Previous Visit</b>	<b>Current Year</b>	<b>Percentage Change</b>
Kenny Chesney	\$8.26	\$8.79	6.42%
Rampage - Games 5-6	\$5.48	\$5.48	0.00%
Griffins Season	\$5.21	\$5.01	-3.84%
Rampage Season	\$5.60	\$5.87	4.81%
Total Family Shows	\$3.34	\$3.44	3.02%
Total Sporting Events	\$4.95	\$5.03	1.52%
Total Concerts	\$5.37	\$5.26	-2.20%

# DEVOS PLACE

## DE VOS PLACE

OPERATING BUDGET  
FISCAL YEAR ENDING JUNE 30, 2008

**\*\*\*INCLUDES APRIL ROLLING FORECAST\*\*\***

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Bob McClintock

Lewis Dawley

Gary McAneney

Howard Feldman

Richard MacKeigan

Chris Machuta



---

*An SMG Managed Facility*

SMG - DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Lead Income Statement  
Fiscal Year Ending June 30, 2008

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY 2008 BUDGET	FY 2007 EST/ACT	VAR.
EVENT DAYS/PERFORMANCES ATTENDANCE	28 14,875	36 24,550	65 68,350	78 62,270	78 61,300	54 57,655	48 71,100	51 117,050	75 107,650	58 55,775	53 56,900	23 25,875	647 723,350	648 647,908	(1) 75,442
DIRECT EVENT INCOME															
RENT	60,125 (6,607)	134,625 (22,992)	247,225 (25,645)	305,100 (32,011)	266,900 (27,065)	195,750 (6,847)	291,825 (27,243)	349,650 (8,210)	385,325 (26,611)	244,875 3,012	149,500 (3,959)	104,975 (10,004)	2,735,875 (194,182)	2,564,657 (120,965)	171,218 (73,217)
SERVICE INCOME	53,518	111,633	221,580	273,089	239,835	188,903	264,582	341,440	358,714	247,887	145,541	94,971	2,541,693	2,443,692	98,001
TOTAL DIRECT EVENT INCOME															
ANCILLARY INCOME															
CONCESSIONS	1,063	975	2,937	2,392	7,643	3,118	16,961	36,046	35,398	9,117	2,439	5,765	123,854	131,879	(8,025)
CATERING	21,528	44,842	93,913	74,678	92,102	114,570	35,819	31,635	45,337	71,651	26,872	20,452	673,399	632,955	40,444
NOVELTY	174	125	1,295	1,274	1,746	1,733	895	1,554	1,819	1,176	1,355	425	13,571	17,557	(3,986)
DECORATOR	7,136	15,984	35,163	49,950	49,526	17,280	32,736	87,936	38,037	28,645	9,686	400	372,479	359,701	12,778
ELECTRICAL	9,641	24,510	40,754	50,812	68,445	40,183	29,496	39,752	42,654	47,568	11,672	664	406,151	439,701	(33,550)
AUDIO/VISUAL	8,554	31,976	37,419	48,885	55,804	30,240	13,356	14,238	23,548	31,997	13,738	2,296	312,051	276,929	35,122
EQUIPMENT	2,076	6,450	14,028	20,388	20,777	25,057	9,897	13,344	16,277	15,240	10,176	5,530	159,240	153,271	5,969
TOTAL ANCILLARY INCOME	50,172	124,862	225,509	248,379	296,043	232,181	139,160	224,505	203,070	205,394	75,938	35,532	2,080,745	2,011,993	48,752
TOTAL EVENT INCOME	103,690	236,495	447,089	521,468	535,878	421,084	403,742	565,945	561,784	453,281	221,479	130,503	4,602,438	4,455,685	146,753
OTHER OPERATING INCOME															
INTEREST INCOME	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000	39,435	2,565
TICKET INCENTIVES	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	130,000	136,363	(6,363)
PREMIUM SEATING	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000	42,703	2,297
OTHER INCOME	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	9,878	2,122
TOTAL OTHER INCOME	19,083	19,083	19,083	19,083	19,083	19,083	19,083	19,083	19,083	19,083	19,083	19,083	229,000	228,379	621
ADJUSTED GROSS INCOME	122,773	255,578	466,172	540,551	554,961	440,167	422,825	585,028	580,867	472,364	240,562	149,586	4,831,438	4,684,064	147,374
INDIRECT EXPENSES															
EXECUTIVE	13,884	13,884	13,884	13,884	13,884	13,884	13,884	13,884	13,884	13,884	13,884	13,872	166,596	158,092	(8,504)
FINANCE	17,379	17,379	17,379	17,379	17,379	17,379	17,379	17,379	17,379	17,379	17,379	17,379	208,548	212,248	(3,700)
MARKETING	8,722	8,722	8,722	8,722	8,722	8,722	8,722	8,722	8,722	8,722	8,722	8,715	104,657	75,719	(28,938)
SALES	20,728	20,728	20,728	20,728	20,728	20,728	20,728	20,728	20,728	20,728	20,728	20,715	248,723	244,732	(3,991)
OPERATIONS	110,787	109,287	143,507	109,287	109,287	109,287	109,287	113,287	109,287	143,507	109,287	109,283	1,385,380	1,366,680	(18,700)
EVENT SERVICES	78,454	78,454	78,454	78,454	78,454	78,454	78,454	81,454	78,454	78,454	78,454	78,453	944,447	934,379	(10,068)
BOX OFFICE	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,469	6,467	77,626	84,817	(7,191)
OVERHEAD	129,380	120,380	130,680	179,780	201,380	236,880	249,380	295,880	241,380	171,380	143,380	117,869	2,217,749	2,221,548	(3,799)
TOTAL INDIRECT EXPENSES	385,803	375,303	419,823	434,703	456,303	491,803	504,303	557,803	496,303	460,523	398,303	372,753	5,353,726	5,298,215	(55,511)
NET FACILITY INCOME (LOSS)	(263,030)	(119,725)	46,349	105,848	98,658	(51,636)	(81,478)	27,225	84,564	11,841	(157,741)	(223,167)	(522,288)	(614,151)	91,863



**SMC - DeVos Place**  
Grand Rapids - Kent County Convention/Arts Authority

Event Summary  
Fiscal Year Ending June 30, 2008

2008 NO of Events	Attendance	Rental Income	Service Income	Concession Income	Catering Income	Novelty Income	Decorator Income	Electrical Income	Audio/Visual Income	Equipment Income	EVENT INCOME FY 2008	EVENT INCOME FY 2007	VARIANCE
<b>EXHIBITION HALLS</b>													
Agriculture & Farming	4	3,200	1,600	3,086	13,800	-	11,200	1,985	13,650	2,400	24,001	34,752	(10,751)
Animals	4	6,000	65,000	(11,115)	2,250	-	13,520	15,437	-	3,250	101,992	-	101,992
Apparel	-	-	-	-	-	-	-	-	-	-	-	38,288	(38,288)
Associations	17	29,100	113,000	(19,324)	41,790	-	23,504	26,637	23,730	5,650	215,187	46,004	167,083
Automotive & Trucking	2	1,600	18,000	(3,078)	2,760	-	3,744	4,275	3,780	900	30,381	32,050	(1,669)
Banking	3	2,700	15,000	(2,565)	3,105	-	3,120	3,582	3,150	750	26,122	26,122	0
Beauty & Hair Care	3	4,500	35,500	(2,786)	8,550	-	4,640	9,500	3,000	100	57,684	59,932	(2,248)
Building & Construction	4	3,500	19,925	(3,407)	4,862	-	7,888	3,800	3,430	500	38,868	32,136	6,732
Business	3	4,500	10,600	(1,813)	5,175	-	2,205	2,517	2,228	500	21,440	45,553	(24,113)
Ceramics & Glass	3	1,800	4,000	(884)	1,128	-	832	950	840	200	7,266	7,266	0
China & Glassware	3	1,800	11,000	3,412	3,102	-	2,288	2,612	2,310	550	21,882	21,882	0
Dental	4	4,600	31,100	-	8,970	-	6,240	7,388	6,384	1,555	65,047	20,887	44,160
Education	28	30,500	170,300	(28,612)	71,774	-	21,854	32,085	52,115	8,340	329,108	383,841	(54,733)
Engineering	3	6,000	32,000	(5,472)	9,024	-	6,656	7,800	6,720	1,800	58,128	58,128	0
Fishing	-	-	-	-	-	-	-	-	-	-	-	21,846	(21,846)
Floraiculture & Horticulture	6	7,200	67,500	(11,283)	28,500	-	12,200	13,394	5,040	3,850	119,201	99,570	19,631
Food Processing & Distribution	8	14,800	86,800	(7,753)	17,121	-	30,000	18,788	17,111	2,820	184,916	245,733	(60,817)
Furniture Industry	2	1,200	7,950	(1,390)	2,242	-	1,654	1,889	1,870	388	14,443	14,443	0
Government	9	12,000	48,000	(7,068)	28,880	-	9,568	10,925	9,860	1,500	99,567	56,274	43,293
Insurance	1	400	3,925	(21)	3,000	-	818	1,425	1,344	-	10,489	10,605	(116)
Landscaping & Gardening	5	11,000	77,000	(11,831)	9,576	-	19,424	4,275	9,380	1,200	105,424	148,844	(44,420)
Libraries	-	-	-	-	-	-	-	-	-	-	-	82,316	(82,316)
Medical & Health Care	9	5,400	31,100	(5,318)	16,368	-	6,489	7,388	6,531	1,555	64,089	2,379	61,710
Motorcycles	1	150	1,550	(286)	322	-	322	368	328	78	2,379	2,379	0
Music	3	2,400	15,000	(2,595)	4,230	-	3,120	3,582	3,150	750	27,247	27,247	0
Pharmaceuticals	-	-	-	-	-	-	-	-	-	-	-	36,378	(36,378)
Petroleum & Gas	3	3,000	28,000	(3,846)	2,250	-	5,408	180	1,800	900	32,482	30,950	1,532
Police	-	-	-	-	-	-	-	-	-	-	-	17,885	(17,885)
Political	-	-	-	-	-	-	-	-	-	-	-	21,174	(21,174)
Radio, TV, & Cable	2	1,600	12,000	(2,052)	2,780	-	2,486	2,850	2,520	600	21,174	22,311	(1,137)
Real Estate	1	250	1,100	(188)	862	-	229	281	231	55	2,550	15,185	(12,635)
Religious	8	12,000	29,200	(4,985)	15,097	-	6,074	6,938	6,133	1,461	59,908	53,939	5,969
Safety	-	-	-	-	-	-	-	-	-	-	-	16,984	(16,984)
Science	-	-	-	-	-	-	-	-	-	-	-	76,928	(76,928)
Toys & Hobbies	-	-	-	-	-	-	-	-	-	-	-	66,591	(66,591)
Transportation	4	8,000	38,000	(6,488)	8,280	-	7,804	9,025	7,980	1,900	68,591	10,837	57,754
Water	-	-	-	-	-	-	-	-	-	-	-	154,015	(154,015)
Woodworking	2	10,000	65,000	(11,115)	3,750	-	38,000	44,650	13,650	1,000	154,015	155,654	(1,639)
Misc Trade Shows	9	8,600	37,475	(5,058)	12,900	-	7,680	9,690	2,310	3,350	88,347	88,347	0
<b>TOTAL CONVENTIONS/TRADESHOWS</b>	<b>153</b>	<b>193,800</b>	<b>1,086,025</b>	<b>(154,783)</b>	<b>8,131</b>	<b>329,334</b>	<b>246,875</b>	<b>254,169</b>	<b>207,051</b>	<b>50,242</b>	<b>2,007,744</b>	<b>1,801,710</b>	<b>206,034</b>
Motorports	8	16,000	53,700	(6,981)	5,000	-	60,000	11,000	3,360	1,500	51,719	57,984	(6,265)
Automotive & Trucking	5	40,000	80,000	(3,432)	12,500	-	9,000	9,400	2,380	300	182,992	177,359	5,633
Boat Show	5	20,000	118,000	(8,163)	360	-	9,800	1,425	2,550	400	142,877	145,238	(2,361)
Craft Show/Sale	4	3,300	13,825	(2,638)	750	-	860	3,800	1,125	112	14,974	14,456	518
Custom Car Show	3	13,500	29,000	(1,745)	5,750	-	1,900	950	1,400	500	38,407	38,938	(531)
Education	3	3,200	11,050	(1,437)	125	-	1,600	3,000	1,100	300	13,153	12,141	1,012
Golf Show	3	10,500	25,500	(1,316)	5,250	-	4,640	3,000	168	300	38,342	38,250	92
Motorcycles	2	6,500	12,000	647	4,500	-	2,400	1,710	478	1,000	22,733	21,982	751
Music	2	1,600	6,400	2,873	750	-	-	-	-	500	10,323	26,146	(15,823)
Real Estate	3	9,000	32,000	(2,090)	3,750	-	2,400	10,450	420	1,000	52,335	38,835	13,500
Recreational Vehicles	4	16,000	84,000	(4,475)	75	-	2,720	17,100	448	200	104,454	103,782	672
Sporting Goods & Recreation	4	28,000	72,500	(2,439)	18,000	-	8,000	8,500	840	250	105,721	110,600	(4,879)
Wedding Shows	5	11,000	28,500	(2,930)	1,550	-	3,138	7,361	888	3,400	41,885	38,023	3,862
Women	3	13,500	33,500	(1,750)	4,750	-	6,400	985	650	850	44,215	53,885	(9,670)
Misc. Public Shows	14	33,200	81,825	(1,440)	4,750	-	11,875	11,875	1,036	1,800	86,901	114,019	(27,118)
Home & Garden	4	20,000	79,000	(7,115)	9,250	-	-	16,150	644	750	98,684	109,317	(10,633)
<b>TOTAL PUBLIC SHOWS</b>	<b>72</b>	<b>243,300</b>	<b>740,900</b>	<b>(34,576)</b>	<b>91,300</b>	<b>15,975</b>	<b>107,296</b>	<b>104,538</b>	<b>11,144</b>	<b>13,080</b>	<b>1,048,725</b>	<b>1,068,913</b>	<b>(20,188)</b>
<b>TOTAL - EXHIBITION HALL</b>	<b>225</b>	<b>437,100</b>	<b>1,807,925</b>	<b>(189,359)</b>	<b>345,309</b>	<b>-</b>	<b>354,271</b>	<b>358,805</b>	<b>218,195</b>	<b>63,292</b>	<b>3,057,469</b>	<b>2,900,623</b>	<b>156,846</b>

SMG - DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Event Summary  
Fiscal Year Ending June 30, 2008

2008 NON-EXHIBITION HALLS	NO of Events	Attendance	Rental Income	Service Income	Concession Income	Catering Income	Novelty Income	Decorator Income	Electrical Income	Audio/Visual Income	Equipment Income	EVENT INCOME FY 2008	EVENT INCOME FY 2007	VARIANCE
Testing	2	600	2,450	(319)	-	-	-	-	-	-	-	2,131	2,134	(3)
Banquets under 1,000	2	700	1,300	(169)	-	750	-	-	-	70	-	1,951	27,800	(25,849)
Graduation/Commencement	1	900	4,900	(359)	-	-	-	-	190	-	100	4,435	14,275	(9,840)
Corporate	1	4,000	21,000	510	-	33,750	-	4,000	19,950	11,200	7,300	97,710	92,096	5,614
Seminars/Amway	15	15,750	70,725	(9,195)	-	13,972	-	2,000	-	-	2,500	80,602	88,337	(6,335)
Dances - College	1	1,500	2,800	(178)	-	2,550	-	16	475	-	900	6,163	14,090	(7,927)
Dances - High School	1	400	1,700	(221)	-	-	-	-	-	-	-	1,479	11,014	(9,535)
Seminars & Meetings	167	23,200	130,900	(38,380)	-	66,232	-	12,160	8,643	26,664	15,575	224,514	246,730	(25,216)
Weddings	1	250	1,700	(221)	-	862	-	-	-	-	-	2,341	9,240	(6,899)
Ballroom Banquet - Large	2	4,000	8,650	(1,577)	-	7,650	-	32	1,425	3,368	900	18,668	35,633	(16,965)
Ballroom Banquet - Small	75	45,400	141,925	(23,066)	-	186,499	-	-	16,663	52,514	15,700	400,125	285,053	135,072
<b>TOTAL BALLROOM/MEETING ROOM/MISC.</b>	<b>268</b>	<b>96,700</b>	<b>385,550</b>	<b>(73,191)</b>	<b>-</b>	<b>325,175</b>	<b>-</b>	<b>18,208</b>	<b>47,346</b>	<b>93,856</b>	<b>42,575</b>	<b>839,519</b>	<b>809,402</b>	<b>30,117</b>
Grand Rapids Ballet	20	23,200	60,900	12,198	2,740	-	1,522	-	-	-	10,000	87,360	90,911	(3,551)
Opera Grand Rapids	6	9,000	39,750	3,528	1,788	-	993	-	-	-	3,579	49,638	49,463	175
Broadway Theatre Build	48	48,000	139,000	12,342	6,255	-	3,475	-	-	-	12,510	173,562	175,032	(1,450)
Grand Rapids Symphony	55	77,050	185,250	27,430	8,335	-	4,833	-	-	-	16,673	242,321	231,510	10,811
Miscellaneous DeVos Performance Hall	25	32,300	117,900	12,870	5,305	2,915	2,948	-	-	-	10,611	152,549	168,744	(46,195)
<b>TOTAL - DE VOS PERFORMANCE HALL</b>	<b>154</b>	<b>186,550</b>	<b>542,800</b>	<b>68,368</b>	<b>24,423</b>	<b>2,915</b>	<b>13,571</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,373</b>	<b>705,450</b>	<b>745,680</b>	<b>(40,210)</b>
<b>TOTAL - NON-EXHIBITION HALLS</b>	<b>422</b>	<b>286,250</b>	<b>928,350</b>	<b>(4,823)</b>	<b>24,423</b>	<b>328,090</b>	<b>13,571</b>	<b>18,208</b>	<b>47,346</b>	<b>93,856</b>	<b>85,948</b>	<b>1,544,969</b>	<b>1,555,082</b>	<b>(10,063)</b>
<b>TOTAL - ALL BUILDINGS</b>	<b>647</b>	<b>723,350</b>	<b>2,735,875</b>	<b>(194,162)</b>	<b>123,854</b>	<b>673,399</b>	<b>13,571</b>	<b>372,479</b>	<b>406,151</b>	<b>312,051</b>	<b>159,240</b>	<b>4,602,436</b>	<b>4,455,685</b>	<b>146,753</b>

**SMG - DeVos Place (Grand Center)**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Indirect Expense Summary**  
**Fiscal Year Ending June 30, 2008**

	<b>Budget</b> <b>F/Y 2008</b>	<b>Estimate</b> <b>F/Y 2007</b>	<b>Variance</b>
Salaries - Full Time	1,510,343	1,499,715	(10,628)
Salaries Part Time	1,000,765	1,064,549	63,784
Auto Allowance	27,250	27,250	-
Payroll Taxes	259,536	269,326	9,790
Employee Benefits	223,071	209,882	(13,189)
Pension	60,855	53,735	(7,120)
Union Expenses	86,130	88,693	2,563
Allocated Salaries	(1,357,513)	(1,450,356)	(92,843)
<b>Total Labor Costs</b>	<b>1,810,437</b>	<b>1,762,794</b>	<b>(47,643)</b>
Contracted Security	252,000	290,351	38,351
Meetings	32,000	28,699	(3,301)
Meals & Entertainment	14,500	16,936	2,436
Dues & Subscriptions	3,600	3,976	376
Professional Fees	36,500	38,267	1,767
Employee Training	10,000	10,632	632
Printing	15,600	14,896	(704)
Advertising	60,000	38,457	(21,543)
Trash Removal	30,000	32,462	2,462
Landscaping	10,000	11,279	1,279
Armored Services	2,400	2,408	8
Exterminating	56,440	55,297	(1,143)
Cleaning	24,000	28,020	4,020
Repairs & Maintenance	477,500	446,875	(30,625)
Supplies	295,000	290,595	(4,405)
Corporate Travel	5,000	-	(5,000)
Computer Expenses	75,000	62,668	(12,332)
Equipment Rental	12,000	3,768	(8,232)
Bank Service Charges	18,000	19,742	1,742
General Liability Insurance	103,249	103,686	437
Property Insurance	121,000	115,214	(5,786)
Insurance Expense	42,000	42,917	917
Printing & Stationary	11,000	8,124	(2,876)
Office Supplies	9,000	18,029	9,029
Postage	5,000	3,371	(1,629)
Parking Expense	18,000	20,857	2,857
Telephone	72,000	69,383	(2,617)
Utilities	1,601,200	1,621,830	20,630
Management Fee	153,300	150,000	(3,300)
Incentive Fee	0	-	-
Allocated Expenses	(22,000)	(13,318)	8,682
<b>Total Materials &amp; Service</b>	<b>3,543,289</b>	<b>3,535,421</b>	<b>(7,868)</b>
<b>Total Indirect Expenses</b>	<b>5,353,726</b>	<b>5,298,215</b>	<b>(55,511)</b>

4

**SMG - Van Andel Arena / DeVos Place(Grand Center)**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Full Time Employee Summary & Allocation**  
**Fiscal Year Ending June 30, 2008**

Position	F/Y 2007			F/Y 2008			Change
	VAA	DVP	Total	VAA	DVP	Total	
General Manager	0.50	0.50	1.00	0.50	0.50	1.00	-
Administrative Assistant	0.50	0.50	1.00	0.50	0.50	1.00	-
Director of Finance	0.50	0.50	1.00	0.50	0.50	1.00	-
Accounting Manager	1.00	1.00	2.00	1.00	1.00	2.00	-
Accounting Support	1.50	1.50	3.00	1.50	1.50	3.00	-
Box Office Manager	0.80	0.20	1.00	0.80	0.20	1.00	-
Assistant Box Office Manager	1.00	1.00	2.00	1.00	1.00	2.00	-
Premium Seat/Suite	1.00	-	1.00	1.00	-	1.00	-
Box Office Support	1.00	-	1.00	1.00	-	1.00	-
Director of Marketing	0.50	0.50	1.00	0.50	0.50	1.00	-
Marketing Manager	1.00	-	1.00	1.00	-	1.00	-
Marketing Support	1.00	-	1.00	1.00	-	1.00	-
Group Sales Manager	1.00	-	1.00	1.00	-	1.00	-
Assistant General Manager - Ops	0.33	0.67	1.00	0.50	0.50	1.00	-
Director of Facilities	0.33	0.67	1.00	0.33	0.67	1.00	-
Maintenance Assistant	0.33	0.67	1.00	0.33	0.67	1.00	-
Maintenance Support	4.00	7.00	11.00	4.00	7.00	11.00	-
Operations Manager	1.00	1.00	2.00	1.00	1.00	2.00	-
Operations Support	9.00	8.00	17.00	9.00	8.00	17.00	-
MIS/IT					1.00	1.00	1.00
Assistant General Manager - Sales	-	1.00	1.00	-	1.00	1.00	-
Sales Manager		1.00	1.00		1.00	1.00	-
Sales Support	-	1.00	1.00	-	1.00	1.00	-
Director of Event Services	-	1.00	1.00	-	1.00	1.00	-
Event Coordinators	2.00	4.00	6.00	2.00	4.00	6.00	-
House Manager		1.00	1.00		1.00	1.00	-
Receptionist/Admin Support	1.00	1.00	2.00	1.00	1.00	2.00	-
Total	29.29	33.71	63.00	29.46	34.54	64.00	1.00

**SMG - Van Andel Arena / DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Calculation  
Fiscal Year Ending June 30, 2008**

---

The management fee is broken up into two categories. The base fee and incentive fee.

With the new contract starting July 1, 2006, the base fee is \$300,000 split evenly between DeVos Place and Van Andel Arena. This fee is subject to an annual increase based on the change in the CPI-U, with no increase in any given year to be greater than 3%.

The incentive fee is based on benchmarks for both Net Revenues above Expenses, as well as, Total Gross Revenues. The Total Gross Revenue benchmarks are \$4.6 million for Van Andel Arena and \$4.0 million for DeVos Place. The incentive fee is paid on all combined revenues for both facilities in excess of the combined benchmarks. SMG is paid 25% of the first \$500,000, and 30% on excess above \$500,000. At no point shall the incentive fee paid to SMG exceed the initial base fee. Benchmark shall increase overall by \$100,000 per year.

SMG is entitled to the incentive fee as calculated above only if the combined Net Revenue above Expenses for the facilities exceeds \$700,000.

Below is the calculation for the Base and Incentive Fee's for F/Y 2008 compared to the expected fee for F/Y 2007.

	Arena Budget	DeVos Place Budget	Total Budget	FY 2007 Act/Est
Net Revenue above Expenses	1,370,217	(522,288)	847,929	847,929
Benchmark			700,000	700,000
Excess	1,370,217	(522,288)	147,929	147,929

**Incentive Fee Calculation (Only if above greater than zero)**

	Arena Budget	DeVos Place Budget	Total Budget	FY 2006 Act/Est
Base Fee	153,300	153,300	306,600	300,000
Incentive Fee				
Revenue	5,146,235	4,831,438	9,977,673	10,027,640
Benchmark Revenue			8,700,000	8,600,000
Projected Revenue Increase			1,277,673	1,117,033
Increase below \$500,000	25%	500,000	125,000	-
Increase above \$500,000	30%	777,673	233,302	-
Total Incentive Fee			306,600	300,000
Total SMG Management Fee	153,300	153,300	613,200	600,000

---



## **VAN ANDEL ARENA**

**OPERATING BUDGET  
FISCAL YEAR ENDING JUNE 30, 2008**

**\*\*\*INCLUDES APRIL ROLLING FORECAST\*\*\***

**Distribution:**

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

**Robert White**

**Bob McClintock**

**Lewis Dawley**

**Gary McAneney**

**Howard Feldman**

**Richard MacKeigan**

**Chris Machuta**



---

*An SMG Managed Facility*

SMG - Van Andel Arena  
Grand Rapids - Kent County Convention/Arena Authority  
Budget Highlights  
Fiscal Year Ending June 30, 2008

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY 2008 BUDGET	FY 2007 EST/ACT	VAR.
EVENT DAYS/PERFORMANCES	3	4	4	16	10	14	13	12	21	9	6	4	116	123	(7)
ATTENDANCE	20,000	26,000	24,000	68,000	56,000	87,000	69,000	63,000	118,500	60,000	43,000	32,000	686,500	667,055	(555)
DIRECT EVENT INCOME															
RENT	75,000	85,000	105,000	180,900	161,200	238,700	237,600	162,300	281,100	116,900	116,600	79,100	1,839,400	2,115,056	(275,656)
SERVICE INCOME	(6,430)	(6,292)	(32,354)	(113,594)	(87,882)	(69,351)	(95,276)	(83,077)	(119,969)	(24,818)	(5,787)	(10,639)	(655,469)	(635,119)	(20,350)
TOTAL DIRECT EVENT INCOME	68,570	78,708	72,646	67,306	73,318	169,349	142,324	79,223	161,131	92,082	110,813	68,461	1,183,931	1,479,937	(296,006)
ANCILLARY INCOME															
CONCESSIONS	50,880	60,420	62,275	136,510	105,340	128,660	145,420	121,720	174,355	60,520	66,780	44,520	1,157,400	1,199,711	(42,311)
CATERING	6,636	6,846	4,578	13,620	12,434	14,114	11,404	10,507	16,283	10,775	11,394	8,486	127,087	99,588	27,499
NOVELTIES	17,850	27,200	22,100	11,560	9,520	24,310	35,275	18,700	24,990	17,000	25,500	17,000	251,005	248,402	2,603
VIDEO BOARD	-	-	400	4,120	4,160	6,160	3,080	5,390	2,078	3,168	1,628	1,628	31,812	40,464	(8,652)
TOTAL ANCILLARY INCOME	75,366	94,466	89,353	165,810	131,454	173,244	195,179	156,317	217,706	91,463	105,302	71,644	1,587,304	1,588,165	(20,861)
TOTAL EVENT INCOME	143,936	173,174	161,999	233,116	204,772	342,593	337,503	235,540	378,837	183,545	216,115	140,105	2,751,235	3,068,102	(316,867)
OTHER OPERATING INCOME															
LUXURY SEATING	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	97,917	1,150,000	1,115,023	34,977
PERMANENT ADVERTISING	48,333	48,333	48,333	48,333	48,333	48,333	48,333	48,333	48,333	48,333	48,333	48,337	610,000	598,754	11,246
INTEREST INCOME	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	105,000	100,266	4,734
TICKET INCENTIVES	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	480,000	424,816	55,184
MISCELLANEOUS INCOME	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,163	50,000	56,615	(6,615)
TOTAL OTHER INCOME	186,667	186,667	186,667	186,667	186,667	186,667	186,667	186,667	186,667	186,667	186,667	186,663	2,395,000	2,295,474	99,526
ADJUSTED GROSS INCOME	330,603	359,841	348,666	419,783	391,439	529,260	524,170	422,207	565,504	370,212	402,782	326,768	5,146,235	5,363,576	(217,341)
INDIRECT EXPENSES															
EXECUTIVE	12,083	12,083	12,083	12,083	12,083	12,083	12,083	13,583	12,083	12,083	12,083	12,085	146,498	149,888	3,390
FINANCE	16,898	16,898	16,898	16,898	16,898	16,898	16,898	18,398	16,898	16,898	16,898	16,896	204,274	197,764	(6,510)
MARKETING	23,388	23,388	23,388	23,388	23,388	23,388	23,388	24,888	23,388	23,388	23,388	23,383	282,151	282,139	(12)
OPERATIONS	123,715	123,715	123,715	123,715	123,715	123,715	123,715	126,715	123,715	123,715	123,715	123,718	1,487,583	1,471,127	(16,456)
BOX OFFICE	9,968	9,968	9,968	9,968	9,968	9,968	9,968	9,968	9,968	9,968	9,968	9,965	119,613	129,352	9,739
LUXURY SEATING	9,775	9,775	9,775	9,775	9,775	9,775	9,775	9,775	9,775	9,775	9,775	9,773	117,298	115,136	(2,162)
SKYWALK	3,322	3,322	3,322	3,322	3,322	3,322	3,322	3,322	3,322	3,322	3,322	3,314	39,856	41,309	1,453
OVERHEAD	89,896	89,896	89,896	119,896	119,896	119,896	144,896	144,896	134,896	119,896	109,896	89,889	1,378,745	1,342,150	(36,595)
TOTAL INDIRECT EXPENSES	289,045	289,045	294,045	319,045	319,045	319,045	344,045	351,545	334,045	319,045	309,045	289,023	3,776,018	3,728,865	(47,153)
NET FACILITY INCOME (LOSS)	41,558	70,796	54,621	100,738	72,394	210,215	180,125	70,662	231,459	51,167	93,737	37,745	1,370,217	1,634,711	(264,494)

SMG - Van Andel Arena  
Grand Rapids - Kent County Convention / Arena Authority  
Event Summary  
Fiscal Year Ending June 30, 2008

2008	EVENT TYPE	NO of Events	Attendance	Rental Income	Service Income	Concession Income	Catering Income	Novelty Income	Video Board Income	EVENT INCOME FY 2008	EVENT INCOME FY 2007	VARIANCE
40	Griffins Regular Season	200,000	355,000	(333,000)	320,000	35,080	-	-	30,800	408,880	434,682	(25,802)
-	Griffins Playoffs	-	-	-	-	-	-	-	-	-	-	-
8	Rampage Regular Season	64,000	76,400	(74,308)	-	10,800	-	-	6,512	19,404	15,387	1,017
-	NCAA Hockey Tournament	-	-	-	-	-	-	-	-	-	107,094	(107,094)
1	NBA Preseason	10,000	37,500	(14,080)	33,390	2,940	3,060	-	(500)	62,310	61,673	637
-	WNBA	-	-	-	-	-	-	-	-	-	20,583	(20,583)
1	Professional Wrestling	5,000	30,000	(14,999)	14,575	315	7,650	-	-	37,541	44,355	(6,814)
-	Tennis	-	-	-	-	-	-	-	-	-	34,698	(34,698)
1	High School Basketball	4,000	32,000	(22,850)	5,300	210	-	-	-	14,660	20,735	(6,075)
1	College Basketball	8,000	60,000	(25,250)	19,080	2,520	1,020	-	(2,000)	55,370	75,828	(20,458)
52	TOTAL SPORTS	291,000	591,900	(484,487)	392,345	51,865	11,730	-	34,812	598,165	819,035	(219,870)
8	Ringling Brothers	20,000	60,000	(53,532)	32,860	2,520	-	-	-	41,848	36,367	5,481
1	Harlem Globetrotters	7,000	40,000	(9,400)	13,250	315	5,100	-	-	49,265	54,699	(5,434)
4	Disney on Ice	24,000	65,000	(36,282)	38,160	1,575	-	-	-	68,453	58,186	10,267
1	Stars on Ice	5,500	25,000	(1,575)	7,155	672	2,040	-	-	36,542	34,924	1,618
4	Monster Trucks	20,000	70,000	(28,770)	43,460	1,470	10,200	-	-	96,360	103,474	(7,114)
2	Bulls and Broncos Rodeo	7,000	30,000	(10,400)	18,020	630	1,700	-	400	40,350	-	40,350
3	Arenacross	12,000	45,000	(23,434)	34,460	525	2,975	-	-	59,516	58,628	888
2	Freestyle Motocross	10,000	30,000	(23,582)	26,500	525	4,250	-	(3,800)	33,893	61,521	(27,728)
2	Professional Bull Riders	11,000	45,000	(21,323)	25,440	1,365	5,950	-	400	56,832	114,506	(57,674)
6	Miscellaneous Family Show	30,000	75,000	(42,690)	47,700	3,150	30,600	-	-	113,760	176,073	(62,313)
33	TOTAL FAMILY SHOWS	146,500	485,000	(247,738)	286,995	12,747	62,815	-	(3,000)	596,819	698,478	(101,659)
22	Rock Country Christian	180,000	705,000	85,298	471,700	60,585	175,610	-	-	1,498,193	1,240,457	257,736
-	-	-	-	-	-	-	-	-	-	-	27,299	(27,299)
22	TOTAL CONCERTS	180,000	705,000	85,298	471,700	60,585	175,610	-	-	1,498,193	1,344,047	154,146
8	College Graduation	45,000	42,500	5,826	-	1,050	-	-	-	49,376	81,371	(31,995)
-	Promise Keepers	-	-	-	-	-	-	-	-	-	67,285	(67,285)
1	Miscellaneous	4,000	15,000	(14,368)	6,360	840	850	-	-	8,682	25,374	(16,692)
9	TOTAL MISCELLANEOUS	49,000	57,500	(8,542)	6,360	1,890	850	-	-	58,058	175,030	(99,280)
116	GRAND TOTAL	666,500	1,839,400	(655,469)	1,157,400	127,087	251,005	-	31,812	2,751,235	3,035,590	(284,355)



**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Indirect Expense Summary**  
**Fiscal Year Ending June 30, 2008**

	<u>Budget</u> <u>F/Y 2008</u>	<u>Estimate</u> <u>F/Y 2007</u>	<u>Variance</u>
Salaries	1,215,682	1,230,362	14,680
Salaries Part - Time	455,000	505,693	50,693
Auto Allowance	11,825	10,725	(1,100)
Payroll Taxes	178,346	187,587	9,241
Employee Benefits	205,525	194,138	(11,387)
Pension	47,306	35,546	(11,760)
Union Expenses	50,000	38,140	(11,860)
Allocated Salaries	(708,267)	(776,657)	(68,390)
<b>Total Labor Costs</b>	<b>1,455,417</b>	<b>1,425,534</b>	<b>(29,883)</b>
Contracted Security	252,000	245,036	(6,964)
Contracted Cleaning	30,000	29,151	(849)
Meetings	11,700	4,530	(7,170)
Meals & Entertainment	10,300	9,772	(528)
Dues & Subscriptions	2,500	7,435	4,935
Professional Fees	31,000	36,752	5,752
Employee Training	9,000	4,930	(4,070)
Printing	22,000	18,068	(3,932)
Advertising	85,000	86,640	1,640
Trash Removal	18,000	22,654	4,654
Landscaping	5,800	4,345	(1,455)
Armored Services	3,600	3,924	324
Exterminating	3,600	2,916	(684)
Cleaning	10,800	6,872	(3,928)
Repairs & Maintenance	194,000	188,168	(5,832)
Supplies	204,100	200,545	(3,555)
Corporate Travel	7,500	3,469	(4,031)
Computer Expenses	65,000	72,290	7,290
Marketing Fund	38,000	45,652	7,652
Equipment Rental	15,000	18,642	3,642
Bank Service Charges	9,000	6,206	(2,794)
General Liability Insurance	105,313	105,669	356
Property Insurance	32,000	30,569	(1,431)
Insurance Expense	43,132	43,507	375
Printing & Stationary	11,000	5,704	(5,296)
Office Supplies	12,000	16,814	4,814
Postage	12,000	12,144	144
Parking Expense	24,000	26,823	2,823
Telephone	84,000	79,010	(4,990)
Utilities	855,800	854,660	(1,140)
Management Fee	153,300	150,000	(3,300)
Incentive Fee	0	-	-
Amortization	0	-	-
Allocated Expenses	(39,844)	(39,566)	278
<b>Total Materials &amp; Service</b>	<b>2,320,601</b>	<b>2,303,331</b>	<b>(17,270)</b>
<b>Total Indirect Expenses</b>	<b>3,776,018</b>	<b>3,728,865</b>	<b>(47,153)</b>

**SMG - Van Andel Arena / DeVos Place(Grand Center)**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Full Time Employee Summary & Allocation**  
**Fiscal Year Ending June 30, 2008**

Position	F/Y 2007			F/Y 2008			Change
	VAA	DVP	Total	VAA	DVP	Total	
General Manager	0.50	0.50	1.00	0.50	0.50	1.00	-
Administrative Assistant	0.50	0.50	1.00	0.50	0.50	1.00	-
Director of Finance	0.50	0.50	1.00	0.50	0.50	1.00	-
Accounting Manager	1.00	1.00	2.00	1.00	1.00	2.00	-
Accounting Support	1.50	1.50	3.00	1.50	1.50	3.00	-
Box Office Manager	0.80	0.20	1.00	0.80	0.20	1.00	-
Assistant Box Office Manager	1.00	1.00	2.00	1.00	1.00	2.00	-
Premium Seat/Suite	1.00	-	1.00	1.00	-	1.00	-
Box Office Support	1.00	-	1.00	1.00	-	1.00	-
Director of Marketing	0.50	0.50	1.00	0.50	0.50	1.00	-
Marketing Manager	1.00	-	1.00	1.00	-	1.00	-
Marketing Support	1.00	-	1.00	1.00	-	1.00	-
Group Sales Manager	1.00	-	1.00	1.00	-	1.00	-
Assistant General Manager - Ops	0.33	0.67	1.00	0.50	0.50	1.00	-
Director of Facilities	0.33	0.67	1.00	0.33	0.67	1.00	-
Maintenance Assistant	0.33	0.67	1.00	0.33	0.67	1.00	-
Maintenance Support	4.00	7.00	11.00	4.00	7.00	11.00	-
Operations Manager	1.00	1.00	2.00	1.00	1.00	2.00	-
Operations Support	9.00	8.00	17.00	9.00	8.00	17.00	-
MIS/IT					1.00	1.00	1.00
Assistant General Manager - Sales	-	1.00	1.00	-	1.00	1.00	-
Sales Manager		1.00	1.00		1.00	1.00	-
Sales Support	-	1.00	1.00	-	1.00	1.00	-
Director of Event Services	-	1.00	1.00	-	1.00	1.00	-
Event Coordinators	2.00	4.00	6.00	2.00	4.00	6.00	-
House Manager		1.00	1.00		1.00	1.00	-
Receptionist/Admin Support	1.00	1.00	2.00	1.00	1.00	2.00	-
Total	29.29	33.71	63.00	29.46	34.54	64.00	1.00

4

**SMG - Van Andel Arena / DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Calculation  
Fiscal Year Ending June 30, 2008**

---

The management fee is broken up into two categories. The base fee and incentive fee.

With the new contract starting July 1, 2006, the base fee is \$300,000 split evenly between DeVos Place and Van Andel Arena. This fee is subject to an annual increase based on the change in the CPI-U, with no increase in any given year to be greater than 3%.

The incentive fee is based on benchmarks for both Net Revenues above Expenses, as well as, Total Gross Revenues. The Total Gross Revenue benchmarks are \$4.6 million for Van Andel Arena and \$4.0 million for DeVos Place. The incentive fee is paid on all combined revenues for both facilities in excess of the combined benchmarks. SMG is paid 25% of the first \$500,000, and 30% on excess above \$500,000. At no point shall the incentive fee paid to SMG exceed the initial base fee. Benchmark shall increase overall by \$100,000 per year.

SMG is entitled to the incentive fee as calculated above only if the combined Net Revenue above Expenses for the facilities exceeds \$700,000.

Below is the calculation for the Base and Incentive Fee's for F/Y 2008 compared to the expected fee for F/Y 2007.

	Arena Budget	DeVos Place Budget	Total Budget	FY 2007 Act/Est
Net Revenue above Expenses	1,370,217	(522,288)	847,929	847,929
Benchmark			700,000	700,000
Excess	1,370,217	(522,288)	147,929	147,929

**Incentive Fee Calculation (Only if above greater than zero)**

	Arena Budget	DeVos Place Budget	Total Budget	FY 2006 Act/Est
Base Fee	153,300	153,300	306,600	300,000
Incentive Fee				
Revenue	5,146,235	4,831,438	9,977,673	10,027,640
Benchmark Revenue			8,700,000	8,600,000
Projected Revenue Increase			1,277,673	1,117,033
Increase below \$500,000	25%	500,000	125,000	-
Increase above \$500,000	30%	777,673	233,302	-
Total Incentive Fee			306,600	300,000
Total SMG Management Fee	153,300	153,300	613,200	600,000



## Memorandum

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

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

**Date:** June 5, 2007

**Re:** Convention/Arena Authority (CAA)  
Fiscal Year 2008 Budget Request

Convention  
Arena  
Authority

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

The attached material summarizes a recommended CAA Administrative Operating Budget and Consolidated Income Statement for the Fiscal Year beginning July 1, 2007 (Fiscal Year 2008). The format of the reports provides the Committee with an overview of Fiscal Year 2006 actual, Fiscal Year 2007 estimate, and Fiscal Year 2008 preliminary recommendations. Final Finance Committee review is scheduled for June 21st with full Board approval anticipated on June 27th.

Table A provides a summary of the facility manager (SMG) budget documents submitted under separate cover. This summary notes an original budgeted net operating income for Fiscal Year 2007 of \$422,707. Based on SMG's most recent "budget roll," the current year forecast has been updated to a net operating income balance of \$720,560. Note should be made, at this time, that SMG forecasts current year (FY 2007) spending in excess of previously authorized budget for the Van Andel Arena® and DeVos Place®. Recognition and authorization of the anticipated budgetary overrun should be acknowledged prior to close-out of the current fiscal year accounting.

The Fiscal Year 2008 consolidated income statement (Table C) forecasts a net operating income totaling \$623,753. This income will be applied to finance, in part, a capital outlay request totaling \$689,000. The balance of the funds requested will be drawn from the capital reserve account.

Table B provides a summary of the CAA administrative budget. Revenues in this account include regularly scheduled transfers from the facility manager, parking, interest and other miscellaneous contributions to the organization. Expenditures from this fund include



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



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



provision for utilities, capital repair/replacement/improvement (as defined in the SMG management contract), parking management fees, and other administrative expenses. The drain on reserves, being experienced in Fiscal Year 2007, is believed to be short-term in nature. For the next several years, following the Fiscal Year 2007 budget, capital replacement/improvement projects are expected to total less than \$1 million per annum. Table B-1, attached hereto, provides additional details concerning utility and miscellaneous administrative expenditure accounts.

Table C provides a "Consolidated Income Statement" for the CAA covering Fiscal Years ending June 30, 2006 through 2008. The Fiscal Year 2007 budget, as originally approved, forecasted a net loss of \$1.76 million. This forecasted loss has been revised downward to a total adjusted loss for the current fiscal year of approximately \$775,909. The net loss was substantially reduced by a combination of increased operating revenue projections and savings of approximately \$.45 million in budgeted capital repair projects. Revenue forecasts and appropriation requests for the Fiscal Year 2008 budget disclose a net income of \$1,014,753. This net income is sustained primarily by a modest increase in operating expenses and significantly reduced capital spending.

On the basis of these initial budgetary estimates, it is expected that the CAA will close its Fiscal Year 2007 activities with a "fund balance" approximating \$20.1 million. This would include a recommended minimum operating reserve balance of \$6 million and a capital repair/replacement/improvement reserve of \$14.1 million.

Table D provides an updated forecast of balances anticipated to be available in the "capital repair/replacement/improvement" account. The forecast covers a nine-year time period. The capital outlay requirements forecast is based on a comprehensive study commissioned by the Finance Committee Chair, which resulted in a communication dated July 22, 2005, wherein a detailed long-term capital needs forecast was assembled. The committee that was constituted for the purpose of review and recommending capital projects included John Wheeler-Rockford Construction, Rich MacKeigan-SMG, and Robert White-County Fiscal Service Director. The summary table taken from that report has been updated to include more recent estimates concerning future net operating income and interest earnings. On the basis of this summarized report update, it can be anticipated that the Convention/Arena Authority currently retains sufficient funds to operate and maintain the current facilities for, at minimum, the next nine-year time period.

Sue Waddell and I participated in preparation of the attached draft budget. We would expect to return to the Finance Committee, at its June meeting, with additional documentation and footnotes to answer any additional questions which may arise from the preliminary review of this material.

**Table A**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**SMG Facilities Budget**  
**Fiscal Years Ending June 30, 2007 and 2008**

	<b>FY2007</b>		<b>FY2008</b>
	<b><u>Budget</u></b>	<b><u>Estimate</u></b>	<b><u>Requested</u></b>
Van Andel Arena			
Operating - Revenues	\$4,980,277	\$ 5,363,576	\$ 5,146,235
- Expenses - Facilities	(3,424,232)	(3,578,865)	(3,622,718)
- Base Management Fees	(150,000)	(150,000)	(153,300)
Net Operating Income	<u>\$ 1,406,045</u>	<u>\$ 1,634,711</u>	<u>\$ 1,370,217</u>
DeVos Place			
Operating - Revenues	\$ 4,562,045	\$ 4,684,064	\$ 4,831,438
- Expenses - Facilities	(5,137,687)	(5,148,215)	(5,200,426)
- Base Management Fees	(150,000)	(150,000)	(153,300)
Net Operating Loss	<u>\$ (725,642)</u>	<u>\$ (614,151)</u>	<u>\$ (522,288)</u>
Net Available to CAA:			
Van Andel Arena	\$ 1,406,045	\$ 1,634,711	\$ 1,370,217
DeVos Place	(725,642)	(614,151)	(522,288)
Less SMG Incentive	(257,696)	(300,000)	(306,600)
	<u>\$ 422,707</u>	<u>\$ 720,560</u>	<u>\$ 541,329</u>

**Table B**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Administrative - Operating / Capital Replacement Budget**  
**FY2008 Recommendation**

	<b>FY2006</b>			<b>FY2007</b>		<b>FY2008</b>
	<b><u>Budget</u></b>	<b><u>Estimate</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Estimate</u></b>	<b><u>Recommendation</u></b>
<b>Revenues:</b>						
Facility Operations	\$ 308,686	\$ 490,254	\$ 374,445	\$ 422,705	\$ 720,560	\$ 541,329
Utility Reimbursement	2,210,750	2,381,977	2,379,454	2,445,304	2,488,398	2,457,000
Transfers from SMG	2,519,436	2,872,231	2,753,899	2,868,009	3,208,958	2,998,329
DeVos Place Parking	513,500	730,981	776,808	734,565	867,300	862,912 <sup>(1)</sup>
VanAndel Parking	138,196	153,125	149,786	154,601	126,854	126,408 <sup>(1)</sup>
Interest	580,300	745,000	709,127	785,000	986,000	1,000,000 <sup>(2)</sup>
Contributions	129,042	129,042	0	0	0	0
Miscellaneous	15,000	15,000	25,066	15,000	0	0
Total Revenues	<u>3,895,474</u>	<u>4,645,379</u>	<u>4,414,686</u>	<u>4,557,175</u>	<u>5,189,112</u>	<u>4,987,649</u>
<b>Expenditures:</b>						
Utilities	2,210,750	2,381,977	2,379,454	2,445,304	2,488,398	2,457,000
Parking Management	341,900	300,481	312,297	337,232	336,881	365,243
Pedestrian Safety	76,602	75,000	84,793	80,000	85,000	90,000
Administration	212,009	255,065	257,152	279,529	326,755	451,653
Capital	4,568,800	2,431,446	2,108,846	3,175,230	2,727,987	689,000 <sup>(3)</sup>
Total Expenditures	<u>7,410,061</u>	<u>5,443,969</u>	<u>5,142,542</u>	<u>6,317,295</u>	<u>5,965,021</u>	<u>4,052,896</u>
Net Excess (Deficit)	<u>\$ (3,514,587)</u>	<u>\$ (798,590)</u>	<u>\$ (727,856)</u>	<u>\$ (1,760,120)</u>	<u>\$ (775,909)</u>	<u>\$ 934,753</u>

**Notes: See Following**

**Table B**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Administrative - Operating / Capital Replacement Budget**  
**FY2008 Recommendation**

**Notes:**

<sup>(1)</sup> DeVos Place Parking Rates:	FY 2007	FY 2008
30 Minutes	\$ 1.00	\$ 1.00
Daily Maximum	9.00	9.00
Event	6.50	6.50
Monthly -Public	135.75	139.00
-County/SMG (O+M)	43.00	47.00
Van Andel Arena Parking Rates:		
Event	\$ 7.00	\$ 7.00
Monthly -Public	62.25	63.75

<sup>(2)</sup>\$20 million in investment funds at 5%.

<sup>(3)</sup>FY 2007 estimate includes carryover of \$1,504,827 in previously approved FY 2006 projects, \$848,454 of capital projects related to the new SMG-concessions agreement and \$374,706 of eligible FY 2007 facility projects.

**FY 2008 Eligible Projects:**

Water/heat pumps, etc.	DVP	\$ 47,000.00
Cooling pumps phase 2	DVP	40,000.00
HVAC NAE server, etc.	DVP	32,000.00
Riding carpet extractor	DVP	15,000.00
DVPH fire curtain	DVP	115,000.00
DVPH fall arrest system	DVP	60,000.00
Total DVP Request		309,000.00
Removable seating	VAA	300,000.00
Outdoor Message Center Upgrade	VAA	40,000.00
Total VAA Request		340,000.00
Beer Line Upgrades	F&B	40,000.00
Total F&B Request		40,000.00
		\$ 689,000.00



**Table B-1**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Detail of Expenditure Estimates**  
**FY2008 Recommendation**

	FY2006			FY2007		FY2008
	<u>Budget</u>	<u>Estimate</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Recommendation</u>
Utilities:						
Electricity	\$ 1,093,500	\$ 1,093,500	\$ 1,188,280	\$ 1,194,000	\$ 1,230,104	\$ 1,232,000
Steam	941,850	941,850	1,041,818	1,109,500	1,148,911	1,094,500
Water/Sewer	143,400	143,400	124,550	123,800	97,383	112,500
Gas	\$ 32,000	\$ 32,000	\$ 24,806	\$ 18,000	12,000	18,000
	<u>\$ 2,210,750</u>	<u>\$ 2,210,750</u>	<u>\$ 2,379,454</u>	<u>\$ 2,445,300</u>	<u>\$ 2,488,398</u>	<u>\$ 2,457,000</u>
Wages	\$ 56,509	\$ 56,541	\$ 33,142	\$ 58,803	\$ 83,803	\$ 85,567
Benefits	17,566	18,993	18,841	21,067	19,794	19,515
Accounting/Audit	38,200	73,000	83,303	26,000	28,162	30,000
Legal Services	30,000	20,000	35,769	30,000	30,000	35,000
DID Assessment	47,034	47,034	47,034	49,659	50,299	51,071 <sup>(1)</sup>
Insurance	20,800	19,000	16,730	20,000	19,197	21,000
Meetings/Supplies	1,900	4,000	5,510	14,000	14,000	15,000
Marketing - CVB	0	0	0	50,000	0	75,000
Marketing - Sports Commission	0	0	0	0	0	25,000
Repairs - F&B	0	0	0	0	55,000	35,000
Diversity Initiative <sup>(3)</sup>	0	0	0	0	16,500	22,000
Other	0	16,497	16,823	10,000	10,000	37,500 <sup>(2)</sup>
	<u>\$ 212,009</u>	<u>\$ 255,065</u>	<u>\$ 257,152</u>	<u>\$ 279,529</u>	<u>326,755</u>	<u>451,653</u>

**Notes:**

<sup>(1)</sup>Downtown Improvement District special assessment contribution from CAA based on benefit allocation formula.

<sup>(2)</sup>FY 2006 expenses included consultants retained to assist in negotiation of new facility management and concession agreements.  
FY2008 budget recommendation anticipates continuing requirement for consulting assistance.

<sup>(3)</sup>\$22,000 @ 9 mos.

**Table C**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Consolidated Income Statement**  
**Fiscal Years Ending June 30, 2006-2008**

		FY2006			FY2007			FY2008
		<u>Budget</u>	<u>Estimate</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>		<u>Recommendation</u>
Operating Revenue:								
Event	- VanAndel Arena	\$ 1,187,222	\$ 1,066,455	\$ 996,773	\$ 1,284,116	\$ 1,479,937	\$	1,183,931
	- DeVos Place	2,082,127	2,280,378	2,312,271	2,323,417	2,443,692		2,541,693
Ancillary	- VanAndel Arena	1,487,665	1,397,976	1,466,369	1,456,159	1,588,165		1,567,304
	- DeVos Place	1,440,286	1,852,243	2,078,555	2,007,628	2,011,993		2,060,745
Other	- VanAndel Arena	2,166,000	2,211,550	2,351,561	2,240,000	2,295,474		2,395,000
	- DeVos Place	158,000	192,293	168,888	231,000	228,379		229,000
	- Parking	651,696	884,106	926,594	889,166	994,154		989,320
		9,172,996	9,885,001	10,301,011	10,431,486	11,041,794		10,966,993
Operating Expense / Appropriations:								
Facility Operations								
	- VanAndel Arena	3,131,568	3,212,900	3,354,155	3,424,232	3,578,865		3,622,718
	- DeVos Place	4,588,254	4,807,341	4,926,158	5,137,687	5,148,215		5,200,426
	- Management	492,792	490,400	719,659	557,696	600,000		613,200
Administrative		212,009	255,065	257,152	279,529	326,755		451,653
Parking		341,900	300,481	312,297	337,232	336,881		365,243
Pedestrian Safety		76,602	75,000	84,793	80,000	85,000		90,000
		8,843,125	9,141,187	9,654,214	9,816,376	10,075,716		10,343,240
Operating Income		329,871	743,814	646,797	615,110	966,078		623,753
Non-Operating Revenue		0	0	0	0	0		80,000 <sup>(1)</sup>
Interest and Miscellaneous		724,342	889,042	734,193	800,000	986,000		1,000,000
Transfer (to) from Capital Acct.		(4,568,800)	(2,431,446)	(2,109,846)	(3,175,230)	(2,727,987)		(689,000)
Net Income (Loss)		(3,514,587)	(798,590)	(727,856)	(1,760,120)	(775,909)		1,014,753
Fund Balance, beg. of yr.		21,572,211	21,572,211	21,572,211	20,844,355	20,844,355		20,068,446
Fund Balance, end of yr.		\$ 18,057,624	\$ 20,773,621	\$ 20,844,355	\$ 19,084,235	\$ 20,068,446	\$	21,083,199

Notes:

<sup>(1)</sup> Lease Agreement with Rampage states: "... Tenant agrees to fund during such Renewal Terms a contribution of ten thousand dollars (\$10,000.00) per Home Game to the Arena's capital reserve fund."

**Table D**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Capital Repair/Replacement/Improvement Reserve**  
**Projection of Receipts, Disbursements and Balances**

<b>Fiscal Year Ending 6/30</b>	<b>Receipts</b>			<b>Disbursements<sup>(4)</sup></b>	<b>Year End Balance<sup>(5)</sup></b>
	<b>Project Closeout<sup>(1)</sup></b>	<b>Net Operating Income<sup>(2)</sup></b>	<b>Interest<sup>(3)</sup></b>		
2004					\$ 2,156,417
2005	\$ 12,789,012	\$ 637,436	\$ 80,673	\$ (91,327)	\$ 15,572,211
2006	0	646,797	734,193	(2,108,846)	\$ 14,844,355
2007	0	966,078	986,000	(2,727,987)	\$ 14,068,446
2008	0	703,753 <sup>(6)</sup>	1,000,000	(689,000)	\$ 15,083,199
2009	0	800,000	1,042,900	(954,500)	\$ 15,971,599
2010	0	800,000	1,091,000	(880,100)	\$ 16,982,499
2011	0	800,000	1,140,300	(906,600)	\$ 18,016,199
2012	0	900,000	1,091,200	(3,021,200)	\$ 16,986,199
2013	0	900,000	1,035,200	(3,111,800)	\$ 15,809,599
2014	0	900,000	971,700	(3,205,200)	\$ 14,476,099
2015	0	900,000	900,200	(3,301,300)	\$ 12,974,999
2016	0	900,000	820,200	(3,400,400)	\$ 11,294,799

**Notes:**

<sup>(1)</sup>Balance available from DeVos Convention Center - Capital project closeout - see Sources & Uses of Funds Statement Dated 7/15/05.

<sup>(2)</sup>Net operating income, before depreciation, including Van Andel Arena, DeVos Place Convention Center, Parking and Administration. Assumes continuation of current entertainment business environment.

<sup>(3)</sup>Interest - Actual excluding construction account in FY 2005 & FY 2006, budget estimates in FY 2007 & FY 2008, 5% per annum FY 2009-2016.

<sup>(4)</sup>Capital project list at July 22, 2005 (current pricing), FY 2009 through FY 2016, indexed at 3% per annum.

<sup>(5)</sup>Excludes operating reserve balance of \$6 million.

<sup>(6)</sup>Includes \$80,000 capital contribution under terms of tenant lease.



**Van Andel Arena® /  
DeVos Place**

# Memorandum

**From:** Steve Miller  
**C:** Rich MacKeigan  
**Date:** Tuesday, May 08, 2007  
**Re:** 5 Year Rate Approval

---

As in past years, we have established a 5 year rate card for DeVos Place in order to have the opportunity to guarantee rates to potential clients.

I have spoken with the convention and visitors bureau as well as representatives from the hotel community. They are comfortable with the rate increase. Rental rates at DeVos Place have not increased more than 3.25% each year. Most increase have been in the 2.75% - 3% range. And our rates continue to be in the middle range of buildings in the Midwest.

We continue to have the flexibility to discount or increase the rack rates 20% which gives the opportunity to be competitive in the bidding process. The ability to have flexible rental rates has been successful when working with the Grand Rapids CVB and hotel community on larger conventions when competition in other cities has been intense.



**DEVOS PLACE**

## ROOM RENTAL RATES

FY 2008 (July 1, 2007 – June 30, 2008)

ROOM	PERFORM	NON-PROFIT	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$2,400 vs 12%	\$2,400/1 <sup>st</sup> Performance \$1,200/2 <sup>nd</sup> Performance	N/A	N/A	\$2,400	N/A
DeVos Hall (Fri-Sat)	\$2,900 vs 12%	\$2,900/1 <sup>st</sup> Performance \$1,450/2 <sup>nd</sup> Performance	N/A	N/A	\$2,400	N/A
Hall A-C	\$16,300 vs 12%	N/A	\$13,000 or \$.25 net sq. ft.	\$16,300 or \$.29 net sq. ft.	\$16,300	\$8,250
Hall A-B or B-C	\$10,825 vs 12%	N/A	\$8,650 or \$.25 net sq. ft.	\$10,825 or \$.29 net sq. ft.	\$10,825	\$5,575
Hall A, B, Or C	\$5,425 vs 12%	N/A	\$4,350 or \$.25 net sq. ft.	\$5,425 or \$.29 net sq. ft.	\$5,425	\$2,750
Meeting Rooms Grand Gallery 1 <sup>st</sup> or 2 <sup>nd</sup>	\$1,150 vs 12%	N/A	\$950 or \$.25 net sq. ft.	\$1,150 or \$.29 net sq. ft.	\$1,150	\$875
Meeting Rooms Grand Gallery Individual	\$350 vs 12%	N/A	\$350 or \$.25 net sq. ft.	\$350 or \$.29 net sq. ft.	\$350	\$350
Banquet Room	\$4,850 vs 12%	N/A	\$3,925 or \$.25 net sq. ft.	\$4,850 or \$.29 net sq. ft.	\$4,850	\$2,800
Banquet Room A,B,C-D	\$1,700 vs 12%	N/A	\$1,600 or \$.25 net sq. ft.	\$1,700 or \$.29 net sq. ft.	\$1,700	\$1,250
Banquet Room C or D	\$875 vs 12%	N/A	\$825 or \$.25 net sq. ft.	\$875 or \$.29 net sq. ft.	\$875	\$775
Banquet Room Meeting Rooms	\$350 vs 12%	N/A	\$350 per day	\$350 per day	\$350	\$350
Board Room	N/A	N/A	\$375 per day	\$375 per day	\$375	\$375
Monroe Meeting Rooms A-D	\$750 vs 12%	N/A	\$725 per day	\$750 per day	\$750	\$725
Monroe Meeting Rooms B, C, or D	N/A	N/A	\$275 per day	\$275 per day	\$275	\$275
Recital Hall or Monroe Meeting Room A	\$500 vs 12%	N/A	\$500 per day	\$500 per day	\$500	\$500

As managers of DeVos Place, SMG has the right to negotiate rental rates with clients, but agrees that such negotiations will be limited to an increase or reduction no greater than 20% of approved rental rates. These fluctuations may be considered if it became the shared position of affected area businesses that mutual special consideration is necessary to attract the business. SMG also has the right to negotiate rates for labor and equipment in accordance with industry standards, including charging for items which may not be included on this rental rate sheet.

# ROOM RENTAL RATES

FY 2009 (July 1, 2008 – June 30, 2009)

ROOM	PERFORM	NON-PROFIT	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$2,500 vs 12%	\$2,500/1 <sup>st</sup> Performance \$1,250/2 <sup>nd</sup> Performance	N/A	N/A	\$2,500	N/A
DeVos Hall (Fri-Sat)	\$2,950 vs 12%	\$2,950/1 <sup>st</sup> Performance \$1,425/2 <sup>nd</sup> Performance	N/A	N/A	\$2,500	N/A
Hall A-C	\$16,800 vs 12%	N/A	\$13,400 or \$.25 net sq. ft.	\$16,800 or \$.29 net sq. ft.	\$16,800	\$8,500
Hall A-B or B-C	\$11,150 vs 12%	N/A	\$8,900 or \$.25 net sq. ft.	\$11,150 or \$.29 net sq. ft.	\$11,150	\$5,750
Hall A, B, Or C	\$5,600 vs 12%	N/A	\$4,500 or \$.25 net sq. ft.	\$5,600 or \$.29 net sq. ft.	\$5,600	\$2,850
Meeting Rooms Grand Gallery 1 <sup>st</sup> or 2 <sup>nd</sup>	\$1,200 vs 12%	N/A	\$975 or \$.25 net sq. ft.	\$1,200 or \$.29 net sq. ft.	\$1,200	\$900
Meeting Rooms Grand Gallery Individual	\$375 vs 12%	N/A	\$375 or \$.25 net sq. ft.	\$375 or \$.29 net sq. ft.	\$375	\$375
Banquet Room	\$5,000 vs 12%	N/A	\$4,050 or \$.25 net sq. ft.	\$5,000 or \$.29 net sq. ft.	\$5,000	\$2,900
Banquet Room A,B,C-D	\$1,750 vs 12%	N/A	\$1,650 or \$.25 net sq. ft.	\$1,750 or \$.29 net sq. ft.	\$1,750	\$1,300
Banquet Room C or D	\$900 vs 12%	N/A	\$850 or \$.25 net sq. ft.	\$900 or \$.29 net sq. ft.	\$900	\$800
Banquet Room Meeting Rooms	\$375 vs 12%	N/A	\$375 per day	\$375 per day	\$375	\$375
Board Room	N/A	N/A	\$400 per day	\$400 per day	\$400	\$400
Monroe Meeting Rooms A-D	\$800 vs 12%	N/A	\$750 per day	\$800 per day	\$800	\$750
Monroe Meeting Rooms B, C, or D	N/A	N/A	\$250 per day	\$250 per day	\$250	\$250
Recital Hall or Monroe Meeting Room A	\$550 vs 12%	N/A	\$550 per day	\$550 per day	\$550	\$550

As managers of DeVos Place, SMG has the right to negotiate rental rates with clients, but agrees that such negotiations will be limited to an increase or reduction no greater than 20% of approved rental rates. These fluctuations may be considered if it became the shared position of affected area businesses that mutual special consideration is necessary to attract the business. SMG also has the right to negotiate rates for labor and equipment in accordance with industry standards, including charging for items which may not be included on this rental rate sheet.

# ROOM RENTAL RATES

FY 2010 (July 1, 2009 – June 30, 2010)

ROOM	PERFORM	NON-PROFIT	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$2,600 vs 12%	\$2,600/1 <sup>st</sup> Performance \$1,300/2 <sup>nd</sup> Performance	N/A	N/A	\$2,600	N/A
DeVos Hall (Fri-Sat)	\$3,050 vs 12%	\$3,050/1 <sup>st</sup> Performance \$1,525/2 <sup>nd</sup> Performance	N/A	N/A	\$2,600	N/A
Hall A-C	\$17,400 vs 12%	N/A	\$13,725 or \$.25 net sq. ft.	\$17,400 or \$.29 net sq. ft.	\$17,400	\$8,850
Hall A-B or B-C	\$11,600 vs 12%	N/A	\$9,150 or \$.25 net sq. ft.	\$11,600 or \$.29 net sq. ft.	\$11,600	\$5,900
Hall A, B, Or C	\$5,800 vs 12%	N/A	\$4,575 or \$.25 net sq. ft.	\$5,800 or \$.29 net sq. ft.	\$5,800	\$2,950
Meeting Rooms Grand Gallery 1 <sup>st</sup> or 2 <sup>nd</sup>	\$1,250 vs 12%	N/A	\$1,000 or \$.25 net sq. ft.	\$1,250 or \$.29 net sq. ft.	\$1,250	\$1,000
Meeting Rooms Grand Gallery Individual	\$400 vs 12%	N/A	\$400 or \$.25 net sq. ft.	\$400 or \$.29 net sq. ft.	\$400	\$400
Banquet Room	\$5,150 vs 12%	N/A	\$4,175 or \$.25 net sq. ft.	\$5,150 or \$.29 net sq. ft.	\$5,150	\$3,000
Banquet Room A,B,C-D	\$1,800 vs 12%	N/A	\$1,700 or \$.25 net sq. ft.	\$1,800 or \$.29 net sq. ft.	\$1,800	\$1,350
Banquet Room C or D	\$950 vs 12%	N/A	\$900 or \$.25 net sq. ft.	\$950 or \$.29 net sq. ft.	\$950	\$850
Banquet Room Meeting Rooms	\$400 vs 12%	N/A	\$400 per day	\$400 per day	\$400	\$400
Board Room	N/A	N/A	\$450 per day	\$450 per day	\$450	\$450
Monroe Meeting Rooms A-D	\$850 vs 12%	N/A	\$800 per day	\$850 per day	\$850	\$800
Monroe Meeting Room B, C, or D	N/A	N/A	\$300 per day	\$300 per day	\$300	\$300
Recital Hall or Monroe Meeting Room A	\$600 vs 12%	N/A	\$600 per day	\$600 per day	\$600	\$600

As managers of DeVos Place, SMG has the right to negotiate rental rates with clients, but agrees that such negotiations will be limited to an increase or reduction no greater than 20% of approved rental rates. These fluctuations may be considered if it became the shared position of affected area businesses that mutual special consideration is necessary to attract the business. SMG also has the right to negotiate rates for labor and equipment in accordance with industry standards, including charging for items which may not be included on this rental rate sheet.

# ROOM RENTAL RATES

FY 2011 (July 1, 2010 – June 30, 2011)

ROOM	PERFORM	NON-PROFIT	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$2,700 vs 12%	\$2,700/1 <sup>st</sup> Performance \$1,350/2 <sup>nd</sup> Performance	N/A	N/A	\$2,700	N/A
DeVos Hall (Fri-Sat)	\$3,150 vs 12%	\$3,150/1 <sup>st</sup> Performance \$1,575/2 <sup>nd</sup> Performance	N/A	N/A	\$2,700	N/A
Hall A-C	\$17,925 vs 12%	N/A	\$14,150 or \$.25 net sq. ft.	\$17,925 or \$.29 net sq. ft.	\$17,925	\$9,125
Hall A-B or B-C	\$11,950 vs 12%	N/A	\$9,425 or \$.25 net sq. ft.	\$11,950 or \$.29 net sq. ft.	\$11,600	\$6,075
Hall A, B, Or C	\$5,975 vs 12%	N/A	\$4,700 or \$.25 net sq. ft.	\$5,975 or \$.29 net sq. ft.	\$5,975	\$3,050
Meeting Rooms Grand Gallery 1 <sup>st</sup> or 2 <sup>nd</sup>	\$1,300 vs 12%	N/A	\$1,050 or \$.25 net sq. ft.	\$1,300 or \$.29 net sq. ft.	\$1,300	\$1,050
Meeting Rooms Grand Gallery Individual	\$425 vs 12%	N/A	\$425 or \$.25 net sq. ft.	\$425 or \$.29 net sq. ft.	\$425	\$425
Ballroom	\$5,300 vs 12%	N/A	\$4,300 or \$.25 net sq. ft.	\$5,300 or \$.29 net sq. ft.	\$5,300	\$3,100
Ballroom A,B,C-D	\$1,850 vs 12%	N/A	\$1,750 or \$.25 net sq. ft.	\$1,850 or \$.29 net sq. ft.	\$1,850	\$1,400
Ballroom C or D	\$1,000 vs 12%	N/A	\$950 or \$.25 net sq. ft.	\$1,000 or \$.29 net sq. ft.	\$1,000	\$1,000
Ballroom Meeting Rooms	\$425 vs 12%	N/A	\$425 per day	\$425 per day	\$425	\$425
Board Room	N/A	N/A	\$475 per day	\$475 per day	\$475	\$475
Monroe Meeting Rooms A-D	\$900 vs 12%	N/A	\$850 per day	\$900 per day	\$900	\$850
Monroe Meeting Room B, C, or D	N/A	N/A	\$325 per day	\$325 per day	\$325	\$325
Recital Hall or Monroe Meeting Room A	\$625 vs 12%	N/A	\$625 per day	\$625 per day	\$625	\$625

As managers of DeVos Place, SMG has the right to negotiate rental rates with clients, but agrees that such negotiations will be limited to an increase or reduction no greater than 20% of approved rental rates. These fluctuations may be considered if it became the shared position of affected area businesses that mutual special consideration is necessary to attract the business. SMG also has the right to negotiate rates for labor and equipment in accordance with industry standards, including charging for items which may not be included on this rental rate sheet.



## ROOM RENTAL RATES

FY 2012 (July 1, 2011 – June 30, 2012)

ROOM	PERFORM	NON-PROFIT	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$2,800 vs 12%	\$2,800/1 <sup>st</sup> Performance \$1,400/2 <sup>nd</sup> Performance	N/A	N/A	\$2,800	N/A
DeVos Hall (Fri-Sat)	\$3,250 vs 12%	\$3,250/1 <sup>st</sup> Performance \$1,625/2 <sup>nd</sup> Performance	N/A	N/A	\$2,800	N/A
Hall A-C	\$18,450 vs 12%	N/A	\$14,575 or \$.25 net sq. ft.	\$18,450 or \$.29 net sq. ft.	\$18,450	\$9,400
Hall A-B or B-C	\$12,300 vs 12%	N/A	\$9,700 or \$.25 net sq. ft.	\$12,300 or \$.29 net sq. ft.	\$12,300	\$6,250
Hall A, B, Or C	\$6,150 vs 12%	N/A	\$4,850 or \$.25 net sq. ft.	\$6,150 or \$.29 net sq. ft.	\$6,150	\$3,150
Meeting Rooms Grand Gallery 1 <sup>st</sup> or 2 <sup>nd</sup>	\$1,350 vs 12%	N/A	\$1,100 or \$.25 net sq. ft.	\$1,350 or \$.29 net sq. ft.	\$1,350	\$1,100
Meeting Rooms Grand Gallery Individual	\$450 vs 12%	N/A	\$450 or \$.25 net sq. ft.	\$450 or \$.29 net sq. ft.	\$450	\$450
Ballroom	\$5,450 vs 12%	N/A	\$4,450 or \$.25 net sq. ft.	\$5,450 or \$.29 net sq. ft.	\$5,450	\$3,200
Ballroom A,B,C-D	\$1,900 vs 12%	N/A	\$1,800 or \$.25 net sq. ft.	\$1,900 or \$.29 net sq. ft.	\$1,900	\$1,450
Ballroom C or D	\$1,050 vs 12%	N/A	\$1,000 or \$.25 net sq. ft.	\$1,050 or \$.29 net sq. ft.	\$1,050	\$1,050
Ballroom Meeting Rooms	\$450 vs 12%	N/A	\$450 per day	\$450 per day	\$450	\$450
Board Room	N/A	N/A	\$500 per day	\$500 per day	\$500	\$500
Monroe Meeting Rooms A-D	\$950 vs 12%	N/A	\$900 per day	\$950 per day	\$950	\$900
Monroe Meeting Room B, C, or D	N/A	N/A	\$350 per day	\$350 per day	\$350	\$350
Recital Hall or Monroe Meeting Room A	\$650 vs 12%	N/A	\$650 per day	\$650 per day	\$650	\$650

As managers of DeVos Place, SMG has the right to negotiate rental rates with clients, but agrees that such negotiations will be limited to an increase or reduction no greater than 20% of approved rental rates. These fluctuations may be considered if it became the shared position of affected area businesses that mutual special consideration is necessary to attract the business. SMG also has the right to negotiate rates for labor and equipment in accordance with industry standards, including charging for items which may not be included on this rental rate sheet.



**Van Andel Arena<sup>®</sup> /  
DeVos Place**

# Memorandum

**To:** CAA OPERATIONS/MARKETING COMMITTEE  
**From:** RICHARD MacKEIGAN  
**C:** FILE  
**Date:** JUNE 18, 2007  
**Re:** BOOKING POLICY REVIEW

---

You will recall the CAA re-approved the current booking policy (attached) approximately 18 months ago. At that time, I recommended no changes and a review in eighteen months. I have completed a review of the booking policy for DeVos Place. We requested feedback from a number of parties on the present policy. All expressed an interest in maintaining the current policy with the exception of Broadway Theater Guild. They voiced a desire to receive more favorable treatment than they currently receive.

The assessment was broken into two pieces, DeVos Performance Hall and the rest of DeVos Place. The Booking Policy may be changed at anytime by the CAA, but the formal review necessity, negates the potential for the policy to become outdated. After conducting my second review of the booking policy, I am recommending to the CAA that no change to the booking policy be made at this time. I would also recommend a full review in three years.

## DeVos Performance Hall

The Broadway Theater Guild (BTG) has expressed an interest in securing more favorable dates. Presently, the policy as adopted by the CAA has the BTG working with the other arts tenants and in a fourth priority position. The other arts tenants have expressed an interest in maintaining the existing policy. This is a policy that was originally drafted by the City of Grand Rapids and adopted by the CAA. This policy provides a higher priority to the other arts tenants primarily due to the fact that the talent is mostly (and in many instances exclusively) local. Additionally, the majority of the revenue for the Ballet, Opera and Symphony stays in West Michigan, while Broadway shows are paid a fee with the overage retained by BTG.

Each of the arts tenants were contacted to see if they would like to see modifications to the booking policy. We received information from each of the arts tenants. DeVos Performance Hall enjoys the burden of having four successful arts groups who are looking to grow their seasons. This creates a shortage of desirable dates. BTG also is restricted from securing a multi-week run of a production,



**DEVOS PLACE**

which would bring costs down on a per show basis as well as allow for the securing of more prominent shows.

I recommend no change to the existing policy. There is credence in the priority currently assigned to the arts tenants. The ability to now book summer dates (the hall has been closed for construction the last couple of summers) may provide additional opportunities moving forward. BTG has received some consideration from the other arts tenants. I would recommend the CAA encourage the Ballet, Opera and Symphony to take great strides in trying to accommodate a larger portion of the BTG's schedule. All four arts tenants play a vital role in the theater as well as the make up of downtown. BTG secures a large number of dates and the broad appeal of their programming is very valuable to the venue, local restaurants and employers in West Michigan.

### **DeVos Place**

I have continued to monitor our venue's usage as now have history in our new facility. The booking policy was crafted through an extensive process involving show producers, the CVB, SMG staff and the CAA. Generally speaking, the policy provides priority use for conventions and tradeshows which guarantee 500 contracted peak room nights and total room nights of 1,000 in Kent County. These "Major Events" can book 5 years out. For the exhibit hall, a priority is then afforded to smaller convention business using 250 peak room nights and 500 total room nights. Beyond that all other business, regardless of room nights, may be booked inside of eighteen months. The same practice applies for the ball room with the exception that the date window is twelve months, rather than eighteen.

The only exceptions to this practice are four Major Consumer Shows (Boat Show, Auto Show, Sport Show and Home & Garden Show) specifically identified within the booking policy. These four events may submit a three week window hold for the use of one of these weeks. They may be moved within the window provided the event which displaces them meets the Major Event room night requirement. Once the eighteen month window is reached, the dates for the consumer show can be locked in. Each of these consumer shows has access to the Exhibit Hall. The Boat Show is the only consumer show which also has the policy apply to the Ballroom as well as Exhibit Hall.

All indicators demonstrate both the Consumer Shows and the Convention activity growing at DeVos Place. This is in keeping with one of the goals the CAA outlined within the Booking Policy. As the CAA is achieving a major goal and we have seen growth with both consumer shows as well as meetings and convention business, SMG recommends no changes to the current booking policy.

One might argue that this process should have resulted in changes. The goal of the process and the specific need outlined in the booking policy itself, was not to change the policy after a review, but rather to assess it. I believe the policy remains sound and am confident with the recommendations provided for the CAA's consideration.

# GRAND RAPIDS- KENT COUNTY CONVENTION/ARENA AUTHORITY BOOKING POLICY

This is the Booking Policy of the Grand Rapids- Kent County Convention/Arena Authority adopted by the Authority Board of Directors on September 27, 2000.

## **I. Background**

The Authority was established for the purpose of owning, improving and operating DeVos Performance Hall, the Convention Center and Van Andel Arena. The Authority's mission and those of its facilities (as defined in the Operating Agreement between the County of Kent and City of Grand Rapids) are:

Authority -- To encourage economic development within the West Michigan region, create jobs and provide facilities for the entertainment, enjoyment and benefit of the citizens in an economical manner by developing and operating convention, entertainment and sports facilities within Kent County.

- A. DeVos Performance Hall is primarily for artistic activities and secondarily for entertainment, community and convention activities.
- B. Convention Center (including Exhibit Halls, Meeting Rooms and Welsh Auditorium) is primarily for convention related events and secondarily for public events, entertainment, community and sports activities.
- C. Van Andel Arena is primarily for sports and entertainment activities and secondarily for artistic and community activities.

The Authority is substantially rebuilding and expanding the Convention Center to better compete with other convention facilities in the attraction of national, regional and local conventions. The primary sources of funds for the expansion are the Kent County Lodging Excise Tax, the State of Michigan and private funds by Grand Action.

The Authority operations are dependant upon revenues from renting Authority Facilities and income from concessions and related activities. The County and City equally share responsibility for operation deficits of the Authority that exceed operating reserves and available revenues from the Kent County Lodging Excise Tax.

## **II. Objectives**

- A. The Authority's intention in adopting this Booking Policy is to promulgate the authority's best interest in the use of Authority's Facilities and to avoid, and facilitate amiable resolution of. Disputes over conflicting claims on space and dates.
- B. The Authority's objective is to maximize at all times the use of Authority Facility space.

**C. The Authority desires to:**

1. Create significant economic activity in Kent County, serve Kent County businesses, families and individuals and enhance the quality of life in Kent County by;
  - (a) Encouraging conventions, meetings, public consumer shows, entertainment, performing arts and other events;
  - (b) Bringing outside revenues to the community; and
  - (c) Promoting the community to business operators and visitors.
2. Generate adequate income to cover Authority expenses.
3. Promote production of the Kent County Lodging Excise Tax, to permit funding for the Convention Center renovation and expansion and to provide coverage of Authority operating losses that exceed established reserves.

**III. Definitions**

Arts Groups	“Arts Groups” include the Grand Rapids Symphony, Grand Rapids Ballet, Opera Grand Rapids, Broadway Theatre Guild and any other performing arts organizations recognized by Authority Board of Directors resolution as an Arts Group.
Authority	“Authority” is the Grand Rapids- Kent County Convention/ Arena Authority, a separate legal entity established on March 29, 2000 by the City of Grand Rapids and the County of Kent pursuant to the Convention Facility Authority Act, Act 203 of the Pubic acts of Michigan of 1999.
Authority Facilities	“Authority’s Facilities” include DeVos Performance Hall, the Convention Center and Van Andel Arena.
Available Dates	“Available Dates” are dates on the Event Calendar for which the authority has not issued a First Hold or signed a Facility Use Agreement.
Convention Center	“Convention Center” consists of the Welsh Auditorium, Exhibit Halls and Meeting Rooms within the structure on Monroe Avenue, Grand Rapids, Michigan.
CVB	“CVB” is the Grand Rapids/Kent County Convention & Visitors Bureau.
DeVos Performance Hall	“DeVos Performance Hall” is a performing arts theater adjacent to the Convention Center.
Event Calendars	“Event Calendars” are the monthly calendars kept by the Authority to designate tentative and contracted events at Authority Facilities.

<b>Exhibit Halls</b>	<b>“Exhibit Halls”</b> includes all exhibit space within the Convention Center, existing and planned (as depicted on Attachment A).
<b>Facility Use Agreement</b>	<b>“Facility Use Agreement”</b> is a binding written agreement between the Authority and the person renting Authority Facility space for a given date or dates, which delineates the specific Authority Facility space, the dates of usage, the nature of the event, deposit schedules, protection clauses and other necessary provisions.
<b>First Hold</b>	<b>“First Hold”</b> is the General Manager’s designation of an event as the priority use of specific Authority Facility space for a specific date. The General Manager will notify the holding party that its event has been designated First Hold.
<b>First Priority</b>	<b>“First Priority”</b> events will be given precedence when more than one person seeks to place an event in the same Authority Facility space on the same date.
<b>General Manager</b>	<b>“General Manager”</b> is the person employed or contracted by the Authority to oversee management of Authority Facilities (as of the date of this Policy, the General Manager is SMG, Inc.)
<b>Grand Gallery Meeting Rooms</b>	<b>“Grand Gallery Meeting Rooms”</b> are meeting rooms on the first floor of the Convention Center adjacent to the Grand Gallery and Exhibit Halls (as depicted on Attachment A).
<b>Kent County Lodging Excise Tax</b>	<b>“Kent County Lodging Excise Tax”</b> is a tax on transient use of Kent County hotel and motel rooms, which Kent County levies and collects pursuant to Act 263 of the Public Acts of Michigan of 1974, as amended.
<b>Major Consumer Shows</b>	<b>“Major Consumer Shows”</b> includes the Boat Shows, the Sport Shows, the Home and Garden Shows and the Auto Show (all currently produced by Showspan, Inc. of Grand Rapids, Michigan) or any alternative consumer show recognized by authority Board of Directors resolution as a Major Consumer Show. A Major Consumer Show must rent at least 75% of available space in the Exhibit Halls, typically have at least 15,000 attendees and be willing to sign a multiple-year (three to five year) Facility Use Agreement.
<b>Major Events</b>	<b>“Major Event”</b> is a convention, meeting or other event in which a party guarantees the use of 500 contracted peak room nights and total room nights of 1,000 in Kent County. Contracted peak room nights are the highest number of rooms used for any night of the event. Total room nights used is the sum of the number of rooms used during the event.
<b>Meeting Rooms</b>	<b>“Meeting Rooms”</b> includes all the rooms, existing and planned, within the Convention Center of the size convenient for and used primarily for meetings (as depicted on Attachment A).

Second Priority	“Second Priority” events will be given precedence for authority Facility space over all other events. Except those designated First Priority, when more than one person seeks to place an event in the same Authority Facility space on the same date.
Tentative Hold	“Tentative Hold” is a notation made by the General Manager on a date or dates on the Event Calendar indicating that a person anticipates use of Authority Facility space on the date specified. The General Manager will generally allow a single event, other than an Arts Group season, to assume one Tentative Hold (of consecutive days) for each calendar year but may not allow an event to assume multiple Tentative Holds. A Tentative Hold does not grant any contractual rights to the holder. The General Manager may place more than one event on a given date, the priority of such events to be determined in accordance with this Policy.
Welsh Auditorium	“Welsh Auditorium” is a multi-purpose auditorium within the Convention Center that the Authority intends to convert into a ballroom.
Window Hold	“Window Hold” is a notation made by the General Manager on the dates on the Event Calendar indicating that a Major Consumer Show desires use of Authority Facility space within the dates specified.

#### **IV. Interpretation of Policy**

The Authority is responsible for interpretation of this policy and final determinations regarding the booking use of Authority Facilities. In the event of a dispute, the Authority Operating Committee will provide a written determination. An interested person may appeal the Operating Committee’s determination to the Authority Board of Directors, whose decision will be final.

#### **V. Reservation of Authority Facilities**

DeVos Performance Hall, the Convention Center (Exhibit Halls, Welsh Auditorium and the Meeting Rooms) and the Van Andel Arena each have a different mission or use. Specific reservation policies apply to each.

##### **A. DeVos Performance Hall**

For many years, the Arts Groups have successfully cooperated in developing a coordinated schedule for the use of DeVos Performance Hall. The Authority authorizes the Grand Rapids Symphony, Grand Rapids Ballet and Opera Grand Rapids to continue to coordinate use of DeVos Performance Hall among them, with the assistance of and notice to the Authority. These organizations will then work with the Broadway Theater Guild and then other performing arts groups to accommodate their respective schedules. Arts Groups consisting primarily of local artists will continue to be given the first opportunity to develop a full season before those Arts Groups not consisting primarily of local artists.

The First Priority for use of DeVos Performance Hall is Arts Groups consisting primarily of local artists. The Second Priority for DeVos Performance Hall is Arts Groups not consisting primarily of local artists. The Third Priority for DeVos Performance Hall is entertainment events.

The Booking Policy for DeVos Performance Hall is as follows:

1. Beyond Twelve Months -- Any person (considered viable by the General Manager) may place a Tentative Hold on Available Dates as far in advance as Event Calendars allow.
2. At Twelve Months -- Up to Twelve Months prior to the date of the first event of any Arts Groups season, an event with a Tentative Hold will have First Priority and First Hold.
3. The Authority will protect dates that are subject to a First Hold until January 31 for a season beginning six or more months later, at which time the Arts Group will be required to execute a Facility Use Agreement in order to continue to hold such dates.
  - (a) Arts Groups may only change held dates if at the time of the request no other person has committed, by contract of First Hold, to propose new dates.
4. Within Twelve Months -- Any party may contract for Available Dates at DeVos Performance Hall for conventions, tradeshow and other events within twelve months of the event by executing a Facility Use Agreement.
5. Priority -- If two or more parties attempt to contract for the same Available Dates, Arts Groups are the First Priority and entertainment events are the Second Priority.

**B. Convention Center - Exhibit Halls**

Particularly during the first quarter of the calendar year, there is a significant competition for space in the Exhibit Halls. The Major Consumer Shows must, by the nature of their business, occur during the first quarter. The Major Consumer Shows have in the past occupied most of the space in the Exhibit Halls for large blocks of time, thereby limiting space for convention and meeting demands.

The Authority recognizes that Major Consumer Shows have significant value, both to the Authority and the community, and is committed to annually offering the Major Consumer Shows to the local business community and general public. However, the Authority also believes that desirable convention and meeting business can be lost unless there is some flexibility in the scheduling of the Major Consumer Shows.

The intent of this Booking Policy related to Exhibit Halls is to assure continued annual presentation of the Major Consumer Shows while providing limited flexibility in scheduling so that convention and meeting business is not unnecessarily lost.

When booking the Exhibit Rooms, the Authority shall give consideration to the following factors:

- Time of year;
- Projected revenue to the Authority both in terms of direct space rental revenue, as well as projected revenue from concessions and other building services;



- Total Authority Facility space required;
- Impact in terms of Kent County Lodging Excise Tax and economic activity generated;
- Potential for repeat booking; and
- Previous history and experience of the potential user with respect of Authority Facilities and other similar facilities.

The Booking Policy for the Exhibit Halls is as follows:

1. Cooperation

- (a) Every potential conflict will require cooperation between conflicting interests. The Authority will require all parties to accommodate the needs of other events to the overall benefit of the Authority.
- (b) Authority Facilities users will use best efforts to assure that move-in and move-out times is no more than is reasonably necessary. The General Manager will have the right, in its sole discretion, to reduce the move-in and move-out times of each Major Event or major Consumer Show by up to a total of 24 hours to accommodate the booking of another Major Event or Major Consumer Show.

2. Beyond Eighteen Months

- (a) Any person (considered viable by the General Manager) may place a Tentative Hold on Available Dates as far in advance as Event Calendars allow.
- (b) The producer of each Major Consumer Show may place a Window Hold on a period within the first quarter of each calendar year that includes specific dates the producer considers "ideal" such Major Consumer Show (the "Ideal Period") and two connected weeks (which might be, at the producer's option, the week before and after the Ideal Period or two weeks either before or after the Ideal Period).
- (c) Until paragraph 3 below applies, the Authority may, if the General Manager deems necessary, move a Major Consumer Show from the Ideal Period to another week within its Window Hold in order to book a conflicting Major Event. In exercising its discretion, the General Manager will act in the best interest of the Authority and consider the value of such Major Event but will also consider the effect any such move would have on the Major Consumer Show, its exhibitors and its producer.
- (d) Except as provided above in subparagraphs (b) and (c), the Authority will give First Priority and First Hold to and enter into a Facility Use Agreement with parties booking Major Events for Exhibit Halls.
- (e) Major Consumer Shows may enter into long term contracts (three to five years) with the Authority so long as the contract is consistent with this paragraph 2 and the entire Booking Policy.

3. At Eighteen Months -- Eighteen months prior to a given date, the General Manager will (in the following order):

- (a) Provide a binding commitment to the Major Consumer Shows for either Ideal Period or the alternative dates as determined under subparagraphs 2 (b) and (c) above.
  - (b) For any remaining Available Dates: First Priority will be given to Major Events and Major Consumer Shows and Second Priority will be given to conventions and tradeshow, meetings and other events with peak room nights of at least 250 and total room nights of 500 Kent County.
4. Within Eighteen Months -- Persons may contract for remaining Available Dates at the Exhibit Halls for conventions, tradeshow, meetings and other events within eighteen months of the event by executing a Facility Use Agreement. If two or more parties attempt to contract for the same Available Dates, conventions and tradeshow are the First Priority and public events, entertainment and community and sports activities are the Second Priority.
  5. Verification and Recertification -- The Authority will base attendance and room counts on prior history of the event and such counts will be subject to verification by (i) the Authority; or (ii) upon the Authority's request and at the user's expense, a qualified independent surveyor pre-approved by the Authority. In the event that the First Priority status is granted, based in part upon the peak room night requirement, the Authority will require recertification of said peak room night requirement from First Priority events annually.
  6. Challenges -- If a First Hold has been issued for any date but Facility Use Agreement has not yet been executed, a challenger may tender an offer for the dates subject to the First Hold by delivering to the authority a deposit equal to 50% of all estimated rental fees. The General Manager will then advise the person holding the First Hold of the challenge.
    - (a) To retain rights to the dates held, the person holding the First Hold must, within forty-eight (48) hours of such notice, execute a Facility Use Agreement and submit to the Authority a non-refundable deposit of 50% of all estimated rental fees. If the person holding the First Hold does not execute a Facility Use Agreement and submit the required deposit, the Authority will award the dates to the challenger.
    - (b) Any deposit submitted by a challenger becomes non-refundable if the person holding the First Hold releases the date. Otherwise, such deposit is fully refundable. The General Manager may, in its sole discretion, waive these requirements or extend time limits, as the General Manager deems necessary.

C. Convention Center - Welsh Auditorium

The Booking Policy for the Welsh Auditorium is as follows:

1. Beyond Twelve Months

- (a) Any person (considered viable by the General Manager) may place a Tentative Hold on Available Dates as far in advance as Event Calendars allow.

- (b) The Authority has determined that with respect to the Boat Show (a Major Consumer Show) Welsh Auditorium will be treated in the same manner as Exhibit Halls. Accordingly, the General Manager will apply subparagraph B. 2 (b) and (c) of this Booking Policy to use the Welsh Auditorium for the Boat Show. In any event, the dates the Authority makes Exhibit Halls available for the Boat Show will be the same dates it makes Welsh Auditorium available for the Boat Show.
- 2. At Twelve Months -- Twelve Months prior to the date of the event a person with a Tentative Hold for a convention or tradeshow renting 100% of available space will be given First Priority and First Hold to assure such person the held dates. Meetings and other events renting 100%, if available space, are the Second Priority.
- 3. Within Twelve Months -- Persons may contract for Available Dates for conventions, tradeshow and other events within twelve months of an event by executing a Facility Use Agreement. If two or more parties attempt to contract for the same Available Dates, conventions or tradeshow renting 100% of available space is the First Priority and meetings and other events renting 100% of available space are the Second Priority.
- 4. Challengers -- If the First Hold has been issued for any date but a Facility Use Agreement has not yet been executed, a challenger may tender an offer for the dates subject to the First Hold by delivering to the Authority a deposit equal to 50% of all estimated rental fees. The General Manager will then advise the person holding the First Hold of the challenge.
  - (a) To retain the rights to the dates held, the person holding the First Hold must, within forty-eight (48) hours of such notice, execute a Facility Use Agreement and submit to the Authority a non-refundable deposit of 50% of all estimated rental fees. If the person holding the First Hold does not execute a Facility Use Agreement and submit the required deposit, the Authority will award the dates to the challenger.
  - (b) Any deposit submitted by a challenger becomes non-refundable if the person holding the First Hold releases the date. Otherwise, such deposit is fully refundable. The General Manager may, in its sole discretion, waive these requirements or extend time limits, as the General Manager deems necessary.

#### D. Convention Center - Meeting Rooms

##### 1. Beyond Twelve Months

- (a) Any person (considered viable by the General Manager) may place a Tentative Hold on available Dates as far in advance as Event Calendar allows.
- (b) The authority has determined that the Grand Gallery Meeting Rooms will be treated in the same manner as Exhibit Halls. Accordingly, the General Manager will apply subparagraphs B. 2 (b) and (c) of this Booking Policy to the use of the Grand Gallery Meeting Rooms. In any event, the dates Authority makes available to each Major Consumer Show for the use of Exhibit Halls will be the same dates it makes available for such Major Consumer Show.

2. Twelve Months -- Twelve months prior to the date of the event a person with a Tentative Hold for a convention or tradeshow using 75% of Meeting Room available space will be given First Priority and asked to provide the Authority with a First Hold to assure such person the held dates. Meetings and other events using 75% of Meeting Room available space are Second Priority.
3. Within Twelve Months -- Persons may contract for Available Dates for conventions, tradeshow, meetings and other events within twelve months of an event by executing a Facility Use Agreement. If two or more parties attempt to contract for the same Available Dates, conventions or tradeshow are the First Priority and meetings and other events are Second Priority.
4. Challenges -- If the First Hold has been issued for any date but a Facility Use Agreement has not yet been executed, a challenger may tender an offer for the dates subject to the First Hold by delivering to the Authority a deposit equal to 50% of all estimated rental fees. The General Manager will then advise the person holding the First Hold of the challenge.
  - (a) To retain rights to the dates held, the person holding the First Hold must, within forty-eight (48) hours of such notice, execute a Facility Use Agreement and submit to the Authority a non-refundable deposit of 50% of all estimated rental fees. If the person holding the First Hold does not execute a Facility Use Agreement and submit the required deposit, the Authority will award the dates to the challenger.
  - (b) Any deposit submitted by the challenger becomes non-refundable if the person holding the First Hold releases the date. Otherwise, such deposit is fully refundable. The General Manager may, in its sole discretion, waive these requirements or extend time limits, as the General Manager deems necessary.

E. Van Andel Arena

Van Andel Arena is primarily a sports and entertainment facility. Since its opening, the General Manager has succeeded in developing a coordinated schedule for the use of Van Andel Arena. The Authority authorizes the General Manager to continue to coordinate use of Van Andel Arena. In booking spaces in Van Andel Arena, the General Manager will consider the following:

1. Family Shows -- The General Manager will generally grant First Priority status to certain recurring family entertainment events that have multi-year Facility Use Agreements (e.g. Circus, Disney on Ice and the Ice Capades).
2. Sports Teams -- The General Manager will generally grant Second Priority status to local professional sports leagues (e.g., Continental Basketball Association, International Hockey League and the Arena Football League) that have multi-year Facility Use Agreements. Such sports teams have, by contract, first rights to dates, except that they must schedule around the family shows described in paragraph E. 1 above.

### 3. Concerts and other Events

- (a) Following the scheduling of family shows and sports teams' schedules, as provided above, the General Manager will work with reputable promoters to secure touring concerts and other events for remaining Available Dates.
- (b) In order to maximize the use of Van Andel Arena space and to prevent a promoter from blocking out events, the General Manager will place on the Event Calendar a Tentative Hold for any Available Date in a promoter's name. Every Tentative Hold is subject to challenge (see paragraph E. 4 above)

### 4. Challenges -- If a Tentative Hold has been placed on a date but a Facility Use Agreement has not yet been executed, a challenger may tender an offer for the dates subject to the Tentative Hold by delivering to the authority a deposit equal to 20% of all estimated rental fees. The General Manager will then advise the person holding the Tentative Hold of the challenge.

- (a) To retain rights to the dates held, the person holding the Tentative Hold must, within forty-eight (48) hours of such notice, execute a Facility Use Agreement and submit to the Authority a non-refundable deposit of 50% of all estimated rental fees. If the person holding Tentative Hold does not execute a Facility Use Agreement and submit the required deposit, the Authority will award the dates to the challenger.
- (b) Any deposit submitted by a challenger becomes non-refundable if the person holding the Tentative Hold releases the date. Otherwise, such deposit is fully refundable. The General Manager may, in its sole discretion, waive these requirements or extend time limits, as the General Manager deems necessary.

## VI. **Miscellaneous**

- 1. General Manager's Discretion -- Events and circumstances not specifically covered in this Booking Policy may be subject to special conditions as deemed appropriate by the General Manager or Authority.
- 2. Effective Date -- This Booking Policy will apply:
  - (a) Immediately to the booking space within the DeVos Performance Hall and the Van Andel Arena
  - (b) On a phased-in basis between 2001 and 2002, as existing Facility Use Agreement allow, for booking of space currently existing in the Convention Center (except that the provisions related to Welsh Auditorium will apply for bookings of space after its renovation is completed); and
  - (c) Immediately to the booking of space within the renovated and expanded Convention Center for periods after completion of said renovation and expansion.
- 3. Nature of Obligation -- This Booking Policy is not intended to obligate the Authority and does not confer legal rights to any party. Specific dates for Authority Facilities space are not

certain until the Authority executes a Facility Use Agreement and the Authority has granted a binding commitment for such dates.

4. Notice -- Notice to the Authority shall be valid if made in writing to the Chairperson, the Secretary or the General Manager.
5. Review and Amendment -- The Authority Board of Directors will review and approve (with or without an amendment) this Booking Policy one year following its adoption and every 3 years thereafter. All amendments to this Booking Policy must be approved by resolution of the Authority Board of Directors. Notice of any meeting at which the Board of Directors will consider amending the Booking Policy will be sent to all parties to Facility Use Agreement and persons with Tentative Holds, First Holds or Window Holds on the use of Authority Facility space.
6. Protection Clause -- The Facility Use Agreement for each Major Consumer Show will include a protection clause, whereby the Authority will agree not to rent, within 90 days of the beginning or end of such Major Consumer Show, Authority Facility space to any event that directly competes with the Major Consumer Show. An event will be deemed to directly compete with a Major Consumer Show if it has 30% or more of the exhibitors from the Major Consumer Show. However, a show that is open to the public will never be deemed to directly compete with a show open only to trade. The determination of whether or not an event directly competes is solely within the discretion of the General Manager.

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

**RESOLUTION CONSENTING TO THE SUBLEASE OF CERTAIN  
RETAIL SPACE AT THE VAN ANDEL ARENA BY WEST MICHIGAN  
HOCKEY, INC. TO DESTROYER MERCHANDISING COMPANY, LLC**

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

**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 Destroyer Merchandising Company, LLC ("DMC") subject to the terms of a sublease dated May 24, 2007, between WMH and DMC 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 DMC 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.

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

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

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

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

**RESOLUTION DECLARED ADOPTED.**

Dated: June 27, 2007

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

**CERTIFICATION**

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a meeting held on June 27, 2007, 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: June 27, 2007

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



## SUBLEASE

THIS SUBLEASE ("Sublease") is dated May \_\_\_\_, 2007, to be effective July 1, 2007 ("Effective Date"), by and between WEST MICHIGAN HOCKEY, INC., a Michigan corporation ("Sub-Landlord"), and DESTROYER MERCHANDISING COMPANY, LLC, an Arizona limited liability company ("Sub-Tenant").

Sub-Landlord entered into a Lease with the Downtown Development Authority of The City of Grand Rapids ("DDA"), dated October 11, 1995, which was subsequently assigned to the Grand Rapids-Kent County Convention Arena/Authority ("CAA")(collectively, the "Lease") pursuant to which Sub-Landlord leased from CAA approximately 2,553 rentable square feet ("RSF") of retail space, two (2) offices, a break room, a changing room and a storage room located in Van Andel Arena (the "Arena") as more particularly depicted in attached Exhibit A (the "Premises").

1. Sublease; Premises. Sub-Landlord hereby allows Sub-Tenant access to the Premises.
2. Term. The term of this Sublease will commence on the Effective Date and will expire on August 31, 2011, provided that Sub-Tenant is not in default in the performance of any of its obligations under this Sublease and provided that Sub-Landlord and the CAA have renewed their lease for the Van Andel Arena, Sub-Tenant shall have the right to renew this Sublease for one (1), five (5)-year term by providing written notice to Sub-Landlord six (6) months prior to the expiration of the Term.
3. Rent. Rent for above-mentioned Term shall be the greater of One Thousand Dollars (\$1,000) per month or eight percent (8%) of the net revenue each month from the sale of sports merchandise at the Premises, as rent for the Premises. "Net Revenue" shall mean the gross revenue from all in-store sales, game night kiosk sales, Internet sales of the Team's merchandise, but shall not include any ticket revenue received by Sub-Tenant, less any sales taxes, rebates, credits and returns. One Thousand Dollars (\$1,000) shall be payable on the first of each month during the Term beginning on October 1, 2007. In the event that 8% of the Gross Revenue in a month exceeds \$1,000, Sub-Tenant shall pay the amount of the excess to Sub-Landlord on the fifteenth day of the following month.
4. Compliance With Lease. Sub-Tenant subleases the Premises from Sub-Landlord, on the terms and subject to the covenants and conditions contained in the Lease that are applicable to the Premises, except as otherwise provided in this Sublease. Sub-Tenant and Sub-Landlord agree that all of the terms, covenants and conditions (except as modified by this instrument or inconsistent herewith) related to the Premises which are to be observed or performed by Sub-Landlord as tenant under the Lease are incorporated herein by reference and imposed on Sub-Tenant with the same force and effect as though fully set forth herein. Except where inconsistent with this Sublease, wherever the word "Landlord" appears in the Lease, the word "Sub-Landlord" shall be substituted; and wherever the word "Tenant" appears in the Lease, the word "Sub-Tenant" shall be substituted. Sub-Tenant covenants and agrees for itself and its successors and assigns that it shall perform and observe all of said terms, covenants and conditions related to the Premises, and that it shall do nothing which will have the effect of creating a breach on the part of Sub-Landlord of any of said terms, covenants or conditions. Notwithstanding any provision to the contrary in the Lease, Sub-Tenant shall only be required to carry during the Term commercial liability insurance coverage in an amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

5. Additional Rent; Taxes. Beginning September 1, 2007 and continuing through the term, Sub-Tenant shall pay as additional rent Sub-Tenant's monthly pro rata share of gas, water and electric plus an additional rental amount of \$284.67. Sub-Tenant's payment for additional rent and for its use of gas, water and electric shall not exceed \$7,854.96 annually (\$654.58/month). Sub-Tenant shall be solely responsible for any telephone and/or cable expenses. The personal and real property taxes and assessments (the "Taxes") associated with the Premises will be allocated according to the following schedule: if Gross Revenue (defined above in Paragraph 3 is (i) 0 to \$299,999, then Sub-Tenant shall pay the Taxes; (ii) \$300,000 to \$399,999, then Sub-Tenant and Sub-Landlord shall each pay one-half of the Taxes; (iii) \$400,000 to \$499,999, then Sub-Tenant shall pay twenty-five percent (25%) and Sub-Landlord shall pay seventy-five percent (75%) of the Taxes; and (iv) \$500,000 or more, then Sub-Landlord shall pay all the Taxes. The Taxes shall be calculated in a manner consistent with past custom and practices used by Landlord and Sub-Landlord and are not expected to exceed \$10,000 on an annual basis. The real property taxes will be apportioned to Sub-Tenant based on the square footage of the Premises as compared to the square footage of the space occupied in the Arena by Sub-Landlord and its affiliates. Upon Sub-Tenant's request, Sub-Tenant shall be allowed access to Sub-Landlord's real property tax records for the Arena.

6. Use Of Premises. Sub-Tenant shall use the Premises for the retail sales of sports merchandise.

7. Alterations, Maintenance and Repair. Sub-Tenant shall maintain the Premises in good condition and repair and shall repair any damage to the Premises or Van Andel Arena caused by Sub-Tenant, its agents, employees or invitees. All maintenance, repairs, alterations and improvements made by Sub-Tenant shall be (a) performed only by licensed contractors first approved by Sub-Landlord; (b) made only with the prior written consent of Sub-Landlord; (c) comply with all applicable governmental requirements; and (d) equal or exceed the current construction standard of the Van Andel Arena. Notwithstanding the foregoing, Sub-Tenant shall not be obligated for any repairs which constitute capital expenditures.

8. Notice Of Breach Of Lease.

(a) If for any reason, Sub-Tenant is notified by Landlord of any breach of the terms, covenants or conditions contained in the Lease which by the terms of this Sublease are the obligations of Sub-Tenant to perform, Sub-Tenant hereby agrees immediately to notify Sub-Landlord in writing of said notice, stating therein the grounds for the claimed breach, said writing to be sent to Sub-Landlord by federal express. Sub-Tenant shall promptly cure said breach and shall promptly provide to Sub-Landlord written evidence of said cure.

(b) If for any reason, Sub-Tenant is notified by Landlord of any breach of the terms, covenants or conditions contained in the Lease which, by the terms of the Lease, are to be performed by Sub-Landlord (and this Sublease does not delegate the performance of such obligations to Sub-Tenant), Sub-Tenant hereby agrees immediately to notify Sub-Landlord in writing of said notice, stating therein the grounds for the claimed breach, said writing to be sent to Sub-Landlord by federal express. Sub-Landlord shall promptly cure said breach and shall promptly provide to Sub-Tenant written evidence of said cure.

(c) If for any reason, Sub-Landlord is notified by Landlord of any breach of the terms, covenants or conditions contained in the Lease, which by the terms of this Sublease are the obligations of Sub-Tenant to perform, Sub-Landlord hereby agrees to immediately notify Sub-Tenant in writing of said notice stating therein the grounds for the claimed breach, said written notice to be sent to Sub-

Tenant by federal express. Sub-Tenant shall promptly cure said breach and promptly provide to Sub-Landlord written evidence of said cure.

(d) If for any reason, Sub-Landlord is notified by Landlord of any breach of the terms, covenants or conditions contained in the Lease which, by the terms of the Lease, are to be performed by Sub-Landlord (and this Sublease does not delegate the performance of such obligations to Sub-Tenant), Sub-Landlord hereby agrees to immediately notify Sub-Tenant in writing of said notice stating therein the grounds for the claimed breach, said written notice to be sent to Sub-Tenant by federal express. Sub-Landlord shall promptly cure said breach and promptly provide to Sub-Tenant written evidence of said cure.

9. Sublease; Assignment. Neither the Premises, nor any part thereof, shall be sublet, assigned, leased or occupied by anyone other than Sub-Tenant (nor shall Sub-Tenant's interest in the Premises be encumbered in any way) during the term hereof without the prior written consent of Sub-Landlord.

10. Indemnification. Sub-Tenant shall indemnify Sub-Landlord and save Sub-Landlord harmless from and against any and all claims, actions, actual damages (excluding consequential, punitive or special damages), liabilities and expenses (including costs and actual attorneys' fees) (a) in connection with death or injury to person(s) or loss or damage to property occurring in, on or about, or arising out of, the Premises, the use or occupancy thereof by Sub-Tenant, or the conduct or operation of Sub-Tenant's business, or arising from any cause whatsoever (except to the extent caused by the negligence of Sub-Landlord, its agents or employees); or (b) arising out of a default by Sub-Tenant in the performance of any of its obligations under this Sublease. Sub-Landlord shall indemnify Sub-Tenant and save Sub-Tenant harmless from and against any and all claims, actions, actual damages (excluding consequential, punitive or special damages), liabilities and expenses (including costs and actual attorneys' fees) (a) in connection with death or injury to person(s) or loss or damage to property occurring in, on or about, or arising out of, the Premises, the use or occupancy thereof by Sub-Tenant, or the conduct or operation of Sub-Tenant's business, or arising from any cause whatsoever to the extent caused by the negligence of Sub-Landlord, its agents or employees; or (b) arising out of a default by Sub-Landlord in the performance of any of its obligations under this Sublease.

11. Furniture, Equipment, Fixtures. Sub-Tenant shall be allowed to use all office furniture, clothing racks, phones, fixtures and equipment located on the Premises on the Effective Date (the "Furnishings"). The Furnishings must remain on the Premises and be maintained in good condition by Sub-Tenant. Sub-Tenant is responsible for the repair and/or replacement of any damaged or lost Furnishings, reasonable wear and tear excepted.

12. Inconsistency With Lease. As between Sub-Landlord and Sub-Tenant, the terms of this Sublease shall govern in the event of any inconsistency between it and the Lease.

13. Surrender Of Premises. Upon the expiration of this Sublease, Sub-Tenant will restore the Premises to the same condition in which they were in at the beginning of the Term of this Sublease, remove all of its personal property (including all signs, symbols and trademarks pertaining to its business) from the Premises and repair any damage to the Premises caused by such removal and surrender possession of the Premises to Sub-Landlord or Landlord.

14. Notices. Any notice, authorization, consent, or other communication required or permitted hereunder shall be in a writing signed by an authorized officer or representative of the party sending such communication. Except as otherwise expressly provided herein, any such communication

shall be deemed effective when personally delivered, sent by telecopy, sent by overnight express delivery service with charges prepaid or when sent (postage prepaid) by certified mail with return receipt requested to the intended recipient at its address set forth above.

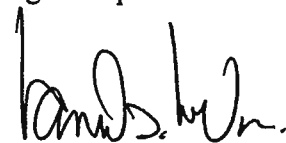
15. Default. In the event that Sub-Tenant shall fail to perform under this Sublease and such failure continues for the period of time for the giving of notices, making of demands or performing of any act, condition or covenant on the part of Sub-Landlord under the Lease, then Sub-Tenant shall be in default hereunder and the rights and remedies of Sub-Landlord shall be the same as the remedies of CAA under the Lease.

16. Cross-Default. A default by either party under this Agreement shall be deemed a default under the Merchandising Agreement entered into between the DP Fox Sports & Entertainment, L.L.C. and Sub-Tenant and dated of even date herewith ("Related Documents") entitling the non-defaulting party to all rights and remedies provided herewith and in the Related Documents.

17. Landlord's Consent. This Sublease shall not be effective unless it and Sub-Tenant's proposed use of and modifications to the Premises shall have been approved by Landlord. Landlord shall evidence its approval by executing this Sublease.

WEST MICHIGAN HOCKEY, INC.,  
a Michigan corporation

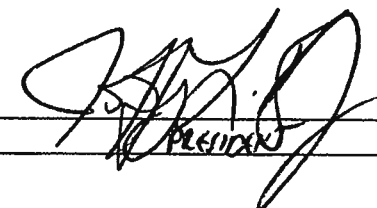
By:  
Its:

  
\_\_\_\_\_  
President / CEO

ADDRESS:  
130 West Fulton  
Grand Rapids MI, 49503  
ATTENTION: Tim Gortsema  
TELEPHONE: 616.336-5464  
FAX: 616.774.5464  
EMAIL: tgortsema@griffinshockey.com

DESTROYER MERCHANDISING COMPANY  
LLC, an Arizona limited liability company

By:  
Its:

  
\_\_\_\_\_  
President

ADDRESS:  
1769 Highland View Drive  
St. Augustine, FL 32092  
ATTENTION: Jeff Bouchy  
TELEPHONE: 904.819.5621  
FAX: 904.819.5626  
EMAIL: info@destroyerpp.com

The undersigned hereby consents to the Sublease of the Premises, as defined above, to the Sub-Tenant, as defined above.

GRAND RAPIDS-KENT COUNTY  
CONVENTION/ARENA AUTHORITY

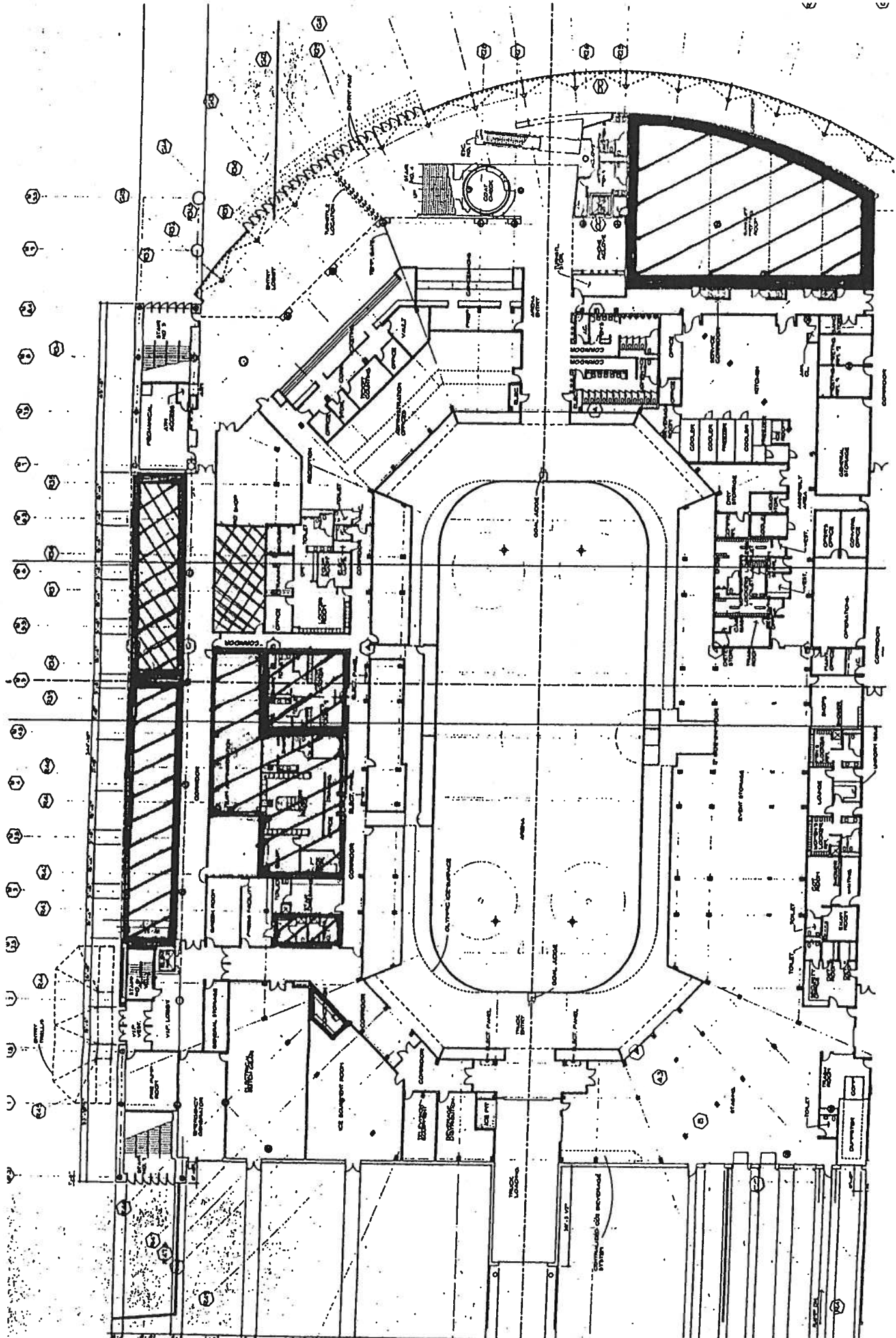
APPROVED AS TO FORM

\_\_\_\_\_  
Grand Rapids, Michigan 49503

\_\_\_\_\_  
Legal Counsel for the  
Convention/Arena Authority

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

Sports\Sublease (Destroyer) V4



**EXHIBIT A**  
The Premises

= The Premises





June 25, 2007

Mr. Richard A. Wendt  
Dickinson, Wright, Moon, VanDusen & Freeman  
200 Ottawa Avenue NW, Suite 900  
Grand Rapids, MI 49503

Re: Destroyer Merchandising Company, LLC

Dear Mr. Wendt:

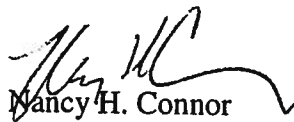
DP Fox Sports & Entertainment, LLC ("DP Fox Sports") desires to enter into a Sublease with Destroyer Merchandising Company, LLC for the occupancy of the retail space and accompanying storage/office space in the Van Andel Arena (the "Space").

The current sublease for the Space expired in May of 2007 and DP Fox Sport is excited about the possibility of doing business with Destroyer. It is our belief that Destroyer has the necessary experience, expertise and connections to successfully operate a retail store within the Arena.

The Principal of Destroyer Merchandising Company, LLC, Jeffrey Bouchy, has over 10 years of professional sports management and development experience. Destroyer Merchandising Company, LLC was founded in its desire to provide unique products for its customers. With its corporate office in St. Augustine, Florida, Destroyer also has offices in Cleveland, Ohio, Tampa, Florida and Sacramento, California. Destroyer also has expertise in importing novelties and all kinds of promotional products for sports teams.

Please let me know if you need further information.


Best regards,

  
Nancy H. Connor  
Associate General Counsel

NHC:jf

# VAN ANDEL ARENA® WEEKLY

## Item VII

DATE	EVENT	EC	MOD	ROOM	TIME	FUNCTION
Wed, Jun 20	The Fray	RS	LYNNE	Arena	7:30 AM 8:00 AM 6:30 PM 7:30P-8P 8P-8:15P 8:15P-9P 9P-9:30P 9:30P-10:45P 10:30 PM	Ops/Maintenance staff available Building access/mark floors/load-in Doors Mae Intermission Ok Go Intermission The Fray Load-out
		DR		Banquet B/C/D	7:30A-9:30P	Crew catering
Thur, Jun 21	Available					
Fri, Jun 22	Available					
Sat, Jun 23	Available					
Sun, Jun 24	Available					
Mon, Jun 25	Available					
Tue, Jun 26	Available					
Wed, Jun 27	Available					
Thur, Jun 28	Available					
Fri, Jun 29	Available					
Sat, Jun 30	Available					
Sun, Jul 1	Available					
Mon, Jul 2	Available					
Tue, Jul 3	Available					
Wed, Jul 4	<b>Closed – Holiday</b> 					
Thur, Jul 5	Tool	GC/RS		Arena	8:00 PM	Performance
Fri, Jul 6	Available					
Sat, Jul 7	Available					
Sun, Jul 8	Available					
Mon, Jul 9	Available					
Tue, Jul 10	Available					
Wed, Jul 11	Available					
Thur, Jul 12	Tim McGraw/Faith Hill	GC		Arena	7:30 PM	Performance
Fri, Jul 13	Available					
Sat, Jul 14	Dancing With The Stars	RS		Arena	7:30 PM	Performance
Sun, Jul 15	Available					
Mon, Jul 16	Available					
Tue, Jul 17	Huntington Bank	DG		Hunt Club	6:30P-9P	Private reception
Wed, Jul 18	Available					
Thur, Jul 19	Rascal Flatts	GC		Arena	8:00 PM	Performance
Fri, Jul 20	Available					
Sat, Jul 21	Available					
Sun, Jul 22	Available					



**DEVOSPLACE**  
**WEEKLY - 2007**

[illegible]

G A-F = Grand Gallery Meeting Rooms A-F  
O A-H = Overlook Meeting Rooms A-H  
GG = Grand Gallery Area  
RO A-F = River Overlook A-F  
MON A-D= Monroe Meeting Rooms

EH A-C = Exhibit Halls A-C  
DV = DeVos Performance Hall  
BALL A-D = Ballroom A-D

# DEVOSPLACE

## WEEKLY - 2007

	GALACTIC MARKETING	BALL C	12:00PM-4:00PM 12:00PM-5:00PM	IA SETIP CLIENT SETUP	KR	
THURS. JUNE 28	GALACTIC MARKETING	BALL C	8:30AM 9:00AM-10:00AM 10:00AM-10:45AM 10:45AM-11:00AM	CLIENT ARRIVAL BREAKFAST MEETING SOCIAL NETWORKING	KR	EST. ATTENDANCE: 105
FRI. JUNE 29	DARK					
SAT. JUNE 30	DARK					
SUN. JULY 1	DARK					
MON. JULY 2	DARK					
TUES. JULY 3	DARK					
WED. JULY 4	OFFICES CLOSED FOR INDEPENDENCE DAY					
THUR JULY 5	DARK					
FRI. JULY 6	DARK					
SAT JULY 7	DARK					
SUN JULY 8	DARK					
MON JULY 9	DARK					
TUES. JULY 10	DARK					

G A-F = Grand Gallery Meeting Rooms A-F  
O A-H = Overlook Meeting Rooms A-H  
GG = Grand Gallery Area  
RO A-F = River Overlook A-F  
MON A-D= Monroe Meeting Rooms

EH A-C = Exhibit Halls A-C  
DV = DeVos Performance Hall  
BALL A-D = Ballroom A-D

# DEVOSPLACE

## WEEKLY - 2007

WED. JULY 11	GREAT LAKES & ST. LAWRENCE CITIES INITIATIVE ANNUAL MTG	BALL C SECCHIA LOBBY BALL C DPH	8:00AM 8:00AM-5:00PM AFTERNOON TBD	IA SETUP EXHIBITOR SETUP SPEAKER REHEARSALS SHELL SHETUP	KR AK
THR JULY 12	GREAT LAKES & ST. LAWRENCE CITIES INITIATIVE ANNUAL MTG	SECCHIA LBY/BALL D RO E&F BALL C SECCHIA LOBBY RO E&F RO E&F BALL D BALL C BALL D SECCHIA LOBBY BALL C DVPH	6:00AM 7:00AM-8:30AM 8:00AM-9:00AM 9:00AM-12:00PM 9:30AM-11:00AM 11:00AM-5:00PM 12:00PM 12:30PM-1:00PM 1:30PM-2:15PM 2:30PM-3:00PM 3:00PM-3:30PM 3:30PM-5:00PM 9:00AM-5:00PM	CLIENT ARRIVAL EXHIBITS / BREAKFAST BOARD OF DIRECTORS MTG. SESSIONS EXHIBITS MEDIA ROOM PRESS CONFERENCE LUNCH SPEECH SESSION BREAK AND EXHIBITS SESSION AND WRAP UP AUDITIONS	KR AK
FRI JULY 13	CITY MANAGER'S MEETING	GO A	8:00AM-11:00AM	MEETING	RC /L C
	GREAT LAKES & ST. LAWRENCE CITIES INITIATIVE ANNUAL MTG	SECCHIA LOBBY BALL C BALL D	6:00AM 7:00AM-8:30AM 8:30AM-12:00PM 12:00PM-12:30PM 1:00PM 9:00AM-5:00PM	CLIENT ARRIVAL CONTINENTAL BREAKFAST SESSIONS LUNCH SCHEDULED DEPARTURE AUDITIONS	KR AK
SAT JULY 14	EL QUINCEANERO DE ANA MARTINEZ	BALL C DVPH	8:00AM-2:00AM 9:00AM-5:00PM	DINNER AUDITIONS	LC AK
	GRSO TYMPANI AUDITIONS	MICHIGAN DOCK		BOX LUNCH PREPARATION	RC
SUN JULY 15	NATL ASSN. OF COUNTY AGRICULTURAL AGENTS	RECITAL HALL MI DOCK	7:15PM-10:30PM	4-H TALENT REVIEW REHEARSAL BOX LUNCH PREPARATION	RC
MON. JULY 16	NATL ASSN. OF COUNTY AGRICULTURAL AGENTS	MI DOCK RECITAL HALL BALL B-D BALL B-D	8:00AM - 11:30AM 9:00AM - 1:00PM 12:00PM - 3:00PM	BOX LUNCH PREPARATION 4-H TALENT REVIEW EXHIBIT SETUP HOSPITALITY BREAK	RC

G A-F = Grand Gallery Meeting Rooms A-F  
O A-H = Overlook Meeting Rooms A-H  
GG = Grand Gallery Area  
RO A-F = River Overlook A-F  
MON A-D= Monroe Meeting Rooms

EH A-C = Exhibit Halls A-C  
DV = DeVos Performance Hall  
BALL A-D = Ballroom A-D

# DEVOSPLACE

## WEEKLY - 2007

TUES. JULY 17	NATL ASSN. OF COUNTY AGRICULTURAL AGENTS	BALL B-D GG C GG B, E & F BALL B-D GG D GG & SECCHIA LOBBY DVP DVP GG A-B RECITAL HALL GG & SECCHIA LOBBY KEELER LOBBY	1:00PM - 6:30PM 2:00PM - 4:00PM 2:00PM - 5:00PM 2:00PM - 5:00PM 3:00PM - 4:00PM 4:30PM - 6:30PM 5:30PM - 6:15PM 7:00PM - 8:30PM 6:00PM - 9:00PM 7:30PM - 10:30PM 8:30PM - 9:30PM 9:00PM - 11:00PM	EXHIBITS OPEN PROGRAM COUNCIL MTG WORKSHOPS NACAA AWARDS 1 <sup>ST</sup> TIMEERS ORIENTATION WI DINNER PRESIDENT'S REHEARSAL OPENING SESSION PARENTS ORIENTATION 4-H TALENT REHEARSAL ICE CREAM SOCIAL / MO STATE PICTURES	
		MI DOCK GG BOARDROOM BALL A RECITAL HALL DVP DVP BALL B-D ROL A, B, C, D, E GG A, B, C, D, E, F GGOL A, B, C, D ROL A, B, C, D, E, F GG A, B, C, D, E GGOL A, B, C, D, E, F, G GGOL H BALL B-D BALL B-D GG & SECCHIA LOBBY DVP RECITAL HALL KEELER LOBBY	7:00AM - 8:15AM 7:00AM - 8:30AM 8:00AM - 10:15AM 8:00AM - 1:00PM 8:00AM - 12:00PM 1:00PM - 5:00PM 8:00AM - 6:00PM 10:30AM - 11:40AM 11:45AM - 1:15PM 11:45AM - 1:15PM 1:30PM - 3:00PM 1:30PM - 3:00PM 1:30PM - 5:00PM 3:00PM - 3:30PM 3:00PM - 3:30PM 5:30PM - 7:00PM 7:30PM - 9:00PM 9:00PM - 10:30PM 9:30PM - 11:00PM	BOX LUNCH PREPARATION ROUNDTABLE BREAKFAST ADMINISTRATORS BREAKFAST GENERAL SESSION 4-H TALENT REHEARSAL 4-H TALENT REHEARSAL 4H TALENT DRESS REHEARSAL EXHIBITS OPEN MEETINGS LUNCH SEMINARS LUNCH SEMINARS MEETINGS MEETINGS MEETING BREAK - N. & S. DAKOTA MEETING W/ POSTER AUTHORS IA & IL DINNER 4-H TALENT REVIEW 4-H TALENT PARTY STATE PICTURES	RC

G A-F = Grand Gallery Meeting Rooms A-F  
 O A-H = Overlook Meeting Rooms A-H  
 GG = Grand Gallery Area  
 RO A-F = River Overlook A-F  
 MON A-D= Monroe Meeting Rooms

EH A-C = Exhibit Halls A-C  
 DV = DeVos Performance Hall  
 BALL A-D = Ballroom A-D