



Board of Directors

Wednesday, June 25, 2008

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

I. Call to Order

II. Approval of May 28, 2008, Minutes

Action

III. Committee Reports

a. Operations Committee

i. Operations Committee Report

- Application for Special Liquor License
- Update on DeVos Place® Artwork Applications

Action

Information

ii. CVB Report

Information

b. Finance Committee

i. SMG May 2008 Financial Statements

Action

DeVos Place® and Van Andel Arena®

ii. CAA May 2008 Financial Statements

Action

iii. FY 2009 SMG Facility Operating Budgets

Action

iv. FY 2009 CAA Administrative Budget

Action

v. FY 2008 Budget Amendment

Action

vi. Investment Policy Recommendation

Action

IV. DeVos Place® Five-Year Rate Sheets

Action

V. DeVos Place® Parking Facility – City Auto Parking Services Contract

Action

VI. 201 Monroe, NW Easement Update

Information

VII. SMG Report and Facilities Calendars

Information

VIII. Public Comment

IX. Next Meeting Date: Wednesday, August 27, 2008. July meeting cancelled.

X. Adjournment

Convention

Arena

Authority

Steven Heacock,

Chairman

Birgit Klohs

Clif Charles

Gary McInerney

George Heartwell

Joseph Tomaselli

Lew Chamberlin



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

DEVOS PLACE

DeVos Place®
303 Monroe Ave. NW
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**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS MEETING
Wednesday, May 28, 2008**

I. Call to Order

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

Attendance

Members Present: Steve Heacock, Chair
Lew Chamberlin
George Heartwell
Gary McInerney

Members Absent: Clif Charles
Birgit Klohs
Joseph Tomaselli

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

II. Minutes of Prior Meeting

Motion: Mr. McInerney, supported by Mr. Chamberlin, moved to approve the Minutes of the April 23, 2008, meeting of the Grand Rapids-Kent County Convention/Arena Authority. Motion carried unanimously.

IV. Committee Reports

a. Operations Committee

Mr. Chamberlin stated that the Operations Committee did not meet in May. Next month the Committee will be reviewing the capital items in the proposed 2009 budget, in particular, the Arena concourse expansion project.

Mr. Helmstead presented a report on recent sales activities and major bid presentations. A group of minority and religious meeting planners will be in town this weekend and will be attending the Bill Gaither concert. The CVB is preparing for the June arrival of the RCMA Board in preparation for the January 2009 convention. The Society of Plastic Engineers has given a verbal confirmation for its convention in the year 2010. Next week, the CVB will be submitting a bid for the National Association of Assessing Officers' convention.

b. Finance Committee.

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

Motion: Mr. Heartwell, supported by Mr. Chamberlin, moved to approve the SMG Financial Statements for DeVos Place® and the Van Andel Arena® for the period ended April 30, 2008. After review and discussion, the motion was unanimously adopted.

ii. CAA Financial Statements

Motion: Mr. McInerney, supported by Mr. Chamberlin, moved to approve the CAA Financial Statements for the period ended April 30, 2008. After review and discussion, the motion was unanimously adopted.

iii. Consolidated Financial Statements

Consolidated Financial Statements were prepared for both six-month periods ended December 31, 2007 and 2006, respectively, and included the operations of DeVos Place® and Van Andel Arena®, as well as the administrative operations of the CAA. Chair Heacock stated that the statements illustrate the cash flow as a united entity.

iv. Proposed Fiscal Year 2009 SMG Facility Operating Budgets

Mr. Machuta stated that 2009 is potentially a "perfect storm," as the lead income statement for DeVos Place® shows the potential for strong direct event and ancillary income. Although the number of event days at DeVos Place® will decrease, larger events will be replacing multiple smaller events and there will be an increase in attendance overall. The event breakout indicates that there will be an increase in conventions and tradeshows, although the Woodworking event will not occur. There will be an increase in consumer shows with the addition of the wine and food festival and an RV show. Total indirect expenses will increase due to the addition of a sales director and an IT professional, green initiatives, repairs/maintenance, supplies, and advertising. Utility expenses are not expected to increase.

The Arena is expected to post a net income of \$1.4 million, which is consistent with past years. Ancillary income is projected to increase, along with income from luxury seating. The total number of sporting events will be down, although the NCAA hockey tournament returns. The budget predicts 23 concerts, which appears to be the magic number year after year. There will be a strong increase in family shows with the addition of a motocross event and the Rockettes. Indirect expenses will remain fairly consistent with fiscal year 2008. Utility expenses will decrease due to re-lamping and professional fees will increase due to the inclusion of a green audit.

v. Proposed Fiscal Year 2009 CAA Administrative Budget

Mr. White referred to Table A, which provides a summary of the SMG budget documents. This summary notes an original budgeted net operating income for Fiscal Year 2008 of \$541,329, with a current year forecast of \$613,077. The Fiscal Year 2009 budgeted net operating income is \$693,937. SMG forecasts current year spending in excess of previously authorized budget for the Van Andel Arena®. A budget amendment will be presented to the Board at the June meeting. Table C provides a consolidated income statement for fiscal years ending June 30, 2007-2009. The Fiscal Year 2009 budget forecasts an operating income totaling \$808,662. The Fiscal Year 2008 budget, as originally approved, forecasted net income of \$820,537. This forecasted income has been revised to a total adjusted balance, for the current fiscal year, of approximately \$1,447,430. The income forecast was increased by higher than expected event revenue at the Van Andel Arena®. Revenue forecasts and appropriation requests for the Fiscal Year 2009 budget disclose a net loss of (\$213,438). This net loss is a significant reduction from prior year performance, primarily based on an increase in new capital spending. SMG will take over parking maintenance in the DeVos Place® parking ramp, and there is a \$25,000 appropriation for this expense. There is a new line item of \$120,000 for landscaping at DeVos Place®. The Arena will continue to receive \$80,000 in non-operating revenue from the Rampage which, according to the lease agreement, states that the tenant agrees to fund during renewal terms a contribution of \$10,000 per home game to the Arena's capital reserve fund. Capital repair/replacement/improvement projects will total approximately \$1.5 million for both buildings, plus the carryover of two projects from fiscal year 2008. The most costly projects include the northwest concourse expansion and upper bowl curtain system at the Arena and the snow melt system and theater fire curtain at DeVos Place®.

V. SMG Report and Facilities Calendar

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

VI. Public Comment

None.

VII. Next Meeting Date

The date for next CAA Board meeting is Wednesday, June 25, 2008.

VIII. Adjournment

There being no other business, the meeting adjourned at 9:00 a.m.

Susan M. Waddell, Recording Secretary



Memorandum

To: CAA Board Members

From: Rich MacKeigan, Executive Director

Date: June 19, 2008

Re: Application to Liquor Control Commission for Special License

Convention
Arena
Authority

Steven Heacock,
Chairman

Birgit Klohs
Clif Charles

Gary McInerney
George Heartwell
Joseph Tomaselli
Lew Chamberlin

As we move forward with planning the operational aspects of the upcoming International Wine & Food Festival, the CAA may want apply to the Michigan Liquor Control Commission for a Special (24-Hour) On-Premise License. This license allows nonprofit, religious, fraternal, civic, or patriotic organizations to obtain a one-day license to sell alcoholic beverages (beer, wine, and liquor) to the public for on-premise consumption.

Specific requirements for the Special On-Premise License include:

1. Profits from the sale of alcoholic beverages must go to the organization and not to any individual.
2. The chief local law enforcement officer in the governmental unit must approve the request where the event is to be held.
3. No more than 5 licenses are issued to individual organizations each calendar year.
4. Proof of nonprofit status must be provided with the application unless the applicant is a national organization or has obtained previous special licenses.

The license fee is \$25.00 for each separate, consecutive day of the event. If the event is held on a Sunday, an additional \$3.75 Sunday Sales fee is required – only if spirits are sold. I am recommending we apply for this license as the cost is minimal, to allow for greater flexibility on the operational side.

Action requested: Approval to submit an application to the Michigan Liquor Control Commission for a Special On-Premise License.



Van Andel Arena®
130 Fulton West
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DEVOS PLACE

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DEVOS PLACE

DE VOS PLACE

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

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Bob McClintock

Lewis Dawley

Gary McAneney

Howard Feldman

Richard MacKeigan

Chris Machuta



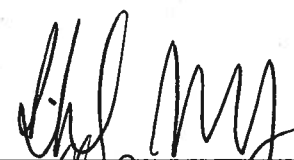
An SMG Managed Facility

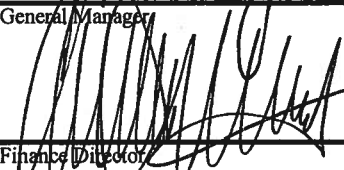
**DE VOS PLACE
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2008**

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	563	16	579	647	(68)
ATTENDANCE	630,072	17,180	647,252	723,350	(76,098)
DIRECT EVENT REVENUE	2,524,257	60,978	2,585,235	2,541,693	43,542
ANCILLARY REVENUE	2,049,814	32,847	2,082,661	2,060,745	21,916
TOTAL EVENT REVENUE	4,574,071	93,825	4,667,896	4,602,438	65,458
TOTAL OTHER REVENUE	166,237	9,165	175,402	229,000	(53,598)
TOTAL OPERATING REVENUE	4,740,308	102,990	4,843,298	4,831,438	11,860
INDIRECT EXPENSES					
EXECUTIVE	130,794	10,388	141,182	166,596	25,414
FINANCE	192,943	28,161	221,104	208,548	(12,556)
MARKETING	54,234	29,400	83,634	104,657	21,023
OPERATIONS	1,254,440	165,457	1,419,897	1,385,380	(34,517)
EVENT SERVICES	911,901	53,677	965,578	944,447	(21,131)
BOX OFFICE	65,167	2,003	67,170	77,626	10,456
SALES	187,478	21,123	208,601	248,723	40,122
OVERHEAD	2,110,678	165,955	2,276,633	2,217,749	(58,884)
TOTAL OPERATING EXP.	4,907,636	476,164	5,383,799	5,353,726	(30,073)
NET REVENUE ABOVE EXPENSES	(167,328)	(373,174)	(540,501)	(522,288)	(18,213)
INCENTIVE FEE		153,300	153,300	153,300	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(167,328)	(526,474)	(693,801)	(675,588)	(18,213)

Comments:

May proved to be a very successful month for DeVos Place as ancillary spending came in significantly higher than both budget and forecast. This has closed some of the shortfall that was anticipated for the fiscal year, and if June events end up continuing the trend shown in May, there is a good chance that DeVos Place will end the fiscal year very comparable to budget.


General Manager


Finance Director

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

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

MONTH	May Actual	May Budget	May FY 2007
Number of Events	61	53	59
Attendance	66,395	56,900	50,945
Direct Event Income	\$231,708	\$145,541	\$166,142
Ancillary Income	169,966	75,938	176,482
Other Income	11,841	19,083	20,264
Indirect Expenses	(354,010)	(398,303)	(508,386)
Net Income	\$59,505	(\$157,741)	(\$145,498)

YTD	YTD 2008 Actual	YTD 2008 Budget	YTD 2007 Prior Year
Number of Events	563	624	629
Attendance	630,072	697,475	632,839
Direct Event Income	\$2,524,257	\$2,446,722	\$2,380,173
Ancillary Income	2,049,814	2,025,223	2,005,372
Other Income	166,237	209,913	213,506
Indirect Expenses	(4,907,636)	(4,980,973)	(4,935,927)
Net Income	(\$167,328)	(\$299,115)	(\$336,876)

EVENT INCOME

Event income came in comparable to forecast for the month. The highlight of the month being the National Golden Gloves finals turning the Steelcase Ballroom into a venue with as many as three boxing rings.

ANCILLARY INCOME

Ancillary income came in well ahead of budget and forecast. Spending on a couple of catering events, concessions on the Boxing, and Audio/Visual revenue on a handful of events led to the overage seen.

INDIRECT EXPENSES

Indirect expenses came in a little lower than expected. Most of the savings coming in utilities as the April accrual ended up being much higher than actual.

DE VOS PLACE
FACILITY STATEMENT OF INCOME
PERIOD ENDING 05/31/08

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						

DIRECT EVENT INCOME						
RENTAL INCOME	246,733	149,500	190,403	2,699,972	2,630,900	2,523,060
SERVICES INCOME	<15,025>	<3,959>	<24,261>	<175,716>	<184,178>	<142,886>

TOTAL DIRECT EVENT INCOME	231,708	145,541	166,142	2,524,257	2,446,722	2,380,173
ANCILLARY INCOME						

FOOD & BEVERAGE	83,493	29,311	94,761	791,429	771,036	758,652
NOVELTY	2,696	1,355	356	13,866	13,146	15,963
ELECTRICAL	29,958	11,672	14,181	464,075	405,497	419,509
OTHER ANCILLARY	53,820	33,600	67,184	780,444	835,544	811,248

TOTAL ANCILLARY INCOME	169,966	75,938	176,482	2,049,814	2,025,223	2,005,372

TOTAL EVENT INCOME	401,674	221,479	342,624	4,574,071	4,471,945	4,385,545

OTHER OPERATING INCOME	11,841	19,083	20,264	166,237	209,913	213,506

ADJUSTED GROSS INCOME	413,515	240,562	362,888	4,740,308	4,681,858	4,599,051
INDIRECT EXPENSES						
EXECUTIVE	10,068	13,884	10,467	130,794	152,724	124,439
FINANCE	17,619	17,379	17,651	192,943	191,169	200,912
MARKETING	2,481	8,722	2,719	54,234	95,942	64,432
OPERATIONS	123,787	109,287	168,375	1,254,440	1,276,097	1,291,512
EVENT MANAGEMENT	80,153	78,454	143,345	911,901	865,994	859,298
BOX OFFICE	5,839	6,469	6,107	65,167	71,159	80,749
SALES	16,276	20,728	15,495	187,478	228,008	199,022
OVERHEAD	97,787	143,380	144,228	2,110,678	2,099,880	2,115,563

INDIRECT EXPENSES	354,010	398,303	508,386	4,907,636	4,980,973	4,935,927

NET OPERATING INCOME	59,505	<157,741>	<145,498>	<167,328>	<299,115>	<336,876>
OTHER EXPENSES						

NET INCOME (LOSS)	59,505	<157,741>	<145,498>	<167,328>	<299,115>	<336,876>
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DE VOS PLACE
STATEMENT OF SERVICES INCOME
PERIOD ENDING 05/31/08

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
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Advertising Billed	2,980	0	0	17,745	0	48,305
Changeover Setup Billed	1,180	0	812	14,788	0	7,738
Stagehands Billed	176,319	72,217	156,146	1,231,992	1,079,224	1,113,718
Security Billed	15,431	10,792	7,363	195,607	181,026	183,810
Ushers & Tix Takers Billed	20,381	13,040	15,978	151,399	133,410	144,369
Box Office Billed	2,300	2,200	1,900	17,000	19,800	16,850
Ticketing Service Billed	23,648	17,840	9,288	145,071	172,050	152,808
Utilities Billed	0	0	0	5,967	0	3,641
City Police Fire Billed	2,460	100	5,320	32,865	13,225	48,131
Traffic Control Billed	630	0	0	980	200	0
EMT Medical Billed	4,463	3,500	3,425	33,093	34,475	43,874
Cleaning Billed	0	0	350	13,925	0	15,027
Insurance Billed	125	0	250	4,251	0	5,638
Group Sales Commissions Billed	956	0	133	1,291	0	1,419
Telephone Billed	1,355	2,000	1,050	40,625	32,460	45,440
Damages Billed	450	0	0	5,043	0	12,029
Other Production Billed	5,069	0	3,745	70,600	0	70,764
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TOTAL SERVICE INCOME	257,747	121,689	205,758	1,982,241	1,665,870	1,913,561
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Advertising Expense	3,306	0	0	18,521	0	46,056
Sponsorship Expenses	7,000	0	0	7,000	0	2,500
Stagehand Wages	170,504	70,050	146,233	1,153,418	1,029,365	1,045,018
Contracted Security Expense	24,983	12,890	13,879	310,756	252,425	275,525
Ushers & T/T Wages	14,267	9,128	11,185	102,121	90,534	101,058
Ticket Sellers Wages	2,168	4,400	1,174	20,775	50,200	21,023
Ticket Service Charge Expense	9,415	6,244	3,853	35,433	57,112	41,351
City Police Fire Expense	1,195	0	4,066	24,713	0	41,787
EMT Medical Expense	3,768	3,500	3,492	29,446	32,725	38,938
Cleaning Wages	0	0	2,652	7,172	0	5,070
Cleaning P/R Taxes Bene	0	0	0	677	0	0
Contracted Cleaning Expense	28,886	19,436	39,738	344,810	337,687	341,793
Insurance Expense	676	0	327	4,538	0	4,973
Group Sales Commissions	0	0	0	0	0	207
Allocated Telephone Expense	339	0	263	10,119	0	11,360
Equipment Rental Expense	0	0	0	1,025	0	0
Damage Expense	0	0	0	3,793	0	6,696
Production Expense	6,265	0	3,157	83,640	0	73,092
<hr/>						
TOTAL SERVICE EXPENSE	272,772	125,648	230,019	2,157,956	1,850,048	2,056,447
<hr/>						
NET SERVICE INCOME	<15,025>	<3,959>	<24,261>	<175,716>	<184,178>	<142,886>
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4

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

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	161	150	184,805	192,600	2,082,929	2,002,972
Consumer/Gated Shows	58	64	195,902	227,300	1,014,300	998,016
Devos Performance Hall	144	149	173,271	184,250	761,896	684,008
Ballroom Exclusive	54	78	33,320	52,550	381,756	506,503
Other	146	183	42,774	40,775	333,124	280,446
GRAND TOTALS	563	624	630,072	697,475	4,574,005	4,471,945

As Percentage of Overall

Convention/Trade Shows	28.60%	24.04%	29.33%	27.61%	45.54%	44.79%
Consumer/Gated Shows	10.30%	10.26%	31.09%	32.59%	22.18%	22.32%
Devos Performance Hall	25.58%	23.88%	27.50%	26.42%	16.66%	15.30%
Ballroom Exclusive	9.59%	12.50%	5.29%	7.53%	8.35%	11.33%
Other	25.93%	29.33%	6.79%	5.85%	7.28%	6.27%

5

DE VOS PLACE
STATEMENT OF FINANCIAL POSITION
PERIOD ENDING 05/31/08

ASSETS

CURRENT ASSETS

CASH	838,711
ACCOUNTS RECEIVABLE	634,199
PREPAID EXPENSES	38,168

TOTAL CURRENT ASSETS	1,511,078
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FIXED ASSETS

TOTAL ASSETS	1,511,078
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	143,659
ACCRUED EXPENSES	425,791
DEFERRED INCOME	74,942
ADVANCED TIX SALES & DEPOSITS	363,029

TOTAL CURRENT LIABILITIES	1,007,422
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EQUITY

FUNDS REMITTED	<1,150,000>
FUNDING RECEIVED	1,436,981
RETAINED EARNINGS	383,953
NET INCOME (LOSS)	<167,278>

TOTAL EQUITY	503,656
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TOTAL LIABILITIES & EQUITY	1,511,078
	=====

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

Current - Under 30 Days	
Food & Beverage	170,173
Ticketing	138,372
Decorating	25,079
Audio/Visual	13,981
Operating	175,559
 Over 30 Days	 82,354
 Over 60 Days	 13,547
 Over 90 Days	
Donnell Productions	5,736
Paragon Leather	2,110
Saigon Entertainment	5,002
Grinder Promotions	2,286
 Total Accounts Receivable	 634,199

DE VOS PLACE
INDIRECT EXPENSE SUMMARY
PERIOD ENDING 05/31/08

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	70,798	75,069	66,832	780,325	825,759	780,102
Part-Time	17,422	13,167	14,475	163,741	144,837	150,318
Wages-Trade	183,048	121,023	165,238	1,491,269	1,331,253	1,408,756
Sales Commissions Group Sales	37	0	74	330	0	851
Auto Allowance	2,071	2,271	2,121	22,429	24,981	23,329
Auto Expense	150	0	150	1,650	0	1,650
Taxes & Benefits	77,377	52,468	130,632	695,878	577,148	631,163
Less: Allocation/Reimbursement	<206,746>	<113,125>	<177,412>	<1,509,445>	<1,244,375>	<1,386,041>
TOTAL LABOR COSTS	144,157	150,873	202,110	1,646,177	1,659,603	1,610,129
Contracted Security	28,529	21,000	27,819	272,824	231,000	254,272
Contracted Cleaning	13,903	0	3,523	38,219	0	33,415
Other Contracted Services	210	200	190	2,216	2,200	2,197
Travel & Entertainment	343	1,209	819	16,562	13,299	13,930
Corporate Travel	571	417	0	1,077	4,587	0
Meetings & Conventions	<2,000>	1,958	208	14,621	30,038	16,266
Dues & Subscriptions	0	300	342	6,693	3,300	5,815
Employee Training	975	833	1,255	3,833	9,163	10,140
Miscellaneous Expense	100	0	256	100	0	264
Computer Expense	5,501	6,250	4,980	57,093	68,750	57,203
Professional Fees	2,343	3,042	2,250	24,937	33,462	28,641
Marketing & Advertising	719	6,800	357	36,556	74,800	37,692
Box Office Expenses	<12>	0	<148>	392	0	<94>
Vehicle Maintenance	0	0	0	0	0	14
Trash Removal	2,873	2,500	5,620	31,569	27,500	32,672
Equipment Rental	1,908	1,000	1,847	15,569	11,000	15,891
Landscaping	1,062	833	1,062	7,432	9,163	10,461
Exterminating	0	1,000	23,848	28,143	55,440	51,412
Cleaning	0	0	1,850	5,250	24,000	15,200
Construction Costs	0	0	0	0	0	150
Repairs & Maintenance	42,430	39,792	40,140	522,499	437,712	419,558
Supplies	7,129	24,583	51,976	191,357	270,413	274,201
Bank Service Charges	2,146	1,500	1,999	21,457	16,500	18,450
Insurance	24,996	22,187	21,905	257,609	244,057	248,851
Licenses & Fees	0	0	0	2,165	0	3,489
Printing & Stationary	0	417	<178>	1,573	4,587	6,370
Office Supplies	2,056	750	2,505	13,419	8,250	17,529
Postage	71	417	48	3,781	4,587	3,357
Parking Expense	2,305	1,500	2,174	25,639	16,500	22,888
Relocation Expense	757	0	0	7,162	0	0
Telephone Long Distance	8,382	6,000	7,620	83,676	66,000	83,126
Utilities	50,059	92,000	89,774	1,436,981	1,534,700	1,516,299
Base Fee	12,838	12,775	12,500	141,213	140,525	137,500
Less: Allocated/Reimbursement	<339>	<1,833>	<263>	<10,156>	<20,163>	<11,360>
TOTAL MATERIAL AND SERVICES	209,853	247,430	306,276	3,261,459	3,321,370	3,325,798
TOTAL INDIRECT EXPENSES	354,010	398,303	508,386	4,907,636	4,980,973	4,935,927

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

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2007 Actual
Net Revenue above Expenses	1,590,805	(540,501)	1,050,304	1,238,267
Benchmark			700,000	700,000
Excess	1,590,805	(540,501)	350,304	538,267

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	153,300	153,300	306,600	300,000
Incentive Fee				
Revenue	5,544,533	4,843,298	10,387,831	10,411,774
Benchmark Revenue	4,650,000	4,050,000	8,700,000	8,600,000
Revenue Excess	894,533	793,298	1,687,831	1,811,774
Incentive Fee **	153,300	153,300	306,600	300,000
Total SMG Management Fee	306,600	306,600	613,200	600,000

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



VAN ANDEL ARENA

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

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Bob McClintock

Lewis Dawley

Gary McAneney

Howard Feldman

Richard MacKeigan

Chris Machuta




An SMG Managed Facility

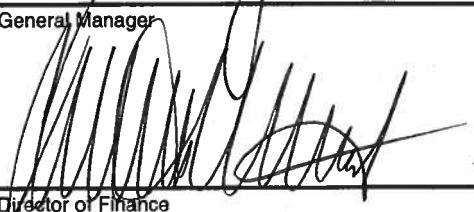
**VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2008**

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	115	2	117	116	1
ATTENDANCE	648,741	13,000	661,741	666,500	(4,759)
DIRECT EVENT INCOME	1,508,855	56,850	1,565,705	1,183,930	381,775
ANCILLARY INCOME	1,434,704	41,282	1,475,986	1,567,304	(91,318)
TOTAL EVENT INCOME	2,943,559	98,132	3,041,691	2,751,234	290,457
TOTAL OTHER INCOME	2,304,517	198,325	2,502,842	2,395,000	107,842
TOTAL INCOME	5,248,075	296,457	5,544,533	5,146,234	398,299
INDIRECT EXPENSES					
EXECUTIVE	181,424	16,547	197,971	146,498	(51,473)
FINANCE	176,580	21,859	198,439	204,274	5,835
MARKETING	245,299	24,507	269,806	282,151	12,345
OPERATIONS	1,351,708	191,360	1,543,068	1,487,583	(55,485)
BOX OFFICE	129,427	6,312	135,739	119,613	(16,126)
LUXURY SEATING	114,165	6,089	120,254	117,298	(2,956)
SKYWALK ADMIN	41,439	1,308	42,747	39,856	(2,891)
OVERHEAD	1,342,857	102,847	1,445,704	1,378,745	(66,959)
TOTAL INDIRECT EXP.	3,582,899	370,829	3,953,728	3,776,018	(177,710)
NET REVENUE ABOVE EXPENSES	1,665,176	(74,372)	1,590,805	1,370,216	220,589
LESS INCENTIVE FEE			153,300	153,300	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	1,665,176	(74,372)	1,437,505	1,216,916	220,589

Comments:

May concludes a very successful month that ends up being one of the top five fiscal months in Arena history. The success of the concerts, in addition to some conservative forecasting given recent volatility on the concert schedule, the Arena should conclude the fiscal year well ahead of both budget and forecast.


General Manager


Director of Finance

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

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

MONTH	May Actual	May Budget	May FY 2007
Number of Events	11	8	7
Attendance	75,648	59,000	51,716
Direct Event Income	\$291,979	\$178,750	\$142,035
Ancillary Income	222,481	172,618	156,379
Other Income	274,509	199,583	198,861
Indirect Expenses	(305,775)	(309,044)	(284,419)
Net Income	<u>\$483,194</u>	<u>\$241,907</u>	<u>\$212,857</u>

YTD	YTD 2008 Actual	YTD 2008 Budget	YTD 2007 Prior Year
Number of Events	115	113	125
Attendance	648,741	642,500	653,119
Direct Event Income	\$1,508,855	\$1,148,764	\$1,484,237
Ancillary Income	1,434,704	1,537,418	1,580,664
Other Income	2,304,517	2,195,413	2,201,396
Indirect Expenses	(3,582,898)	(3,486,984)	(3,529,439)
Net Income	<u>\$1,665,177</u>	<u>\$1,394,611</u>	<u>\$1,736,859</u>

EVENT INCOME

Event income came in well ahead of budget for the month. The highlights of the month was the sold out Tom Petty concert, near sellouts of both Kenny Chesney concerts, and strong selling The Police, Bill Gaither, WWE and Backyardigans shows.

ANCILLARY INCOME

Ancillary income came in ahead of budget as spending on food & beverage for all events hosted during the month exceeded expectations.

INDIRECT EXPENSES

Indirect expenses was consistent with expectations.

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VAN ANDEL ARENA
FACILITY STATEMENT OF INCOME
PERIOD ENDING 05/31/08

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						

DIRECT EVENT INCOME						
RENTAL INCOME	363,529	176,600	112,404	2,116,401	1,790,300	2,076,860
SERVICES INCOME	<71,550>	2,150	29,630	<607,547>	<641,536>	<592,622>
	-----	-----	-----	-----	-----	-----
TOTAL DIRECT EVENT INCOME	291,979	178,750	142,035	1,508,855	1,148,764	1,484,237
ANCILLARY INCOME						

FOOD & BEVERAGE	199,700	128,490	120,307	1,211,226	1,256,629	1,329,682
NOVELTY	33,842	42,500	29,493	184,881	242,505	207,195
OTHER ANCILLARY	<11,061>	1,628	6,580	38,596	38,284	43,788
	-----	-----	-----	-----	-----	-----
TOTAL ANCILLARY INCOME	222,481	172,618	156,379	1,434,704	1,537,418	1,580,664
	-----	-----	-----	-----	-----	-----
TOTAL EVENT INCOME	514,460	351,368	298,414	2,943,559	2,686,182	3,064,902
OTHER OPERATING INCOME	274,509	199,583	198,861	2,304,517	2,195,413	2,201,396
	-----	-----	-----	-----	-----	-----
ADJUSTED GROSS INCOME	788,969	550,951	497,276	5,248,076	4,881,595	5,266,298
INDIRECT EXPENSES						
EXECUTIVE	35,565	12,083	11,271	181,424	134,413	141,316
FINANCE	14,940	16,898	17,386	176,580	187,378	181,225
MARKETING	24,147	23,388	16,224	245,299	258,768	271,419
LUXURY SEATING	8,091	9,775	7,112	114,165	107,525	105,481
OPERATIONS	107,391	123,714	105,678	1,351,708	1,363,854	1,341,014
BOX OFFICE	4,342	9,968	8,722	129,427	109,648	129,337
SKYWALK ADMINISTRATION	3,028	3,322	2,794	41,439	36,542	42,239
OVERHEAD	108,271	109,896	115,232	1,342,857	1,288,856	1,317,408
	-----	-----	-----	-----	-----	-----
INDIRECT EXPENSES	305,775	309,044	284,419	3,582,898	3,486,984	3,529,439
	-----	-----	-----	-----	-----	-----
NET OPERATING INCOME	483,194	241,907	212,857	1,665,177	1,394,611	1,736,859
OTHER EXPENSES						

NET INCOME (LOSS)	483,194	241,907	212,857	1,665,177	1,394,611	1,736,859
=====	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA
STATEMENT OF SERVICES INCOME
PERIOD ENDING 05/31/08

	CURRENT			YEAR TO DATE		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	48,079	0	53,224	271,703	108,000	509,630
Sponsorship Income	0	0	0	0	0	121,593
Labor Billed	4,540	3,150	3,275	21,809	13,540	24,142
Changeover Setup Billed	35,498	20,200	25,836	173,207	87,400	127,713
Stagehands Billed	162,706	79,000	56,094	697,115	414,350	472,279
Security Billed	39,244	30,900	26,965	157,868	130,700	157,468
Ushers & Tix Takers Billed	25,203	19,650	21,017	121,949	101,130	116,879
Box Office Billed	387	2,000	774	1,548	8,116	7,832
Ticketing Service Billed	22,668	40,000	13,440	100,771	197,200	89,744
Utilities Billed	3,480	0	4,438	15,180	0	10,250
City Police Fire Billed	3,072	2,352	2,275	17,387	10,300	13,405
EMT Medical Billed	3,683	3,150	3,690	21,847	19,100	22,034
Cleaning Billed	26,542	18,800	22,076	129,213	84,300	120,576
Group Sales Commissions Billed	5,752	0	4,277	17,733	0	15,649
Telephone Billed	4,910	4,000	2,820	21,805	23,850	24,185
Damages Billed	0	0	0	400	0	1,079
Other Production Billed	57,283	36,500	20,468	246,602	153,400	238,994
TOTAL SERVICE INCOME	443,046	259,702	260,666	2,016,137	1,351,386	2,073,452
Advertising Expense	58,915	0	54,631	291,433	118,000	568,132
Sponsorship Expenses	0	0	0	0	0	1,653
Labor Wages	3,859	2,678	2,784	19,133	11,511	20,521
Contracted Changeover Setup Expense	27,114	23,455	18,471	251,774	236,777	221,468
Stagehand Wages	168,974	77,177	52,614	727,321	438,279	488,741
Contracted Security Expense	44,596	27,080	29,562	305,597	242,190	302,985
Contracted Ushers & T/T Expense	26,167	20,960	26,506	265,243	257,470	285,335
Ticket Sellers Wages	329	0	658	1,316	0	6,841
Ticket Service Charge Expense	51,708	40,000	12,817	160,312	196,920	99,203
City Police Fire Expense	1,375	2,352	847	8,624	13,222	8,776
EMT Medical Expense	7,079	3,339	3,830	36,026	35,213	37,959
Contracted Cleaning Expense	26,681	22,691	16,291	244,078	276,086	226,004
Group Sales Commissions	1,384	0	1,283	4,883	0	7,951
Allocated Telephone Expense	1,563	1,320	606	6,481	6,554	6,956
Production Expense	94,852	36,500	10,135	301,463	160,700	383,549
TOTAL SERVICE EXPENSE	514,596	257,552	231,036	2,623,683	1,992,922	2,666,074
NET SERVICE INCOME	<71,550>	2,150	29,630	<607,547>	<641,536>	<592,622>

4

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

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	28	33	108,326	146,500	460,446	596,819
Sporting Event	6	4	33,850	27,000	246,027	169,881
Concert	25	21	196,657	172,000	1,631,283	1,430,563
Team Home Games	47	46	247,529	248,000	446,709	430,861
Other	9	9	62,379	49,000	159,094	58,058
GRAND TOTALS	115	113	648,741	642,500	2,943,559	2,686,182

As Percentage of Overall

Family Show	24.35%	29.20%	16.70%	22.80%	15.64%	22.22%
Sporting Event	5.22%	3.54%	5.22%	4.20%	8.36%	6.32%
Concert	21.74%	18.58%	30.31%	26.77%	55.42%	53.26%
Team Home Games	40.87%	40.71%	38.16%	38.60%	15.18%	16.04%
Other	7.83%	7.96%	9.62%	7.63%	5.40%	2.16%
totals	125	118	589630	678400	2204611	2494767

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VAN ANDEL ARENA
STATEMENT OF FINANCIAL POSITION
PERIOD ENDING 05/31/08

ASSETS

CURRENT ASSETS

CASH	5,473,228
ACCOUNTS RECEIVABLE	178,785
PREPAID EXPENSES	151,774

TOTAL CURRENT ASSETS	5,803,786

FIXED ASSETS

TOTAL ASSETS	5,803,786
	=====

LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	1,782,719
ACCRUED EXPENSES	591,103
DEFERRED INCOME	543,808
ADVANCED TIX SALES & DEPOSITS	2,081,599

TOTAL CURRENT LIABILITIES	4,999,228

EQUITY

FUNDS REMITTED	<2,400,000>
FUNDING RECEIVED	865,365
RETAINED EARNINGS	677,565
NET INCOME (LOSS)	1,661,629

TOTAL EQUITY	804,558

TOTAL LIABILITIES & EQUITY	5,803,786
	=====

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

Current - Under 30 Days	
Food & Beverage	98,487
Ticketing	-
Merchandise	23,208
Permanent Advertising	(4,627)
Operating	61,717
 Over 30 Days	 -
 Over 60 Days	 -
 Over 90 Days	
 Total Accounts Receivable	 178,785

VAN ANDEL ARENA
INDIRECT EXPENSE SUMMARY
PERIOD ENDING 05/31/08

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	56,859	63,488	56,151	666,916	698,368	657,820
Part-Time	5,745	5,833	5,446	83,101	64,163	79,480
Wages-Trade	181,872	69,903	81,188	1,013,739	768,933	847,543
Sales Commissions Group Sales	<1,071>	0	1,458	4,207	0	12,270
Auto Allowance	594	985	594	6,531	10,835	6,531
Auto Expense	300	0	300	3,300	0	3,300
Taxes & Benefits	48,022	40,100	36,360	404,800	441,100	415,868
Less: Allocation/Reimbursement	<190,557>	<59,022>	<74,037>	<936,458>	<649,242>	<721,250>
TOTAL LABOR COSTS	101,765	121,287	107,461	1,246,136	1,334,157	1,301,562
Contracted Security	24,482	21,000	17,872	235,249	231,000	222,069
Contracted Cleaning	2,223	2,500	2,224	24,893	27,500	25,432
Other Contracted Services	1,896	300	400	39,272	3,300	20,218
Travel & Entertainment	153	858	307	21,203	9,438	14,363
Corporate Travel	571	625	0	571	6,875	0
Meetings & Conventions	2,759	350	208	6,092	11,350	3,528
Dues & Subscriptions	0	208	300	7,579	2,288	6,887
Employee Training	975	750	1,255	2,134	8,250	3,519
Miscellaneous Expense	0	0	0	300	0	269
Computer Expense	8,761	5,417	4,453	68,673	59,587	64,695
Professional Fees	27,537	2,583	3,420	58,021	28,413	34,383
Marketing & Advertising	12,217	12,083	3,671	117,523	132,913	144,588
Box Office Expenses	<4,392>	0	0	452	0	<1,115>
Trash Removal	1,934	1,500	3,445	20,798	16,500	22,323
Equipment Rental	2,561	1,250	1,660	15,307	13,750	17,195
Landscaping	345	483	345	2,415	5,313	3,966
Exterminating	248	300	248	2,723	3,300	2,678
Cleaning	0	900	0	7,825	9,900	4,900
Repairs & Maintenance	11,103	16,166	10,528	266,212	177,826	186,655
Supplies	10,529	17,008	15,308	187,070	187,088	187,821
Bank Service Charges	684	750	336	8,187	8,250	5,508
Insurance	20,182	15,037	15,132	161,844	165,407	178,125
Licenses & Fees	0	0	0	2,000	0	3,000
Printing & Stationary	78	917	0	1,665	10,087	5,603
Office Supplies	1,373	1,000	2,316	14,455	11,000	16,500
Postage	1,590	1,000	902	12,850	11,000	13,310
Parking Expense	2,658	2,000	2,538	29,287	22,000	27,807
Telephone Long Distance	7,920	7,000	4,348	57,693	77,000	55,756
Utilities	57,032	66,317	76,327	865,365	809,487	858,634
Base Fee	12,838	12,775	12,500	141,213	140,525	137,500
Letter of Credit Fee	0	0	0	394	0	0
Common Area Expense	<2,685>	<2,945>	<2,477>	<36,748>	<32,395>	<31,282>
Less: Allocated/Reimbursement	<1,563>	<375>	<606>	<6,332>	<4,125>	<6,956>
TOTAL MATERIAL AND SERVICES	204,010	187,757	176,958	2,336,185	2,152,827	2,227,877
TOTAL INDIRECT EXPENSES	305,775	309,044	284,419	3,582,321	3,486,984	3,529,439

8

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

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2007 Actual
Net Revenue above Expenses	1,590,805	(540,501)	1,050,304	1,238,267
Benchmark			700,000	700,000
Excess	1,590,805	(540,501)	350,304	538,267

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	153,300	153,300	306,600	300,000
Incentive Fee				
Revenue	5,544,533	4,843,298	10,387,831	10,411,774
Benchmark Revenue	4,650,000	4,050,000	8,700,000	8,600,000
Revenue Excess	894,533	793,298	1,687,831	1,811,774
Incentive Fee **	153,300	153,300	306,600	300,000
Total SMG Management Fee	306,600	306,600	613,200	600,000

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



Memorandum

To: CAA Board Members

From: Susan Waddell, Administrative Manager

Date: June 19, 2008

Re: CAA Financial Statements

Convention
Arena
Authority

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

	<i>1050: Operations</i>	<i>1070: Kent County Operating</i>
Beginning Balance	\$551,461.88	\$21,167,063.10
Cleared Transactions	<u>-46,221.02</u>	<u>447,148.34</u>
Cleared Balance	505,240.86	21,644,211.44
Uncleared Transactions	<u>553.36</u>	<u>0.00</u>
Ending Balance	<u>\$505,794.22</u>	<u>\$21,644,211.44</u>

- Interest earnings continue to exceed budgeted expectations.
- The land lease line item is under budget due to timing of the payments.
- The personal services line item is under budget because the expense reimbursement from the Kent County Parks Foundation for administrative services is not considered.

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



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

DEVOS PLACE

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



9:52 AM
06/10/08
Accrual Basis

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

	May 31, 08
ASSETS	
Current Assets	
Checking/Savings	
1040 · Cash - Operations - SMG	4,068,974.10
1050 · Operations - Cash	505,794.22
Total Checking/Savings	4,574,768.32
Other Current Assets	
1070 · Kent County - Operating	21,644,211.44
1200 · Accounts Receivable	1,424,324.17
1300 · Prepaid Expenses	161,220.35
1600 · Advances/Deposits Receivable	-3,700,000.07
Total Other Current Assets	19,529,755.89
Total Current Assets	24,104,524.21
Fixed Assets	
Buildings & Structures	
Depreciation	-41,778.69
Original Cost	322,431.00
Total Buildings & Structures	280,652.31
Equip	
Depreciation	-589,296.08
Original Cost	969,236.60
Total Equip	379,940.52
Vehicles	43,914.30
Total Fixed Assets	704,507.13
TOTAL ASSETS	24,809,031.34
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	129,664.05
2005 · Accounts payable - SMG	598,094.17
Total Accounts Payable	727,758.22
Other Current Liabilities	
2200 · Accrued Expenses	803,918.61
2210 · Advance Ticket Sales	1,993,226.73
2220 · Advance deposits	291,205.00
2500 · Deferred facility income	906,555.74
2700 · Entertainment Equipment Reserve	60,000.00
Total Other Current Liabilities	4,054,906.08
Total Current Liabilities	4,782,664.30
Total Liabilities	4,782,664.30
Equity	
3000 · Opening Bal Equity	37,035,584.45
3900 · Retained Earnings	-14,931,143.70
Net Income	-2,078,073.71
Total Equity	20,026,367.04
TOTAL LIABILITIES & EQUITY	24,809,031.34

9:53 AM

Grand Rapids-Kent County Convention/Arena Authority

Profit & Loss Budget vs. Actual

06/10/08

Accrual Basis

July 2007 through May 2008

	Jul '07 - May 08	Budget	\$ Over Budget	% of Budget
Income				
4500 · Interest on Investments	762,681.41	749,999.97	12,681.44	101.7%
4540 · Land Lease	81,007.00	115,874.00	-34,867.00	69.9%
4545 · Parking Revenues	812,099.00	791,002.63	21,096.37	102.7%
4550 · Miscellaneous Revenue	730.50			
Total Income	1,656,517.91	1,656,876.60	-358.69	100.0%
Expense				
6000 · Professional Services				
6001 · Accounting/Auditing Services	29,138.42	27,500.00	1,638.42	106.0%
6040 · Legal Services	10,414.50	32,083.26	-21,668.76	32.5%
Total 6000 · Professional Services	39,552.92	59,583.26	-20,030.34	66.4%
6060 · Other Contractual Services	98,517.07	146,208.26	-47,691.19	67.4%
6065 · Pedestrian Safety	79,748.07	82,500.00	-2,751.93	96.7%
6068 · Parking Management	249,253.43	334,806.01	-85,552.58	74.4%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	499.09			
6020 · Computer Services	634.90			
6030 · Insurance-Property/Liability	20,258.00	21,000.00	-742.00	96.5%
6110 · Meeting Expense	357.76	9,166.63	-8,808.87	3.9%
6120 · Supplies	188.34	4,583.26	-4,394.92	4.1%
Total 6100 · Other Supplies & Expenses	21,938.09	34,749.89	-12,811.80	63.1%
6160 · Facility Repair and Maintenance	4,219.20			
6200 · Capital Replacement Projects	516,593.17	631,583.26	-114,990.09	81.8%
6210 · F&B Repair & Maintenance	27,850.37	32,083.26	-4,232.89	86.8%
6300 · Utilities Expense				
6301 · Electricity	1,128,556.54	1,129,333.26	-776.72	99.9%
6310 · Natural Gas	11,885.08	16,500.00	-4,614.92	72.0%
6320 · Steam	1,021,141.75	1,079,500.00	-58,358.25	94.6%
6340 · Water & Sewer	111,236.70	103,125.00	8,111.70	107.9%
Total 6300 · Utilities Expense	2,272,820.07	2,328,458.26	-55,638.19	97.6%
6500 · DID Assessment	51,350.58	46,815.01	4,535.57	109.7%
6600 · SMG Incentive Fees	300,000.00	281,050.00	18,950.00	106.7%
8000 · Personal Services				
8001 · Employee Wages	54,173.50	78,436.38	-24,262.88	69.1%
8030 · Employee Benefits	18,575.15	17,888.75	686.40	103.8%
Total 8000 · Personal Services	72,748.65	96,325.13	-23,576.48	75.5%
Total Expense	3,734,591.62	4,074,162.34	-339,570.72	91.7%
Net Income	-2,078,073.71	-2,417,285.74	339,212.03	86.0%

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Accrual Basis

Grand Rapids-Kent County Convention/Arena Authority

Profit & Loss Prev Year Comparison

July 2007 through May 2008

	Jul '07 - May 08	Jul '06 - May 07	\$ Change	% Change
Income				
4040 - Private Support	0.00	0.00	0.00	0.0%
4500 - Interest on Investments	762,681.41	896,897.94	-134,216.53	-15.0%
4540 - Land Lease	81,007.00	128,793.00	-47,786.00	-37.1%
4545 - Parking Revenues	812,099.00	784,025.74	28,073.26	3.6%
4550 - Miscellaneous Revenue	730.50	0.00	730.50	100.0%
Total Income	1,656,517.91	1,809,716.68	-153,198.77	-8.5%
Expense				
6000 - Professional Services				
6001 - Accounting/Auditing Services	29,138.42	24,286.39	4,852.03	20.0%
6040 - Legal Services	10,414.50	21,250.14	-10,835.64	-51.0%
Total 6000 - Professional Services	39,552.92	45,536.53	-5,983.61	-13.1%
6060 - Other Contractual Services	98,517.07	33,293.80	65,223.27	195.9%
6065 - Pedestrian Safety	79,748.07	42,737.39	37,010.68	86.6%
6068 - Parking Management	249,253.43	251,837.36	-2,583.93	-1.0%
6100 - Other Supplies & Expenses				
6010 - Bank Fees	499.09	464.05	35.04	7.6%
6020 - Computer Services	634.90	299.00	335.90	112.3%
6030 - Insurance-Property/Liability	20,258.00	19,196.86	1,061.14	5.5%
6110 - Meeting Expense	357.76	236.46	121.30	51.3%
6120 - Supplies	188.34	5,430.82	-5,242.48	-96.5%
6140 - Printing and Binding	0.00	4,470.00	-4,470.00	-100.0%
Total 6100 - Other Supplies & Expenses	21,938.09	30,097.19	-8,159.10	-27.1%
6160 - Facility Repair and Maintenance	4,219.20	0.00	4,219.20	100.0%
6200 - Capital Replacement Projects	516,593.17	1,619,318.24	-1,102,725.07	-68.1%
6210 - F&B Repair & Maintenance	27,850.37	52,993.18	-25,142.81	-47.5%
6300 - Utilities Expense				
6301 - Electricity	1,128,556.54	1,090,471.65	38,084.89	3.5%
6310 - Natural Gas	11,885.08	11,276.05	609.03	5.4%
6320 - Steam	1,021,141.75	1,106,963.30	-85,821.55	-7.8%
6340 - Water & Sewer	111,236.70	99,132.05	12,104.65	12.2%
Total 6300 - Utilities Expense	2,272,820.07	2,307,843.05	-35,022.98	-1.5%
6500 - DID Assessment	51,350.58	50,298.90	1,051.68	2.1%
6600 - SMG Incentive Fees	300,000.00	229,259.00	70,741.00	30.9%
8000 - Personal Services				
8001 - Employee Wages	54,173.50	58,251.14	-4,077.64	-7.0%
8030 - Employee Benefits	18,575.15	19,504.91	-929.76	-4.8%
Total 8000 - Personal Services	72,748.65	77,756.05	-5,007.40	-6.4%
Total Expense	3,734,591.62	4,740,970.69	-1,006,379.07	-21.2%
Net Income	-2,078,073.71	-2,931,254.01	853,180.30	29.1%

DEVOS PLACE

DE VOS PLACE

OPERATING BUDGET
FISCAL YEAR ENDING JUNE 30, 2009

*****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, 2009

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY 2009 BUDGET	FY 2008 EST/ACT	VAR.
EVENT DAYS/PERFORMANCES	22	50	55	69	52	42	53	49	62	47	53	12	586	579	(13)
ATTENDANCE	21,975	76,525	68,900	68,925	42,250	62,675	53,400	31,850	123,000	97,925	16,625	6,925	688,975	647,252	21,723
DIRECT EVENT INCOME	74,050	152,325	223,700	221,025	228,075	189,875	305,075	422,125	426,850	209,950	307,000	46,950	2,807,000		2,807,000
RENT	(4,063)	(4,792)	(13,496)	(13,033)	(14,428)	(11,943)	(18,590)	(23,845)	(27,348)	(13,400)	(19,131)	(2,301)	(166,367)		(166,367)
SERVICE INCOME	69,988	147,533	210,204	207,992	213,648	177,932	286,485	398,281	399,503	196,551	287,870	44,650	2,640,634	2,513,080	127,554
TOTAL DIRECT EVENT INCOME															
ANCILLARY INCOME															
CONCESSIONS	4,399	10,484	9,735	5,091	8,369	4,954	17,264	39,182	41,529	7,947	11,198	1,250	161,402	155,747	5,655
CATERING	39,534	79,418	54,426	94,663	90,544	95,607	50,486	48,973	52,390	53,046	80,877	17,919	757,883	662,189	95,694
NOVELTY	592	1,220	1,791	1,767	1,825	1,519	2,442	3,379	3,416	1,680	2,457	376	22,464	11,170	11,294
DECORATOR	11,079	22,787	33,465	33,062	34,120	28,405	45,639	63,150	63,867	31,408	45,927	7,024	419,923	365,901	54,022
ELECTRICAL	13,047	26,662	39,153	38,687	39,916	33,230	53,391	73,876	74,701	36,745	53,727	8,217	491,352	474,117	17,235
AUDIO/VISUAL	9,233	19,037	27,958	27,621	28,506	23,732	38,131	52,762	53,353	26,239	36,373	5,868	350,813	265,127	85,686
EQUIPMENT	4,815	9,905	14,545	14,371	14,827	12,345	19,834	27,442	27,751	13,650	19,957	3,053	182,495	133,347	49,148
TOTAL ANCILLARY INCOME	82,899	169,513	181,073	215,282	218,107	199,782	227,187	308,764	316,997	170,715	252,516	43,707	2,386,332	2,067,598	318,734
TOTAL EVENT INCOME	152,687	317,046	391,277	423,254	431,755	377,724	513,672	707,045	716,500	367,266	540,386	88,357	5,026,966	4,580,678	446,288
OTHER OPERATING INCOME															
INTEREST INCOME	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000	13,847	6,153
TICKET INCENTIVES	12,083	12,083	12,083	12,083	12,083	12,083	12,083	12,083	12,083	12,083	12,083	12,083	145,000	142,755	2,245
PREMIUM SEATING	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	38,000	33,658	4,342
OTHER INCOME	625	625	625	625	625	625	625	625	625	625	625	625	7,500	6,518	982
TOTAL OTHER INCOME	17,542	17,542	17,542	17,542	17,542	17,542	17,542	17,542	17,542	17,542	17,542	17,542	210,500	196,778	13,722
ADJUSTED GROSS INCOME	170,228	334,588	408,819	440,796	449,296	395,266	531,214	724,586	734,041	384,807	557,927	105,898	5,237,466	4,777,456	460,010
INDIRECT EXPENSES															
EXECUTIVE	14,647	14,647	14,647	14,647	14,647	14,647	14,647	14,647	14,647	14,647	14,647	14,645	175,762	141,182	(34,580)
FINANCE	18,526	18,526	18,526	18,526	18,526	18,526	18,526	18,526	18,526	18,526	18,526	18,515	222,301	221,104	(1,197)
MARKETING	8,817	8,817	8,817	8,817	8,817	8,817	8,817	8,817	8,817	8,817	8,817	8,824	105,811	83,634	(22,177)
SALES	28,920	28,920	28,920	28,920	28,920	28,920	28,920	28,920	28,920	28,920	28,920	28,906	347,026	208,601	(138,425)
OPERATIONS	116,140	126,640	136,860	126,640	114,640	113,585	113,585	129,585	113,585	114,640	135,860	126,654	1,468,414	1,389,318	(79,096)
EVENT SERVICES	80,182	80,182	80,182	80,182	80,182	80,182	80,182	83,182	80,182	80,182	80,182	80,168	965,170	965,578	408
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	67,170	(10,456)
OVERHEAD	124,503	124,940	133,575	183,025	205,010	244,044	254,939	297,711	258,980	179,642	137,577	110,386	2,254,332	2,276,633	22,301
TOTAL INDIRECT EXPENSES	398,204	409,141	427,996	467,226	477,211	515,190	526,085	587,857	530,126	451,843	430,998	394,565	5,616,442	5,353,220	(263,222)
NET FACILITY INCOME (LOSS)	(227,976)	(74,553)	(19,177)	(26,430)	(27,915)	(119,924)	5,129	136,729	203,915	(67,036)	126,929	(288,667)	(378,977)	(575,764)	196,788

SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
Fiscal Year Ending June 30, 2009

EXHIBITION HALLS	2008 NO of Events	Attendance	Rental Income	Service Income	Ancillary Income	EVENT INCOME FY 2009	EVENT INCOME FY 2008	VARIANCE
Agriculture & Farming	8	7,400	47,900	(3,114)	46,783	91,570	33,680	57,890
Animals	-	-	-	-	-	-	92,990	(92,990)
Apparel	5	12,500	13,000	(845)	10,694	22,849	-	22,849
Associations	5	7,100	39,475	(2,342)	52,471	89,605	188,780	(99,176)
Automotive & Trucking	4	4,750	34,350	(634)	28,257	61,973	47,985	13,988
Banking	-	-	-	-	-	-	26,122	(26,122)
Beauty & Hair Care	3	4,500	36,900	(2,399)	30,354	64,856	58,235	6,621
Building & Construction	5	4,000	22,125	(1,664)	18,200	38,662	32,549	6,113
Business	3	4,200	10,900	(709)	13,947	24,139	19,350	4,789
Ceramics & Glass	-	-	-	-	-	-	6,144	(6,144)
China & Glassware	-	-	-	-	-	-	11,858	(11,858)
Computers & Applications	4	3,000	12,000	(780)	10,771	21,991	6,665	15,326
Dental	-	-	-	-	-	-	93,715	(93,715)
Education	31	31,000	275,375	(13,223)	259,442	521,595	403,496	118,099
Engineering	3	4,500	34,500	(2,243)	28,380	60,638	67,868	(7,231)
Fishing	-	-	-	-	-	-	-	-
Floriculture & Horticulture	6	7,200	60,900	(3,959)	50,096	107,037	105,215	1,822
Food Processing & Distribution	6	9,000	73,225	(4,760)	105,236	173,701	165,956	7,745
Funeral Industry	-	-	-	-	-	-	14,443	(14,443)
Government	9	13,050	78,875	(5,127)	70,949	144,697	88,311	56,386
Insurance	1	1,100	6,000	(390)	4,936	10,546	12,401	(1,855)
Landscaping & Gardening	5	10,000	68,625	(4,461)	67,424	131,589	150,612	(19,024)
Libraries	-	-	-	-	-	-	-	-
Medical & Health Care	12	11,100	36,500	(1,772)	30,089	64,818	72,229	(7,412)
Metalworkings & Coatings	3	1,500	14,100	(917)	14,869	28,053	-	28,053
Motorcycles	-	-	-	-	-	-	1,629	(1,629)
Music	-	-	-	-	-	-	12,074	(12,074)
Pharmaceuticals	-	-	-	-	-	-	-	-
Petroleum & Gas	1	2,500	12,150	(790)	49,995	61,355	43,491	17,864
Police	3	3,750	8,700	(566)	7,158	15,293	-	15,293
Political	1	2,000	10,300	(745)	8,473	18,029	-	18,029
Radio, TV, & Cable	2	2,500	11,825	(769)	9,727	20,784	22,152	(1,369)
Real Estate	-	-	-	-	-	-	2,684	(2,684)
Religious	11	13,800	121,925	(3,701)	91,826	210,051	57,125	152,926
Safety	-	-	-	-	-	-	-	-
Science	-	-	-	-	-	-	-	-
Toys & Hobbies	3	2,250	29,700	(1,931)	24,432	52,202	-	52,202
Transportation	-	-	-	-	-	-	64,124	(64,124)
Water	-	-	-	-	-	-	-	-
Women	2	4,400	17,900	(1,164)	14,725	31,462	-	31,462
Woodworking	-	-	-	-	-	-	99,668	(99,668)
Misc Tradeshow - Small	1	1,100	4,625	(301)	3,804	8,129	-	8,129
Misc Tradeshow - Large	9	11,750	51,600	(3,225)	42,448	90,824	69,040	21,784
TOTAL CONVENTIONS/TRADESHOWS	144	179,950	1,133,475	(62,522)	1,095,486	2,166,439	2,070,591	95,848

SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
Fiscal Year Ending June 30, 2009

EXHIBITION HALLS	2008 NO of Events	Attendance	Rental Income	Service Income	Ancillary Income	EVENT INCOME FY 2009	EVENT INCOME FY 2008	VARIANCE
Sporting Events	2	3,000	32,900	(2,289)	27,989	58,581	51,719	6,862
Antique Show	3	6,500	21,950	(777)	21,097	42,270	10,125	32,145
Automotive & Trucking	4	32,000	100,525	(6,534)	96,347	190,338	188,553	1,785
Boat Show	5	17,500	134,500	(8,743)	37,790	163,548	151,348	12,200
Craft Show/Sale	4	3,025	15,425	(1,003)	9,711	24,134	18,283	5,851
Custom Car Show	3	9,300	27,300	(1,775)	20,517	46,043	40,518	5,525
Education	3	3,500	13,650	(888)	7,916	20,679	22,295	(1,617)
Food & Beverage	10	5,000	25,350	(1,648)	17,956	41,658	-	41,658
Golf Show	3	10,500	33,450	(2,175)	25,481	56,757	49,276	7,481
Motorcycles	2	6,000	12,200	(793)	10,126	21,533	27,152	(5,619)
Music	2	1,500	9,400	(611)	5,452	14,241	10,323	3,918
Real Estate	4	2,000	44,600	(2,899)	26,808	68,509	53,438	15,071
Recreational Vehicles	8	17,600	65,400	(8,476)	79,648	136,572	93,870	42,702
Sporting Goods & Recreation	4	24,000	74,700	(4,856)	56,539	126,384	106,538	19,846
Wedding Shows	6	24,400	31,600	(1,326)	18,352	48,626	33,773	14,853
Women	3	12,600	31,800	(2,067)	22,368	52,101	59,508	(7,405)
Misc. Public Shows	4	3,500	21,250	(1,382)	14,448	34,317	31,641	2,776
Home & Garden	4	20,000	82,900	(5,389)	53,324	130,836	114,953	15,883
TOTAL PUBLIC SHOWS	74	201,925	778,900	(53,627)	551,849	1,277,123	1,063,211	213,912
TOTAL - EXHIBITION HALL	218	381,875	1,912,375	(116,149)	1,647,335	3,443,562	3,133,802	309,760

SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
Fiscal Year Ending June 30, 2009

EXHIBITION HALLS	2008 NO of Events	Attendance	Rental Income	Service Income	Ancillary Income	EVENT INCOME FY 2009	EVENT INCOME FY 2008	VARIANCE
Testing	3	3,300	4,950	(322)	4,206	8,834	4,333	4,501
Banquets under 1,000	-	-	-	-	-	-	-	-
Graduation/Commencement	1	2,300	4,850	(391)	4,123	8,583	12,206	(3,824)
Corporate	1	500	17,425	(1,133)	45,358	81,651	74,060	(12,410)
Seminars/Amway	8	4,000	28,850	(1,876)	57,385	84,359	120,825	(36,466)
Dances - College	2	1,000	4,900	(319)	4,166	8,748	6,603	2,145
Dances - High School	-	-	-	-	-	-	7,085	(7,085)
Seminars & Meetings	125	30,100	115,250	(14,155)	127,598	228,693	189,807	38,886
Weddings/Parties	5	3,700	8,500	(296)	15,750	23,954	10,172	13,782
Ballroom Banquet - Large	5	2,500	69,000	(4,485)	38,656	103,171	37,195	65,976
Ballroom Banquet - Small	49	46,100	90,925	(6,887)	185,192	269,230	254,548	14,682
TOTAL BALROOM/MEETING ROOM/MISC.	199	93,500	344,650	(29,863)	482,434	797,222	716,834	80,388
Grand Rapids Ballet	14	14,000	51,100	(3,322)	49,645	97,424	91,240	6,184
Opera Grand Rapids	6	8,000	35,250	(1,557)	20,447	54,140	42,246	11,894
Broadway Theatre Build	48	52,800	118,950	(7,733)	48,999	160,216	154,300	5,916
Grand Rapids Symphony	54	67,500	198,375	(12,401)	74,882	260,857	255,255	5,602
Miscellaneous DeVos Performance Hall	27	45,700	137,950	5,011	57,069	200,030	186,940	13,090
Family Show	2	3,400	5,850	(192)	3,395	9,053	-	9,053
Graduation/Commencement	1	2,200	2,500	(163)	2,126	4,464	-	4,464
TOTAL - DE VOS PERFORMANCE HALL	152	193,600	549,975	(20,356)	256,563	786,183	729,981	56,202
TOTAL - NON-EXHIBITION HALLS	351	287,100	894,625	(50,216)	738,997	1,583,404	1,446,815	136,589
TOTAL - ALL BUILDINGS	549	668,975	2,807,000	(166,387)	2,366,332	5,026,966	4,580,617	446,349

SMG - DeVos Place (Grand Center)
Grand Rapids - Kent County Convention/Arena Authority
Indirect Expense Summary
Fiscal Year Ending June 30, 2009

	Budget F/Y 2009	Estimate F/Y 2008	Variance
Salaries - Full Time	1,563,225	1,464,158	(99,067)
Salaries Part Time	1,004,415	1,130,767	126,352
Auto Allowance	30,850	26,230	(4,620)
Payroll Taxes	312,021	300,075	(11,946)
Employee Benefits	222,447	195,160	(27,287)
Pension	66,106	47,183	(18,923)
Union Expenses	166,130	194,344	28,214
Allocated Salaries	(1,405,355)	(1,563,237)	(157,882)
Total Labor Costs	1,959,839	1,794,680	(165,159)
Contracted Security	302,000	293,154	(8,846)
Meetings	38,000	28,876	(9,124)
Meals & Entertainment	14,500	12,119	(2,381)
Dues & Subscriptions	3,600	5,622	2,022
Professional Fees	39,000	27,113	(11,887)
Employee Training	10,000	12,486	2,486
Printing	15,600	8,847	(6,753)
Advertising	60,000	45,331	(14,669)
Trash Removal	42,000	34,435	(7,565)
Landscaping	8,440	7,644	(796)
Armored Services	2,400	2,407	7
Exterminating	55,440	55,992	552
Cleaning	36,000	33,652	(2,348)
Repairs & Maintenance	503,291	462,463	(40,828)
Supplies	266,000	251,766	(14,234)
Corporate Travel	5,000	-	(5,000)
Computer Expenses	75,000	65,744	(9,256)
Equipment Rental	12,000	11,984	(16)
Bank Service Charges	18,000	23,173	5,173
General Liability Insurance	115,733	117,019	1,286
Property Insurance	115,500	112,526	(2,974)
Insurance Expense	42,000	49,589	7,589
Printing & Stationary	11,000	1,558	(9,442)
Office Supplies	9,000	13,636	4,636
Postage	5,000	4,452	(548)
Parking Expense	18,000	28,001	10,001
Telephone	72,000	82,162	10,162
Utilities	1,626,200	1,629,307	3,107
Management Fee	157,899	153,300	(4,599)
Incentive Fee	0	-	-
Allocated Expenses	(22,000)	(15,818)	6,182
Total Materials & Service	3,656,603	3,558,540	(98,063)
Total Indirect Expenses	5,616,442	5,353,220	(263,222)

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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, 2009

Position	F/Y 2008			F/Y 2009			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	0.50	0.50	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	-
Director of Sales				-	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	29.46	33.54	63.00	29.46	35.54	65.00	2.00

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

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 2009 compared to the expected fee for F/Y 2008.

	Arena Budget	DeVos Place Budget	Total Budget	FY 2008 Act/Est
Net Revenue above Expenses	1,413,711	(378,977)	1,034,734	919,647
Benchmark			700,000	700,000
Excess	1,413,711	(378,977)	334,734	219,647

Incentive Fee Calculation (Only if above greater than zero)

	Arena Budget	DeVos Place Budget	Total Budget	FY 2008 Act/Est
Base Fee	157,899	157,899	315,798	306,600
Incentive Fee				
Revenue	5,327,210	5,237,438	10,564,648	10,148,119
Benchmark Revenue			8,800,000	8,700,000
Projected Revenue Increase			1,764,648	1,448,119
Increase below \$500,000	25%	500,000	125,000	-
Increase above \$500,000	30%	1,264,648	379,394	-
Total Incentive Fee			315,798	306,600
Total SMG Management Fee	157,899	157,899	631,596	613,200



VAN ANDEL ARENA

**OPERATING BUDGET
FISCAL YEAR ENDING JUNE 30, 2009**

*****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, 2009

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY 2009 BUDGET	FY 2008 EST/ACT	VAR.
EVENT DAYS/PERFORMANCES	1	1	12	6	13	18	14	10	22	12	6	3	118	118	-
ATTENDANCE	8,000	8,000	47,000	41,000	70,000	103,000	69,000	52,500	125,500	75,000	43,000	24,000	666,000	660,693	5,307
DIRECT EVENT INCOME															
RENT	32,500	32,500	189,000	129,200	238,400	294,000	236,500	152,000	382,800	160,800	124,100	51,900	2,023,400	2,023,400	
SERVICE INCOME	3,968	3,968	(86,917)	(31,117)	(94,453)	(98,962)	(122,570)	(40,119)	(220,866)	(56,725)	(5,787)	(14,609)	(744,209)	(744,209)	
TOTAL DIRECT EVENT INCOME	36,468	36,468	122,083	98,083	143,947	195,038	113,930	111,881	161,914	104,075	118,313	36,991	1,279,191	1,447,148	(167,957)
ANCILLARY INCOME															
CONCESSIONS	22,260	22,260	102,820	101,910	137,040	154,200	140,700	110,490	206,835	96,020	66,780	22,260	1,182,575	1,109,888	72,689
CATERING	2,898	2,898	9,681	11,367	14,628	15,868	9,698	13,709	19,481	12,177	11,394	5,598	129,397	99,715	29,682
NOVELTIES	8,500	8,500	22,950	20,060	28,220	24,310	34,425	27,200	24,820	21,250	25,500	8,500	254,235	205,040	49,195
VIDEO BOARD	-	-	400	1,810	2,620	7,700	3,850	4,250	7,788	138	1,628	1,628	31,812	40,646	(8,834)
TOTAL ANCILLARY INCOME	33,658	33,658	135,851	135,147	182,508	202,078	188,673	155,649	258,924	128,585	105,302	37,986	1,598,019	1,455,087	142,932
TOTAL EVENT INCOME	70,126	70,126	257,934	233,230	326,455	397,116	302,603	267,530	420,838	232,660	223,615	74,977	2,877,210	2,902,235	(25,025)
OTHER OPERATING INCOME															
LUXURY SEATING	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,200,000	1,262,077	(62,077)
PERMANENT ADVERTISING	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	51,667	620,000	609,625	10,375
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	75,000	64,200	10,800
TICKET INCENTIVES	42,083	42,083	42,083	42,083	42,083	42,083	42,083	42,083	42,083	42,083	42,083	42,083	505,000	484,639	20,361
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	47,887	2,113
TOTAL OTHER INCOME	204,167	204,167	204,167	204,167	204,167	204,167	204,167	204,167	204,167	204,167	204,167	204,163	2,450,000	2,468,428	(18,428)
ADJUSTED GROSS INCOME	274,293	274,293	462,101	437,397	530,622	601,283	506,770	471,697	625,005	436,827	427,782	279,140	5,327,210	5,370,663	(43,453)
INDIRECT EXPENSES															
EXECUTIVE	14,167	14,167	14,167	14,167	14,167	14,167	14,167	15,667	14,167	14,167	14,167	14,161	171,498	168,949	(2,549)
FINANCE	17,589	17,589	17,589	17,589	17,589	17,589	17,589	19,089	17,589	17,589	17,589	17,582	212,561	198,439	(14,122)
MARKETING	22,871	22,871	22,871	22,871	22,871	22,871	22,871	24,371	22,871	22,871	22,871	22,877	275,958	269,806	(6,152)
OPERATIONS	137,608	128,608	128,608	128,608	137,608	128,608	128,608	131,608	137,608	128,608	128,608	128,613	1,573,301	1,513,804	(59,497)
BOX OFFICE	10,031	10,031	10,031	10,031	10,031	10,031	10,031	10,031	10,031	10,031	10,031	10,036	120,377	135,739	(15,362)
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	120,254	(2,956)
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	42,747	(2,891)
OVERHEAD	82,887	82,887	94,634	118,596	123,613	138,722	148,440	145,586	148,215	124,478	108,942	85,650	1,402,650	1,425,484	(22,834)
TOTAL INDIRECT EXPENSES	298,250	289,250	300,997	324,959	338,976	345,085	354,803	359,449	363,578	330,841	315,305	292,006	3,913,499	3,875,222	(38,277)
NET FACILITY INCOME (LOSS)	(23,957)	(14,957)	161,104	112,438	191,646	256,198	151,967	112,248	261,427	105,986	112,477	(12,866)	1,413,711	1,495,441	(81,730)

SMG - Van Andel Arena
Grand Rapids - Kent County Convention / Arena Authority
Event Summary
Fiscal Year Ending June 30, 2009

EVENT TYPE	2008 NO of Events	Attendance	Rental Income	Service Income	Concession Income	Catering Income	Novelty Income	Video Board Income	EVENT INCOME FY 2009	EVENT INCOME FY 2008	VARIANCE
Griffins Regular Season	40	200,000	356,000	(333,000)	320,000	35,080	-	30,800	408,880	452,175	(43,295)
Griffins Playoffs	-	-	-	-	-	-	-	-	-	-	-
Rampage Regular Season	8	64,000	76,400	(74,308)	-	10,800	-	6,512	19,404	24,299	(4,895)
NCAA Hockey Tournament	2	12,000	100,000	(76,300)	31,800	3,150	4,080	-	62,730	-	62,730
NBA Preseason	1	10,000	37,500	(14,080)	33,390	2,940	3,060	(500)	62,310	68,297	(5,987)
WNEA	-	-	-	-	-	-	-	-	-	-	-
Professional Wrestling	1	5,000	30,000	(14,999)	14,575	315	7,650	-	37,541	112,899	(75,358)
Basketball Exhibition	-	-	-	-	-	-	-	-	-	47,818	(47,818)
High School Basketball	1	4,000	32,000	(22,850)	4,240	210	-	-	13,600	2,903	10,697
College Basketball	-	-	-	-	-	-	-	-	-	-	-
TOTAL SPORTS	53	295,000	631,900	(535,537)	404,005	52,495	14,790	36,812	604,465	707,991	(103,526)
Ringling Brothers	8	20,000	63,000	(53,532)	32,860	2,520	-	-	44,348	50,453	(6,105)
Harlem Globetrotters	1	5,000	27,500	(9,400)	9,275	315	5,100	-	32,790	30,428	2,362
Disney on Ice	4	24,000	65,000	(36,282)	38,160	1,575	-	-	68,453	62,576	5,877
Stars on Ice	1	5,500	25,000	1,575	7,155	672	2,040	-	36,542	35,813	729
Monster Trucks	4	20,000	70,000	(28,770)	43,460	1,470	10,200	-	96,360	128,223	(31,863)
Bulls and Broncs Rodeo	-	-	-	-	-	-	-	-	-	-	-
Arenacross	3	12,000	45,000	(23,434)	34,460	525	2,975	-	59,516	42,647	16,869
Freestyle Motocross	2	10,000	30,000	(23,582)	26,500	525	4,250	(3,800)	33,893	-	33,893
Professional Bull Riders	2	11,000	61,000	(21,323)	25,440	1,355	5,560	400	72,832	77,842	(5,010)
Miscellaneous Family Show	12	45,500	155,000	(79,012)	70,490	3,780	32,300	400	182,958	21,215	161,743
TOTAL FAMILY SHOWS	37	153,000	541,500	(273,660)	287,790	12,747	62,815	(3,000)	628,192	449,037	179,155
Rock	23	188,000	815,000	60,046	490,780	63,105	176,530	(2,000)	1,603,561	1,016,659	586,902
Country	-	-	-	-	-	-	-	-	-	383,256	(383,256)
Christian	-	-	-	-	-	-	-	-	-	186,149	(186,149)
TOTAL CONCERTS	23	188,000	815,000	60,046	490,780	63,105	176,530	(2,000)	1,603,561	1,556,064	47,497
College Graduation	6	30,000	35,000	4,942	-	1,050	-	-	40,992	55,807	(14,815)
Religious	-	-	-	-	-	-	-	-	-	55,108	(55,108)
Miscellaneous	-	-	-	-	-	-	-	-	-	78,228	(78,228)
TOTAL MISCELLANEOUS	6	30,000	35,000	4,942	-	1,050	-	-	40,992	189,143	(69,923)
GRAND TOTAL	118	666,000	2,023,400	(744,209)	1,182,575	129,397	254,235	31,812	2,877,210	2,902,235	(25,025)

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Indirect Expense Summary
Fiscal Year Ending June 30, 2009

	Budget F/Y 2009	Estimate F/Y 2008	Variance
Salaries	1,238,542	1,225,978	(12,564)
Salaries Part - Time	590,000	597,227	7,227
Auto Allowance	11,825	10,725	(1,100)
Payroll Taxes	206,369	210,139	3,770
Employee Benefits	205,525	188,360	(17,165)
Pension	48,229	37,098	(11,131)
Union Expenses	48,889	39,599	(9,290)
Allocated Salaries	(875,886)	(909,678)	(33,792)
Total Labor Costs	1,473,493	1,399,448	(74,045)
Contracted Security	252,000	252,919	919
Contracted Cleaning	30,000	28,676	(1,324)
Meetings	11,700	10,383	(1,317)
Meals & Entertainment	10,300	21,027	10,727
Dues & Subscriptions	2,500	8,471	5,971
Professional Fees	62,500	38,305	(24,195)
Employee Training	9,000	5,623	(3,377)
Printing	8,000	6,052	(1,948)
Advertising	75,000	70,568	(4,432)
Trash Removal	18,000	22,637	4,637
Landscaping	5,800	2,484	(3,316)
Armored Services	3,600	3,910	310
Exterminating	3,600	2,970	(630)
Cleaning	28,800	18,890	(9,910)
Repairs & Maintenance	248,000	270,535	22,535
Supplies	220,100	219,079	(1,021)
Corporate Travel	7,500	-	(7,500)
Computer Expenses	65,000	71,894	6,894
Marketing Fund	38,000	45,482	7,482
Equipment Rental	15,000	13,379	(1,621)
Bank Service Charges	9,000	9,041	41
General Liability Insurance	115,219	116,959	1,740
Property Insurance	32,000	29,669	(2,331)
Insurance Expense	43,132	36,529	(6,603)
Printing & Stationary	11,000	10,971	(29)
Office Supplies	12,000	15,154	3,154
Postage	12,000	11,899	(101)
Parking Expense	24,000	26,955	2,955
Telephone	84,000	78,424	(5,576)
Utilities	865,200	912,648	47,448
Management Fee	157,899	153,300	(4,599)
Incentive Fee	0	-	-
Amortization	0	-	-
Allocated Expenses	(39,844)	(39,059)	785
Total Materials & Service	2,440,006	2,475,774	35,768
Total Indirect Expenses	3,913,499	3,875,222	(38,277)

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, 2009

Position	F/Y 2008			F/Y 2009			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	0.50	0.50	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	-
Director of Sales				-	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	29.46	33.54	63.00	29.46	35.54	65.00	2.00

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

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 2009 compared to the expected fee for F/Y 2008.

	Arena Budget	DeVos Place Budget	Total Budget	FY 2008 Act/Est
Net Revenue above Expenses	1,413,711	(378,977)	1,034,734	919,647
Benchmark			700,000	700,000
Excess	1,413,711	(378,977)	334,734	219,647
Incentive Fee Calculation (Only if above greater than zero)				
	Arena Budget	DeVos Place Budget	Total Budget	FY 2008 Act/Est
Base Fee	157,899	157,899	315,798	306,600
Incentive Fee				
Revenue	5,327,210	5,237,438	10,564,648	10,148,119
Benchmark Revenue			8,800,000	8,700,000
Projected Revenue Increase			1,764,648	1,448,119
Increase below \$500,000	25%	500,000	125,000	-
Increase above \$500,000	30%	1,264,648	379,394	-
Total Incentive Fee			315,798	306,600
Total SMG Management Fee	157,899	157,899	631,596	613,200

5



Memorandum

To: CAA Finance Committee

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

Date: June 10, 2008

Re: Convention/Arena Authority (CAA)
Fiscal Year 2009 Budget Request

Convention
Arena
Authority

Steven Heacock,
Chairman
Birgit Klohs
Clif Charles
Gary McNerney
George Heortwell
Joseph Tomaselli
Lew Chamberlin

The attached material summarizes a requested CAA Administrative Operating Budget and Consolidated Income Statement for the Fiscal Year beginning July 1, 2008 (Fiscal Year 2009). The format of the report provides the Committee with an overview of Fiscal Year 2007 actual, Fiscal Year 2008 estimate, and Fiscal Year 2009 preliminary recommendations. Final Finance Committee review is scheduled for June 19th with full Board approval anticipated on June 25th.

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 2008 of \$541,329. Based on SMG's most recent "budget roll," the current year forecast has been updated to a net operating income balance of \$613,077. Note should be made, at this time, that SMG forecasts current year (FY 2008) spending in excess of previously authorized budget for the Van Andel Arena®. Recognition and authorization of the anticipated budgetary overrun should be acknowledged prior to close-out of the current fiscal year accounting.

The Fiscal Year 2009 consolidated income statement (Table C) forecasts a net operating income totaling \$808,662. This income will be applied to finance, in part, a capital outlay request totaling \$1,844,100. 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



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130 Fulton West
Grand Rapids, MI 49503-2601
616.742.6600
Fax 616.742.6197

DEVOS PLACE

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Grand Rapids, MI 49503-2233
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provision for utilities, capital repair/replacement/improvement (as defined in the SMG management contract), parking management fees, landscape plantings (new), and other administrative expenses. 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, 2007 through 2009. The Fiscal Year 2008 budget, as originally approved, forecasted net income of \$820,537. This forecasted income has been revised to a total adjusted balance, for the current fiscal year, of approximately \$1,447,430. The income forecast was increased by higher than expected event revenue at the Van Andel Arena® and deferral of two budgeted capital projects to the following fiscal year. Revenue forecasts and appropriation requests for the Fiscal Year 2009 budget disclose a net loss of (\$213,438). This net loss is a significant reduction from prior year performance, primarily based on an increase in new capital spending.

On the basis of these initial budgetary estimates, it is expected that the CAA will close its Fiscal Year 2008 activities with a "fund balance" approximating \$22.8 million. This would include a recommended minimum operating reserve balance of \$6 million and a capital repair/replacement/improvement reserve of \$16.8 million.

Table D provides an updated forecast of balances anticipated to be available in the "capital repair/replacement/improvement" account. The forecast covers a ten-year time period. The capital outlay requirements forecast is based on a comprehensive study commissioned by the Finance Committee Chair. The committee constituted for the purpose of review and recommending capital projects included Rich MacKeigan – SMG, Jim Watt – SMG, and Robert Mihos – County Facilities Director. The summary table was taken from the final capital replacement/improvement report and updated to include estimates concerning future net operating income and interest earnings.

Rich MacKeigan, Sue Waddell, and I participated in preparation of the attached recommended budget. We would expect to present this to the Finance Committee, at its June meeting, and be prepared to answer any additional questions which may arise from a review of this material.

Attachments: FY 2009 Budget
FY 2009 Capital Request Details

Table A
Grand Rapids-Kent County Convention/Arena Authority
SMG Facilities Budget
Fiscal Years Ending June 30, 2008 and 2009

	FY2008		FY2009
	<u>Budget</u>	<u>Estimate</u>	<u>Requested</u>
Van Andel Arena			
Operating - Revenues	\$ 5,146,235	\$ 5,370,663	\$ 5,327,210
- Expenses - Facilities	(3,622,718)	(3,721,922)	(3,755,600)
- Base Management Fees	(153,300)	(153,300)	(157,899)
Net Operating Income	<u>\$ 1,370,217</u>	<u>\$ 1,495,441</u>	<u>\$ 1,413,711</u>
DeVos Place			
Operating - Revenues	\$ 4,831,438	\$ 4,777,456	\$ 5,237,466
- Expenses - Facilities	(5,200,426)	(5,199,920)	(5,458,543)
- Base Management Fees	(153,300)	(153,300)	(157,899)
Net Operating Loss	<u>\$ (522,288)</u>	<u>\$ (575,764)</u>	<u>\$ (378,976)</u>
Net Available to CAA:			
Van Andel Arena	\$ 1,370,217	\$ 1,495,441	\$ 1,413,711
DeVos Place	(522,288)	(575,764)	(378,976)
Less - SMG Incentive	(306,600)	(306,600)	(315,798)
- DeVos Parking Maintenance	0	0	(25,000)
	<u>\$ 541,329</u>	<u>\$ 613,077</u>	<u>\$ 693,937</u>

Table B
Grand Rapids-Kent County Convention/Arena Authority
Administrative - Operating / Capital Replacement Budget
FY2009 Recommendation

	FY2007			FY2008		FY2009
	<u>Budget</u>	<u>Estimate</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Recommendation</u>
Revenues:						
Facility Operations	\$ 422,705	\$ 720,560	\$ 901,436	\$ 541,329	\$ 613,077	\$ 693,937
Utility Reimbursement	2,445,304	2,488,398	2,503,599	2,457,000	2,241,955	2,491,400
Transfers from SMG	2,868,009	3,208,958	3,405,035	2,998,329	2,855,032	3,185,337
DeVos Place Parking	734,565	867,300	900,256	862,912	883,300	928,200 ⁽¹⁾
VanAndel Parking	154,601	126,854	123,871	126,408	128,116	141,216 ⁽¹⁾
Interest	785,000	986,000	1,069,805	1,000,000	967,500	742,000 ⁽²⁾
Contributions	0	0	0	0	0	0
Miscellaneous	15,000	0	0	80,000	80,000	80,000 ⁽³⁾
Total Revenues	4,557,175	5,189,112	5,498,967	5,067,649	4,913,948	5,076,753
Expenditures:						
Utilities	2,445,304	2,488,398	2,503,599	2,457,000	2,241,955	2,491,400
Parking Management	337,232	336,881	348,896	365,243	314,836	281,495
Pedestrian Safety	80,000	85,000	83,781	90,000	90,000	87,234
Landscaping	0	0	0	0	0	120,000
Administration	279,529	326,755	311,052	451,653	408,772	465,962
Capital	3,175,230	2,727,987	1,696,061	883,216	410,955	1,844,100 ⁽⁴⁾
Total Expenditures	6,317,295	5,965,021	4,943,389	4,247,112	3,466,518	5,290,191
Net Excess (Deficit)	<u>\$ (1,760,120)</u>	<u>\$ (775,909)</u>	<u>\$ 555,578</u>	<u>\$ 820,537</u>	<u>\$ 1,447,430</u>	<u>\$ (213,438)</u>

Notes: See Following

Table B
Grand Rapids-Kent County Convention/Arena Authority
Administrative - Operating / Capital Replacement Budget
FY2009 Recommendation

Notes:

⁽¹⁾DeVos Place Parking Rates:

	FY 2008	FY 2009
30 Minutes	\$ 1.00	\$ 1.10
Daily Maximum	9.00	10.00
Event	6.50	7.00
Monthly -Public	139.00	142.50
-County/SMG (O+M)	47.00	40.00

Van Andel Arena Parking Rates:

Event	\$ 7.00	\$ 8.00
Monthly -Public	63.75	65.25

⁽²⁾\$21.2 million in investment funds at 3.5%.

⁽³⁾ 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."

⁽⁴⁾ FY 2008 Carryover Projects:

Removable Seating	VAA	\$ 300,000
Fall Arrest System	VAA	60,000
		<u>360,000</u>

FY 2009 Eligible Projects:

Theater concrete repair	DVP	\$ 65,000
WI FI equipment upgrades	DVP	50,000
Public circulation furniture	DVP	30,000
Snow melt system	DVP	170,000
Theater fire curtain	DVP	250,000
Theater lighting instrumetns	DVP	50,000
Upgrade telecom system		90,000
Total DVP Request		<u>705,000</u>

Variable frequency drives	VAA	30,000
NW concourse expansion	VAA	450,000
Security concourse cameras	VAA	50,000
Ice edger	VAA	8,000
Upper bowl curtain system	VAA	225,000
Total VAA Request		<u>763,000</u>

Smallwares	F&B	6,000
POS terminal	F&B	1,500
2 thermal printers	F&B	1,600
Uniforms	F&B	1,500
Radios	F&B	5,000
Concession table drapes	F&B	500
Total F&B Request		<u>16,100</u>

\$ 1,844,100

Table B-1
Grand Rapids-Kent County Convention/Arena Authority
Detail of Expenditure Estimates
FY2009 Recommendation

	FY2007			FY2008		FY2009
	<u>Budget</u>	<u>Estimate</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Recommendation</u>
Utilities:						
Electricity	\$ 1,194,000	\$ 1,230,104	\$ 1,223,427	\$ 1,232,000	\$ 1,273,427	\$ 1,232,000
Steam/Gas	1,127,500	1,160,911	891,631	1,112,500	1,141,631	1,146,900
Water/Sewer	123,800	97,383	126,897	112,500	126,897	112,500
	<u>\$ 2,445,300</u>	<u>\$ 2,488,398</u>	<u>\$ 2,241,955</u>	<u>\$ 2,457,000</u>	<u>\$ 2,541,955</u>	<u>\$ 2,491,400</u>
Wages	\$ 58,803	\$ 83,803	\$ 69,647	\$ 85,567	\$ 65,567 ⁽⁴⁾	\$ 68,595 ⁽⁴⁾
Benefits	21,067	19,794	21,527	19,515	18,679	20,467
Accounting/Audit	26,000	28,162	27,730	30,000	36,917	38,000
Legal Services	30,000	30,000	24,242	35,000	30,000	35,000
DID Assessment	49,659	50,299	50,299	51,071	51,351	52,900 ⁽¹⁾
Insurance	20,000	19,197	19,197	21,000	20,258	22,000
Meetings/Supplies	14,000	14,000	12,623	15,000	3,000	15,000
Marketing - CVB	50,000	0	0	75,000	75,000	75,000
Marketing - Sports Commission	0	0	0	25,000	25,000	25,000
Repairs - F&B	0	55,000	52,993	35,000	41,000	45,000
Diversity Initiative	0	16,500	16,146	22,000 ⁽³⁾	22,000	29,000
Other	10,000	10,000	16,648	37,500	20,000	40,000 ⁽²⁾
	<u>\$ 279,529</u>	<u>326,755</u>	<u>311,052</u>	<u>451,653</u>	<u>408,772</u>	<u>465,962</u>

Notes:

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

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

⁽³⁾\$22,000 @ 9 mos.

⁽⁴⁾Net of \$20,000 per annum paid by Kent County Parks Foundation for administrative services.

Table C
Grand Rapids-Kent County Convention/Arena Authority
Consolidated Income Statement
Fiscal Years Ending June 30, 2007-2009

		FY2007			FY2008		FY2009
		<u>Budget</u>	<u>Estimate</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Recommendation</u>
Operating Revenue:							
Event	- VanAndel Arena	\$ 1,284,116	\$ 1,479,937	\$ 1,524,339	\$ 1,183,931	\$ 1,447,148	\$ 1,279,191
	- DeVos Place	2,323,417	2,443,692	2,459,924	2,541,693	2,513,080	2,640,634
Ancillary	- VanAndel Arena	1,456,159	1,588,165	1,647,869	1,567,304	1,455,087	1,598,019
	- DeVos Place	2,007,628	2,011,993	2,160,615	2,060,745	2,067,598	2,386,332
Other	- VanAndel Arena	2,240,000	2,295,474	2,506,635	2,395,000	2,468,428	2,450,000
	- DeVos Place	231,000	228,379	239,559	229,000	196,778	210,500
	- Parking	889,166	994,154	1,024,127	989,320	1,011,416	1,069,416
		<u>10,431,486</u>	<u>11,041,794</u>	<u>11,563,068</u>	<u>10,966,993</u>	<u>11,159,535</u>	<u>11,634,092</u>
Operating Expense / Appropriations:							
Facility Operations							
	- VanAndel Arena	3,424,232	3,578,865	3,625,769	3,622,718	3,721,922	3,755,600
	- DeVos Place	5,137,687	5,148,215	5,110,799	5,200,426	5,199,920	5,458,543
	- Management	557,696	600,000	600,000	613,200	613,200	631,596
	- Parking Maintenance	0	0	0	0	0	25,000
Administrative		279,529	326,755	311,052	451,653	408,772	465,962
Parking		337,232	336,881	348,896	365,243	314,836	281,495
Landscaping		0	0	0	0	0	120,000
Pedestrian Safety		80,000	85,000	83,781	90,000	90,000	87,234
		<u>9,816,376</u>	<u>10,075,716</u>	<u>10,080,297</u>	<u>10,343,240</u>	<u>10,348,650</u>	<u>10,825,430</u>
Operating Income		615,110	966,078	1,482,771	623,753	810,885	808,662
Non-Operating Revenue ⁽¹⁾		0	0	0	80,000	80,000	80,000
Interest and Miscellaneous		800,000	986,000	1,069,805	1,000,000	967,500	742,000
Transfer (to) from Capital Acct.		(3,175,230)	(2,727,987)	(1,996,998)	(883,216)	(410,955)	(1,844,100)
Net Income (Loss)		(1,760,120)	(775,909)	555,578	820,537	1,447,430	(213,438)
Fund Balance, beg. of yr.		20,844,355	20,844,355	20,844,355	21,399,933	21,399,933	22,847,363
Fund Balance, end of yr.		<u>\$ 19,084,235</u>	<u>\$ 20,068,446</u>	<u>\$ 21,399,933</u>	<u>\$ 22,220,470</u>	<u>\$ 22,847,363</u>	<u>\$ 22,633,925</u>

Notes:

- (1) 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

Fiscal Year Ending 6/30	Net Operating Income⁽¹⁾	Interest⁽²⁾	Disbursements⁽³⁾	Year End Balance⁽⁴⁾
2006				\$ 14,844,355
2007 (Audit)	817,523	1,069,805	(1,331,750)	\$ 15,399,933
2008 (Est.)	890,885	967,500	(410,955)	\$ 16,847,363
2009 (Request)	888,662	742,000	(1,844,100)	\$ 16,633,925
2010	800,000	665,000	(716,900)	\$ 17,382,025
2011	800,000	695,000	(738,400)	\$ 18,138,625
2012	800,000	726,000	(760,500)	\$ 18,904,125
2013	800,000	756,000	(783,400)	\$ 19,676,725
2014	800,000	787,000	(806,900)	\$ 20,456,825
2015	900,000	818,000	(2,881,200)	\$ 19,293,625
2016	900,000	772,000	(2,967,700)	\$ 17,997,925
2017	900,000	720,000	(3,056,700)	\$ 16,561,225
2018	900,000	662,000	(3,148,400)	\$ 14,974,825
2019	900,000	599,000	(3,242,900)	\$ 13,230,925

Notes:

⁽¹⁾Net operating income, before depreciation, plus \$80,000 annual Rampage capital contribution, including Van Andel Arena, DeVos Place Convention Center, Parking and Administration. Assumes continuation of current entertainment/business environment.

⁽²⁾Interest - Actual FY 2007, budget estimates in FY 2008 & FY 2009, 4% per annum (on balance, beginning plus \$6 million operating reserve) FY 2009-2019.

⁽³⁾Capital project list at May 7, 2008 (current pricing), FY 2010 through FY 2019, indexed at 3% per annum.

⁽⁴⁾Excluding operating reserve balance of \$6 million.

VAN ANDEL ARENA/DE VOS PLACE

CAPITAL YE 2009 NOTES

June 9, 2008

VAN ANDEL ARENA

ITEM	BUDGET	
Variable frequency drives	\$ 30,000.00	
NW Concourse expansion	\$ 450,000.00	
Security Concourse cameras	\$ 50,000.00	
Ice edger	\$ 8,000.00	
Upper bowl curtain system	\$ 225,000.00	\$ 763,000.00

DE VOS PLACE

Theater concrete repair	\$ 65,000.00	
WI FI Equipment upgrades	\$ 50,000.00	
Public circulation furniture	\$ 30,000.00	
Snow Melt system	\$ 170,000.00	
Theater fire curtain	\$ 250,000.00	
Theater lighting instruments	\$ 50,000.00	
Upgrade Telecom system	\$ 90,000.00	\$ 705,000.00

2008 CARRYOVER

Theater Fall Arrest System	\$ 60,000.00	
VAA Removable Seating	\$ 300,000.00	\$ 360,000.00

TOTAL COMBINED BUDGET YE 2009

\$1,828,000.00

VAN ANDEL ARENA: \$763,000

1. **VARIABLE FREQUENCY DRIVES \$30,000 (VFDs)**—Addition of VFDs to 9 pumps and fans primarily related to the ice plant. These drives provide the greatest possible energy savings to motors of this type. VFDs provide soft-start capabilities, which decreases electrical stresses and line voltage sags associated with full voltage motor start-ups. The applied frequency and voltage are increased at a controlled rate, or ramped up, without drawing excessive current.
Energy savings payback ranges from 8 months to 42 months depending on the individual motor with the shorter time frame relating to the 4 largest motors. Total payback for this project should be well under two years.

2. NW CONCOURSE EXPANSION \$450,000—Expand NW concourse area by 2,000+sf to relieve congestion on larger attended events and improve merchandise and food & beverage sales area.

Heavy congestion in this area caused by opposing traffic flows from Skywalk entrance and main entrance crossing lines for main womens restroom and merchandise stands. Figure 1 below is current congested area. Attachment A shows proposed expansion.

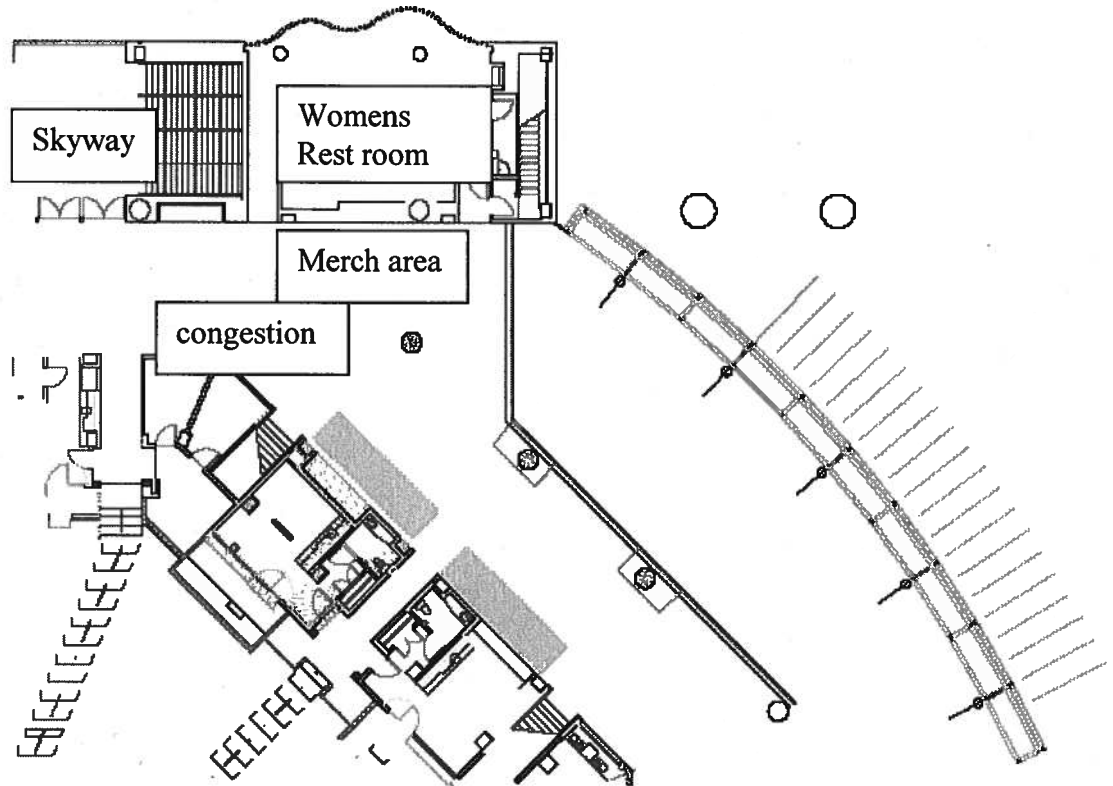


Figure 1

3. SECURITY CONCOURSE CAMERAS \$50,000--Addition of 7 security cameras and related recording/controls for arena east and west concourse. Currently no security cameras in these areas.
4. ICE EDGER \$8,000—Replacement equipment for ice maintenance.
5. UPPER BOWL CURTAIN \$225,000—Blackout curtain and associated rigging/controls to drape off upper bowl. Provides the ability to book events requiring smaller seating capacity by making the facility appear smaller with quantities of unsold seating not visible.

DE VOS PLACE: \$705,000

1. **THEATER CONCRETE REPAIR \$65,000**—Repairs to structural concrete where high rigging steel connects. Over the years expansion/contraction have caused concrete to crack and spall. This project removes existing concrete, reinstalls bearing plates and fills area with non-shrink grout. Budget includes repairs, engineering fees, contingencies. Figures 2-4 below are examples of damaged areas.



Figure 2

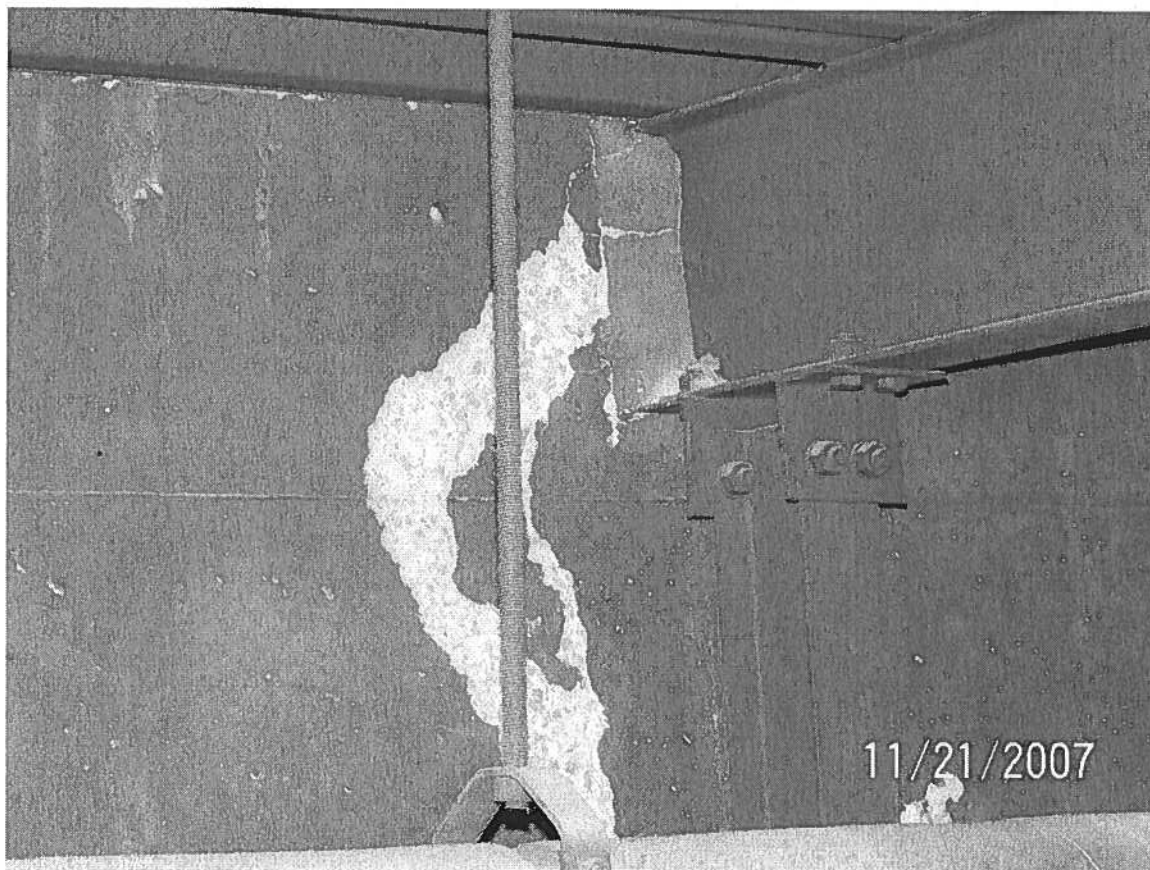


Figure 3

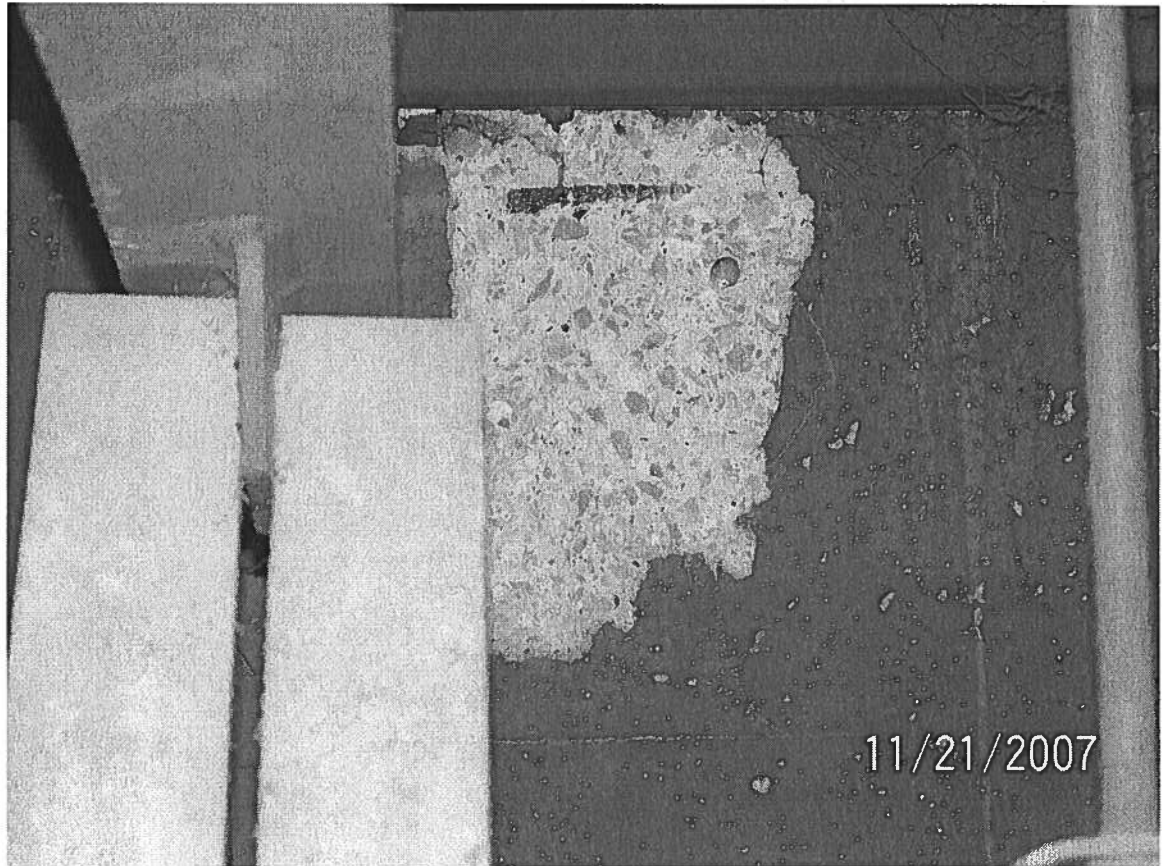
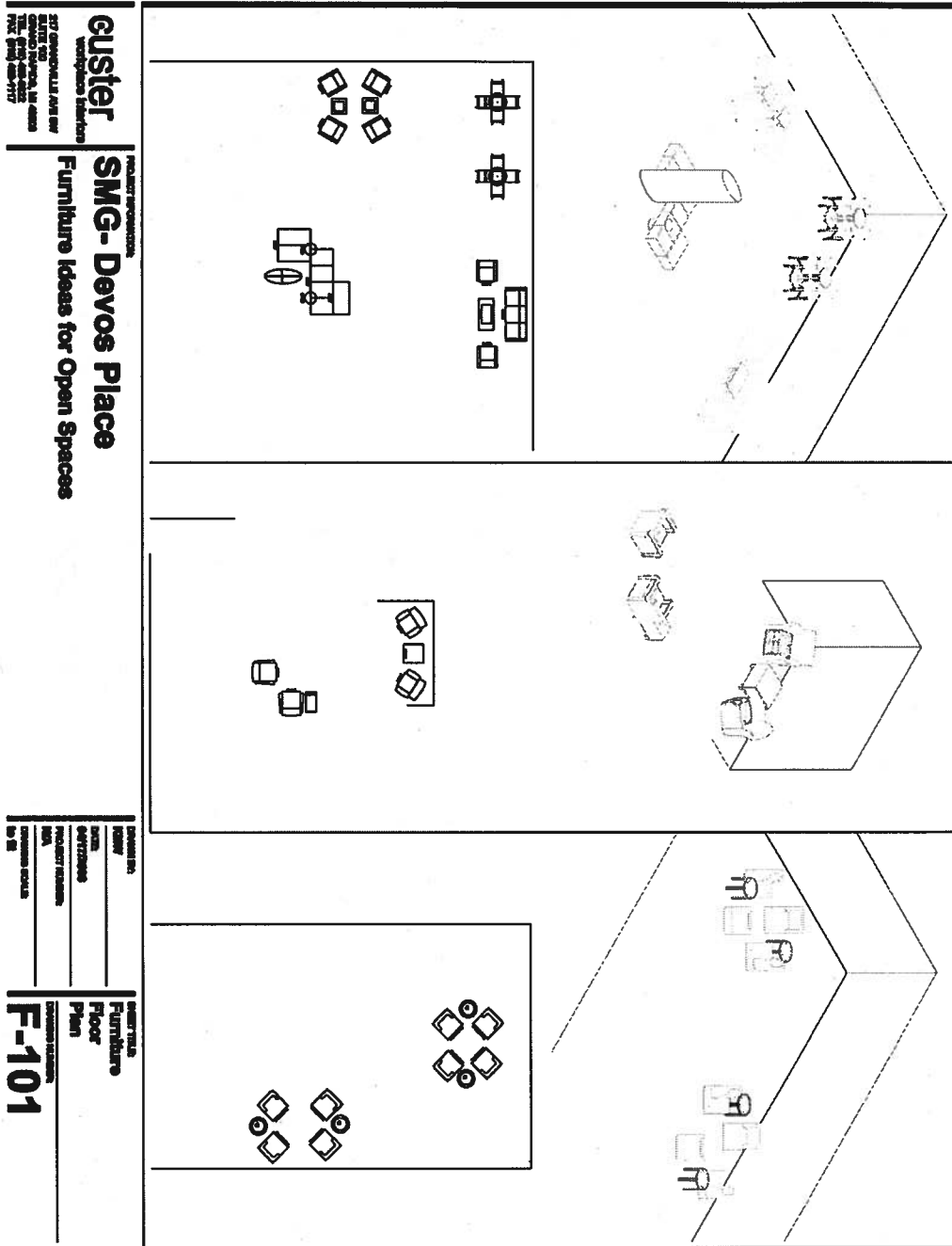


Figure 4

2. **WI FI EQUIPMENT UPGRADES \$50,000**—Current system designed to handel about 100 users at the same time throughout the facility. Experience is showing demand for wireless is increasing as well as in much higher densities ie meeting in a single room requiring 50 users. Also upgrades original 802.11b platform to 802.11a and 802.11g, the most current standards.
3. **PUBLIC CIRCULATION FURNITURE \$30,000**—New lounge type furniture for heavy traffic areas along the Skyway for rest/lounge areas; large open area coming from Amway Hotel into DeVos Place, Skyway at the turn by administrative offices, River Overlook area at top of west escalators.



4. SNOW MELT MONROE AVE—Current snow melt system on Monroe Ave. extends from main Grand Gallery entrance to south edge of De Vos Performance Hall. Effectively only covers the main entrance areas.

A. \$170,000—Addition of snow melt system on Monroe Ave from south edge of De Vos Performance Hall south to property line of River City

Building at 201 Monroe. This assumes current refurbishment of Ricer City Bldg will include snow melt.

5. THEATER FIRE CURTAIN \$250,000—This project was in last years budget at \$115,000. Increases attributed to code requirements which will require a dramatically heavier curtain, in turn requiring additional steel, supports, and rigging. In addition lead time increased to over 20 weeks. This project needs to be re-bid entirely.
6. THEATER LIGHTING INSTRUMENTS \$50,000—Upgrade theatrical lighting control system and software with addition of new theatrical lighting instruments. Will provide more flexible theatrical lighting for local Arts organizations as well as a number of touring attractions.
7. UPGRADES TO NORTEL TELECOM SYSTEM \$90,000—Software and hardware upgrades to existing telecom system for both Van Andel Arena and De Vos Place. These upgrades are required by manufacturer to continue software system support. As we review the requirements we will be analyzing the number of ports we currently have to the actual use in an effort to reduce the total cost of this upgrade.

Memorandum

To: CAA Operations Committee Members
From: Susan Waddell, Administrative Manager
Date: June 19, 2008
Re: DeVos Place® Art Location Opportunities

Convention
Arena
Authority

Per the CAA Operations Committee meeting yesterday, enclosed is the schematic prepared by Phil Lundwall of Progressive AE showing potential locations for artwork installation.

Steven Heacock,

Chairman

Birgit Klohs

Clif Charles

Gary McInerney

George Heartwell

Joseph Tomaselli

Lew Chamberlin

Please contact me if you have any questions or would like additional information. My telephone number is 742-6594 and my e-mail address is: swaddell@smggr.com. Thank you.

Have a great summer! See you in August.



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DEVOS PLACE

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VAN ANDEL ARENA/DE VOS PLACE

CAPITAL YE 2009 NOTES

June 9, 2008

VAN ANDEL ARENA

ITEM	BUDGET	
Variable frequency drives	\$	30,000.00
NW Concourse expansion	\$	450,000.00
Security Concourse cameras	\$	50,000.00
Ice edger	\$	8,000.00
Upper bowl curtain system	\$	225,000.00
	\$	763,000.00

DE VOS PLACE

Theater concrete repair	\$	65,000.00
WI FI Equipment upgrades	\$	50,000.00
Public circulation furniture	\$	30,000.00
Snow Melt system	\$	170,000.00
Theater fire curtain	\$	250,000.00
Theater lighting instruments	\$	50,000.00
Upgrade Telecom system	\$	90,000.00
	\$	705,000.00

2008 CARRYOVER

Theater Fall Arrest System	\$	60,000.00
VAA Removable Seating	\$	300,000.00
	\$	360,000.00

TOTAL COMBINED BUDGET YE 2009

\$1,828,000.00

VAN ANDEL ARENA: \$763,000

1. VARIABLE FREQUENCY DRIVES \$30,000 (VFDs)—Addition of VFDs to 9 pumps and fans primarily related to the ice plant. These drives provide the greatest possible energy savings to motors of this type. VFDs provide soft-start capabilities, which decreases electrical stresses and line voltage sags associated with full voltage motor start-ups. The applied frequency and voltage are increased at a controlled rate, or ramped up, without drawing excessive current.

Energy savings payback ranges from 8 months to 42 months depending on the individual motor with the shorter time frame relating to the 4 largest motors.

Total payback for this project should be well under two years.

2. NW CONCOURSE EXPANSION \$450,000—Expand NW concourse area by 2,000+sf to relieve congestion on larger attended events and improve merchandise and food & beverage sales area. Heavy congestion in this area caused by opposing traffic flows from Skywalk entrance and main entrance crossing lines for main womens restroom and merchandise stands. Figure 1 below is current congested area. Attachment A shows proposed expansion.

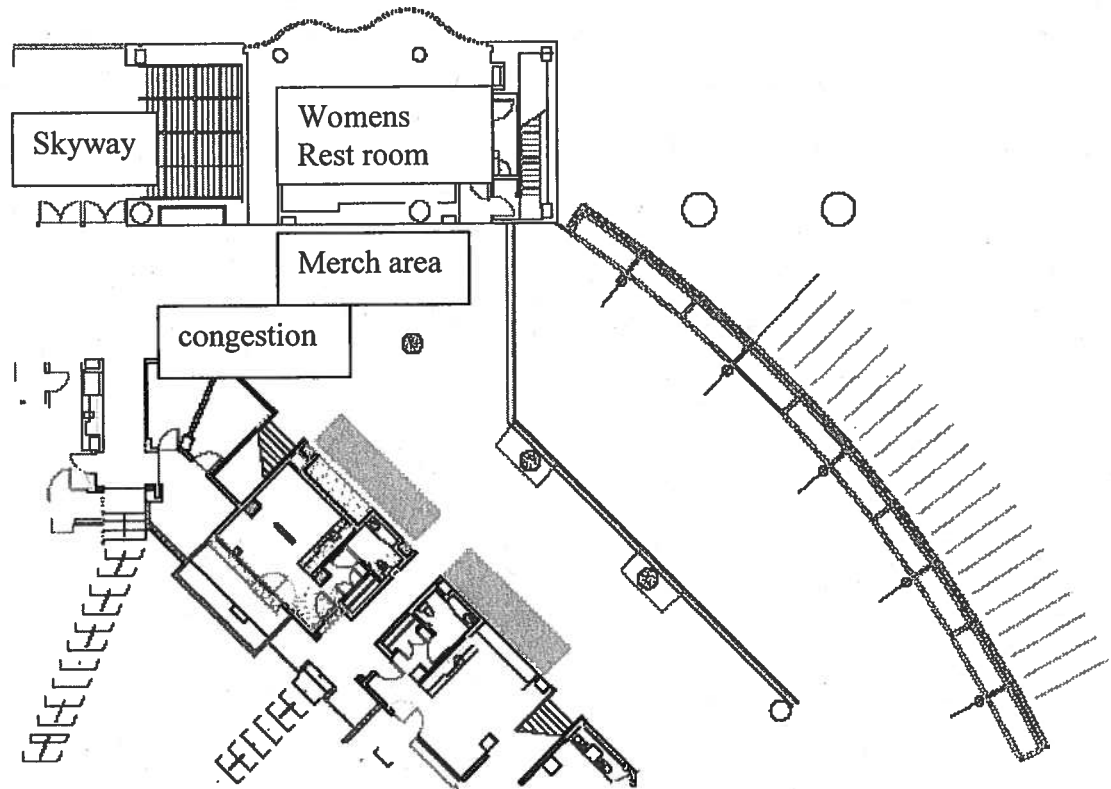


Figure 1

3. SECURITY CONCOURSE CAMERAS \$50,000--Addition of 7 security cameras and related recording/controls for arena east and west concourse. Currently no security cameras in these areas.
4. ICE EDGER \$8,000—Replacement equipment for ice maintenance.
5. UPPER BOWL CURTAIN \$225,000—Blackout curtain and associated rigging/controls to drape off upper bowl. Provides the ability to book events requiring smaller seating capacity by making the facility appear smaller with quantities of unsold seating not visible.

DE VOS PLACE: \$705,000

1. **THEATER CONCRETE REPAIR \$65,000**—Repairs to structural concrete where high rigging steel connects. Over the years expansion/contraction have caused concrete to crack and spall. This project removes existing concrete, reinstalls bearing plates and fills area with non-shrink grout. Budget includes repairs, engineering fees, contingencies. Figures 2-4 below are examples of damaged areas.

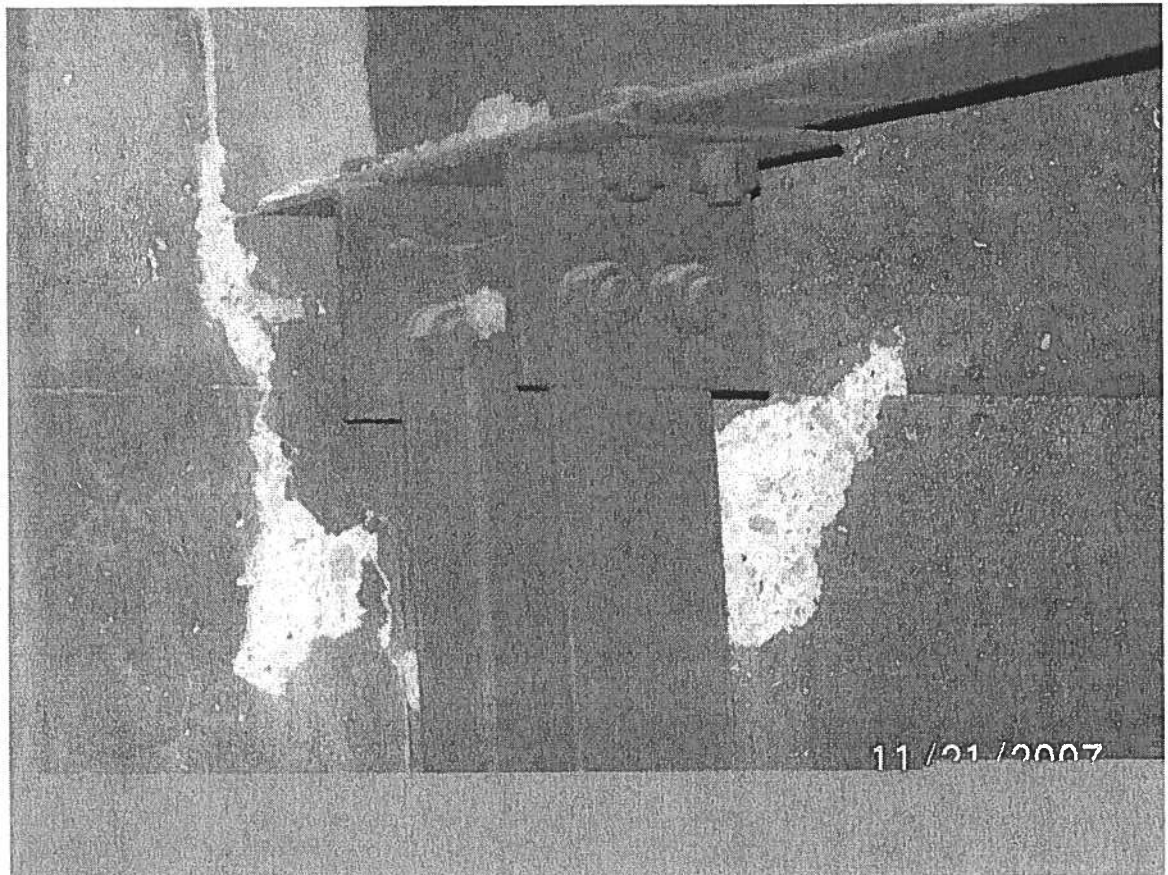


Figure 2

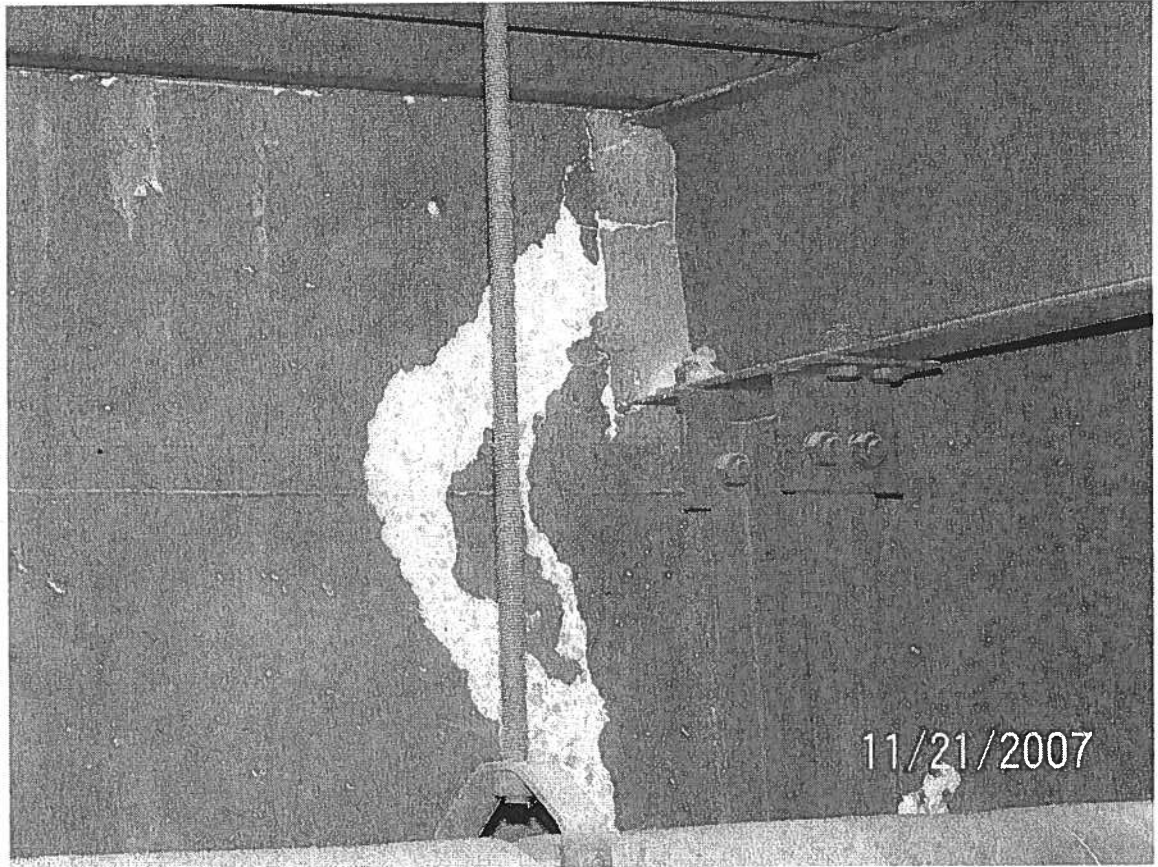


Figure 3

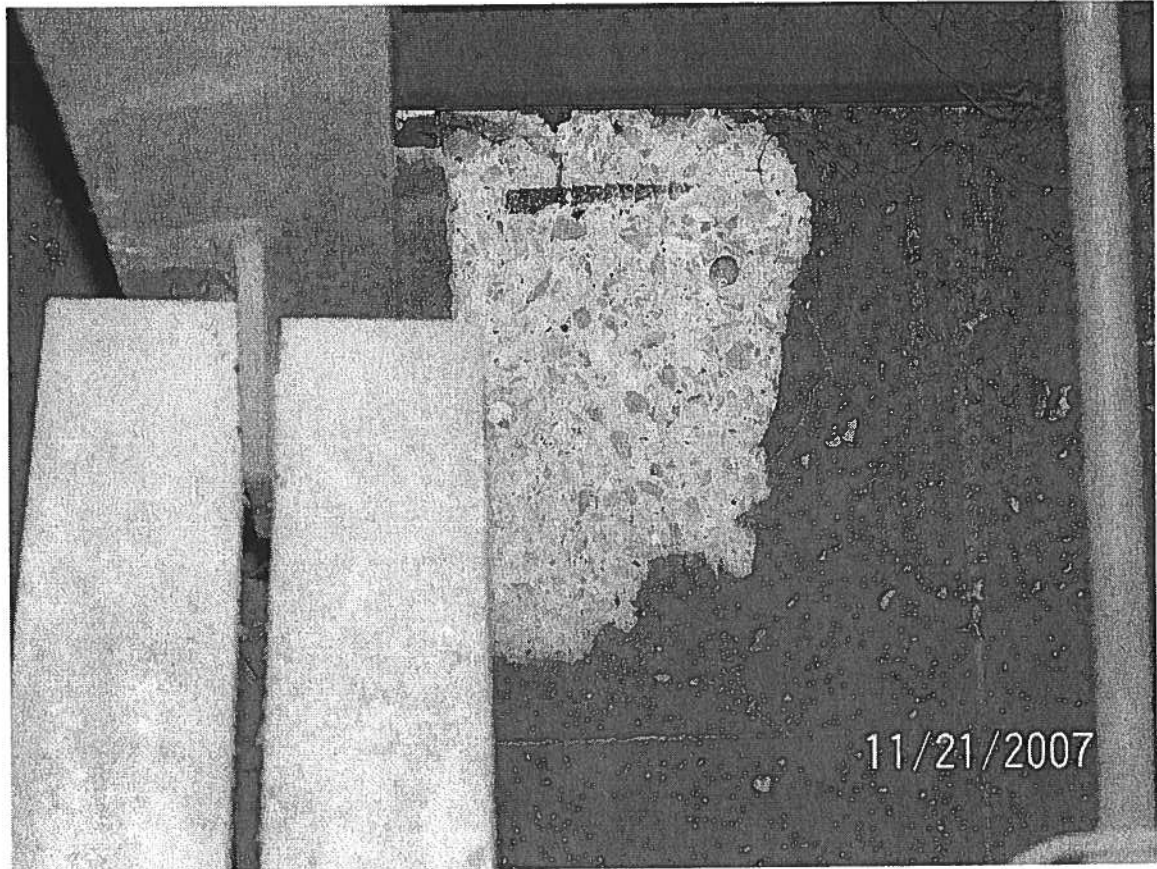
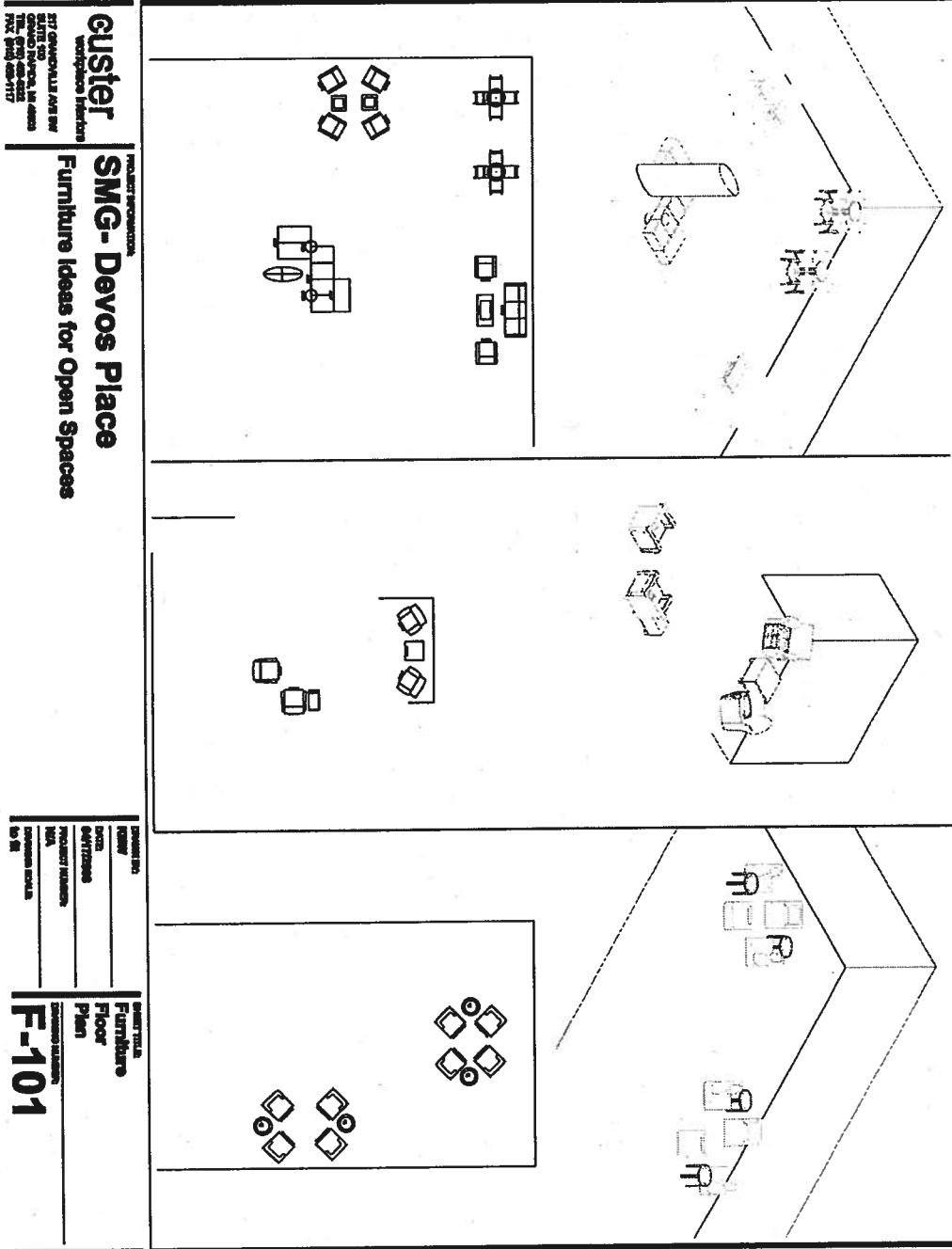


Figure 4

2. **WI FI EQUIPMENT UPGRADES \$50,000**—Current system designed to handel about 100 users at the same time throughout the facility. Experience is showing demand for wireless is increasing as well as in much higher densities ie meeting in a single room requiring 50 users. Also upgrades original 802.11b platform to 802.11a and 802.11g, the most current standards.
3. **PUBLIC CIRCULATION FURNITURE \$30,000**—New lounge type furniture for heavy traffic areas along the Skyway for rest/lounge areas; large open area coming from Amway Hotel into DeVos Place, Skyway at the turn by administrative offices, River Overlook area at top of west escalators.



4. SNOW MELT MONROE AVE—Current snow melt system on Monroe Ave. extends from main Grand Gallery entrance to south edge of De Vos Performance Hall. Effectively only covers the main entrance areas.

A. \$170,000—Addition of snow melt system on Monroe Ave from south edge of De Vos Performance Hall south to property line of River City

Building at 201 Monroe. This assumes current refurbishment of Ricer City Bldg will include snow melt.

5. THEATER FIRE CURTAIN \$250,000—This project was in last years budget at \$115,000. Increases attributed to code requirements which will require a dramatically heavier curtain, in turn requiring additional steel, supports, and rigging. In addition lead time increased to over 20 weeks. This project needs to be re-bid entirely.
6. THEATER LIGHTING INSTRUMENTS \$50,000—Upgrade theatrical lighting control system and software with addition of new theatrical lighting instruments. Will provide more flexible theatrical lighting for local Arts organizations as well as a number of touring attractions.
7. UPGRADES TO NORTEL TELECOM SYSTEM \$90,000—Software and hardware upgrades to existing telecom system for both Van Andel Arena and De Vos Place. These upgrades are required by manufacturer to continue software system support. As we review the requirements we will be analyzing the number of ports we currently have to the actual use in an effort to reduce the total cost of this upgrade.



Memorandum

To: Grand Rapids-Kent County
Convention/Arena Authority

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

Date: June 19, 2007

Re: Fiscal Year 2008 Budget Amendment

Convention
Arena
Authority

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

The cover memorandum for agenda item VI – CAA Administrative Budget – contains a sentence that reads as follows, “Recognition and authorization of the anticipated budgetary overrun should be acknowledged prior to close-out of the current fiscal year accounting.”

On Statement C of that report, it is noted that the current operating budget for the Van Andel Arena® totals \$3,622,718, with an updated current-year expenditure of \$3,721,922.

It is recommended that the CAA Board adopt a resolution authorizing an increase in the budget of the Van Andel Arena® at least equal to the spending estimate.



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DEVOS PLACE

DeVos Place®
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Grand Rapids, MI 49503-2233
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Memorandum

To: CAA Board Members

From: Robert White, Director
Kent County Fiscal Services

Date: June 19, 2008

Re: Review/Recommendation Concerning Investment Policy/Practices

Convention
Arena
Authority

Steven Heacock,

Chairman

Birgit Klohs

Clif Charles

Gary McInerney

George Heartwell

Joseph Tomaselli

Lew Chamberlin

Attached immediately following this memorandum is a copy of the Convention/Arena Authority's investment policy as approved on July 20, 2000. Section V., "Suitable and Authorized Investment" generally mirrors the definition of investments permitted by state statute, with the exception of "Obligations of this State or any of its political subdivisions ..." I do not believe the Authority would find an investment of this nature as providing a competitive interest rate. These debt obligations are predominantly tax-exempt/long-term and the lower effective interest rate of these instruments reflects that status. I recommend no change in the current investment policy of the Convention/Arena Authority.

In October 2004, the Convention/Arena Authority entered into an agreement with the Kent County Treasurer whereby the County Treasurer's office would provide investment management services for a significant portion of the Authority's available funds. The County Treasurer's practice is to generally invest this money in U.S. obligations and certificates of deposit with an average one-year maturity. Attachment B provides a comparative analysis of County "pooled investment" rates with one-year U.S. Treasury obligations over the term of this agreement (forty-two months). The pooled investment account has returned an average interest rate of 4.14% versus a benchmark rate (one-year U.S. Treasuries) of 4.06%. I would recommend that the Finance Committee of the Authority continue to utilize the services of the County Treasurer and his "pooled investment" account to provide investment management services for the Authority.

Attachment C provides a listing of the various accounts of the Convention/Arena Authority held either by SMG, as facility manager, or by the Authority itself. The interest rates quoted on each account are those that were available on April 30, 2008. This material is provided only as background information for the members of the Authority Finance Committee.



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Attachment A

CONVENTION/ARENA AUTHORITY INVESTMENT POLICY

Approved July 20, 2000

To comply with Act 20 of the Public Acts of Michigan of 1943, as amended.

I. Purpose

It is the policy of the Convention/Arena Authority to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the Convention/Arena Authority, and comply with all State statutes governing the investment of public funds.

II. Scope

This policy applies to all financial assets of the Convention/Arena Authority. These assets are accounted for in the Operating, Capital Replacement Reserve and Capital Improvement Funds and any new fund established by the Convention/Arena Authority.

III. Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

A. **Safety** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

1. **Credit Risk** The Convention/Arena Authority will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the Convention/Arena Authority will do business
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized

2. **Interest Rate Risk** The Convention/Arena Authority will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
- Investing operating funds primarily in shorter-term securities.

B. **Liquidity** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

C. **Yield** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal
- A security swap would improve the quality, yield, or target duration in the portfolio
- Liquidity needs of the portfolio require that the security be sold

IV. Standards of Care

A. **Prudence** The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

B. Ethics and Conflicts of Interest Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Convention/Arena Authority.

C. Delegation of Authority Management responsibility for the investment program is hereby delegated to the Treasurer, who shall establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements, and banking service contracts. No person may engage in an investment transaction except as provided under the terms of this policy, and the procedures established by the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

V. Suitable and Authorized Investment

(1) The Treasurer is limited to investments authorized by Act 20 of 1943, as amended, and may invest in the following:

A. Bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States

B. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution complies with subsection (2)

C. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services, and the debt matures not more than 270 days after the date of purchase

D. Repurchase agreements consisting of instruments listed in the subdivision (letter A.)

E. Bankers acceptances of United States banks

(2) A public corporation that invests its funds under subsection (1) shall not deposit or invest the funds in a financial institution that is not eligible to be a depository of funds belonging to the State under a law or rule of this State, or the United States.

VI. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements and financial institution deposits, entered into by the Treasurer shall be on a cash basis. Securities may be held by a third party custodian designated by the Treasurer, and evidenced by safekeeping receipts as determined by the Treasurer.

VII. Reporting

The Treasurer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the Convention/Arena Authority to ascertain whether investment activities during the reporting period conform to the investment policy. The report will be provided to the full Board of the Convention/Arena Authority.

Attachment B

Grand Rapids-Kent County Convention/Arena Authority Investments in Kent County Pooled Account Actual Return Compared in One-Year US Treasuries November 2004 to Present

<u>Mo./Year⁽¹⁾</u>	<u>US Treasury 1 Year</u>	<u>County Pooled Account Rate</u>	<u>Positive Margin (Shortfall)</u>
4/08	1.56%	4.11%	2.55%
3/08	1.32	4.31	2.99
2/08	2.02	4.53	2.51
1/08	2.87	4.70	1.83
12/07	3.34	4.80	1.46
11/07	3.49	4.89	1.40
10/07	4.33	5.02	0.69
9/07	4.23	5.09	0.86
8/07	4.41	5.09	0.68
7/07	5.01	5.10	0.09
6/07	4.93	5.07	0.14
5/07	4.85	5.05	0.20
4/07	4.97	5.12	0.15
3/07	4.93	5.06	0.13
2/07	5.04	5.08	0.04
1/07	5.06	5.08	0.02
12/06	4.96	5.08	0.12
11/06	5.04	5.02	(0.02)
10/06	5.05	5.00	(0.05)
9/06	5.03	4.95	(0.08)
8/06	5.11	4.85	(0.26)
7/06	5.24	4.68	(0.56)
6/06	5.15	4.56	(0.59)
5/06	5.01	4.45	(0.56)
4/06	4.93	4.32	(0.61)
3/06	4.77	4.18	(0.59)
2/06	4.70	3.99	(0.71)
1/06	4.42	3.85	(0.57)
12/05	4.33	3.70	(0.63)
11/05	4.38	3.57	(0.81)
10/05	4.21	3.52	(0.69)
9/05	3.81	3.39	(0.42)
8/05	3.91	3.23	(0.68)
7/05	3.61	3.10	(0.51)
6/05	3.39	3.00	(0.39)
5/05	3.33	2.87	(0.46)
4/05	3.26	2.76	(0.50)
3/05	3.32	2.64	(0.68)
2/05	3.03	2.50	(0.53)
1/05	2.90	2.36	(0.54)
12/04	2.64	2.24	(0.40)
11/04	2.53	2.12	(0.41)
Average (42 Mos.)	4.06%	4.14%	+0.08%

Attachment C

Grand Rapids-Kent County Convention/Arena Authority Cash/Investment Balances @ April 30, 2008

	<u>Balance</u>	<u>Rate</u>
CAA Administrative Accounts:		
Checking	\$509,238	2.000%
Pooled Investments	21,567,063	4.114%
	<u>22,076,301</u>	<u>4.065%</u>
SMG Operating:		
DeVos Place		
Operating	299,148	0.345%
Box Office	295,363	0.246%
Payroll	(11,359)	0.000%
Money Market	165,692	2.230%
Van Andel Arena		
Operating	1,005,349	0.350%
Box Office	554,137	0.277%
Payroll	(2,556)	0.000%
Money Market-Operating	663,065	2.230%
Money Market-Box Office	146,000	2.860%
Commercial Paper		
- 5/23/08	759,556	3.050%
- 6/2/08	1,011,558	2.950%
- 5/12/08	592,043	2.420%
	<u>5,477,996</u>	<u>1.767%</u>
Totals	<u><u>\$27,554,297</u></u>	<u><u>3.608%</u></u>



MEMORANDUM

TO: CAA Board

THROUGH: Rich MacKeigan, General Manager, DeVos Place®/Van Andel Arena®

FROM: Eddie Faddock, Assistant General Manager, DeVos Place®

RE: Five (5) Year Rental Rates, DeVos Place®

Convention
Arena
Authority

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

I would like to take this opportunity to present SMG's recommendations for Room Rental Rates for DeVos Place, effective FY July 2008 through FY June 2013. SMG has established a 5-year rate card for DeVos Place® to provide potential clients chance to guarantee rental rates in outlying years. Historically, while rental rates at DeVos Place® have not increased more than 3.25% each year over the past few years (averaging between 2.75% - 3%); our rates continue to hover in the mid-range on the regional average. Our proposed pricing schedules reflect current comparisons for rent, based on current economic assumptions in the regional marketplace (2007-2008) and knowledge of rental rates of comparable venues of similar size in the area.

We consider a 5-year rate card to be a key marketing element for the facility. In addition, given our current flexibility to negotiate rental rates with clients (limited to an increase or reduction no greater than 20% of the approved rates), the proposed rates affords us continued opportunities to be competitive in the bidding process for regional and national conventions. While it is difficult to do a direct rental cost comparison within our competitive set, by adopting a 5-year rental rate card, we position ourselves appropriately to deliver the most value for the quality of product we serve.

Within the structure of the rental rate cards approved by the CAA, SMG is committed to provide the best services required in the marketing of the facilities. Given the current market conditions, we stand confident that our proposed recommendations in rental prices are within acceptable price points for current market conditions and into the foreseeable future.

Attachments: Rental Rate Schedules FY's 2009, 2010, 2011, 2012, 2013



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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 st Performance \$1,250/2 nd Performance	N/A	N/A	\$2,500	N/A
DeVos Hall (Fri-Sat)	\$3,000 vs 12%	\$3,000/1 st Performance \$1,500/2 nd Performance	N/A	N/A	\$2,500	N/A
Hall A-C	\$16,875 vs 12%	N/A	\$13,500 or \$.25 net sq. ft.	\$16,875 or \$.29 net sq. ft.	\$16,875	\$8,550
Hall A-B or B-C	\$11,250 vs 12%	N/A	\$9,000 or \$.25 net sq. ft.	\$11,250 or \$.29 net sq. ft.	\$11,250	\$5,700
Hall A, B, Or C	\$5,625 vs 12%	N/A	\$4,500 or \$.25 net sq. ft.	\$5,625 or \$.29 net sq. ft.	\$5,625	\$2,850
Meeting Rooms Grand Gallery 1 st or 2 nd	\$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
River Overlook 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 Room 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 st Performance \$1,300/2 nd Performance	N/A	N/A	\$2,600	N/A
DeVos Hall (Fri-Sat)	\$3,100 vs 12%	\$3,100/1 st Performance \$1,550/2 nd Performance	N/A	N/A	\$2,600	N/A
Hall A-C	\$17,400 vs 12%	N/A	\$14,025 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	\$9,350 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	\$4,675 or \$.25 net sq. ft.	\$5,800 or \$.29 net sq. ft.	\$5,800	\$2,950
Meeting Rooms Grand Gallery 1 st or 2 nd	\$1,250 vs 12%	N/A	\$1,000 or \$.25 net sq. ft.	\$1,250 or \$.29 net sq. ft.	\$1,250	\$925
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
River Overlook 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 st Performance \$1,350/2 nd Performance	N/A	N/A	\$2,700	N/A
DeVos Hall (Fri-Sat)	\$3,200 vs 12%	\$3,200/1 st Performance \$1,600/2 nd Performance	N/A	N/A	\$2,700	N/A
Hall A-C	\$17,925 vs 12%	N/A	\$14,550 or \$.25 net sq. ft.	\$17,925 or \$.29 net sq. ft.	\$17,925	\$9,150
Hall A-B or B-C	\$11,950 vs 12%	N/A	\$9,700 or \$.25 net sq. ft.	\$11,950 or \$.29 net sq. ft.	\$11,950	\$6,100
Hall A, B, Or C	\$5,975 vs 12%	N/A	\$4,850 or \$.25 net sq. ft.	\$5,975 or \$.29 net sq. ft.	\$5,975	\$3,050
Meeting Rooms Grand Gallery 1 st or 2 nd	\$1,300 vs 12%	N/A	\$1,050 or \$.25 net sq. ft.	\$1,300 or \$.29 net sq. ft.	\$1,300	\$950
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	\$900
River Overlook 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 st Performance \$1,400/2 nd Performance	N/A	N/A	\$2,800	N/A
DeVos Hall (Fri-Sat)	\$3,300 vs 12%	\$3,300/1 st Performance \$1,650/2 nd Performance	N/A	N/A	\$2,800	N/A
Hall A-C	\$18,450 vs 12%	N/A	\$15,075 or \$.25 net sq. ft.	\$18,450 or \$.29 net sq. ft.	\$18,450	\$9,450
Hall A-B or B-C	\$12,300 vs 12%	N/A	\$10,050 or \$.25 net sq. ft.	\$12,300 or \$.29 net sq. ft.	\$12,300	\$6,300
Hall A, B, Or C	\$6,150 vs 12%	N/A	\$5,025 or \$.25 net sq. ft.	\$6,150 or \$.29 net sq. ft.	\$6,150	\$3,150
Meeting Rooms Grand Gallery 1 st or 2 nd	\$1,350 vs 12%	N/A	\$1,100 or \$.25 net sq. ft.	\$1,350 or \$.29 net sq. ft.	\$1,350	\$975
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	\$950
River Overlook 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	\$675 vs 12%	N/A	\$675 per day	\$675 per day	\$675	\$675

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 2013 (July 1, 2012 – June 30, 2013)

ROOM	PERFORM	NON-PROFIT	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$2,900 vs 12%	\$2,900/1 st Performance \$1,450/2 nd Performance	N/A	N/A	\$2,900	N/A
DeVos Hall (Fri-Sat)	\$3,400 vs 12%	\$3,400/1 st Performance \$1,700/2 nd Performance	N/A	N/A	\$2,900	N/A
Hall A-C	\$18,975 vs 12%	N/A	\$15,600 or \$.25 net sq. ft.	\$18,975 or \$.29 net sq. ft.	\$18,975	\$9,750
Hall A-B or B-C	\$12,650 vs 12%	N/A	\$10,400 or \$.25 net sq. ft.	\$12,650 or \$.29 net sq. ft.	\$12,650	\$6,500
Hall A, B, Or C	\$6,325 vs 12%	N/A	\$5,200 or \$.25 net sq. ft.	\$6,325 or \$.29 net sq. ft.	\$6,325	\$3,250
Meeting Rooms Grand Gallery 1 st or 2 nd	\$1,400 vs 12%	N/A	\$1,150 or \$.25 net sq. ft.	\$1,400 or \$.29 net sq. ft.	\$1,400	\$1,000
Meeting Rooms Grand Gallery Individual	\$475 vs 12%	N/A	\$475 or \$.25 net sq. ft.	\$475 or \$.29 net sq. ft.	\$475	\$475
Ballroom	\$5,600 vs 12%	N/A	\$4,600 or \$.25 net sq. ft.	\$5,600 or \$.29 net sq. ft.	\$5,600	\$3,300
Ballroom A,B,C-D	\$1,950 vs 12%	N/A	\$1,850 or \$.25 net sq. ft.	\$1,950 or \$.29 net sq. ft.	\$1,950	\$1,500
Ballroom C or D	\$1,100 vs 12%	N/A	\$1,050 or \$.25 net sq. ft.	\$1,100 or \$.29 net sq. ft.	\$1,100	\$1,000
River Overlook Meeting Rooms	\$475 vs 12%	N/A	\$475 per day	\$475 per day	\$475	\$475
Board Room	N/A	N/A	\$525 per day	\$525 per day	\$525	\$525
Monroe Meeting Rooms A-D	\$1,000 vs 12%	N/A	\$950 per day	\$1,000 per day	\$1,000	\$950
Monroe Meeting Room B, C, or D	N/A	N/A	\$375 per day	\$375 per day	\$375	\$375
Recital Hall or Monroe Meeting Room A	\$700 vs 12%	N/A	\$700 per day	\$700 per day	\$700	\$700

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.



To: Grand Rapids-Kent County Convention/Arena Authority
From: Robert J. White
Date: June 19, 2008
Re: Fiscal Year 2009 Contracts
DeVos Place® Parking Facility – City Auto Parking Service Contract

The City and the CAA first entered into a "Parking Operation and Maintenance Agreement" for DeVos Place® in January 2004. That contract expired on June 30, 2005, and was renewed under the same general terms and conditions scheduled to now expire on June 30, 2008. The services provided under the existing agreement included staffing of the parking booths (operations), security (roving security personnel who provide both security and customer assistance), and routine maintenance including striping, wash-down, cleaning, and sweeping (facilities maintenance). The proposed new contract, attached hereto, retains the services of the City-Auto Parking System for operations and security on and after July 1, 2008. The facilities maintenance requirements would be provided by the facility manager (SMG), subject to approval of the SMG budget for Fiscal Year 2009. This recommendation is being made in order to eliminate a significant overlap in maintenance responsibilities between SMG and Auto Parking System personnel. In addition, the Authority would significantly reduce its cost exposure.

The Fiscal Year 2008 budget, previously approved, provided a budgetary allowance of \$365,243 for services provided under the existing Auto Parking System – Operating and Maintenance Agreement. The proposed Fiscal Year 2009 budget, originally submitted by Auto Parking System, totaled \$332,199. After removal of the facilities maintenance portion of the original budget submittal, the revised budget request totals \$281,495. In substitution for facilities maintenance services provided by the City-Auto Parking System, SMG will submit a separate indirect expense category for like services to be provided. The budgetary request submitted by SMG for this activity totals \$25,000, including a one-time expense of \$8,000 for extension of water service lines into the facility. This represents a savings of approximately \$25,000 from the budgetary forecast submitted by the City-Auto Parking System. In addition, consolidation of this maintenance work in the parking facility will avoid the overlap of responsibilities which presently exists between the two entities.

I am recommending that the "Parking Operation Agreement" with the City of Grand Rapids be approved for a new three-year period.

Attachment: Parking Operation Agreement as drafted by CAA legal counsel, Richard Wendt.



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



PARKING OPERATION AGREEMENT

THIS PARKING OPERATION AGREEMENT (the "Agreement") is made as of July 1, 2008, by and between the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY**, a Michigan statutory authority (the "CAA" or "Authority"), and the **CITY OF GRAND RAPIDS**, a Michigan municipal corporation (the "City").

PREMISES

A. The CAA controls the operation of DeVos Place, a performing arts/convention/entertainment facility located at 303 Monroe Avenue, N.W., in the City (the "Convention Center"), including 690 parking spaces located in the lower level of the Convention Center identified on Exhibit A attached hereto (the "Parking Spaces").

B. The Operating Agreement dated as of March 29, 2000 (the "Operating Agreement"), between the County of Kent (the "County") and the City related to the Convention Center provides that (a) "all parking facilities constituting a portion of the Convention Center shall be operated by the City's Parking System under the direction of the Authority with any net income in a fiscal year of the Authority, after deduction of operating expenses, belong to the Authority" and (b) "the Authority shall make available to the County and the City, for employees and other users the parking spaces in the Convention Center parking facilities at a cost equal to a pro rata share of operating expenses."

C. The CAA and the City previously entered into a Parking Operation and Maintenance Agreement dated June 21, 2005, related to the Parking Spaces which expires June 30, 2008.

D. The CAA and the City desire to enter into this Agreement setting forth (a) the terms and conditions for the continued operation but not maintenance of the Parking Spaces and (b) the basis for providing, including the determination of cost, the Parking Spaces to the County and the City.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the parties agree as follows:

Section 1. Operation of Parking Spaces. Subject to the terms and conditions of this Agreement, the City, through its Parking Services Department (the "Department"), shall be responsible for the operation of the Parking Spaces.

Section 2. Parking Control Equipment. The CAA shall at its cost be responsible for providing, replacing and upgrading at each entry/exit to the Parking Spaces parking control equipment compatible with the City's Automobile Parking System (the "System") and, where required, attendant booths of the same or similar quality as booths located in City-owned parking ramps within the System. The City shall be responsible for the maintenance of such parking control equipment and attendant booths. In this regard, the City currently maintains its parking control equipment throughout the System pursuant to a maintenance agreement with an outside vendor and has included the Convention Center Parking Spaces parking control equipment in

such maintenance agreement and will include the Convention Center Parking Spaces parking control equipment in any future maintenance agreements and will pass such additional costs related to such parking control equipment on to the CAA as an operational cost which the CAA agrees to pay.

Section 3. Conditions of Operation. The operation of the Parking Spaces by the Department shall be subject to the following conditions:

- (a) Unless otherwise agreed by the CAA and the City, the Department shall be responsible for providing:
 - 1. Attendant staffing as and to the level mutually determined necessary by the CAA's Owner's Representative and the Department.
 - 2. Security/customer service "red car" patrol at the same level provided to parking lots and ramps in the System during those times that the Parking Spaces are available for public monthly pass, daily in/out or special event use. It is understood that the CAA has installed and will maintain and monitor security cameras throughout the area of the Parking Spaces as a part of the Convention Center's overall security system.
 - 3. Supervision of Department personnel performing services pursuant to this Agreement related to the Parking Spaces and related administrative services including management and accounting services.
- (b) The level of operation provided shall, except as otherwise provided in this Agreement, be equal to that provided by the Department to City-owned ramps operated and maintained by the Department.
- (c) The City, including the Department, shall not be responsible for any maintenance of the Parking Spaces.

Section 4. Utilities. The CAA shall be responsible for furnishing and paying for utilities related to the space occupied by the Parking Spaces, including electricity for lighting and parking control equipment and electric and telephone lines for attendant booths.

Section 5. Hours of Operation. The CAA's Owner's Representative shall determine the hours of operation of the Parking Spaces for both event and non-event days.

Section 6. City and County Use of Parking Spaces. Pursuant to the terms of the Operating Agreement, the CAA is required to make the Parking Spaces available to the County and the City for employees and other users on a prepaid monthly pass basis. When such spaces are requested by the County or the City, the Department shall work with the CAA to facilitate making the requested spaces available. Unless otherwise mutually agreed by the City and CAA, the City agrees that it will maintain from time to time at the Government Center Parking Ramp located across Monroe Avenue from the Convention Center (the "Government Center Ramp") as daily/special event spaces (without in and out privileges) parking spaces of an equal number to

the number of spaces that have moved from the Government Center Ramp to the Parking Spaces at the request of the City.

Section 7. Monthly Parking Passes. Except for the monthly parking passes required to be made available to the City and County pursuant to Section 6 hereof, the total number of monthly parking passes issued at any one time for the Parking Spaces shall be approved by the CAA's Owner's Representative.

Section 8. Establishment of Parking Rates. Rates charged for use of the Parking Spaces, except those made available to the County and City pursuant to Section 6 hereof, shall be (a) as determined from time to time by the City Parking Commission and the City Commission in conjunction with the Department's annual facilities study update after receiving input from the CAA's Owner's Representative, and (b) as finally approved by the CAA's Owner's Representative *provided, however*, such (i) prepaid daily maximum rate shall not be less than 80% of the similar rate charged at the Government Center Ramp and (ii) the prepaid monthly pass rate and special event rates shall not be less than those similar rates charged at the Government Center Ramp unless the CAA and the City otherwise mutually agree.

Section 9. Establishment of Parking Rates for County and City Use. In accordance with the provisions of the Operating Agreement, parking spaces made available to the County and City pursuant to Section 6 hereof are to be provided at a cost equal to the pro rata share of the operating and maintenance expenses of the Parking Spaces used by the County and City. The Department shall with the assistance of the CAA's Owner's Representative determine such cost annually in conjunction with its annual facilities update. Costs to be incorporated in the rate established for the County and the City shall include the Department's operating costs, including a reasonable management fee related to the Parking Spaces (the "Department Operating Costs") and a pro rata share of operation and maintenance incurred by the CAA in connection with the Parking Spaces such as a pro rata share of utility costs, elevator maintenance, insurance premiums and building security and maintenance costs related to the Parking Spaces for maintenance services performed by the CAA's Owner's Representative or other entity(ies) the CAA contracts with to provide such maintenance services (collectively, with the Department Operating Costs, the "Parking Spaces Operating and Maintenance Costs"). For each fiscal year during the term of this Agreement beginning with the fiscal year commencing July 1, 2008, the rate established for the City and the County (the "CC Rate") shall be determined based on estimated costs for such fiscal year plus an upward or downward adjustment to reflect the recovery of actual costs versus estimated costs for the prior fiscal year (the "Adjustment"). The CC Rate for the County and City shall be determined by dividing the total number of monthly passes for the Parking Spaces issued by the Department at the time of such determination (but such number shall never be less than the number of Parking Spaces) into the Parking Spaces Operating and Maintenance Costs plus or minus the Adjustment for such fiscal year. The Department shall make available to the CAA's Owner's Representative the calculation of such CC Rate for review and approval prior to the implementation of such CC Rate. It is understood that for the purpose of determining the CC Rate, Parking Spaces Operating and Maintenance Costs will not be allocated to daily in/out parkers and event parkers.

Section 10. Preparation and Approval of Annual Budget. The Department shall prepare and submit to the CAA's Owner's Representative for approval an operating cost budget for the services it is required to perform pursuant to this Agreement for the Parking Spaces for

the ensuing fiscal year. Annual budgets shall be submitted at least 90 days prior to the beginning of the CAA's fiscal year (July 1).

Section 11. Review of Procedures for Establishing Parking Rates and Other Matters. The CAA through its Owner's Representative and the City through the Department agree to meet to review the procedures used to establish rates pursuant to Sections 8 and 9 hereof and, if based on such review, it is mutually agreed to revise such procedures, to amend this Agreement to reflect such revisions. In addition, the CAA through its Owner's Representative and the Department agree to communicate regularly as necessary concerning the levels of operation service provided for the Parking Spaces and to meet and review such levels of service on an annual basis.

Section 12. Collection and Deposit of Receipts and Payment of Department Operating Costs. The Department shall bill and collect all revenues for the Parking Spaces based on rates established pursuant to Sections 8 and 9 hereof and cause any such receipts generated from hourly, daily or event collections to be deposited daily in a CAA bank account pursuant to written instructions from the CAA's Owner's Representative. Bill receipts generated from credit card, validation accounts and monthly card holder fees will be accounted for on a monthly basis and subtracted from the monthly operating costs billing invoices. The Department shall bill the CAA for Department Operating Costs on a calendar month basis. The billing invoice shall contain "line item" detail and documentation verifying such Department Operating Costs shall be promptly made available by the Department to the CAA's Owner's Representative upon request. The CAA shall pay such invoices within 30 days of their receipt. If the CAA has any questions regarding an invoice, it shall promptly notify the Department and the CAA's Owner's Representative and the Department shall promptly meet to resolve such questions and make any required adjustments in the invoice.

Section 13. Term. The Agreement shall be for a term commencing on July 1, 2008, and ending June 30, 2011, subject to the right of either party to terminate the Agreement early on July 1 of any year by giving written notice to the other party at least one year prior to the termination date.

Section 14. Indemnification. The City shall indemnify the CAA and its officers, boardmembers, employees and agents (the "CAA Indemnified Parties" or "CAA Indemnified Party") against, and save the CAA Indemnified Parties harmless from, any and all liabilities, obligations, damages, penalties, costs and expenses, including reasonable attorneys fees, paid or incurred by the CAA Indemnified Parties and arising from the City's or the City's invitees use of the Parking Spaces except such as arise from the willful acts or negligence of the CAA Indemnified Parties. If any action or proceeding is brought against a CAA Indemnified Party, by reason of any such claim, the City will, upon written notice from the CAA Indemnified Party, at the City's expense, resist or defend such action or proceeding by counsel approved by the CAA Indemnified Party in writing. In providing the indemnification set forth above, the City is not waiving any defenses otherwise available to it by law; provided such defenses are also available to, and asserted by, the City for the CAA Indemnified Parties. The City shall not be responsible for the indemnification obligations set forth above with respect to any CAA Indemnified Party to the extent that a CAA Indemnified Party has waived a defense which was otherwise available to it by law.

(a) This Agreement constitutes the entire agreement between the CAA and the City related to the subject matter hereof, i.e., the operation of the Parking Spaces, and may be modified or amended in whole or in part from time to time only by mutual written agreement of the CAA and the City.

(b) As used in this Agreement the term "Owner's Representative" shall mean the general manager of the Convention Center or such other person as shall be designated to the Department by the CAA in writing.

(c) This Agreement shall be interpreted in accordance with the laws of the State of Michigan.

(d) Nothing in this Agreement is intended by the parties hereto to create, nor shall anything in it be construed as creating, any obligations to, or rights in, any party not a signatory to this Agreement that would not exist independent of this Agreement.

(e) If any particular portion of this Agreement is rendered invalid, illegal, unenforceable or otherwise of no effect, the remaining provisions of this Agreement shall remain in full force and effect so that the essence and intent of this Agreement is preserved.

(f) A failure of either party to give notice or insist upon the immediate performance of any right that it has under this Agreement shall not constitute a waiver of that right or any other right under this Agreement.

(g) The section headings of this Agreement are for convenience only and shall not be considered a part of the substance of this Agreement or affect the interpretations of this Agreement.

(h) This Agreement shall not be assigned, transferred or conveyed by either party without the prior written consent of the other party.

(i) The City shall act solely as an independent contractor with respect to the operation and maintenance of the Parking Spaces. The relationship of the City and the CAA under this Agreement shall in no way be construed to create a joint venture or partnership, or to constitute either party as an agent or employee of the other for any purpose.

IN WITNESS WHEREOF, the parties have signed this Agreement on the day first written above.

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

Steven R. Heacock, Chairman

CITY OF GRAND RAPIDS

George K. Heartwell, Mayor

Attest:

Lauri S. Parks, City Clerk

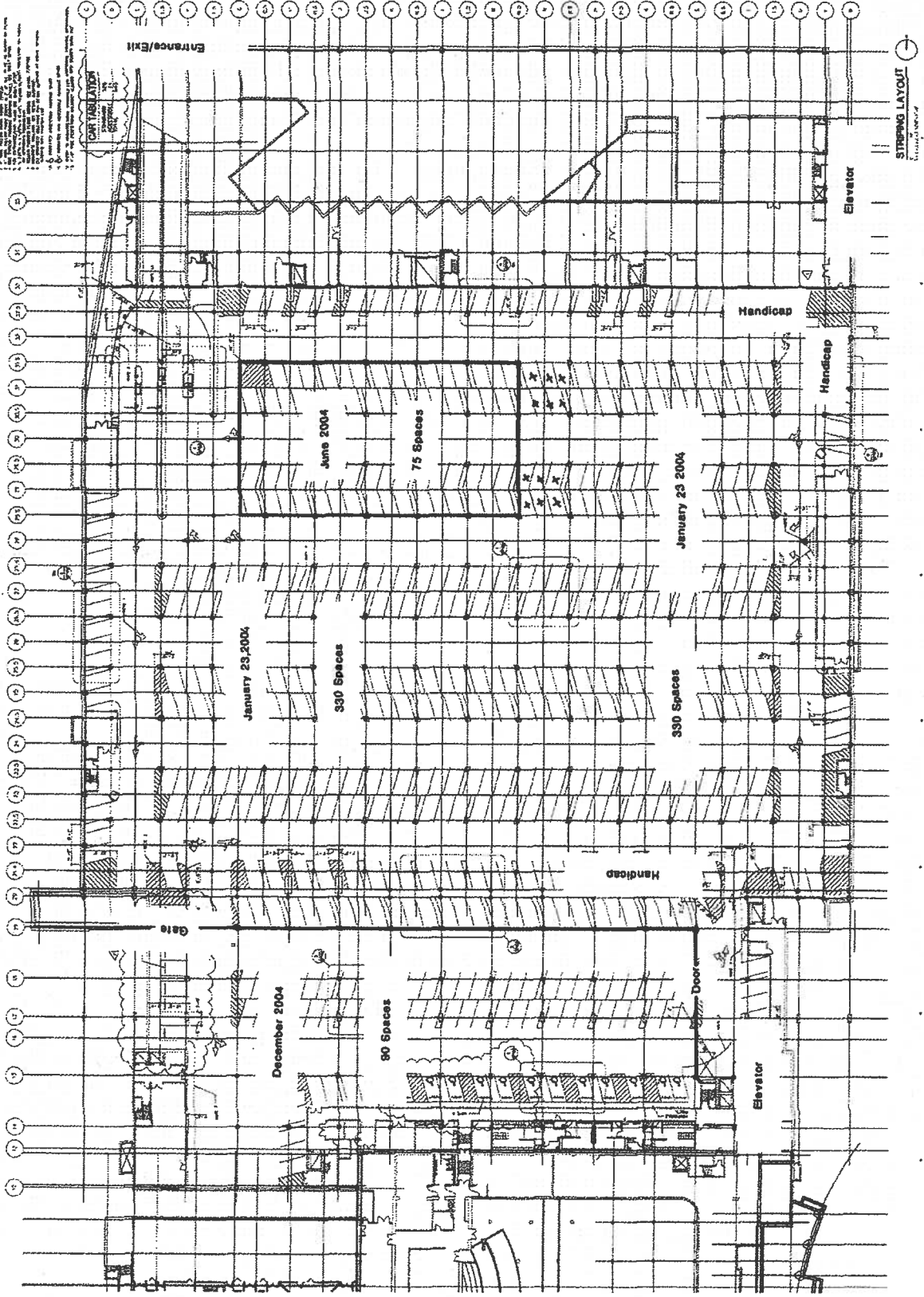
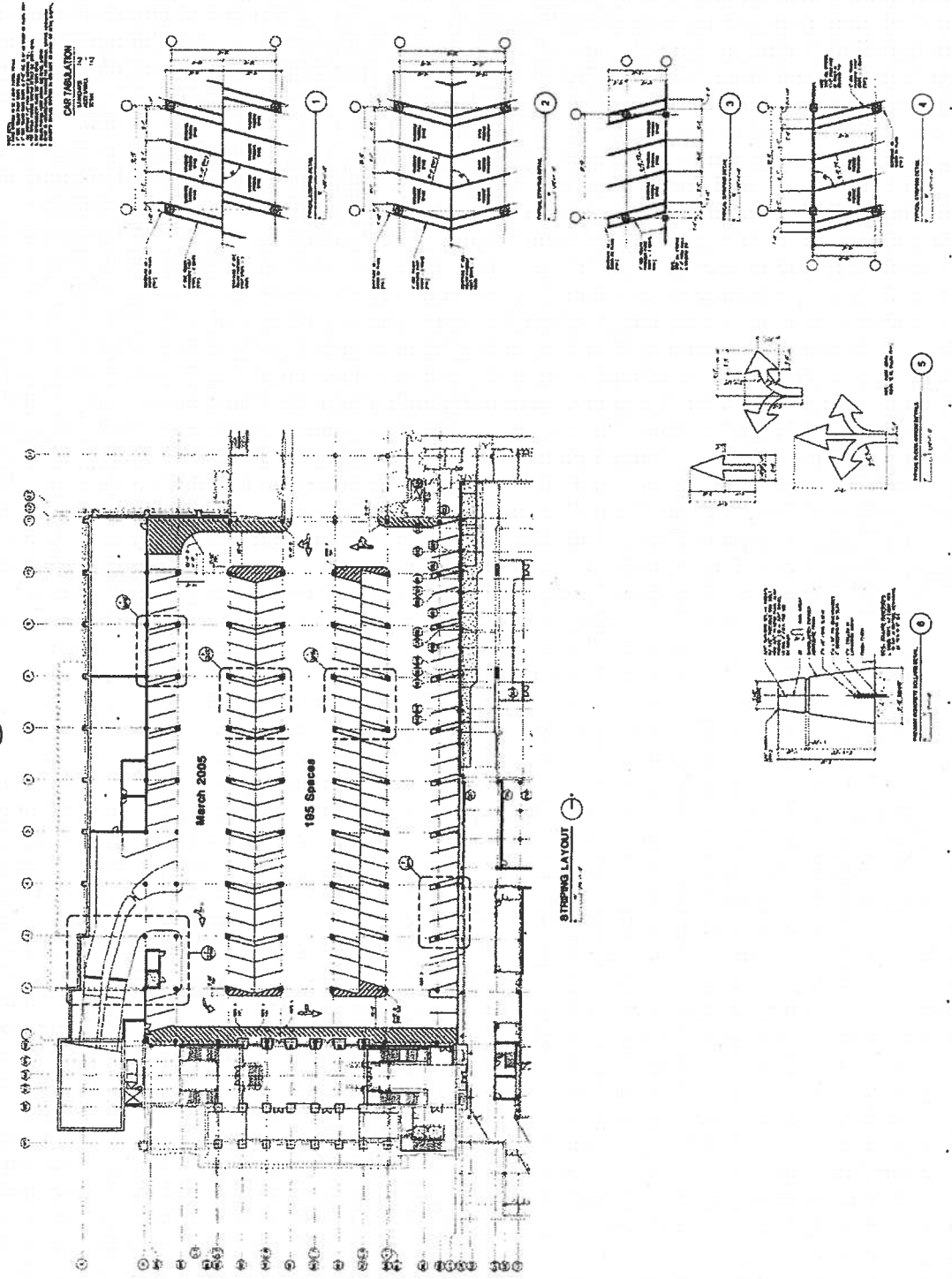



EXHIBIT A Page 2



DATE	EVENT	EC	MOD	ROOM	TIME	FUNCTION
Wed, Jun 18	SMG	DG		Huntington Club	8A-5P	Finance software training
Thur, Jun 19	SMG	DG		Hungtington Club	8A-5P	Finance software training
Fri, Jun 20	Available					
Sat, Jun 21	Available					
Sun, Jun 22	Available					
Mon, Jun 23	Available					
Tue, Jun 24	Available					
Wed, Jun 25	Available					
Thur, Jun 26	Available					
Fri, Jun 27	Available					
Sat, Jun 28	Available					
Sun, Jun 29	Available					
Mon, Jun 30	Available					
Tue, Jul 1	Available					
Wed, Jul 2	Available					
Thur, Jul 3	Available					
Fri, Jul 4	 Closed – Holiday					
Sat, Jul 5	Available					
Sun, Jul 6	Available					
Mon, Jul 7	Available					
Tue, Jul 8	Available					
Wed, Jul 9	Available					
Thur, Jul 10	Available					
Fri, Jul 11	Available					
Sat, Jul 12	Available					
Sun, Jul 13	Available					
Mon, Jul 14	Available					
Tue, Jul 15	Available					
Wed, Jul 16	Available					
Thur, Jul 17	Available					
Fri, Jul 18	Available					
Sat, Jul 19	Available					
Sun, Jul 20	Available					

DeVOS PLACE ® - JULY 2008

DATE	EVENT	ROOM	TIME	FUNCTION	EC	HOUSE STAFF	EMT'S	POLICE	SECURITY
TUES. JULY 1	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
WED. JULY 2	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
THURS. JULY 3	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
FRI. JULY 4	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
SAT. JULY 5	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
SUN. JULY 6	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
MON. JULY 7	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
TUES. JULY 8	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
WED. JULY 9	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
	2008 NSA ANNUAL CONVENTION	BALL C	8:00AM-5:00pm	SETUP	MJ	None	None	None	Welsh Lobby Lyon Dock Overnight
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
THURS. JULY 10	2008 NSA ANNUAL CONVENTION	BALL C	1:30pm - 5:30pm 8:00pm - 12:00am	Session Session	MJ	None	None	None	Welsh Lobby Overnight
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
FRI. JULY 11	2008 NSA ANNUAL CONVENTION	BALL C	8:30am - 11:30am 12:30pm - 5:30pm	MEETING MEETING	MJ	None	None	None	Lyon Dock Welsh Lobby Overnight
	DVPH - MAINTENANCE WORK	BALL D DVPH	8:00am - 5:00pm ALL DAY	EXPO LOAD-IN MAINTENANCE					
	CITY MANAGER'S MEETING	GO A	8:00AM-11:00AM	MEETING	RC	None	None	None	None
SAT. JULY 12	2008 NSA ANNUAL CONVENTION	BALL C	9:00am -12:00pm 1:00pm - 6:00pm 9:00pm -12:00am	MEETING MEETING MEETING	MJ	None	None	None	Welsh Lobby Overnight
	DVPH - MAINTENANCE WORK	BALL D DVPH	?	EXPO					
SUN. JULY 13	2008 NSA ANNUAL CONVENTION	BALL C Ballroom D	ALL DAY 12:00pm - 5:00pm ?	MAINTENANCE MEETING EXPO LOADOUT	MJ	None	None	None	Welsh Lobby
MON. JULY 14	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
	2008 QUADRENNIAL NORTH CENTRAL JURISDICTIONAL CONF.	BOARDROOM	8AM - 5PM	SETUP	RC	None	None	None	Welsh Lobby Host Desk
TUES. JULY 15	2008 QUADRENNIAL NORTH CENTRAL JURISDICTIONAL CONF.	BALL A-B RO A-F BOARDROOM	8AM - 5PM	SETUP SETUP SETUP	RC	None	None	None	Welsh Lobby Host Desk Lyon Dock?
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
WED. JULY 16	2008 QUADRENNIAL NORTH CENTRAL JURISDICTIONAL CONF.	BALL A RO A-F BALL B BOARDROOM	7AM - 10PM	GENERAL SESSION BREAKOUTS EXHIBIT BREAKOUT	RC	None	None	None	Welsh Lobby Host Desk
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
	KENT COUNTY PROPERTY AUCTION	GG A-B	11:30AM-5:00PM	MEETING	RC	None	None	None	Host Desk
THURS. JULY 17	2008 QUADRENNIAL NORTH CENTRAL JURISDICTIONAL CONF.	BALL A RO A-F	7AM - 10PM	GENERAL SESSION BREAKOUTS	RC	None	None	None	Welsh Lobby Host Desk

DeVOS PLACE ® - JULY 2008

DATE	EVENT	ROOM	TIME	FUNCTION	EC	HOUSE STAFF	EMT'S	POLICE	SECURITY
		BALL B BOARDROOM		EXHIBIT BREAKOUT					
	GRAND RAPIDS HOUSING COMMISSION BOARD MEETING & DINNER	GG A	4:30PM-9:00PM	MEETING					
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
FRI. JULY 18	2008 QUADRENNIAL NORTH CENTRAL JURISDICTIONAL CONF.	BALL A RO A-F BALL B BOARDROOM	7AM - 10PM	GENERAL SESSION BREAKOUTS EXHIBIT BREAKOUT	RC	None	None	None	Welsh Lobby Host Desk Lyon Dock?
	WORLD WIDE DREAM BUILDERS	EH C EH A	8:00am - 1:00pm 8:00am - 5:00pm	IA SETUP EXPO SETUP	MJ	None	None	None	Host Desk 2 Mi Dock
	QUINCEANERA DE MARIZA CERDA	BALL C	3:00pm-6:00pm	SET UP/Decorate	SL	None	None	None	Host Desk
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
SAT. JULY 19	WORLD WIDE DREAM BUILDERS	EH C EH A EH B EH C	11:30am - 4:30pm 4:30pm - 6:00pm 6:00pm-7:30pm 7:30pm - 11:00pm	GENERAL SESSION EXHIBIT DINNER GENERAL SESSION	MJ	None	None	None	Host Desk Mi Dock
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
	QUINCEANERA DE MARIZA CERDA	BALL C	8:00AM-11:59PM	DINNER	SL	None	None	None	Host Desk Welsh Lobby Lyon Dock Roamer
SUN. JULY 20	WORLD WIDE DREAM BUILDERS	EH B EH C	7:00am - 9:00am 9:00am - 11:30am 1:30pm - 4:30pm	BREAKFAST GENERAL SESSION GENERAL SESSION LOADOUT	MJ	None	None	None	Host Desk Mi Dock
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
MON. JULY 21	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
TUES. JULY 22	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
WED. JULY 23	GREAT AMERICAN SCRAPBOOK CONVENTION	EH A		SETUP	SL	None	TBD	TBD	TBD
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
	FORD MOTOR COMPANY	GG A	7:00AM-1:00PM	MEETING		None	None	None	Host Desk
THURS. JULY 24	GREAT AMERICAN SCRAPBOOK CONVENTION	EH A G B-F GO A-H		SETUP BREAKOUTS SETUP	SL	TBD	TBD	TBD	TBD
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
FRI. JULY 25	GREAT AMERICAN SCRAPBOOK CONVENTION	EH A GG A-F GO A-H		EXHIBIT BREAKOUTS BREAKOUT	SL	TBD	TBD	TBD	TBD
	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
	WHITE CLOUD EMPOWERMENT CENTER CHURCH OF GOD IN CHRIST	BALL C	8:00AM-11:59PM	MEETING	SL	None	None	None	Host Desk Welsh Lobby
SAT. JULY 26	GREAT AMERICAN SCRAPBOOK CONVENTION	EH A GG A-F GO A-H		EXHIBIT BREAKOUTS BREAKOUT	SL	TBD	TBD	TBD	TBD

DeVOS PLACE ® - JULY 2008

DATE	EVENT	ROOM	TIME	FUNCTION	EC	HOUSE STAFF	EMT'S	POLICE	SECURITY
	WHITE CLOUD EMPOWERMENT CENTER CHURCH OF GOD IN CHRIST	BALL C	8:00AM-11:59PM	MEETING	SL	None	None	None	Host Desk Welsh Lobby
SUN. JULY 27	DVPH - MAINTENANCE WORK	DVPH	ALL DAY	MAINTENANCE					
	MAMMA MIA!	DVPH	3PM-6PM	HOUSE STRIP	AK	0	0	0	0
	WHITE CLOUD EMPOWERMENT CENTER CHURCH OF GOD IN CHRIST	BALL C	8:00AM-11:59PM	MEETING	SL	None	None	None	Host Desk Welsh Lobby
MON. JULY 28	MAMMA MIA!	DVPH/LYON DOCK	8AM-5PM 6PM-11PM	PRE RIG LOAD IN	AK	0	0	0	1 DOCK 1 SD
TUES. JULY 29	MAMMA MIA!	DVPH/LYON DOCK	8AM-5PM 7:30PM-10PM	LOAD IN PERFORMANCE	AK	USHERS TIX	2 EMT 6P-10:30P	2 TRAFFIC 6:30P-10:30P	1 SD 1 FOH
	FLIPPEN LEADERSHI P SERIES - LEVEL I TRAINING	MON B-D	7:30am 8:00AM-4:00pm	Breakfast MEETING	MJ	None	None	None	Monroe
WED. JULY 30	MAMMA MIA!	DVPH	7:30PM-10PM	PERFORMANCE	AK	USHERS TIX	2 EMT 6P-10:30P	2 TRAFFIC 6:30P-10:30P	1 SD 1 FOH
	FLIPPEN LEADERSHI P SERIES - LEVEL I TRAINING	MON B-D	7:30am 8:00AM-4:00pm	Breakfast MEETING	MJ	None	None	None	Monroe
THURS. JULY 31	FLIPPEN LEADERSHI P SERIES - LEVEL I TRAINING	MON B-D	7:30am 8:00AM-4:00pm	Breakfast MEETING	MJ	None	None	None	Monroe
	MAMMA MIA!	DVPH	2PM-4:30PM 7:30PM-10PM	PERFORMANCE	AK	USHERS TIX	2 EMT 12:30PM-5PM & 6P-10:30P	2 TRAFFIC 1PM-5PM & 6:30P-10:30P	1 SD 1 FOH