

Agenda

Joint Meeting of Board of Directors & Committees

Friday | June 3, 2022

8:00 a.m.

**DeVos Place® | Monroe Meeting Rooms
303 Monroe, NW | Grand Rapids | MI**

- | | | |
|----|--|----------------|
| 1. | Call to Order and Chairman's Comments | Rick Winn |
| 2. | Minutes of May 6, 2022 | Action |
| 3. | FY 2023 Budgets | Action |
| | A. Consolidated CAA Budgets | |
| | B. DeVos Place® and Van Andel Arena® Operating/Capital Budgets | |
| 4. | DeVos Place® Rate Sheets: FY 2023-FY 2027 | Action |
| 5. | Committee Reports | |
| | A. Finance Committee | |
| | i. Acceptance of April 2022 Consolidated Financial Statements | Action |
| | ii. April 30, 2022, Financial Statements –
DeVos Place® and Van Andel Arena® - SMG, a division of
ASM Global | Information |
| | B. Operations Committee | |
| | i. Report of Experience Grand Rapids | Mary Manier |
| 6. | Report of ASM Global | Rich MacKeigan |
| 7. | Public Comment | |
| 8. | Board & Committee Comments | |
| 9. | Adjournment | |

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS
300 MONROE AVENUE, NW | GRAND RAPIDS, MI
WEDNESDAY, MAY 6, 2022**

Attendance:

Members Present: Richard Winn, Chairperson
Rosalynn Bliss
Mandy Bolter
Lew Chamberlin

Members Absent: M. Scott Bowen
Birgit Klohs

Staff/Others:	Andrea Anderson	City of Grand Rapids
	Tom Coomes	Citigroup
	Eric DeLong	City of Grand Rapids
	Tim Gortsema	Grand Rapids Griffins
	Jen Henkel	ASM Global
	Jennifer Kasper	City of Grand Rapids
	Chris Machuta	ASM Global
	Rich MacKeigan	ASM Global
	Brian McVicar	<i>The Grand Rapids Press/MLive</i>
	Tim Nelson	Experience Grand Rapids
	Tory Richardson	Gerald R. Ford International Airport
	Doug Small	Experience Grand Rapids
	Emilee Syrewicze	Opera Grand Rapids
	Eddie Tadlock	ASM Global
	Brad Thomas	Progressive AE
	John Van Houten	Progressive AE
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Mark Washington	City of Grand Rapids
	Jessica Wood	Dickinson Wright

1. Call to Order

Chairperson, Richard Winn, called the meeting to order at 9:05 a.m. Staff recorded the meeting minutes.

2. Minutes of March 30, 2022, Meeting

*Motion by Mr. Chamberlin, support by Ms. Bliss, to approve the March 30, 2022, Board Minutes.
Motion carried.*

3. Committee Reports

A. Operations Committee – Experience Grand Rapids Report

Tim Nelson provided an overview of the CVB's sales activities and marketing efforts for April 2022. Staff received 69 leads during the month and hosted four site visits. The sales team was on the road

attending out-of-state sales missions, meetings, and client events. Current trends in the industry include smaller groups, groups booking on a shorter timeline; hesitancy about signing contracts; and dropping expensive hybrid options.

B. Finance Committee

i. Consolidated Financial Statement for Period Ending March 31, 2022

Motion by Ms. Bliss, support by Mr. Chamberlin, to accept the consolidated financial statement for the period ending March 31, 2022. Motion carried.

ii. ASM Global Financial Statements for Period Ending March 31, 2022 – DeVos Place® and Van Andel Arena®

The financial statements were included as information items.

4. Preliminary Review of FY 2023 Budgets

The proposed budgets were reviewed at the CAA Finance Committee and there was nothing additional to report. The CAA Board will act on the budgets at the June 3, 2022, meeting. Please contact Rich MacKeigan, Cheri McConomy, or Chris Machuta with any questions.

5. Preliminary Review of 2023-2027 Rate Sheets

This item was reviewed by the CAA Finance Committee and there was nothing additional to include. Action on the rate sheets will be taken at the June 3, 2022, CAA Board meeting.

6. Auto Parking System Periodic Reporting

The quarterly report regarding the City/County utilization of discounted DeVos Place® monthly parking passes was included as an information item.

7. ASM Global Report

Mr. MacKeigan reported that, as regional booking manager, he recently traveled to Chicago and New York to meet with promoters regarding their interests and bringing talent to Grand Rapids.

8. Public Comment

None.

9. Board Member Comments

Mayor Bliss thanked Tory Richardson for moving the Calder plane to the airport and creating a permanent display for it.

10. Adjournment

The meeting adjourned at 9:27 a.m.

Susan M. Waddell, Recording Secretary

Memorandum

To: Grand Rapids – Kent County
Convention/Arena Authority

From: Cheri McConomy

Date: June 1, 2022

Re: Convention/Arena Authority (CAA)
Fiscal Year 2023 Budget Recommendation

The attached material summarizes a requested CAA Administrative Operating Budget and Consolidated Income Statement for the Fiscal Year beginning July 1, 2022 (Fiscal Year 2023). The format of the report provides the Board with an overview of Fiscal Year 2021 actual, Fiscal Year 2022 estimate and Fiscal Year 2023 recommendation. Preliminary Finance Committee review was held on May 6th, with final Board review scheduled for June 3rd.

Table A provides a summary of the facility manager (SMG) budget documents submitted under separate cover. Based on SMG’s most recent “budget roll,” the current year forecast has been updated to a net operating income balance of \$1.975 M. Funding, requested for FY 2023, would generate a net operating income of \$544k.

Fiscal Year 2023 Operating Assumptions:

- Full-time staffing is back to pre-pandemic levels for the entire fiscal year.
- Van Andel Arena® events will be run at full capacity for the entire fiscal year (nearing pre-pandemic levels) however include a budgeted decrease in concerts from FY 2022 which saw a near record-breaking number of shows and corresponding attendance levels.
- DeVos Place® events will be run at near full capacity reflecting a slower return to pre-pandemic levels, with convention and trade show revenues trending at approximately 80% of past performance averages.

The Fiscal Year 2023 consolidated income statement (Table C) forecasts net operating income totaling \$1.06 M. The capital funding required, of \$4.35 M, will be supported by net operating income, interest earnings and a drawdown 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 account include provision for utilities, capital repair/replacement/improvement (as defined in the SMG management contract), parking management fees, landscape plantings, and other administrative expenses. Table B-1, attached hereto, provides additional details concerning utility and miscellaneous administrative expenditure accounts.

Based on these initial budgetary estimates, it is expected that the CAA will close its Fiscal Year 2022 activities with a “fund balance” approximating \$25.1 million. This would include a recommended minimum operating reserve balance of \$3.0 million and a capital repair/replacement/improvement reserve of \$22.1 million.

The current Table D provides a “Budget Summary by Facility/Other” formatted report. It organizes revenues and expenses in three activity areas including Van Andel Arena®, DeVos Place® Convention Center, and other. This report provides all the same information contained in Table C, but also allows the reader to view the overall operations of each facility incorporating therein the revenues generated by the parking facilities attached or adjacent to the buildings and police-pedestrian safety services. This format provides a bridge between the monthly consolidated financial reports provided to the Finance Committee and CAA Board of Directors.

Richard MacKeigan, Chris Machuta, Sue Waddell, and I participated in preparation of the attached recommended budget which reflects very minor changes (parking-related) from the preliminary recommendation presented at the May meeting. We 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:

Table A – SMG Operating Budgets (Summary)
Table B – CAA Administrative Budget
Table C – Consolidated Income Statement
Table D – Budget Summary by Facility
Table E – Ten-Year History of a Consolidated Income Statement

Table A
Grand Rapids-Kent County Convention/Arena Authority
SMG Facilities Budget
Fiscal Years Ending June 30, 2021 - 2023

	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2022</u>	<u>FY 2023</u>
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Recommendation</u>
Van Andel Arena				
Operating - Revenues	\$ 729,644	\$ 4,746,644	\$ 7,235,083	\$ 6,642,366
- Expenses - Facilities	(2,315,851)	(4,330,348)	(4,215,264)	(4,858,170)
- Management Fees	(180,339)	(183,945)	(185,749)	(191,321)
- Incentive Fees	-	-	(250,737)	-
Net Operating Income	<u>(1,766,546)</u>	<u>232,351</u>	<u>2,583,333</u>	<u>1,592,875</u>
DeVos Place				
Operating - Revenues	288,560	4,143,265	5,714,179	6,229,122
- Expenses - Facilities	(4,028,560)	(5,725,206)	(6,015,695)	(7,086,270)
- Management Fees	(180,339)	(183,945)	(185,749)	(191,321)
- Incentive Fees	-	-	(120,760)	-
Net Operating Income/(Loss)	<u>(3,920,339)</u>	<u>(1,765,886)</u>	<u>(608,025)</u>	<u>(1,048,469)</u>
Net Available to CAA:				
Van Andel Arena	(1,766,546)	232,351	2,583,333	1,592,875
DeVos Place	(3,920,339)	(1,765,886)	(608,025)	(1,048,469)
	<u>\$ (5,686,885)</u>	<u>\$ (1,533,535)</u>	<u>\$ 1,975,308</u>	<u>\$ 544,406</u>

Table B
Grand Rapids-Kent County Convention/Arena Authority
Administrative - Operating / Capital Replacement Budget
FY 2021-2023

	FY2021	FY 2022	FY 2022	FY 2023
	Actual	Budget	Estimate	Recommendation
Revenues:				
Facility Operations	\$ (5,686,885)	\$ (1,533,535)	\$ 1,975,308	544,406
Utility Reimbursement	1,473,389	1,852,000	2,090,264	2,194,500
Transfers from SMG	(4,213,496)	318,465	4,065,572	2,738,906
 Federal Grant	 \$ -	 \$ -	 10,000,000	 -
State Grant	1,368,400	-	4,281,393	-
County Grant	1,909,785	-	42,910	-
DeVos Place Parking ⁽¹⁾	443,267	1,000,000	1,225,869	1,543,000
VanAndel Parking ⁽¹⁾	263,244	278,989	361,701	387,830
Interest ⁽²⁾	210,264	165,000	165,000	100,000
Miscellaneous	129,851	108,000	108,000	68,000
Total Revenues	111,315	1,870,454	20,250,445	4,837,736
 Expenditures:				
Utilities ⁽⁴⁾	1,473,389	1,852,000	2,090,264	2,194,500
Other Operating ⁽⁵⁾	331,766	404,989	390,674	461,889
Administration/Other ⁽⁶⁾	665,859	843,403	843,403	1,021,330
Facility Maintenance	4,230,170	-	-	-
Amphitheater	368,400	-	4,281,393	-
Capital	873,491	1,356,567	1,387,342	4,353,100 ⁽³⁾
Total Expenditures	7,943,075	4,456,959	8,993,076	8,030,819
Net Excess (Deficit)	\$ (7,831,760)	\$ (2,586,505)	\$ 11,257,369	\$ (3,193,083)

Notes: See Following Pages

Table B-1
Grand Rapids-Kent County Convention/Arena Authority
Administrative - Operating / Capital Replacement Budget
FY 2023 Budget

Notes:

⁽¹⁾ DeVos Place Parking Rates:	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
30 Minutes	\$ 1.50	\$ 2.00			
Daily Maximum	15.00	25.00			
Vehicles with Trailers: Courtesy Validations (2 Hr. Limit) ASM Designated Only	NC*	NC*			
Event	10.00	10.00			
Weekly (ASM Designated Only)**	14.00	14.00			
Monthly -Public	154.00	159.00			
-Reserved Premium	58.00	60.00			
-County/SMG/ASM (O+M)	49.82	58.45			
Van Andel Arena Parking Rates:					
Event	\$12.00	\$ 14.00			
Non-Event Coin Unit	12.00	14.00			
Monthly -Public	112.00	115.00			
* No Charge					
** Fourteen (14) Day Notice Requirement					
⁽²⁾ \$23.6 million (3/31/22 Kent County pool balance) in invested funds at .5%.					
⁽³⁾ FY 2023 Proposed Projects:					
DeVos Place®					
Projection Theater Upgrades		250,000			
Performance Hall LED Lighting		50,000			
Roof Replacement - North of Skylight		375,000	1,687,500	1,687,500	
Roof Replacement - South of Skylight			250,000	1,125,000	1,125,000
Performance Hall Seating		350,000			
Theater Box Seats		50,000			
Ballroom Lighting & Controls		2,100,000	2,100,000	1,300,000	
Trash Compactor		50,000			
Skywalk Carpeting			115,000		
Total DVP		3,225,000	4,152,500	4,112,500	1,125,000
Van Andel Arena					
Suite Refresher		350,000			
Ice Plant Refrigeration Change		90,000			
Scoreboard			1,200,000		
Trash Compactor		50,000			
New Condensor Coil		185,000			
Custom Air Handler Damper Replacement		110,000			
Radio System Upgrade		100,000			
Total VAA		885,000	1,200,000	-	-
Both Facilities					
Small Motor Equipment		60,000			
Computers and Accessories		150,000			
X-Ray Inspection Systems		33,100			
Total Both Facilities		243,100	-	-	-
Carryover (FY21) Projects:					
VAA - Suite Refurbishment (\$370,112)					
Total FY 2023 Capital Budget		\$ 4,353,100	\$ 5,352,500	\$ 4,112,500	\$1,125,000

Table B-1
Grand Rapids-Kent County Convention/Arena Authority
Detail of Expenditure Estimates
FY 2021-2023

	FY 2021	FY 2022	FY 2022	FY 2023
	Actual	Budget	Estimate	Recommendation
Utilities⁽⁴⁾:				
Electricity	\$ 873,871	\$ 1,257,000	\$ 1,277,362	\$ 1,320,000
Steam/Gas	483,224	550,000	617,149	627,500
Water/Sewer	116,294	45,000	195,753	247,000
	<u>\$ 1,473,389</u>	<u>\$ 1,852,000</u>	<u>\$ 2,090,264</u>	<u>2,194,500</u>
Other Operating⁽⁵⁾:				
Parking Management & Repairs	\$ 235,495	\$ 236,989	\$ 222,674	\$ 288,079
Pedestrian Safety	71,120	101,000	101,000	101,000
Repairs - F&B	-	40,000	40,000	45,000
Landscaping	25,151	27,000	27,000	27,810
	<u>\$ 331,766</u>	<u>\$ 404,989</u>	<u>\$ 390,674</u>	<u>461,889</u>
Administration/Other⁽⁶⁾:				
Arena 25-Year Recognition/New Venue Awareness	\$ -	100,000	100,000	100,000
Wages	125,305	110,000	110,000	92,200
Benefits	26,543	29,000	29,000	19,600
Accounting/Audit	60,363	52,000	52,000	99,520
Legal Services	53,543	35,000	35,000	36,050
DID Assessment ^(A)	32,110	64,903	64,903	65,720
Consulting Services	127,098	91,500	91,500 *	143,165 **
Insurance	20,610	26,000	26,000	25,075
Marketing - CVB/WMSC	200,000	200,000	200,000	200,000
Diversity Initiative	3,000	100,000	100,000	200,000
Procurement of Art (ArtPrize)	-	25,000	25,000	30,000
Other	17,287	10,000	10,000	10,000
Contingent	-	-	-	-
	<u>\$ 665,859</u>	<u>\$ 843,403</u>	<u>\$ 843,403</u>	<u>\$ 1,021,330</u>

Notes:

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

*SMG-\$55,500; Potomac Strategic Development-\$36,000

**SMG-\$57,165; Potomac Strategic Development-\$36,000; Progressive AE \$50,000

Table C
Grand Rapids-Kent County Convention/Arena Authority
Consolidated Income Statement
Fiscal Years Ending June 30, 2021-2023

		FY 2021	FY 2022	FY 2022	FY 2023
		Actual	Budget	Estimate	Recommendation
Operating Revenue:					
Event	- VanAndel Arena	\$ 92,336	\$ 913,770	\$ 1,628,782	\$ 1,401,940
	- DeVos Place	165,237	2,352,417	3,174,600	3,970,350
Ancillary	- VanAndel Arena	54,586	1,334,871	2,842,426	1,716,326
	- DeVos Place	25,111	1,401,350	1,654,265	2,208,772
Other	- VanAndel Arena	582,722	2,498,003	2,763,875	3,524,100
	- DeVos Place	98,212	389,498	885,314	50,000
	- Administration	129,851	108,000	10,150,910	68,000
Parking	- VanAndel Arena	263,244	278,989	361,701	387,830
	- DeVos Place	443,267	1,000,000	1,225,869	1,543,000
		<u>1,854,566</u>	<u>10,276,898</u>	<u>24,687,742</u>	<u>14,870,318</u>
Operating Expense / Appropriations:					
Facility Operations					
	- VanAndel Arena	2,315,851	4,330,348	4,215,264	4,858,170
	- DeVos Place	4,028,560	5,725,206	6,015,695	7,086,270
	- Management	360,678	367,890	371,498	382,642
	- Incentive	-	-	371,497	-
	- Parking/Maintenance	331,766	404,989	390,674	461,889
Other Operating		1,320,385	-	-	-
Administration/Other		1,034,259	843,403	843,403	1,021,330
		<u>9,391,499</u>	<u>11,671,836</u>	<u>12,208,031</u>	<u>13,810,301</u>
Operating Income		(7,536,933)	(1,394,938)	12,479,711	1,060,017
Non-Operating Revenue:					
Interest/Capital Contribution		578,664	165,000	165,000	100,000
Transfer (to) from Capital Acct.		(873,491)	(1,356,567)	(1,387,342)	(4,353,100)
		<u>(294,827)</u>	<u>(1,191,567)</u>	<u>(1,222,342)</u>	<u>(4,253,100)</u>
Net Income (Loss)		(7,831,760)	(2,586,505)	11,257,369	(3,193,083)
Fund Balance, beg. of yr.		21,628,680	13,796,920	13,796,920	25,054,289
Fund Balance, end of yr.		\$ 13,796,920	\$ 11,210,415	\$ 25,054,289	\$ 21,861,207

Table D
Grand Rapids-Kent County Convention/Arena Authority
Budget Summary by Facility/Other
FY 2021-2022 Actual
FY 2023 Budget

	FY 2021	FY 2022	FY 2022	FY 2023
	Actual	Budget	Estimate	Recommendation
Van Andel Arena				
Operating - Revenues	\$ 729,644	\$ 4,746,644	\$ 7,235,083	\$ 6,642,366
- Expenses - Facilities	(2,315,851)	(4,330,348)	(4,215,264)	(4,858,170)
- Management Fees	(180,339)	(183,945)	(185,749)	(191,321)
- Incentive Fee	-	-	(250,737)	-
Net Operating Income (Loss)	(1,766,546)	232,351	2,583,333	1,592,875
Parking	263,244	278,989	361,701	387,830
Pedestrian Safety		(65,000)	(65,000)	(65,000)
Net Proceeds (Cost) of VAA	(1,503,302)	446,340	2,880,034	1,915,705
DeVos Place Convention Center				
Operating - Revenues	288,560	4,143,265	5,714,179	6,229,122
- Expenses - Facilities	(4,028,560)	(5,725,206)	(6,015,695)	(7,086,270)
- Management Fees	(180,339)	(183,945)	(185,749)	(191,321)
- Incentive Fee	-	-	(120,760)	-
Net Operating Loss	(3,920,339)	(1,765,886)	(608,025)	(1,048,469)
Parking	207,772	763,011	1,003,195	1,254,921
Pedestrian Safety	(71,120)	(36,000)	(36,000)	(36,000)
Net Proceeds (Cost) of DVP	(3,783,687)	(1,038,875)	359,170	170,452
Other				
Revenues				
Interest	210,264	165,000	165,000	100,000
Miscellaneous	129,851	108,000	10,150,910	68,000
	340,115	273,000	10,315,910	168,000
Expenses				
Administration	(665,859)	(883,403)	(883,403)	(1,066,330)
Other Operating	(25,151)	(27,000)	(27,000)	(27,810)
	(691,010)	(910,403)	(910,403)	(1,094,140)
Net Other	(350,895)	(637,403)	9,405,507	(926,140)
Total Net Proceeds/Operating	(5,637,884)	(1,229,938)	12,644,711	1,160,017
Capital Expenditures	(2,193,876)	(1,356,567)	(1,387,342)	(4,353,100)
Results Net of Capital Expenditures	\$ (7,831,760)	\$ (2,586,505)	\$ 11,257,369	\$ (3,193,083)

Table E
Grand Rapids-Kent County Convention/Arena Authority
Summary of Consolidated Income Statement - By Facility
Fiscal Years 2014 through 2023
3-Jun-22
(In Thousands)

	Actual								Est.	Rec.
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
VAA - Net Proceeds	\$ 532	\$ 1,610	\$ 1,980	\$ 2,865	\$ 2,338	\$ 4,367	\$ 1,938	\$ (1,503)	\$ 3,131	\$ 1,916
DVP - Net Proceeds	445	908	1,625	1,465	1,441	1,243	(688)	(3,784)	480	170
SMG Incentive Fees	-	(344)	(344)	(347)	(353)	(353)	-	-	(371)	-
Other-Net Proceeds	<u>(456)</u>	<u>(308)</u>	<u>(565)</u>	<u>(442)</u>	<u>(516)</u>	<u>(447)</u>	<u>(591)</u>	<u>(351)</u>	<u>9,406</u>	<u>(926)</u>
Total Net Operating	521	1,866	2,696	3,541	2,910	4,810	659	(5,638)	12,645	1,160
Capital	<u>(2,565)</u>	<u>(1,130)</u>	<u>(2,361)</u>	<u>(2,360)</u>	<u>(2,618)</u>	<u>(4,245)</u>	<u>(3,299)</u>	<u>(2,194)</u>	<u>(1,387)</u>	<u>(4,353)</u>
Transfer To/(From) Fund Balance	<u>(2,044)</u>	<u>736</u>	<u>335</u>	<u>1,181</u>	<u>292</u>	<u>565</u>	<u>(2,640)</u>	<u>(7,832)</u>	<u>11,257</u>	<u>(3,193)</u>
Fund Balance, End of Year	<u><u>\$ 21,160</u></u>	<u><u>\$ 21,896</u></u>	<u><u>\$ 22,230</u></u>	<u><u>\$ 23,411</u></u>	<u><u>\$ 23,703</u></u>	<u><u>\$ 24,268</u></u>	<u><u>\$ 21,628</u></u>	<u><u>\$ 13,796</u></u>	<u><u>\$ 25,054</u></u>	<u><u>\$ 21,861</u></u>

15 Year Fund Balance Projection

	Beginning Fund Balance	Revenue	Expense	Capital	Ending Fund Balance
FY 2022	13,796,920	14,027,611	1,382,900	1,387,342	25,054,289
FY 2023	25,054,289	2,643,236	1,483,219	4,353,100	21,861,206
FY 2024	21,861,206	4,413,338	1,943,885	5,352,500	18,978,159
FY 2025	18,978,159	4,453,479	1,982,763	4,112,500	17,336,375
FY 2026	17,336,375	4,504,782	2,022,419	2,000,000	17,818,738
FY 2027	17,818,738	4,573,925	2,062,867	2,000,000	18,329,796
FY 2028	18,329,796	4,645,248	2,104,124	2,000,000	18,870,919
FY 2029	18,870,919	4,718,823	2,146,207	2,000,000	19,443,536
FY 2030	19,443,536	4,794,720	2,189,130	2,000,000	20,049,125
FY 2031	20,049,125	4,873,010	2,232,913	2,000,000	20,689,223
FY 2032	20,689,223	4,953,773	2,277,571	2,000,000	21,365,424
FY 2033	21,365,424	5,037,086	2,323,123	2,000,000	22,079,387
FY 2034	22,079,387	5,123,028	2,369,585	2,000,000	22,832,830
FY 2035	22,832,830	5,211,684	2,416,977	2,000,000	23,627,536
FY 2036	23,627,536	5,303,142	2,465,317	2,000,000	24,465,361

Assumptions:

1. All facility activity remains consistent with FY22 expectations combined with 3 Year average pre-pandemic.
2. Parking & CAA Miscellaneous revenue have 3% annual increases.
3. Interest is based on a rate of .75% calculated on the beginning year fund balance.
4. CAA Admin budget includes the "funding" line items for CIG, CVB, and Sports Commission.
5. CAA Other includes Parking and Pedestrian Safety as main line items.
6. Capital comes from ASM working document, will be revised again for the FY23 budget cycle.
7. All capital numbers are stated in current year dollars with no inflation built in.

Bond Summary

All VAA bonds are scheduled to be paid in full on June 1, 2024

All DVP bonds are scheduled to be paid in full on December 1, 2031

DeVos Place
Fiscal Year Ending June 30, 2022
Lead Income Statement

	FY 2023 Budget	Prior Year FY 2022 Rolling Forecast	Variance More / (Less)	Percentage Change Increase (Decrease)
Event Income				
Direct Event Income				
Rental Income	3,484,210		3,484,210	#DIV/0!
Service Income	3,808,266		3,808,266	#DIV/0!
Service Expenses	(3,860,526)		(3,860,526)	#DIV/0!
Total Direct Event Income	3,431,950	3,174,600	3,431,950	108.11%
Ancillary Income				
F & B Concessions	225,459		225,459	#DIV/0!
F & B Catering	720,397		720,397	#DIV/0!
Novelty Sales	20,240		20,240	#DIV/0!
Booth Cleaning	327,640		327,640	#DIV/0!
Telephone/Long Distance	200		200	#DIV/0!
Electrical Services	374,552		374,552	#DIV/0!
Audio Visual	275,546		275,546	#DIV/0!
Internet Services	101,140		101,140	#DIV/0!
Equipment Rental	163,598		163,598	#DIV/0!
Total Ancillary Income	2,208,772	1,654,265	2,208,772	133.52%
Other Event Income				
Ticket Rebates (Per Event)	538,400		538,400	#DIV/0!
Total Other Event Income	538,400	791,462	538,400	68.03%
Total Event Income	6,179,122	5,620,327	6,179,122	109.94%
Other Operating Income	50,000	93,852	(43,852)	-46.72%
Adjusted Gross Income	6,229,122	5,714,179	6,135,270	107.37%
Operating Expenses				
Employee Salaries and Wages	3,789,554		(3,789,554)	#DIV/0!
Benefits	1,199,464		(1,199,464)	#DIV/0!
Less: Event Labor Allocations	(1,832,400)		1,832,400	#DIV/0!
Net Employee Wages and Benefits	3,156,618	-	(3,156,618)	#DIV/0!
Contracted Services	470,600		(470,600)	#DIV/0!
General and Administrative	475,230		(475,230)	#DIV/0!
Operations	166,222		(166,222)	#DIV/0!
Repair & Maintenance	584,000		(584,000)	#DIV/0!
Supplies	308,100		(308,100)	#DIV/0!
Insurance	392,700		(392,700)	#DIV/0!
Utilities	1,532,800		(1,532,800)	#DIV/0!
SMG Management Fees	191,321		(191,321)	#DIV/0!
Total Operating Expenses	7,277,591	6,201,444	(7,277,591)	-117.35%
Net Income (Loss) From Operations	(1,048,469)	(487,265)	(1,142,321)	234.44%
Other Income (Expenses)				
Net Income After Other Income (Expenses)	(1,048,469)	(487,265)	(1,142,321)	234.44%

Van Andel Arena
Fiscal Year Ending June 30, 2022
Lead Income Statement

	FY 2023 Budget	Prior Year FY 2022 Rolling Forecast	Variance More / (Less)	Percentage Change Increase (Decrease)
Event Income				
Direct Event Income				
Rental Income	2,285,140		2,285,140	#DIV/0!
Service Income	2,003,800		2,003,800	#DIV/0!
Service Expenses	(2,887,000)		(2,887,000)	#DIV/0!
Total Direct Event Income	1,401,940	1,628,782	1,401,940	86.07%
Ancillary Income				
F & B Concessions	1,487,622		1,487,622	#DIV/0!
F & B Catering	125,246		125,246	#DIV/0!
Novelty Sales	103,458		103,458	#DIV/0!
Booth Cleaning	-		-	#DIV/0!
Other Ancillary	-		-	#DIV/0!
Total Ancillary Income	1,716,326	2,842,426	1,716,326	60.38%
Other Event Income				
Ticket Rebates (Per Event)	1,195,500		1,195,500	#DIV/0!
Total Other Event Income	1,195,500	1,218,184	1,195,500	98.14%
Total Event Income	4,313,766	5,689,392	4,313,766	75.82%
Other Operating Income	2,328,600	1,545,691	782,909	50.65%
Adjusted Gross Income	6,642,366	7,235,083	5,096,675	70.44%
Operating Expenses				
Employee Salaries and Wages	2,416,002		(2,416,002)	#DIV/0!
Benefits	721,423		(721,423)	#DIV/0!
Less: Event Labor Allocations	(994,625)		994,625	#DIV/0!
Net Employee Wages and Benefits	2,142,800	-	(2,142,800)	#DIV/0!
Contracted Services	439,200		(439,200)	#DIV/0!
General and Administrative	405,970		(405,970)	#DIV/0!
Operations	86,200		(86,200)	#DIV/0!
Repair & Maintenance	376,500		(376,500)	#DIV/0!
Supplies	276,200		(276,200)	#DIV/0!
Insurance	284,000		(284,000)	#DIV/0!
Utilities	847,300		(847,300)	#DIV/0!
SMG Management Fees	191,321		(191,321)	#DIV/0!
Total Operating Expenses	5,049,491	4,401,013	(5,049,491)	-114.73%
Net Income (Loss) From Operations	1,592,875	2,834,070	47,184	1.66%
Other Income (Expenses)	-	-	-	
Net Income After Other Income (Expenses)	1,592,875	2,834,070	47,184	1.66%

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2023**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2022 Forecast
Net Revenue above Expenses	1,592,875	(1,048,469)	544,406	2,366,805
Benchmark++			1,050,000	1,050,000
Excess	1,592,875	(1,048,469)	(505,594)	1,316,805

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Forecast
Base Fee	191,321	191,321	382,642	371,497
Incentive Fee				
Revenue	6,642,366	6,229,122	12,871,488	12,949,262
Benchmark Revenue	6,019,622	5,318,308	11,337,930	10,449,705
Revenue Excess	622,744	910,814	1,533,558	2,499,557
Incentive Fee **	6,019,622	5,318,308	-	371,497
Total SMG Management Fee	6,210,943	5,509,629	382,642	742,994

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

++ SMG will be eligible for an Incentive fee if Net Revenues exceed Expenses by the following amounts:

Equal to \$850,000 and less than \$950,000 shall be paid at 50% of calculated fee.

Equal to \$950,000 and less than \$1,050,000 shall be paid at 75% of calculated fee.

Equal to \$1,050,000 and above shall be paid at 100% of calculated fee.



GRAND RAPIDS-KENT COUNTY

CONVENTION / ARENA AUTHORITY

June 3, 2022

TO: CAA Board of Directors

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

FROM: Eddie Tadlock, Assistant General Manager, DeVos Place

RE: Rental Rates, DeVos Place

I would like to take this opportunity to present ASM Global's recommendations for Room Rental Rates for DeVos Place, effective FY July 2023 through FY June 2027. ASM Global has established a 5-year rate card for DeVos Place to provide potential clients the option to secure rental rates in outlying years, and in some instances multiple 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 current pricing schedules reflect current economic assumptions in the regional marketplace post pandemic. These rental rates reflect rates of comparable venues of comparable size in the country.

For the last two years, Cvent has published an annual/survey report to show suppliers what planners want and need when sourcing for magnificent event experiences during and post pandemic.

Planners are hopeful and expect to feel better about the state of in-person meetings and events in six months.

- Forty-nine percent feel either positive or neutral about the current state of in-person meetings and events.
- Eighty-two percent say they will feel either positive or neutral about in-person events in six months
- Sixty-five percent of responding venues say they have increased their pricing. Twenty-six percent of member venues say their pricing has stayed the same since the outbreak of COVID 19.

We consider our current five-year rate card to be a key marketing element for the facility. Given the flexibility to negotiate rental rates with clients (limited to an increase or reduction no greater than 20% of the approved rates) current rates afford us continued opportunities to be competitive in the bidding process for Regional and National Conventions. By keeping our current 5-year rental rate card, we position ourselves appropriately to deliver the most value for the quality of product we serve.

We have consulted with our partners at the Amway Hotel Corporation and Experience Grand Rapids to assure that the proposed increases are in line with our joint marketing goals.

Attachments: Rental Rate Schedules FY's 2023, 2024 ,2025, 2026, 2027

ROOM RENTAL RATES

FY 2023 (July 1, 2022 – June 30, 2023)

ROOM	PERFORM	ARTS GROUPS	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$3,800 vs 12%	\$3,800/1 st Performance \$1,900/2 nd Performance	N/A	N/A	\$4,300	N/A
DeVos Hall (Fri-Sat)	\$4,300 vs 12%	\$4,300/1 st Performance \$2,150/2 nd Performance	N/A	N/A	\$4,800	N/A
Hall A-C	\$23,700 vs 12%	N/A	\$20,325 or \$.25 net sq. ft.	\$23,700 or \$.29 net sq. ft.	\$23,700	\$12,450
Hall A-B or B-C	\$15,800 vs 12%	N/A	\$13,550 or \$.25 net sq. ft.	\$15,800 or \$.29 net sq. ft.	\$15,800	\$8,300
Hall A, B, Or C	\$7,900 vs 12%	N/A	\$6,775 or \$.25 net sq. ft.	\$7,900 or \$.29 net sq. ft.	\$7,900	\$4,150
Meeting Rooms Grand Gallery 1 st or 2 nd	\$1,850 vs 12%	N/A	\$1,600 or \$.25 net sq. ft.	\$1,850 or \$.29 net sq. ft.	\$1,850	\$1,225
Meeting Rooms Grand Gallery Individual	\$700 vs 12%	N/A	\$700 or \$.25 net sq. ft.	\$700 or \$.29 net sq. ft.	\$700	\$700
Ballroom	\$6,950 vs 12%	N/A	\$5,950 or \$.25 net sq. ft.	\$6,950 or \$.29 net sq. ft.	\$6,950	\$4,200
Ballroom A,B,C-D	\$2,400 vs 12%	N/A	\$2,300 or \$.25 net sq. ft.	\$2,400 or \$.29 net sq. ft.	\$2,400	\$1,950
Ballroom C or D	\$1,550 vs 12%	N/A	\$1,500 or \$.25 net sq. ft.	\$1,550 or \$.29 net sq. ft.	\$1,550	\$1,450
River Overlook Meeting Rooms	\$700 vs 12%	N/A	\$700 per day	\$700 per day	\$700	\$700
Board Room	N/A	N/A	\$750 per day	\$750 per day	\$750	\$750
Monroe Meeting Rooms A-D	\$1,450 vs 12%	N/A	\$1,400 per day	\$1,450 per day	\$1,450	\$1,400
Monroe Meeting Room B, C, or D	N/A	N/A	\$600 per day	\$600 per day	\$600	\$600
Recital Hall or Monroe Meeting Room A	\$1,050 vs 12%	N/A	\$1,050 per day	\$1,050 per day	\$1,050	\$1,050

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 2024 (July 1, 2023 – June 30, 2024)

ROOM	PERFORM	ARTS GROUPS	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$3,900 vs 12%	\$3,900/1 st Performance \$1,950/2 nd Performance	N/A	N/A	\$4,400	N/A
DeVos Hall (Fri-Sat)	\$4,400 vs 12%	\$4,400/1 st Performance \$2,200/2 nd Performance	N/A	N/A	\$4,900	N/A
Hall A-C	\$24,225 vs 12%	N/A	\$20,850 or \$.25 net sq. ft.	\$24,225 or \$.29 net sq. ft.	\$24,225	\$12,750
Hall A-B or B-C	\$16,150 vs 12%	N/A	\$13,900 or \$.25 net sq. ft.	\$16,150 or \$.29 net sq. ft.	\$16,150	\$8,500
Hall A, B, Or C	\$8,075 vs 12%	N/A	\$6,950 or \$.25 net sq. ft.	\$8,075 or \$.29 net sq. ft.	\$8,075	\$4,250
Meeting Rooms Grand Gallery 1 st or 2 nd	\$1,900 vs 12%	N/A	\$1,650 or \$.25 net sq. ft.	\$1,900 or \$.29 net sq. ft.	\$1,900	\$1,250
Meeting Rooms Grand Gallery Individual	\$725 vs 12%	N/A	\$725 or \$.25 net sq. ft.	\$725 or \$.29 net sq. ft.	\$725	\$725
Ballroom	\$7,100 vs 12%	N/A	\$6,100 or \$.25 net sq. ft.	\$7,100 or \$.29 net sq. ft.	\$7,100	\$4,300
Ballroom A,B,C-D	\$2,450 vs 12%	N/A	\$2,350 or \$.25 net sq. ft.	\$2,450 or \$.29 net sq. ft.	\$2,450	\$2,000
Ballroom C or D	\$1,600 vs 12%	N/A	\$1,550 or \$.25 net sq. ft.	\$1,600 or \$.29 net sq. ft.	\$1,600	\$1,500
River Overlook Meeting Rooms	\$725 vs 12%	N/A	\$725 per day	\$725 per day	\$725	\$725
Board Room	N/A	N/A	\$775 per day	\$775 per day	\$775	\$775
Monroe Meeting Rooms A-D	\$1,500 vs 12%	N/A	\$1,450 per day	\$1,500 per day	\$1,500	\$1,450
Monroe Meeting Room B, C, or D	N/A	N/A	\$625 per day	\$625 per day	\$625	\$625
Recital Hall or Monroe Meeting Room A	\$1,075 vs 12%	N/A	\$1,075 per day	\$1,075 per day	\$1,075	\$1,075

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ROOM RENTAL RATES

FY 2025 (July 1, 2024 – June 30, 2025)

ROOM	PERFORM	ARTS GROUPS	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$4,000 vs 12%	\$4,000/1 st Performance \$2,000/2 nd Performance	N/A	N/A	\$4,500	N/A
DeVos Hall (Fri-Sat)	\$4,500 vs 12%	\$4,500/1 st Performance \$2,250/2 nd Performance	N/A	N/A	\$5,000	N/A
Hall A-C	\$24,750 vs 12%	N/A	\$21,375 or \$.25 net sq. ft.	\$24,750 or \$.29 net sq. ft.	\$24,750	\$13,050
Hall A-B or B-C	\$16,550 vs 12%	N/A	\$14,250 or \$.25 net sq. ft.	\$16,500 or \$.29 net sq. ft.	\$16,500	\$8,700
Hall A, B, Or C	\$8,250 vs 12%	N/A	\$7,125 or \$.25 net sq. ft.	\$8,250 or \$.29 net sq. ft.	\$8,250	\$4,350
Meeting Rooms Grand Gallery 1 st or 2 nd	\$1,950 vs 12%	N/A	\$1,700 or \$.25 net sq. ft.	\$1,950 or \$.29 net sq. ft.	\$1,950	\$1,300
Meeting Rooms Grand Gallery Individual	\$750 vs 12%	N/A	\$750 or \$.25 net sq. ft.	\$750 or \$.29 net sq. ft.	\$750	\$750
Ballroom	\$7,250 vs 12%	N/A	\$6,250 or \$.25 net sq. ft.	\$7,250 or \$.29 net sq. ft.	\$7,250	\$4,400
Ballroom A,B,C-D	\$2,500 vs 12%	N/A	\$2,400 or \$.25 net sq. ft.	\$2,500 or \$.29 net sq. ft.	\$2,500	\$2,050
Ballroom C or D	\$1,650 vs 12%	N/A	\$1,600 or \$.25 net sq. ft.	\$1,650 or \$.29 net sq. ft.	\$1,650	\$1,550
River Overlook Meeting Rooms	\$750 vs 12%	N/A	\$750 per day	\$750 per day	\$750	\$750
Board Room	N/A	N/A	\$800 per day	\$800 per day	\$800	\$800
Monroe Meeting Rooms A-D	\$1,550 vs 12%	N/A	\$1,500 per day	\$1,550 per day	\$1,550	\$1,500
Monroe Meeting Room B, C, or D	N/A	N/A	\$650 per day	\$650 per day	\$650	\$650
Recital Hall or Monroe Meeting Room A	\$1,125 vs 12%	N/A	\$1,125 per day	\$1,125 per day	\$1,125	\$1,125

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 2026 (July 1, 2025 – June 30, 2026)

ROOM	PERFORM	ARTS GROUPS	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$4,100 vs 12%	\$4,100/1 st Performance \$2,050/2 nd Performance	N/A	N/A	\$4,100	N/A
DeVos Hall (Fri-Sat)	\$4,600 vs 12%	\$4,600/1 st Performance \$2,300/2 nd Performance	N/A	N/A	\$5,100	N/A
Hall A-C	\$25,275 vs 12%	N/A	\$21,900 or \$.25 net sq. ft.	\$25,275 or \$.29 net sq. ft.	\$25,275	\$13,350
Hall A-B or B-C	\$16,900 vs 12%	N/A	\$14,600 or \$.25 net sq. ft.	\$16,900 or \$.29 net sq. ft.	\$16,900	\$8,900
Hall A, B, Or C	\$8,425 vs 12%	N/A	\$7,300 or \$.25 net sq. ft.	\$8,425 or \$.29 net sq. ft.	\$8,425	\$4,450
Meeting Rooms Grand Gallery 1 st or 2 nd	\$2,000 vs 12%	N/A	\$1,750 or \$.25 net sq. ft.	\$2,000 or \$.29 net sq. ft.	\$2,000	\$1,325
Meeting Rooms Grand Gallery Individual	\$775 vs 12%	N/A	\$775 or \$.25 net sq. ft.	\$775 or \$.29 net sq. ft.	\$775	\$775
Ballroom	\$7,400 vs 12%	N/A	\$6,400 or \$.25 net sq. ft.	\$7,400 or \$.29 net sq. ft.	\$7,400	\$4,500
Ballroom A, B, C-D	\$2,550 vs 12%	N/A	\$2,450 or \$.25 net sq. ft.	\$2,550 or \$.29 net sq. ft.	\$2,550	\$2,100
Ballroom C or D	\$1,700 vs 12%	N/A	\$1,650 or \$.25 net sq. ft.	\$1,700 or \$.29 net sq. ft.	\$1,700	\$1,600
River Overlook Meeting Rooms	\$775 vs 12%	N/A	\$775 per day	\$775 per day	\$775	\$775
Board Room	N/A	N/A	\$825 per day	\$825 per day	\$825	\$825
Monroe Meeting Rooms A-D	\$1,600 vs 12%	N/A	\$1,550 per day	\$1,600 per day	\$1,600	\$1,550
Monroe Meeting Room B, C, or D	N/A	N/A	\$675 per day	\$675 per day	\$675	\$675
Recital Hall or Monroe Meeting Room A	\$1,150 vs 12%	N/A	\$1,150 per day	\$1,150 per day	\$1,150	\$1,150

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 2027(July 1, 2026 – June 30, 2027)

ROOM	PERFORM	ARTS GROUPS	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$4,200 vs 12%	\$4,200/1 st Performance \$2,100/2 nd Performance	N/A	N/A	\$4,610	N/A
DeVos Hall (Fri-Sat)	\$4,700 vs 12%	\$4,700/1 st Performance \$2,350/2 nd Performance	N/A	N/A	\$5,200	N/A
Hall A-C	\$25,800 vs 12%	N/A	\$22,425 or \$.25 net sq. ft.	\$25,800 or \$.29 net sq. ft.	\$25,800	\$13,650
Hall A-B or B-C	\$17,250 vs 12%	N/A	\$14,950 or \$.25 net sq. ft.	\$17,200 or \$.29 net sq. ft.	\$17,200	\$9,100
Hall A, B, Or C	\$8,600 vs 12%	N/A	\$7,475 or \$.25 net sq. ft.	\$8,600 or \$.29 net sq. ft.	\$8,600	\$4,550
Meeting Rooms Grand Gallery 1 st or 2 nd	\$2,050 vs 12%	N/A	\$1,800 or \$.25 net sq. ft.	\$2,050 or \$.29 net sq. ft.	\$2,050	\$1,350
Meeting Rooms Grand Gallery Individual	\$800 vs 12%	N/A	\$800 or \$.25 net sq. ft.	\$800 or \$.29 net sq. ft.	\$800	\$800
Ballroom	\$7,550 vs 12%	N/A	\$6,550 or \$.25 net sq. ft.	\$7,550 or \$.29 net sq. ft.	\$7,550	\$4,600
Ballroom A,B,C-D	\$2,300 vs 12%	N/A	\$2,450 or \$.25 net sq. ft.	\$2,550 or \$.29 net sq. ft.	\$2,550	\$2,100
Ballroom C or D	\$1,750 vs 12%	N/A	\$1,700 or \$.25 net sq. ft.	\$1,750 or \$.29 net sq. ft.	\$1,750	\$1,650
River Overlook Meeting Rooms	\$800 vs 12%	N/A	\$800 per day	\$800 per day	\$800	\$800
Board Room	N/A	N/A	\$850 per day	\$850 per day	\$850	\$850
Monroe Meeting Rooms A-D	\$1,650 vs 12%	N/A	\$1,600 per day	\$1,650 per day	\$1,650	\$1,600
Monroe Meeting Room B, C, or D	N/A	N/A	\$700 per day	\$700 per day	\$700	\$700
Recital Hall or Monroe Meeting Room A	\$1,200 vs 12%	N/A	\$1,200 per day	\$1,200 per day	\$1,200	\$1,200

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.



Consolidated Financial Report
April 30, 2022

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GRAND RAPIDS-KENT COUNTY

CONVENTION / ARENA AUTHORITY

Financial Dashboard
Year-To-Date (10 Months)
April 30, 2022

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	22	74	91	-	15	25
Attendance	9,523	491,600	513,055	-	122,000	187,792
Event Income	\$ 681,878	\$ 3,982,110	\$ 5,917,125	\$ 814	\$ 1,249,264	\$ 2,709,782
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	37	229	331	-	97	80
Attendance	1,359	342,020	362,119	-	90,520	57,455
Event Income	\$ 122,098	\$ 3,432,677	\$ 5,040,512	\$ (18,015)	\$ 1,534,891	\$ 1,278,330
				Prior Year	Budget	Actual
Operating Income (Loss)				\$ (2,141,238)	\$ (2,000,900)	\$ 12,667,075
Capital/Repair/Replacement				(4,905,151)	(1,344,432)	(158,143)
Net - To/(From) on Fund Balance				\$ (7,046,389)	\$ (3,345,332)	\$ 12,508,932

(1), (2)

***NOTES:**

(1) Unrestricted Fund Balance at 6/30/21 - \$13,796,920

(2) Excluding the \$10 million SBA grant, 4/30 year-to-date performance = \$ 2,508,932

Grand Rapids-Kent County Convention/Arena Authority
Summary by Facility/Other
Fiscal Year Ending June 30, 2022

	FY 2022			
	7/1/21 - 4/30/22			
	Year-to-Date	Roll	Estimate ⁽¹⁾	Budget
Van Andel Arena				
Operating - Revenues	\$ 5,917,125	\$ 1,317,958	\$ 7,235,083	\$ 4,746,644
- Expenses - Facilities	(3,188,640)	(1,026,624)	(4,215,264)	(4,330,348)
- Base Management Fees	(150,282)	(35,467)	(185,749)	(183,945)
- Incentive Fee	-	(250,737)	(250,737)	-
Net Operating Income (Loss)	2,578,203	5,130	2,583,333	232,351
Parking	228,735	132,966	361,701	278,989
Pedestrian Safety	(66,625)	1,625	(65,000)	(65,000)
Net Proceeds (Cost) of VAA	2,740,313	139,721	2,880,034	446,340
DeVos Place Convention Center				
Operating - Revenues	5,040,512	673,667	5,714,179	4,143,265
- Expenses - Facilities	(5,257,388)	(758,307)	(6,015,695)	(5,725,206)
- Base Management Fees	(150,282)	(35,467)	(185,749)	(183,945)
- Incentive Fee	-	(120,760)	(120,760)	-
Net Operating Income (Loss)	(367,158)	(240,867)	(608,025)	(1,765,886)
Parking	859,090	144,105	1,003,195	763,011
Pedestrian Safety	(21,605)	(14,395)	(36,000)	(36,000)
Net Proceeds (Cost) of DVP	470,327	(111,157)	359,170	(1,038,875)
Other				
Revenues	10,129,008	186,902	10,315,910	273,000
Expenses	(672,573)	(237,830)	(910,403)	(910,403)
Net Other	9,456,435	(50,928)	9,405,507	(637,403)
Total Net Proceeds/Operating	12,667,075	(22,364)	12,644,711 ⁽³⁾	(1,229,938)
Capital/Repair Expenditures	(158,143)	(1,229,199)	(1,387,342)	(1,356,567) ⁽²⁾
Results Net of Capital/Repair Expenditures	\$ 12,508,932	\$ (1,251,563)	\$ 11,257,369 ⁽⁴⁾	\$ (2,586,505)

Notes:

(1) Estimates compiled quarterly through third quarter (March 31) and monthly thereafter if significant changes are expected.

(2) Includes an approved (9/9/21 agenda) budget amendment to provide for several capital project balances (\$86,455) carried over from FY21, an approved (2/4/22) agenda budget amendment to provide for needed capital repairs and replacements (\$300,000) and carryover CARES grant spending (Special Acco

(3) Includes a \$10M - Small Business Administration/Shuttered Venues Operator Grant. Excluding the SBA Grant, total Net Proceeds/Operating is estimated at \$2,644,711 and Results Net of Capital/Repair at \$1,257,369.

(4) Including the \$10,000,000 SBA Grant, the Estimated Unrestricted Fund Balance will total approximately \$ 25,054,289 at fiscal year end.

Grand Rapids-Kent County Convention/Arena Authority
Administrative - Operating / Capital Replacement Budget
FY 2022 Budget

FY 2022 Eligible Projects:	Budget	Actual 7/1/21 - 4/30/22	Roll	Appropriation Lapse
Van Andel Arena®				
Cooling Tower/Condenser Coil	\$ 30,000	\$ -	\$ 30,000	\$ -
Wireless Communication Devices	45,000	-	45,000	-
Total VAA	75,000	-	75,000	-
DeVos Place®				
Lyon Street Landscape	200,000	-	200,000	-
New Sound System	225,000	41,213	183,788	-
Total DVP	425,000	41,213	383,788	-
Both Venues				
Carryover (FY20) Projects				
DVP Building Maintenance Software-HVAC	43,740	43,440	300	-
DVP Additional Furniture	30,580	30,580	-	-
VAA Security Upgrades	12,135	-	-	12,135
VAA Suite Refresher	370,112	-	370,112	-
DVP Lyon Street Landscaping	400,000	-	400,000	-
Total Carryover	856,567	74,020	770,412	12,135
Total Unrestricted Accounts	1,356,567	115,233	1,229,200	12,135
COVID-19 County Grant (Restricted Account)	48,620	42,910	-	5,710
Total FY 2021 Capital Budget	\$ 1,405,187	\$ 158,143	\$ 1,229,200	\$ 17,845

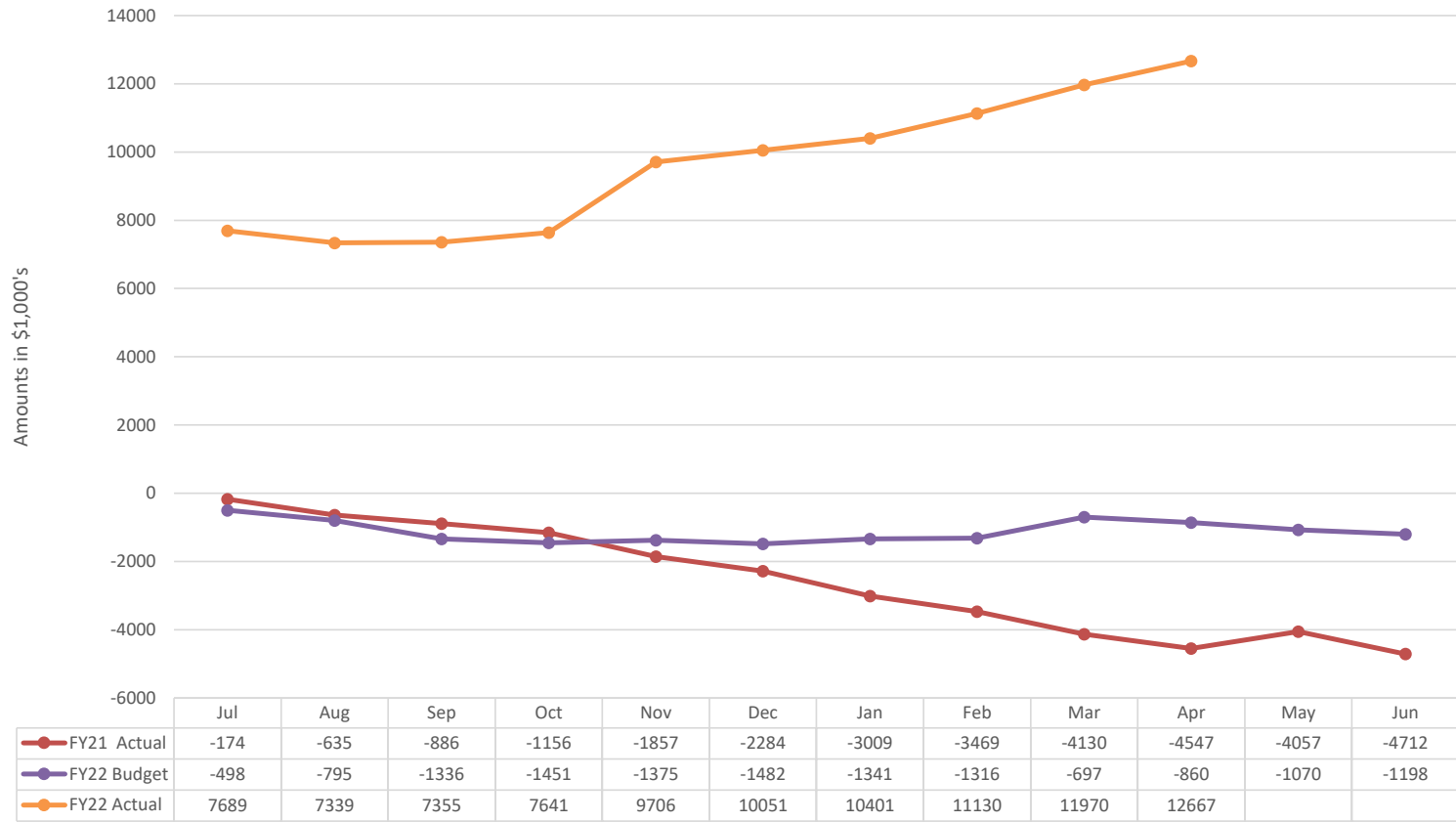
Notes: The FY2022 budget, as adopted, included \$600,000 for Lyon Street Landscape and \$370,112 for Suite Refresher.
The July monthly financial report included a request to re-appropriate a total of \$86,455 for Unrestricted Projects
and \$48,620 in the County Grant account (for which \$42,910 has been spent; the remaining \$5,710 will be returned to the County).
The December financial report included a request to appropriate additional capital repair/replacement funds (\$300,000)
for projects detailed above

Grand Rapids-Kent County Convention/Arena Authority
Budget Summary by Facility/Other
Financial Trends for Year Ending June 30, 2022

	Annual			Year-To-Date		
	FY 2021	FY 2022	Change	FY 2021	FY 2022	Change
	Final	Budget	Positive (Negative)	7/1-4/30/21	7/1 - 4/30/22	Positive (Negative)
Van Andel Arena						
Operating - Revenues	\$ 729,644	\$ 4,746,644	550.5%	\$ 681,878	\$ 5,917,125	767.8%
- Expenses - Facilities	(2,315,851)	(4,330,348)	-87.0%	(1,827,459)	(3,188,640)	74.5%
- Base Management Fees	(180,339)	(183,945)	-2.0%	(150,282)	(150,282)	0.0%
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	(1,766,546)	232,351	113.2%	(1,295,863)	2,578,203	299.0%
Parking	263,244	278,989	6.0%	161,901	228,735	41.3%
Pedestrian Safety		(65,000)	-100.0%		(66,625)	-100.0%
Net Proceeds (Cost) of VAA	(1,503,302)	446,340	436.8%	(1,133,962)	2,740,313	341.7%
DeVos Place Convention Center						
Operating - Revenues	288,560	4,143,265	1335.8%	122,098	5,040,512	4028.3%
- Expenses - Facilities	(4,028,560)	(5,725,206)	-42.1%	(3,221,783)	(5,257,388)	63.2%
- Base Management Fees	(180,339)	(183,945)	-2.0%	(150,282)	(150,282)	0.0%
- Incentive Fee	-	-	-	-	-	0.0%
Net Operating Income (Loss)	(3,920,339)	(1,765,886)	55.0%	(3,249,967)	(367,158)	88.7%
Parking	207,772	763,011	267.2%	175,073	859,090	390.7%
Pedestrian Safety	(71,120)	(36,000)	-49.4%	(29,820)	(21,605)	-100.0%
Net Proceeds (Cost) of DVP	(3,783,687)	(1,038,875)	-264.2%	(3,104,714)	470,327	115.1%
Other						
Revenues	340,115	273,000	-19.7%	3,119,888	10,129,008	224.7%
Expenses	(691,010)	(910,403)	-31.7%	(1,022,450)	(672,573)	-34.2%
Net Other	(350,895)	(637,403)	-81.0%	2,097,438	9,456,435	350.9%
Total Net Proceeds/Operating	(5,637,884)	(1,229,938)	78.0%	(2,141,238)	12,667,075	691.6%
Capital/Repair Expenditures	(2,193,876)	(1,356,567)	52.0%	(4,905,151)	(158,143)	-96.8%
Results Net of Capital Expenditures	\$ (7,831,760)	\$ (2,586,505)	71.0%	\$ (7,046,389)	\$ 12,508,932	-277.5%

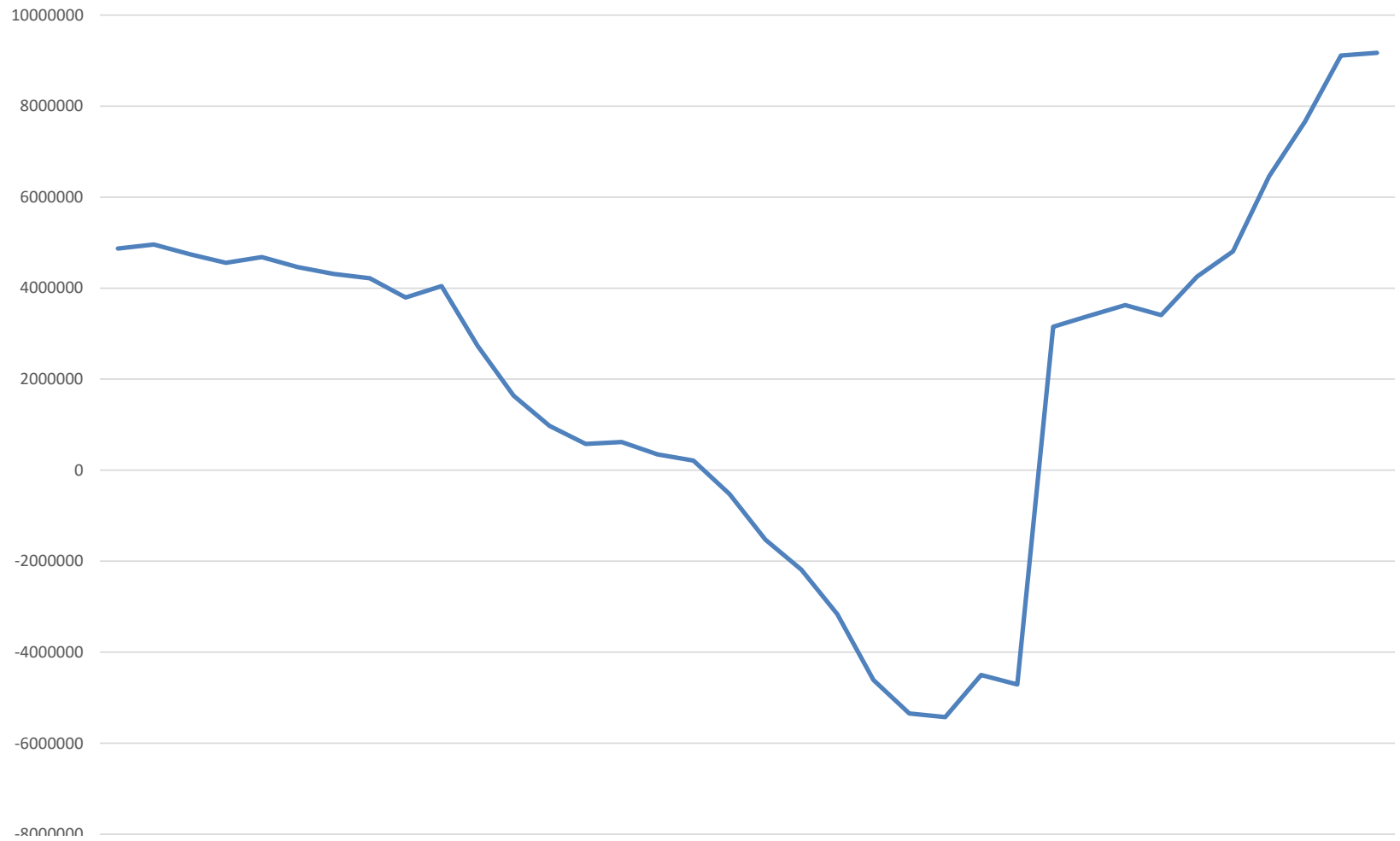
CAA Trends

Monthly Net Operating Proceeds through April 30, 2022



Accumulative Net Proceeds by Month

Lagging 12 Months Net Operating Proceeds



Significant Notes

Van Andel Arena®

Six concert events (including sold out shows from Elton John, Kid Rock and Elevation Nights) brought 47,697 people representing 54% of overall attendance for the month signaling a strong return of public confidence in the safety of our facilities.

Monthly Net Proceeds of \$678,414 increased from prior year of (\$110,778).

DeVos Place®

Convention/Tade Show days increased to 10 and Arts Groups event days increased to 11 combined accounting for 54% of overall event load for the month at DeVos.

Monthly Net Proceeds of (\$75,834) decreased from prior year Monthly Net "Proceeds" of (\$339,333).

Grand Rapids-Kent County Convention/Arena Authority
Administrative Accounts
Net Other Detail
April 30, 2022

	Annual			Actual		
	FY 2021	FY 2022	Change	FY 2021	FY 2022	Change
	Final	Budget	Positive	7/1/20 - 4/30/21	7/1/21 - 4/30/22	Positive
			(Negative)			(Negative)
Other						
Revenues						
Interest/Capital Contr.	\$ 210,264	\$ 215,000	2.3%	\$ 2,103,234	\$ 104,431	-95.0%
Miscellaneous	129,851	58,000	-55.3%	1,016,654	10,024,577	886.0%
	340,115	273,000	-19.7%	3,119,888	10,129,008	224.7%
Expenses						
Arena 25-Year Recognition	-	100,000	-100.0%	-	55,712	-100.0%
Marketing (CVB/Sports)	200,000	200,000	0.0%	200,000	200,000	0.0%
Diversity Initiative	3,000	100,000	-3233.3%	-	9,114	-100.0%
Wages/Benefits	151,848	139,000	8.5%	105,446	102,562	2.7%
Professional Services	113,906	87,000	23.6%	573,942 ⁽²⁾	124,610	78.3%
DID Assessment	32,110	64,903	-102.1%	32,110	63,806	-98.7%
Food & Beverage Repairs	-	40,000	-100.0%	-	-	-
Consulting Services	127,098	91,500 ⁽¹⁾	28.0%	55,801	36,000	35.5%
Landscaping	25,151	27,000	-7.4%	21,605	22,363	-3.5%
Procurement of Art	-	25,000	-100.0%	-	15,875	-100.0%
Insurance	20,610	26,000	-26.2%	24,836	25,075	-1.0%
Supplies/Other	17,287	10,000	42.2%	8,710	17,456	-100.4%
	691,010	910,403	-31.7%	1,022,450	672,573	34.2%
Net Proceeds - Operating	<u>\$ (350,895)</u>	<u>\$ (637,403)</u>	<u>-81.7%</u>	<u>\$ 2,097,438</u>	<u>\$ 9,456,435</u>	<u>350.9%</u>

Notes:

⁽¹⁾ SMG-\$55,500 and Potomac Strategic Development - \$36,000.

⁽²⁾ Includes Accounting, Legal and Progressive AE professional services

Grand Rapids-Kent County Convention/Arena Authority
Special Accounts
Federal CARES Allotment (County)
Grant Period: 10/8/20 to 12/30/20
Revenues/Expenses
April 30, 2022

	<u>Budget</u>	<u>Actual</u>
Revenues:		
County Grant	\$ 48,620	\$ 42,910
Expenses:	<u>(48,620)</u>	<u>(42,910)</u>
Net Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

NOTES:

- County Board Approval - 10/8/2020
- CAA - Funds Received - 10/27/2020
- ASM - Purchase Orders Issued - 10/28/2020
- CAA Board - Grant Agreement Approved - 11/13/2020
- Timing Limitation - All Grant Funds Must Be Spent on or Before 12/30/2020
- Time limit extension for "advertising" expenditures

Unexpended Balance, of \$30,172, returned to Kent County on 01/29/2021

Remaining unexpended balance of \$5,071 will be returned to the County before fiscal year end

Reserve balance, of \$48,620, held for remaining grant eligible activities

Deferred Revenue for Communication portion of CARES grant @ 6/30/21 totaled \$ 45,859.27

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2022**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Actual
Net Revenue above Expenses	2,824,070	(487,265)	2,336,805	(5,686,855)
Benchmark++			1,050,000	1,050,000
Excess	2,824,070	(487,265)	1,286,805	(6,736,855)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	185,749	185,749	371,497	360,676
Incentive Fee				
Revenue	7,235,083	5,714,179	12,949,262	1,018,204
Benchmark Revenue	5,548,039	4,901,666	10,449,705	9,914,331
Revenue Excess	1,687,044	812,513	2,499,557	(9,104,314)
Incentive Fee **	250,737	120,760	371,497	-
Total SMG Management Fee	436,486	306,508	742,994	360,676

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

++ SMG will be eligible for an Incentive fee if Net Revenues exceed Expenses by the following amounts:

Equal to \$850,000 and less than \$950,000 shall be paid at 50% of calculated fee.

Equal to \$950,000 and less than \$1,050,000 shall be paid at 75% of calculated fee.

Equal to \$1,050,000 and above shall be paid at 100% of calculated fee.

DEVOS PLACE

DE VOS PLACE

FINANCIAL STATEMENT FOR THE MONTH ENDED APRIL 30, 2022

Distribution:

Grand Rapids – KentCounty Convention / Arena Authority
Cheri McConomy
Tony Cima
Jeffrey Wong
David Schmid
Richard MacKeigan
Chris Machuta



DE VOS PLACE
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2022

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	292	108	400	269	131
ATTENDANCE	326,880	106,530	433,410	410,420	22,990
DIRECT EVENT INCOME	2,707,472	467,128	3,174,600	2,352,417	822,183
ANCILLARY INCOME	1,542,683	111,582	1,654,265	1,401,350	252,915
OTHER EVENT INCOME	714,896	76,566	791,462	287,498	503,964
TOTAL EVENT REVENUE	4,965,051	655,276	5,620,327	4,041,265	1,579,062
TOTAL OTHER REVENUE	75,461	18,391	93,852	102,000	(8,148)
TOTAL OPERATING REVENUE	5,040,512	673,667	5,714,179	4,143,265	1,570,914
INDIRECT EXPENSES					
EXECUTIVE	147,238	32,775	180,013	221,759	41,746
FINANCE	214,781	53,772	268,553	273,830	5,277
MARKETING	142,917	26,425	169,342	183,911	14,569
OPERATIONS	1,107,355	233,700	1,341,055	1,476,685	135,630
EVENT SERVICES	1,439,687	132,121	1,571,808	1,146,261	(425,547)
BOX OFFICE	195,781	26,276	222,057	168,624	(53,433)
SALES	320,366	73,725	394,091	485,960	91,869
OVERHEAD	1,839,547	214,978	2,054,525	1,952,121	(102,404)
TOTAL OPERATING EXP.	5,407,670	793,772	6,201,444	5,909,151	(292,293)
NET REVENUE ABOVE EXPENSES	(367,158)	(120,105)	(487,265)	(1,765,886)	1,278,621
INCENTIVE FEE		120,760	120,760	0	(120,760)
NET OPERATING REVENUE OVER OPERATING EXPENSES	(367,158)	(240,865)	(608,025)	(1,765,886)	1,157,861

Comments:

April continues stronger than expected activity for DeVos Place, however, consistent with revised forecast. Facility is still on track to finish the fiscal year with an operating loss of less than \$500K.

General Manager

Assistant General Manager

DE VOS PLACE
FINANCIAL STATEMENT HIGHLIGHTS
FISCAL YEAR ENDING JUNE 30, 2022

The following schedule summarizes operating results for both the current month and Year to Date as compared to budget and prior year:

MONTH	April Actual	April Budget	April FY 2021
Number of Events	39	17	11
Attendance	35,239	22,600	399
Direct Event Income	\$277,576	\$137,933	\$19,595
Ancillary Income	234,663	78,825	838
Other Event Income	99,434	24,141	0
Other Operating Income	5,865	8,500	5,537
Indirect Expenses	(693,372)	(579,215)	(365,303)
Net Income	(\$75,834)	(\$329,816)	(\$339,333)

YTD	YTD 2022 Actual	YTD 2022 Budget	YTD 2021 Prior Year
Number of Events	331	229	37
Attendance	362,119	342,020	1,359
Direct Event Income	\$2,707,472	\$1,966,644	\$59,470
Ancillary Income	1,542,683	1,140,145	(5,599)
Other Event Income	714,896	240,888	0
Other Operating Income	75,461	85,000	68,227
Indirect Expenses	(5,407,670)	(5,155,284)	(3,372,065)
Net Income	(\$367,158)	(\$1,722,607)	(\$3,249,967)

EVENT INCOME

Event income came in ahead of budget as more events were hosted than originally thought.

ANCILLARY INCOME

Ancillary income came in ahead of budget as spending in most areas was higher than budget.

INDIRECT EXPENSES

Indirect expenses came in above budget, however, consistent with revised forecast.

DeVos Place
Income Statement
For the Ten Months Ended April 30, 2022

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$306,897	\$133,653	\$ 173,244	\$20,850	\$2,860,709	\$2,010,200	\$ 850,509	\$53,650
Service Revenue	415,108	228,987	186,121	63,639	2,515,752	1,782,916	732,836	174,180
Service Expenses	(444,429)	(224,707)	(219,722)	(64,894)	(2,668,989)	(1,826,472)	(842,517)	(168,360)
Total Direct Event Income	277,576	137,933	139,643	19,595	2,707,472	1,966,644	740,828	59,470
Ancillary Income								
F&B Concession	27,914	6,466	21,448	0	240,721	142,526	98,195	18
F&B Catering	92,303	29,307	62,996	0	408,080	333,238	74,842	1,699
Novelty Sales	4,235	1,944	2,291	0	36,420	10,542	25,878	0
Booth Cleaning	27,397	7,202	20,195	0	252,949	178,050	74,899	0
Telephone/Long Distance	0	-	-	0	0	150	(150)	0
Electrical Services	18,752	9,881	8,871	0	227,847	190,879	36,968	1,360
Audio Visual	34,271	13,450	20,821	0	167,478	132,165	35,313	0
Internet Services	4,711	4,069	4,764	(1,822)	65,134	55,912	9,222	(18,340)
Equipment Rental	25,080	6,506	18,574	2,660	144,054	96,683	47,371	9,664
Total Ancillary Income	234,663	78,825	155,838	838	1,542,683	1,140,145	402,538	(5,599)
Other Event Income								
Ticket Rebates(Per Event)	99,434	24,141	75,293	0	714,896	240,888	474,008	-
Total Other Event Income	99,434	24,141	75,293	0	714,896	240,888	474,008	0
Total Event Income	611,673	240,899	370,774	20,433	4,965,051	3,347,677	1,617,374	53,871
Other Operating Income								
Luxury Box Agreements	0	2,000	(2,000)	0	0	20,000	(20,000)	4,650
Advertising	0	0	-	0	0	0	-	0
Other Income	5,865	6,500	(635)	5,537	75,461	65,000	10,461	63,577
Total Other Operating Income	5,865	8,500	(2,635)	5,537	75,461	85,000	(9,539)	68,227
Adjusted Gross Income	617,538	249,399	368,139	25,970	5,040,512	3,432,677	1,607,835	122,098
Operating Expenses								
Salaries and Wages	490,386	373,845	116,541	147,813	3,462,250	3,270,263	191,987	1,655,147
Payroll Taxes and Benefits	192,287	108,621	83,666	71,376	1,186,509	950,176	236,333	714,099
Labor Allocations to Events	(364,980)	(232,812)	(132,168)	(84,622)	(2,435,985)	(2,036,555)	(399,430)	(907,292)
Net Salaries and Benefits	317,693	249,654	68,039	134,567	2,212,774	2,183,884	28,890	1,461,954
Contracted Services	59,340	28,046	31,294	3,050	397,476	280,460	117,016	27,284
General and Administrative	45,756	40,398	5,358	20,481	311,396	356,565	(45,169)	198,147
Operations	9,680	13,613	(3,933)	4,446	99,369	129,462	(30,093)	38,711
Repair and Maintenance	58,671	47,100	11,571	45,671	513,851	471,000	42,851	370,310
Operational Supplies	24,202	24,675	(473)	2,635	212,216	210,750	1,466	45,669
Insurance	29,986	28,333	1,653	32,481	288,636	245,874	42,762	214,415
Utilities	133,016	132,067	949	106,944	1,221,670	1,124,002	97,668	865,293
SMG Management Fees	15,028	15,329	(301)	15,028	150,282	153,287	(3,005)	150,282
Total Operating Expenses	693,372	579,215	114,157	365,303	5,407,670	5,155,284	252,386	3,372,065
Net Income(Loss) From Operatic	(75,834)	(329,816)	253,982	(339,333)	(367,158)	(1,722,607)	1,355,449	(3,249,967)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(75,834)	(329,816)	253,982	(339,333)	(367,158)	(1,722,607)	1,355,449	(3,249,967)

SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For the Ten Months Ended April 30, 2022

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	80	97	57,455	90,520	1,278,330	1,534,891
Consumer/Gated Shows	47	32	135,078	128,000	1,222,823	879,592
DeVos Performance Hall	121	100	141,351	123,500	1,771,406	933,165
Banquets	16	-	9,470	-	146,764	-
Meetings	48	-	10,539	-	459,185	-
Other	19	-	8,226	-	86,543	-
GRAND TOTALS	331	229	362,119	342,020	4,965,051	3,347,647

As Percentage of Overall

Convention/Trade Shows	24.17%	42.36%	15.87%	26.47%	25.75%	45.85%
Consumer/Gated Shows	14.20%	13.97%	37.30%	37.42%	24.63%	26.27%
Devos Performance Hall	36.56%	43.67%	39.03%	36.11%	35.68%	27.88%
Ballroom Exclusive	4.83%	0.00%	2.62%	0.00%	2.96%	0.00%
Meetings	14.50%	0.00%	2.91%	0.00%	9.25%	0.00%
Other	5.74%	0.00%	2.27%	0.00%	1.74%	0.00%

**DeVos Place
Balance Sheet
As of April 30, 2022**

ASSETS

Current Assets

Cash	2,494,721
Account Receivable	1,354,602
Prepaid Expenses	230,845

Total Current Assets	\$4,080,168	
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Total Assets	\$4,080,168	
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LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	466,221
Accrued Expenses	236,757
Deferred Income	226,969
Advanced Ticket Sales & Deposits	2,457,181

Total Current Liabilities	\$3,387,128	
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Other Liabilities

Equity

Funds Remitted to CAA	(55,000)
Funds Received by CAA	
Expenses Paid Direct by CAA	1,192,424
Beginning Balance Equity	(77,225)
Current Year Equity	(367,158)

Total Equity	\$693,041	
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Total Liabilities and Equity	\$4,080,168	
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SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of April 30, 2022

Current - Under 30 Days	
Food & Beverage	111,511
Ticketing	30,493
Merchandise	2,859
Decorating	27,397
Audio/Visual	34,271
Van Andel Arena	721,287
Operating	378,858
 Over 30 Days	 47,926
 Over 60 Days	 -
 Over 90 Days	
 Total Accounts Receivable	 1,354,602

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2022**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Actual
Net Revenue above Expenses	2,824,070	(487,265)	2,336,805	(5,686,855)
Benchmark++			1,050,000	1,050,000
Excess	2,824,070	(487,265)	1,286,805	(6,736,855)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	185,749	185,749	371,497	360,676
Incentive Fee				
Revenue	7,235,083	5,714,179	12,949,262	1,018,204
Benchmark Revenue	5,548,039	4,901,666	10,449,705	9,914,331
Revenue Excess	1,687,044	812,513	2,499,557	(9,104,314)
Incentive Fee **	250,737	120,760	371,497	-
Total SMG Management Fee	436,486	306,508	742,994	360,676

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

++ SMG will be eligible for an Incentive fee if Net Revenues exceed Expenses by the following amounts:

Equal to \$850,000 and less than \$950,000 shall be paid at 50% of calculated fee.

Equal to \$950,000 and less than \$1,050,000 shall be paid at 75% of calculated fee.

Equal to \$1,050,000 and above shall be paid at 100% of calculated fee.



VAN ANDEL ARENA

FINANCIAL STATEMENT FOR THE MONTH ENDED APRIL 30, 2022

PROUD HOME OF THE GRAND RAPIDS GRIFFINS – TWO TIME CALDER CUPS CHAMPIONS



Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Cheri McConomy
Tony Cima
Jeffrey Wong
David Schmid
Richard MacKeigan
Chris Machuta



VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2022

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	78	28	106	78	28
ATTENDANCE	424,594	189,500	614,094	523,600	90,494
DIRECT EVENT INCOME	1,170,439	458,343	1,628,782	913,770	715,012
ANCILLARY INCOME	2,331,125	511,301	2,842,426	1,334,871	1,507,555
OTHER EVENT INCOME	1,151,263	66,921	1,218,184	593,600	624,584
TOTAL EVENT INCOME	4,652,827	1,036,565	5,689,392	2,842,241	2,847,151
TOTAL OTHER INCOME	1,264,298	281,393	1,545,691	1,904,403	(358,712)
TOTAL INCOME	5,917,125	1,317,958	7,235,083	4,746,644	2,488,439
INDIRECT EXPENSES					
EXECUTIVE	188,725	49,550	238,275	254,342	16,067
FINANCE	146,954	48,278	195,232	236,266	41,034
MARKETING	174,256	57,689	231,945	286,461	54,516
OPERATIONS	1,378,810	592,919	1,971,729	2,071,178	99,449
BOX OFFICE	175,619	53,090	228,709	299,012	70,303
LUXURY SEATING	-	-	-	-	-
SKYWALK ADMIN	19,001	5,023	24,024	51,237	27,213
OVERHEAD	1,255,558	255,541	1,511,099	1,315,797	(195,302)
TOTAL INDIRECT EXP.	3,338,923	1,062,090	4,401,013	4,514,293	113,280
NET REVENUE ABOVE EXPENSES	2,578,203	255,868	2,834,070	232,351	2,601,719
LESS INCENTIVE FEE		250,737	250,737	-	(250,737)
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	2,578,203	5,131	2,583,333	232,351	2,350,982

Comments:

April was another successful event for the Arena as a total of 6 concerts were hosted during the month highlighted by sold out shows from Elton John, Kid Rock, and Elevation Nights.

General Manager

Assistant General Manager

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FOR FISCAL YEAR ENDING JUNE 30, 2022**

The following schedule summarizes operating results for both the current month and Year to Date as compared to budget and prior year:

MONTH	April Actual	April Budget	April FY 2021
Number of Events	13	9	11
Attendance	88,461	63,300	7,897
Direct Event Income	\$44,481	\$95,960	\$105,075
Ancillary Income	466,435	139,654	0
Other Event Income	273,079	56,000	88
Other Operating Income	232,607	210,717	329
Indirect Expenses	(338,188)	(401,107)	(216,270)
Net Income	\$678,414	\$101,224	(\$110,778)

YTD	YTD 2022 Actual	YTD 2022 Budget	YTD 2021 Prior Year
Number of Events	91	74	22
Attendance	513,055	491,600	9,523
Direct Event Income	\$1,170,439	\$773,770	\$180,426
Ancillary Income	2,331,125	1,243,071	18,120
Other Event Income	1,151,263	481,600	814
Other Operating Income	1,264,298	1,483,669	482,518
Indirect Expenses	(3,338,922)	(3,712,078)	(1,977,741)
Net Income	\$2,578,203	\$270,032	(\$1,295,863)

EVENT INCOME

Event income came in higher than budget for the month on the strength of the Monster Jam show and sold out Tool and Reba concerts.

ANCILLARY INCOME

Ancillary income came in higher than budget for the month. Tool set a new gross/per cap record for merchandise for their sold out date.

INDIRECT EXPENSES

Indirect expenses continue to come in consistent with budget overall.

Van Andel Arena
Income Statement
For the Ten Months Ended April 30, 2022

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$ 227,770	\$ 164,960	\$ 62,810	\$ 185,817	\$ 2,474,558	\$ 1,551,970	\$ 922,588	\$ 280,841
Service Revenue	577,086	180,000	397,086	642	2,399,070	1,142,800	1,256,270	88,498
Service Expenses	(760,375)	(249,000)	(511,375)	(81,384)	(3,703,189)	(1,921,000)	(1,782,189)	(188,913)
Total Direct Event Income	44,481	95,960	(51,479)	105,075	1,170,439	773,770	396,669	180,426
Ancillary Income								
F&B Concession	381,689	122,339	259,350	-	2,012,077	1,105,007	907,070	-
F&B Catering	32,614	11,075	21,539	-	146,859	92,446	54,413	-
Novelty Sales	51,841	6,240	45,601	-	168,303	45,618	122,685	-
Booth Cleaning	291	-	291	-	291	-	291	660
Audio Visual	-	-	-	-	95	-	95	-
Other Ancillary	-	-	-	-	3,500	-	3,500	17,460
Total Ancillary Income	466,435	139,654	326,781	0	2,331,125	1,243,071	1,088,054	18,120
Other Event Income								
Ticket Rebates(Per Event)	273,079	56,000	217,079	88	1,151,263	481,600	669,663	814
Total Other Event Income	273,079	56,000	217,079	88	1,151,263	481,600	669,663	814
Total Event Income	783,995	291,614	492,381	105,163	4,652,827	2,498,441	2,154,386	199,360
Other Operating Income								
Luxury Box Agreements	194,607	147,717	46,890	-	982,815	1,042,669	(59,854)	293,980
Advertising	38,000	54,000	(16,000)	-	266,000	378,000	(112,000)	144,466
Other Income	-	9,000	(9,000)	329	15,483	63,000	(47,517)	44,072
Total Other Operating Income	232,607	210,717	21,890	329	1,264,298	1,483,669	(219,371)	482,518
Adjusted Gross Income	1,016,602	502,331	514,271	105,492	5,917,125	3,982,110	1,935,015	681,878
Operating Expenses								
Salaries and Wages	208,209	204,278	3,931	57,634	1,678,810	1,693,492	(14,682)	584,949
Payroll Taxes and Benefits	111,933	59,938	51,995	26,692	619,219	529,565	89,654	279,526
Labor Allocations to Events	(237,182)	(87,885)	(149,297)	(8,726)	(1,051,180)	(615,195)	(435,985)	(76,906)
Net Salaries and Benefits	82,960	176,331	(93,371)	75,600	1,246,849	1,607,862	(361,013)	787,569
Contracted Services	35,981	28,046	7,935	7,457	253,577	278,660	(25,083)	40,475
General and Administrative	37,090	34,289	2,801	21,233	321,789	308,503	13,286	225,364
Operations	8,267	7,899	368	1,600	46,974	76,989	(30,015)	16,171
Repair and Maintenance	21,233	30,875	(9,642)	19,921	208,657	308,750	(100,093)	130,514
Operational Supplies	15,701	21,558	(5,857)	766	183,548	197,581	(14,033)	42,599
Insurance	40,844	17,072	23,772	23,360	264,406	152,613	111,793	129,500
Utilities	81,083	69,708	11,375	51,305	662,840	627,831	35,009	455,267
SMG Management Fees	15,029	15,329	(300)	15,028	150,282	153,289	(3,007)	150,282
Total Operating Expenses	338,188	401,107	(62,919)	216,270	3,338,922	3,712,078	(373,156)	1,977,741
Net Income(Loss) From Operations	678,414	101,224	577,190	(110,778)	2,578,203	270,032	2,308,171	(1,295,863)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	678,414	101,224	577,190	(110,778)	2,578,203	270,032	2,308,171	(1,295,863)

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
For the Ten Months Ended April 30, 2022

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	8	8	41,177	45,000	215,942	187,464
Sporting Event	17	6	74,999	38,000	1,154,854	367,137
Concert	25	15	187,792	122,000	2,709,782	1,249,264
Team Home Games	38	38	193,687	235,600	332,592	555,066
Other	3	7	15,400	51,000	239,655	139,510
GRAND TOTALS	91	74	513,055	491,600	4,652,827	2,498,441

As Percentage of Overall

Family Show	8.79%	10.81%	8.03%	9.15%	4.64%	7.50%
Sporting Event	18.68%	8.11%	14.62%	7.73%	24.82%	14.69%
Concert	27.47%	20.27%	36.60%	24.82%	58.24%	50.00%
Team Home Games	41.76%	51.35%	37.75%	47.93%	7.15%	22.22%
Other	3.30%	9.46%	3.00%	10.37%	5.15%	5.58%

**Van Andel Arena
Balance Sheet
As of April 30, 2022**

ASSETS

Current Assets

Cash	9,091,968
Account Receivable	1,061,235
Prepaid Expenses	(116,387)

Total Current Assets		\$10,036,816
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Total Assets		\$10,036,816

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	202,305
Accrued Expenses	191,655
Deferred Income	2,428,959
Advanced Ticket Sales & Deposits	4,361,550

Total Current Liabilities		\$7,184,469
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Other Liabilities

Equity

Funds Remitted to CAA	-
Funds Received by CAA	-
Expenses Paid Direct by CAA	635,820
Beginning Balance Equity	(361,676)
Current Year Equity	2,578,203

Total Equity		\$2,852,347
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Total Liabilities and Equity		\$10,036,816

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of April 30, 2022

Current - Under 30 Days	
Food & Beverage	751,752
Ticketing	-
Merchandise	97,811
Permanent Advertising	-
DeVos Place	(135,291)
Operating	314,349
 Over 30 Days	 32,614
 Over 60 Days	
 Over 90 Days	
 Total Accounts Receivable	 1,061,235

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2022**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Actual
Net Revenue above Expenses	2,824,070	(487,265)	2,336,805	(5,686,855)
Benchmark++			1,050,000	1,050,000
Excess	2,824,070	(487,265)	1,286,805	(6,736,855)

Incentive Fee Calculation (Only if above greater than zero)

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Base Fee	185,749	185,749	371,497	360,676
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Revenue Excess	1,687,044	812,513	2,499,557	(9,104,314)
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