

## Agenda

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### Joint Meeting of Board of Directors & Committees

**Friday | June 2, 2023**

**8:00 a.m.**

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

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|-----|--|---------------------|
| 1.  | Call to Order  | Rick Winn           |
| 2.  | Minutes of May 5, 2023   | Action              |
| 3.  | CAA Annual Report Presentation   | Rich MacKeigan      |
| 4.  | ArtPrize Presentation  | Rich MacKeigan      |
| 5.  | FY 2024 Budgets  | Action              |
| 6.  | DeVos Place® Rate Sheets: FY 2024-FY 2028  | Action              |
| 7.  | Committee Reports  |                     |
|     | A. Finance Committee   |                     |
|     | i. Acceptance of April 2023 Consolidated Financial Statements  | Action              |
|     | ii. April 30, 2023, Financial Statements –<br>DeVos Place® and Van Andel Arena® - SMG, a division of<br>ASM Global | Information         |
|     | B. Operations Committee  |                     |
|     | i. Report from Experience Grand Rapids   | Mary Manier         |
| 8.  | Application to Liquor Control Commission for Special License   | Action              |
| 9.  | Kent County Lodging Excise Tax Fund Q1 Report  | Marvin Van Nortwick |
| 10. | ASM Global Calendar Update   | Rich MacKeigan      |
| 11. | Public Comment   |                     |
| 12. | Adjournment  |                     |

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY  
CONVENTION/ARENA AUTHORITY  
BOARD OF DIRECTORS  
300 MONROE AVENUE, NW | GRAND RAPIDS, MI  
WEDNESDAY, MAY 5, 2023**

**Attendance:**

Members Present: Richard Winn, Chairperson  
Lew Chamberlin  
Birgit Klohs  
Mike Verhulst

Members Absent: Rosalynn Bliss  
Mandy Bolter  
M. Scott Bowen

Staff/Others:	Andrea Anderson	City of Grand Rapids
	Kate Berens	City of Grand Rapids
	Tom Burke	IATSE Local 26
	Trey Conner	Grand Rapids Gold
	Scott Gorsline	DP Fox
	Tim Gortsema	Grand Rapids Griffins
	Jen Henkel	ASM Global
	Mark Hodges	Grand Rapids Comic Con
	Hayden Johnson	ASM Global
	Deandre Jones	Jump Ahead L3C
	Lindsey Katerberg	IATSE Local 26
	Chris Machuta	ASM Global
	Peter MacGregor	Kent County
	Rich MacKeigan	ASM Global
	Cheri McConomy	McConomy Properties, LLC
	Brian McVicar	<i>The Grand Rapids Press/MLive</i>
	Jackie Morse	ASM Global
	Steve Orchard	Kent County
	Jay Preston	Ernst & Young
	John Rizer	Progressive AE
	Josh Roskamp	IATSE Local 26
	Doug Small	Experience Grand Rapids
	Don Stover	IATSE Local 26
	Eddie Tadlock	ASM Global
	Brad Thomas	Progressive AE
	John Van Houten	Progressive AE
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	John Weiss	Dickinson Wright
	Jessica Wood	Dickinson Wright

**1. Call to Order**

The Chairperson, Richard Winn, called the meeting to order at 9:08 a.m. Staff recorded the meeting minutes.

**2. Minutes of March 3, 2023, Meeting**

*Motion by Mr. Chamberlin, supported by Ms. Klohs, to approve the March 3, 2023, Board Minutes. Motion carried.*

**3. Committee Reports**

**A. Operations Committee – Experience Grand Rapids Report**

Doug Small provided an overview of the CVB’s sales activities and marketing efforts for April 2023. The sales team was on the road attending out-of-state sales missions, meetings, and client events. Staff hosted 15 site visits in April

**B. Finance Committee**

**i. Consolidated Financial Statement for Period Ending March 31, 2023**

*Motion by Ms. Klohs, supported by Mr. Chamberlin, to accept the consolidated financial statement for the period ending March 31, 2023. Motion carried.*

**ii. ASM Global Financial Statements for Period Ending March 31, 2023 – DeVos Place® and Van Andel Arena®**

The financial statements were included as information items.

**4. Preliminary Review of FY 2024 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 2, 2023, meeting. Please contact Rich MacKeigan, Cheri McConomy, or Chris Machuta with any questions.

**5. Preliminary Review of 2024-2028 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 2, 2023, 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. Independent Contractor/Consultant Agreement with McConomy Properties, LLC**

*Motion by Ms. Klohs, supported by Mr. Chamberlin, to approve the Independent Contractor/Consultant Agreement with McConomy Properties, LLC. Motion carried.*

**8. DeVos Place® Parking Operation Agreement**

*Motion by Ms. Klohs, supported by Mr. Chamberlin, to approve the DeVos Place® Parking Operation Agreement. Motion carried.*

**9. Resolution Approving and Authorizing Execution of Memorandum of Understanding Relating to Amphitheater Construction Cost Reimbursement**

*Motion by Ms. Klohs, supported by Mr. Verhulst, to approve the Resolution Approving and Authorizing Execution of Memorandum of Understanding Relating to Amphitheater Construction Cost Reimbursement. Motion carried.*

**10. Cash Management and Investment Policy Update**

This was included as an information item.

**11. ASM Global Report**

Mr. MacKeigan reported that, as regional booking manager, he will be travelling in the next couple of weeks.

**12. Public Comment**

Deandre Jones, Jump Ahead L3C, stated that his next e-sports competition will be held August 12, 2023, at Grand Valley University and will feature the game Call of Duty. Ferris State University will assist with the competition since it offers a professional esports production program. The competition will also be a fundraiser for cancer patients, and he has partnered with the American Cancer Society.

**13. Adjournment**

The meeting was adjourned at 9:18 a.m.

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Susan M. Waddell, Recording Secretary

## Memorandum

**To:** CAA Finance Committee

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

**From:** Cheri McConomy

**AS REVISED**

**Date:** May 30, 2023

**Re:** Convention/Arena Authority (CAA)  
Fiscal Year 2024 Budget Recommendation

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The attached material summarizes a requested CAA Administrative Operating Budget and Consolidated Income Statement for the Fiscal Year beginning July 1, 2023 (Fiscal Year 2024). The format of the report provides the Board with an overview of Fiscal Year 2022 actual, Fiscal Year 2023 estimate, and Fiscal Year 2024 final recommendations. Preliminary Finance Committee review was held on May 5th, with final Board review scheduled for June 2nd.

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 \$2,182,208. Funding, requested for FY 2024, would generate a net operating income of \$1,350,590.

The Fiscal Year 2024 **consolidated** income statement (Table C) forecasts a net operating income totaling \$2,142,427. This income will be applied to finance, in part, a capital outlay request totaling \$8,029,037. The balance of the funds required will be supported by 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.

On the basis of these budgetary estimates, it is expected that the CAA will close its Fiscal Year 2024 activities with a "fund balance" approximating \$21.0 million. This would include a recommended minimum operating reserve balance of \$3.0 million and a capital repair/replacement/improvement reserve of \$18.0 million.

The current Table D has been included along with the original Fiscal Year 2024 budget Table D to illustrate changes between the two. The major updates between the original and this current budget request are as follows:

- Added one concert providing approximately \$164k in net revenues (VAA)
- Corrected a payroll allocation error and forecasted insurance expense change providing an approximate \$486k increase in net proceeds (DVP)
- Added 3 capital repair/replacement/improvement projects totaling \$525k as well as carried forward approximately \$1.4M for FY23 budgeted projects unable to be completed by year end for both facilities

Richard MacKeigan, Chris Machuta, 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:

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, 2022 - 2024**

	<b><u>FY 2022</u></b>	<b><u>FY 2023</u></b>	<b><u>FY 2023</u></b>	<b><u>FY 2024</u></b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Estimate</u></b>	<b><u>Recommendation</u></b>
Van Andel Arena				
Operating - Revenues	\$ 7,934,764	\$ 6,642,366	\$ 8,461,333	\$ 7,106,175
- Expenses - Facilities	(4,108,004)	(4,858,170)	(5,393,058)	(5,157,882)
- Management Fees	(185,746)	(191,321)	(191,321)	(197,061)
- <b>Incentive Fees</b>	<b>(240,472)</b>	-	<b>(197,848)</b>	<b>(93,069)</b>
Net Operating Income	<u>3,400,542</u>	<u>1,592,875</u>	<u>2,679,106</u>	<u>1,658,163</u>
DeVos Place				
Operating - Revenues	6,202,108	6,229,122	7,598,909	7,983,737
- Expenses - Facilities	(6,644,386)	(7,086,270)	(7,719,692)	(7,793,196)
- Management Fees	(185,749)	(191,321)	(191,321)	(197,061)
- <b>Incentive Fees</b>	<b>(131,025)</b>	-	<b>(184,794)</b>	<b>(301,053)</b>
Net Operating Income/(Loss)	<u>(759,052)</u>	<u>(1,048,469)</u>	<u>(496,898)</u>	<u>(307,573)</u>
Net Available to CAA:				
Van Andel Arena	3,400,542	1,592,875	2,679,106	1,658,163
DeVos Place	(759,052)	(1,048,469)	(496,898)	(307,573)
	<u><b>\$ 2,641,490</b></u>	<u><b>\$ 544,406</b></u>	<u><b>\$ 2,182,208</b></u>	<u><b>\$ 1,350,590</b></u>

**Table B**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Administrative - Operating / Capital Replacement Budget**  
**FY 2022-2024**

	<b>FY2022</b>	<b>FY 2023</b>	<b>FY 2023</b>	<b>FY 2024</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Recommendation</b>
<b>Revenues:</b>				
Facility Operations	\$ 2,641,490	\$ 544,406	\$ 2,182,208	1,350,590
Utility Reimbursement	2,154,592	2,195,000	2,494,294	2,519,100
Transfers from SMG	4,796,082	2,739,406	4,676,502	3,869,690
 Federal Grant	 \$ 10,042,022	 \$ -		 -
State Grant	-	-	4,281,393	-
County Grant	447,957	-		-
DeVos Place Parking <sup>(1)</sup>	1,319,898	1,543,000	1,718,750	2,050,000
VanAndel Parking <sup>(1)</sup>	371,385	387,830	377,452	384,500
Interest <sup>(2)</sup>	144,201	100,000	420,000	569,750
Miscellaneous	32,592	68,000	68,000	68,000
Total Revenues	17,154,137	4,838,236	11,542,097	6,941,940
 <b>Expenditures:</b>				
Utilities <sup>(4)</sup>	2,154,592	2,195,000	2,494,294	2,519,100
Other Operating <sup>(5)</sup>	399,124	461,889	507,800	523,595
Administration/Other <sup>(6)</sup>	845,148	1,021,330	1,021,330	1,187,068
Facility Maintenance	178,181	-	-	-
Amphitheater	42,022	-	4,281,393	-
Capital	873,491	6,079,000	4,510,422	8,029,037 <sup>(3)</sup>
Total Expenditures	4,492,558	9,757,219	12,815,239	12,258,800
Net Excess (Deficit)	\$ 12,661,579	\$ (4,918,983)	\$ (1,273,142)	\$ (5,316,860)

**Notes: See Following Pages**

**Table B-1**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Administrative - Operating / Capital Replacement Budget**  
**FY 2024 Budget**

**Notes:**

	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
<sup>(1)</sup> DeVos Place Parking Rates:					
30 Minutes	\$ 2.00	\$ 2.00			
Daily Maximum	25.00	25.00			
Vehicles with Trailers: Courtesy Validations (2 Hr. Limit) ASM Designated Or	NC*	NC*			
Event	10.00	13.00			
Weekly (ASM Designated Only)**	14.00	20.00			
Monthly -Public	159.00	165.00			
-Reserved Premium	60.00	65.00			
-County/SMG/ASM (O+M)	58.45	78.55			
Van Andel Arena Parking Rates:					
Event	\$ 14.00	\$ 16.00			
Non-Event Coin Unit	14.00	16.00			
Monthly -Public	115.00	120.00			
* No Charge					
** Fourteen (14) Day Notice Requirement					
<sup>(2)</sup> \$21.5 million (3/31/23 Kent County pool balance) in invested funds at 2.65%.					
<sup>(3)</sup> <b>FY 2024 Proposed Projects:</b>					
DeVos Place®					
Parking Control Equipment & Software		254,000			
Beam Detector for Grand Gallery		50,000			
Chiller Rebuild		300,000			
Michigan Street Dock Doors		100,000			
Roof Replacement - South of Skylight			250,000	1,125,000	1,125,000
Fiber/Switch Upgrades & Replacement		160,000			
Sound Board - DeVos Performance Hall		250,000			
Ballroom Lighting & Controls		2,100,000	1,300,000		
Skywalk Carpeting		150,000			
Furniture		95,000			
DVPH Seating/Box Seating Additional Needs		30,000			
<b>Total DVP</b>		<b>3,489,000</b>	<b>1,550,000</b>	<b>1,125,000</b>	<b>1,125,000</b>
Van Andel Arena					
Emergency Exit Door Replacement		95,000			
Ice Plant Compressor Change		190,000			
Video Board with Scoreboard functionality		1,200,000			
Fencing		150,000			
Zamboni		150,000			
Air Handler Motor Refurbishment		50,000	50,000	50,000	50,000
Floor Seating Replacement		290,000			
Storage Room		400,000			
<b>Total VAA</b>		<b>2,525,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
Both Facilities					
Concrete		100,000			
Surveillance		500,000	500,000	500,000	
<b>Total Both Facilities</b>		<b>600,000</b>	<b>500,000</b>	<b>500,000</b>	
Carryover (FY20, FY23) Projects					
Suite Refresher		720,112			
Projection Theater Upgrades		250,000			
Performance Hall LED		50,000			
Performance Hall Seating		347,450			
Performance Hall Box Seating		47,475			
<b>Total Carryover</b>		<b>1,415,037</b>			
Anticipated future projects			3,000,000	3,000,000	3,000,000
<b>Total FY 2023 Capital Budget</b>		<b>\$ 8,029,037</b>	<b>\$ 5,100,000</b>	<b>\$ 4,675,000</b>	<b>\$ 4,175,000</b>

**Table B-1**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Detail of Expenditure Estimates**  
**FY 2022-2024**

	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2023</b>	<b>FY 2024</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Recommendation</b>
<b>Utilities<sup>(4)</sup>:</b>				
Electricity	\$ 1,262,323	\$ 1,320,000	\$ 1,474,677	\$ 1,478,000
Steam/Gas	700,096	627,500	809,222	832,500
Water/Sewer	192,173	247,500	210,395	208,600
	<u>\$ 2,154,592</u>	<u>\$ 2,195,000</u>	<u>\$ 2,494,294</u>	<u>2,519,100</u>
<b>Other Operating<sup>(5)</sup>:</b>				
Parking Management & Repairs	\$ 248,083	\$ 288,079	\$ 333,990	\$ 360,980
Pedestrian Safety	125,132	101,000	101,000	70,000
Repairs - F&B	-	45,000	45,000	45,000
Landscaping	25,909	27,810	27,810	47,615
	<u>\$ 399,124</u>	<u>\$ 461,889</u>	<u>\$ 507,800</u>	<u>523,595</u>
<b>Administration/Other<sup>(6)</sup>:</b>				
Recognition/New Venue Awareness	\$ 39,626	100,000	100,000	200,000 ***
Wages	109,405	92,200	92,200	92,936
Benefits	37,630	19,600	19,600	21,046
Accounting/Audit	93,050	99,520	99,520	102,720
Legal Services	74,331	36,050	36,050	37,132
DID Assessment <sup>(A)</sup>	63,806	65,720	65,720	67,692
Consulting Services	132,561	143,165	143,165 *	200,000 **
Insurance	19,392	25,075	25,075	25,542
Marketing - CVB/WMSC	200,000	200,000	200,000	200,000
Diversity Initiative	9,817	200,000	200,000	200,000
Procurement of Art (ArtPrize)	25,958	30,000	30,000	30,000
Other	39,572	10,000	10,000	10,000
Contingent	-	-	-	-
	<u>\$ 845,148</u>	<u>\$ 1,021,330</u>	<u>\$ 1,021,330</u>	<u>\$ 1,187,068</u>

**Notes:**

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

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

\*\*SMG-\$58,880; Potomac Strategic Development-\$36,000; Progressive AE \$50,000; \$55,120 Hotel Study

**Table C**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Consolidated Income Statement**  
**Fiscal Years Ending June 30, 2022-2024**

		<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2023</b>	<b>FY 2024</b>
		<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Recommendation</b>
Operating Revenue:					
Event	- VanAndel Arena	\$ 1,304,940	\$ 1,401,940	\$ 1,493,036	\$ 1,574,800
	- DeVos Place	3,171,904	3,970,350	4,858,700	5,318,445
Ancillary	- VanAndel Arena	2,791,817	1,716,326	3,068,750	1,851,675
	- DeVos Place	2,043,069	2,208,772	2,629,483	2,549,292
Other	- VanAndel Arena	3,838,007	3,524,100	3,899,547	3,679,700
	- DeVos Place	987,135	50,000	110,726	116,000
	- Administration	10,480,549	68,000	68,000	68,000
Parking	- VanAndel Arena	371,385	387,830	377,452	384,500
	- DeVos Place	1,319,898	1,543,000	1,718,750	2,050,000
		<u>26,308,704</u>	<u>14,870,318</u>	<u>18,224,444</u>	<u>17,592,412</u>
Operating Expense / Appropriations:					
Facility Operations					
	- VanAndel Arena	4,108,004	4,858,170	5,393,058	5,157,882
	- DeVos Place	6,644,386	7,086,270	7,719,692	7,793,196
	- Management	371,495	382,642	382,642	394,122
	- Incentive	371,497	-	382,642	394,122
	- Parking/Maintenance	399,124	461,889	507,800	523,595
Other Operating		178,181	-	-	-
Administration/Other		845,148	1,021,330	1,021,330	1,187,068
		<u>12,917,835</u>	<u>13,810,301</u>	<u>15,407,164</u>	<u>15,449,985</u>
Operating Income		13,390,869	1,060,017	2,817,280	2,142,427
Non-Operating Revenue:					
Interest/Capital Contribution		144,201	100,000	420,000	569,750
Transfer (to) from Capital Acct.		(873,491)	(6,079,000)	(4,510,422)	(8,029,037)
		<u>(729,290)</u>	<u>(5,979,000)</u>	<u>(4,090,422)</u>	<u>(7,459,287)</u>
<b>Net Income (Loss)</b>		<b>12,661,579</b>	<b>(4,918,983)</b>	<b>(1,273,142)</b>	<b>(5,316,860)</b>
<b>Fund Balance, beg. of yr.</b>		<b>14,932,246</b>	<b>27,593,825</b>	<b>27,593,825</b>	<b>26,320,683</b>
<b>Fund Balance, end of yr.</b>		<b>\$ 27,593,825</b>	<b>\$ 22,674,842</b>	<b>\$ 26,320,683</b>	<b>\$ 21,003,823</b>

**Table D**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Budget Summary by Facility/Other**  
**FY 2022 Actual / FY 2023 Estimate**  
**FY 2024 Budget**

	<b><u>FY 2022</u></b> <b><u>Actual</u></b>	<b><u>FY 2023</u></b> <b><u>Budget</u></b>	<b><u>FY 2023</u></b> <b><u>Estimate</u></b>	<b><u>FY 2024</u></b> <b><u>Recommendation</u></b>
<b>Van Andel Arena</b>				
Operating - Revenues	\$ 7,934,764	\$ 6,642,366	\$ 8,461,333	\$ 7,106,175
- Expenses - Facilities	(4,108,004)	(4,858,170)	(5,393,058)	(5,157,882)
- Management Fees	(185,746)	(191,321)	(191,321)	(197,061)
- Incentive Fee	(240,472)	-	(197,848)	(93,069)
Net Operating Income (Loss)	3,400,542	1,592,875	2,679,106	1,658,163
Parking	371,385	387,830	377,452	384,500
Pedestrian Safety	(95,620)	(65,000)	(65,000)	(70,000)
<b>Net Proceeds (Cost) of VAA</b>	<b>3,676,307</b>	<b>1,915,705</b>	<b>2,991,558</b>	<b>1,972,663</b>
<b>DeVos Place Convention Center</b>				
Operating - Revenues	6,202,108	6,229,122	7,598,909	7,983,737
- Expenses - Facilities	(6,644,386)	(7,086,270)	(7,719,692)	(7,793,196)
- Management Fees	(185,749)	(191,321)	(191,321)	(197,061)
- Incentive Fee	(131,025)	-	(184,794)	(301,053)
Net Operating Loss	(759,052)	(1,048,469)	(496,898)	(307,573)
Parking	1,071,815	1,254,921	1,384,760	1,689,020
Pedestrian Safety	(29,512)	(36,000)	(36,000)	-
<b>Net Proceeds (Cost) of DVP</b>	<b>283,251</b>	<b>170,452</b>	<b>851,862</b>	<b>1,381,447</b>
<b>Other</b>				
Revenues				
Interest	144,201	100,000	420,000	569,750
Miscellaneous	10,480,549	68,000	68,000	68,000
	10,624,750	168,000	488,000	637,750
Expenses				
Administration	(845,148)	(1,066,330)	(1,066,330)	(1,232,068)
Other Operating	(25,909)	(27,810)	(27,810)	(47,615)
	(871,057)	(1,094,140)	(1,094,140)	(1,279,683)
<b>Net Other</b>	<b>9,753,693</b>	<b>(926,140)</b>	<b>(606,140)</b>	<b>(641,933)</b>
<b>Total Net Proceeds/Operating</b>	<b>13,713,251</b>	<b>1,160,017</b>	<b>3,237,280</b>	<b>2,712,177</b>
Capital Expenditures	(1,051,672)	(6,079,000)	(4,510,422)	(8,029,037)
<b>Results Net of Capital Expenditures</b>	<b>\$ 12,661,579</b>	<b>\$ (4,918,983)</b>	<b>\$ (1,273,142)</b>	<b>\$ (5,316,860)</b>

**Table E**  
**Grand Rapids-Kent County Convention/Arena Authority**  
**Summary of Consolidated Income Statement - By Facility**  
**Fiscal Years 2015 through 2024**  
**31-May-23**  
**(In Thousands)**

	<b>Actual</b>								<b>Est.</b>	<b>Rec.</b>
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
VAA - Net Proceeds	\$ 1,610	\$ 1,980	\$ 2,865	\$ 2,338	\$ 4,367	\$ 1,938	(1,503)	\$ 3,917	3,189	\$ 2,066
DVP - Net Proceeds	908	1,625	1,465	1,441	1,243	(688)	(3,784)	414	1,037	1,683
SMG Incentive Fees	(344)	(344)	(347)	(353)	(353)	-	-	(371)	(383)	(394)
Other-Net Proceeds	<u>(308)</u>	<u>(565)</u>	<u>(442)</u>	<u>(516)</u>	<u>(447)</u>	<u>(591)</u>	<u>(351)</u>	<u>9,754</u>	<u>(606)</u>	<u>(642)</u>
Total Net Operating	1,866	2,696	3,541	2,910	4,810	659	(5,638)	13,713	3,237	2,712
Capital	<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>(1,052)</u>	<u>(4,510)</u>	<u>(8,029)</u>
Transfer To/(From) Fund Balance	<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>12,662</u>	<u>(1,273)</u>	<u>(5,317)</u>
Fund Balance, End of Year	<u>\$ 21,896</u>	<u>\$ 22,230</u>	<u>\$ 23,411</u>	<u>\$ 23,703</u>	<u>\$ 24,268</u>	<u>\$ 22,578</u>	<u>\$ 14,932</u>	<u>\$ 27,594</u>	<u>\$ 26,320</u>	<u>\$ 21,004</u>



GRAND RAPIDS-KENT COUNTY  
CONVENTION / ARENA AUTHORITY

May 31, 2023

TO: CAA Finance Committee  
CAA Board of Directors

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

FROM: Eddie Tadlock, Assistant General Manager, DeVos Place

RE: DeVos Place® Rental Rates

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I would like to take this opportunity to present ASM Global's recommendations for Room Rental Rates for DeVos Place®, effective FY July 2024 through FY June 2028. ASM Global has established a 5-year rate card for DeVos Place® to provide potential clients with 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. These rental rates reflect rates of comparable venues of comparable size in the country.

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 us that the proposed increases are in line with our joint marketing goals.

Attachments: Rental Rate Schedules FY's 2024, 2025, 2026, 2027, 2028.

## 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 <sup>st</sup> Performance \$1,950/2 <sup>nd</sup> Performance	N/A	N/A	\$4,400	N/A
DeVos Hall (Fri-Sat)	\$4,400 vs 12%	\$4,400/1 <sup>st</sup> Performance \$2,200/2 <sup>nd</sup> 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 <sup>st</sup> or 2 <sup>nd</sup>	\$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

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 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 <sup>st</sup> Performance \$2,000/2 <sup>nd</sup> Performance	N/A	N/A	\$4,500	N/A
DeVos Hall (Fri-Sat)	\$4,500 vs 12%	\$4,500/1 <sup>st</sup> Performance \$2,250/2 <sup>nd</sup> 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 <sup>st</sup> or 2 <sup>nd</sup>	\$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

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## 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 <sup>st</sup> Performance \$2,050/2 <sup>nd</sup> Performance	N/A	N/A	\$4,100	N/A
DeVos Hall (Fri-Sat)	\$4,600 vs 12%	\$4,600/1 <sup>st</sup> Performance \$2,300/2 <sup>nd</sup> 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 <sup>st</sup> or 2 <sup>nd</sup>	\$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

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## 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 <sup>st</sup> Performance \$2,100/2 <sup>nd</sup> Performance	N/A	N/A	\$4,610	N/A
DeVos Hall (Fri-Sat)	\$4,700 vs 12%	\$4,700/1 <sup>st</sup> Performance \$2,350/2 <sup>nd</sup> 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 <sup>st</sup> or 2 <sup>nd</sup>	\$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

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## ROOM RENTAL RATES

FY 2028 (July 1, 2027 – June 30, 2028)

ROOM	PERFORM	ARTS GROUPS	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$4,300 vs 12%	\$4,300/1 <sup>st</sup> Performance \$2,150/2 <sup>nd</sup> Performance	N/A	N/A	\$5,120	N/A
DeVos Hall (Fri-Sat)	\$4,800 vs 12%	\$4,800/1 <sup>st</sup> Performance \$2,400/2 <sup>nd</sup> Performance	N/A	N/A	\$5,300	N/A
Hall A-C	\$26,325 vs 12%	N/A	\$22,950 or \$.25 net sq. ft.	\$26,325 or \$.29 net sq. ft.	\$26,325	\$13,950
Hall A-B or B-C	\$17,600 vs 12%	N/A	\$15,300 or \$.25 net sq. ft.	\$17,500 or \$.29 net sq. ft.	\$17,500	\$9,300
Hall A, B, Or C	\$8,775 vs 12%	N/A	\$7,650 or \$.25 net sq. ft.	\$8,775 or \$.29 net sq. ft.	\$8,775	\$4,650
Meeting Rooms Grand Gallery 1 <sup>st</sup> or 2 <sup>nd</sup>	\$2,100 vs 12%	N/A	\$1,850 or \$.25 net sq. ft.	\$2,100 or \$.29 net sq. ft.	\$2,100	\$1,375
Meeting Rooms Grand Gallery Individual	\$825 vs 12%	N/A	\$825 or \$.25 net sq. ft.	\$825 or \$.29 net sq. ft.	\$825	\$825
Ballroom	\$7,700 vs 12%	N/A	\$6,700 or \$.25 net sq. ft.	\$7,700 or \$.29 net sq. ft.	\$7,700	\$4,700
Ballroom A,B,C-D	\$2,650 vs 12%	N/A	\$2,550 or \$.25 net sq. ft.	\$2,650 or \$.29 net sq. ft.	\$2,650	\$2,200
Ballroom C or D	\$1,800 vs 12%	N/A	\$1,750 or \$.25 net sq. ft.	\$1,800 or \$.29 net sq. ft.	\$1,800	\$1,700
River Overlook Meeting Rooms	\$825 vs 12%	N/A	\$825 per day	\$825 per day	\$825	\$825
Board Room	N/A	N/A	\$875 per day	\$875 per day	\$875	\$875
Monroe Meeting Rooms A-D	\$1,700 vs 12%	N/A	\$1,650 per day	\$1,700 per day	\$1,700	\$1,650
Monroe Meeting Room B, C, or D	N/A	N/A	\$725 per day	\$725 per day	\$725	\$725
Recital Hall or Monroe Meeting Room A	\$1,250 vs 12%	N/A	\$1,250 per day	\$1,250 per day	\$1,250	\$1,250

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 sheet.



**Consolidated Financial Report**  
**April 30, 2023**

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# GRAND RAPIDS-KENT COUNTY

CONVENTION / ARENA AUTHORITY

Financial Dashboard  
Year-To-Date (10 Months)  
April 30, 2023

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	91	81	111	25	24	18
Attendance	513,055	524,500	619,404	187,792	194,000	150,862
Event Income	\$ 5,917,125	\$ 5,827,559	\$ 7,266,533	\$ 2,709,782	\$ 2,408,769	\$ 2,269,090
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	331	308	376	80	155	115
Attendance	362,119	487,860	509,882	57,455	177,520	112,549
Event Income	\$ 5,040,512	\$ 5,416,038	\$ 6,564,049	\$ 1,278,330	\$ 2,770,983	\$ 1,972,288
				Prior Year	Budget	Actual
Operating Income (Loss)				\$ 12,691,580	\$ 1,451,671	\$ 3,752,542
Capital/Repair/Replacement				(157,254)	(3,024,497)	(3,178,037)
Net - To/(From) on Fund Balance				\$ 12,534,326	\$ (1,572,826)	\$ 574,504

**\*NOTES:**

(1) Unrestricted Fund Balance - 6/30/22 \$27,593,825

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

**Summary by Facility/Other**

**Fiscal Year Ending June 30, 2023**

**FY 2023**

	<b>7/1/22 - 4/30/23</b>			
	<b>Year-to-Date</b>	<b>Roll</b>	<b>Estimate<sup>(1)</sup></b>	<b>Budget</b>
<b>Van Andel Arena</b>				
Operating - Revenues	\$ 7,266,533	\$ 1,194,800	\$ 8,461,333	\$ 6,642,366
- Expenses - Facilities	(4,532,487)	(860,571)	(5,393,058)	(4,858,170)
- Base Management Fees	(156,689)	(34,632)	(191,321)	(191,321)
- Incentive Fee	-	(197,848)	(197,848)	-
Net Operating Income (Loss)	2,577,357	101,749	2,679,106	1,592,875
Parking	438,697	(61,245)	377,452	387,830
Pedestrian Safety	(58,826)	(6,174)	(65,000)	(65,000)
<b>Net Proceeds (Cost) of VAA</b>	<b>2,957,227</b>	<b>34,331</b>	<b>2,991,558</b>	<b>1,915,705</b>
<b>DeVos Place Convention Center</b>				
Operating - Revenues	6,564,049	1,034,860	7,598,909	6,229,122
- Expenses - Facilities	(6,476,432)	(1,243,260)	(7,719,692)	(7,086,270)
- Base Management Fees	(159,380)	(31,941)	(191,321)	(191,321)
- Incentive Fee	-	(184,794)	(184,794)	-
Net Operating Income (Loss)	(71,763)	(425,135)	(496,898)	(1,048,469)
Parking	1,297,736	87,024	1,384,760	1,254,921
Pedestrian Safety	-	(36,000)	(36,000)	(36,000)
<b>Net Proceeds (Cost) of DVP</b>	<b>1,225,973</b>	<b>(374,111)</b>	<b>851,862</b>	<b>170,452</b>
<b>Other</b>				
Revenues	332,453	155,547	488,000	168,000
Expenses	(763,112)	(331,028)	(1,094,140)	(1,094,140)
Net Other	(430,659)	(175,481)	(606,140)	(926,140)
<b>Total Net Proceeds/Operating</b>	<b>3,752,542</b>	<b>(515,262)</b>	<b>3,237,280</b>	<b>1,160,017</b>
Capital/Repair Expenditures	(3,178,037)	(1,332,385)	(4,510,422)	(6,079,000) <sup>(2)</sup>
<b>Results Net of Capital/Repair Expenditures</b>	<b>\$ 574,504</b>	<b>\$ (1,847,647)</b>	<b>\$ (1,273,142) <sup>(3)</sup></b>	<b>\$ (4,918,983)</b>

Notes:

(1) Estimates compiled quarterly through third quarter (March 31) and monthly thereafter.

(2) Includes approved budget amendments to provide for four capital project balances (\$628,900) carried over from FY22 and one capital project (\$1,097,000) pulled forward from FY24 & FY25

(3) At fiscal year end, estimated Unrestricted Fund Balance will total approximately \$26,320,683

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

FY 2023 Eligible Projects:		Budget	Actual 7/1/22-4/30/23	Roll	Appropriation Lapse	Requested Carryover
<b>Van Andel Arena®</b>						
	Suite Refresher	350,000				350,000
	Ice Plant Refrigeration Change	90,000	\$ 64,775		25,225	
	Trash Compactor	50,000			50,000	
	New Condensor Coil	185,000	\$ 125,500	59,500		
	Custom Air Handler Damper Replacement	110,000	\$ 114,522		(4,522)	
	<b>Total VAA</b>	<b>785,000</b>	<b>304,797</b>	<b>59,500</b>	<b>70,703</b>	<b>350,000</b>
<b>DeVos Place®</b>						
	Projection Theater Upgrades	250,000				250,000
	Performance Hall LED Lighting	50,000				50,000
	Roof Replacement - North of Skylight	1,472,000 (2)	943,544	528,456		
	Performance Hall Seating	350,000	2,550			347,450
	Theater Box Seats	50,000	2,525			47,475
	Ballroom Lighting & Controls	2,100,000	1,496,344	603,656		
	Trash Compactor	50,000			50,000	
	<b>Total DVP</b>	<b>4,322,000</b>	<b>2,444,963</b>	<b>1,132,112</b>	<b>50,000</b>	<b>694,925</b>
<b>Both Venues</b>						
	Radio System Upgrade	100,000		100,000		
	Small Motor Equipment	60,000	40,662	19,338		
	Computers and Accessories	150,000	137,322		12,678	
	X-Ray Inspection Systems	33,100	33,100	-		
	<b>Total Both Venues</b>	<b>343,100</b>	<b>211,085</b>	<b>119,338</b>	<b>12,678</b>	<b>-</b>
<b>Carryover (FY20&amp; FY22) Projects</b>						
DVP	New Sound System	183,788	162,353	21,435		
VAA	Cooling Tower/Condenser Coil	30,000			30,000	
VAA	Wireless Communication Devices	45,000	54,840		(9,840)	
VAA	Suite Refresher	370,112				370,112
	<b>Total Carryover</b>	<b>628,900 (1)</b>	<b>217,193</b>	<b>21,435</b>	<b>20,160</b>	<b>370,112</b>
<b>Total FY 2023 Capital Budget</b>		<b>\$ 6,079,000</b>	<b>\$ 3,178,037</b>	<b>\$ 1,332,385</b>	<b>\$ 153,541</b>	<b>\$1,415,037 (3)</b>

Note: The FY2023 budget, as adopted, included \$4,353,100 for capital repair/replacement projects

(1) The July monthly financial report included a request to re-appropriate a total of \$628,900 for previous year projects that could not be completed for supply issues

(2) The August monthly financial report included a request to pull-forward \$1,097,000 for project work previously planned for FY24 and FY25 - see memo dated 9/30/22.

(3) Due to supply chain issues, some FY2023 capital repair/replacement projects have been delayed - see memo dated 5/30/23 for request to carryover to FY2024.

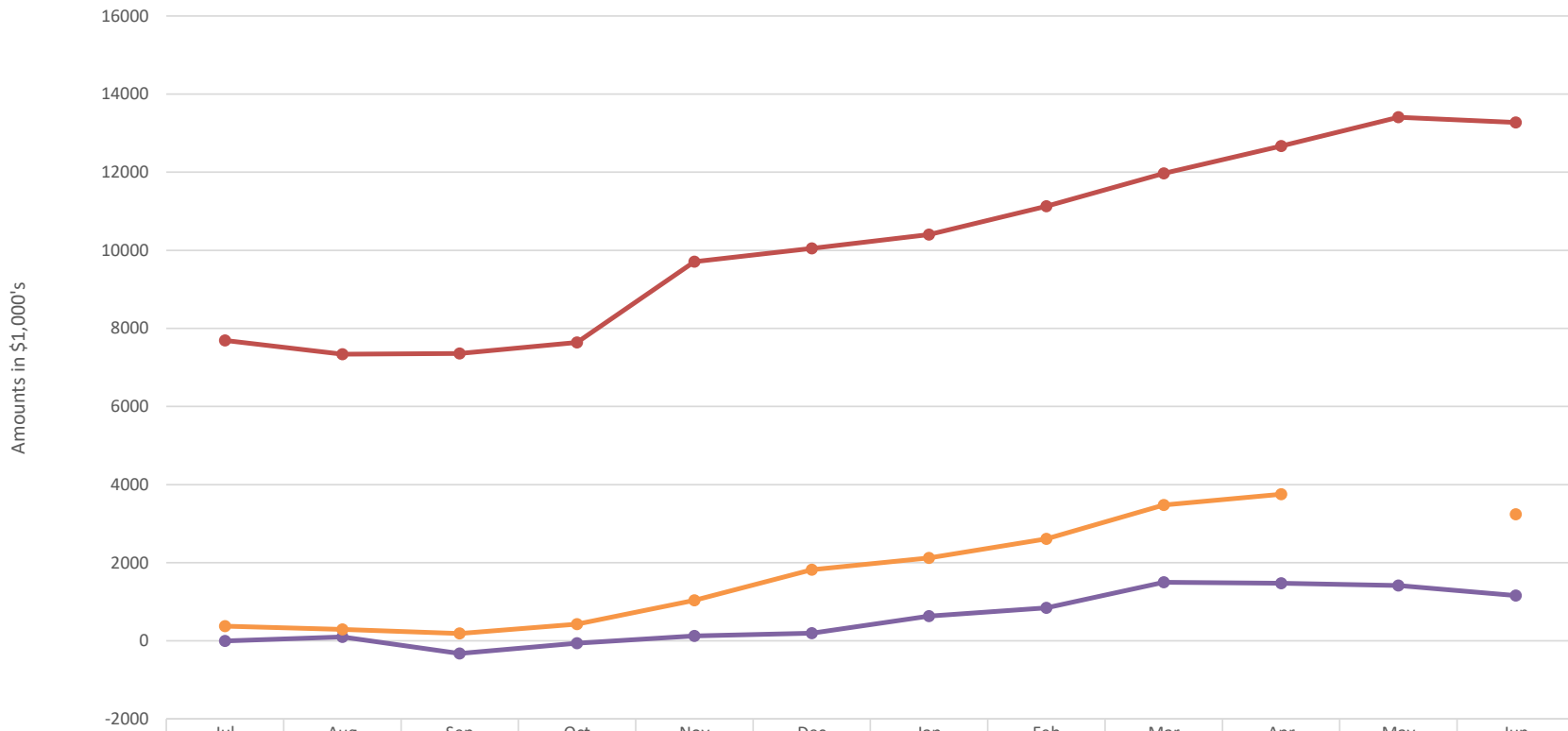
**Grand Rapids-Kent County Convention/Arena Authority**  
**Budget Summary by Facility/Other**  
**Financial Trends for Year Ending June 30, 2023**

	<b>Annual</b>			<b>Year-To-Date</b>		
	<b>FY 2022</b>	<b>FY 2023</b>	<b>Change</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>Change</b>
	<b>Final (Audited)</b>	<b>Budget</b>	<b>Positive</b>	<b>7/1/21-4/30/22</b>	<b>7/1/22-4/30/23</b>	<b>Positive</b>
			<b>(Negative)</b>			<b>(Negative)</b>
<b>Van Andel Arena</b>						
Operating - Revenues	\$ 7,934,764	\$ 6,642,366	-16.3%	\$ 5,917,125	\$ 7,266,533	22.8%
- Expenses - Facilities	(4,108,004)	(4,858,170)	-18.3%	(3,188,640)	(4,532,487)	42.1%
- Base Management Fees	(185,746)	(191,321)	-3.0%	(150,282)	(156,689)	4.3%
- Incentive Fee	(240,472)	-	-	-	-	-
Net Operating Income (Loss)	3,400,542	1,592,875	53.2%	2,578,203	2,577,357	0.0%
Parking	371,385	387,830	4.4%	228,735	438,697	91.8%
Pedestrian Safety	(95,620)	(65,000)	-100.0%	(66,625)	(58,826)	-11.7%
<b>Net Proceeds (Cost) of VAA</b>	<b>3,676,307</b>	<b>1,915,705</b>	<b>-91.9%</b>	<b>2,740,313</b>	<b>2,957,227</b>	<b>7.9%</b>
<b>DeVos Place Convention Center</b>						
Operating - Revenues	6,202,108	6,229,122	0.4%	5,040,512	6,564,049	30.2%
- Expenses - Facilities	(6,644,386)	(7,086,270)	-6.7%	(5,257,388)	(6,476,432)	23.2%
- Base Management Fees	(185,749)	(191,321)	-3.0%	(150,282)	(159,380)	6.1%
- Incentive Fee	(131,025)	-	-	-	-	0.0%
Net Operating Income (Loss)	(759,052)	(1,048,469)	-38.1%	(367,158)	(71,763)	80.5%
Parking	1,071,815	1,254,921	17.1%	870,050	1,297,736	49.2%
Pedestrian Safety	(29,512)	(36,000)	22.0%	(21,605)	-	-100.0%
<b>Net Proceeds (Cost) of DVP</b>	<b>283,251</b>	<b>170,452</b>	<b>-66.2%</b>	<b>481,288</b>	<b>1,225,973</b>	<b>-154.7%</b>
<b>Other</b>						
Revenues	10,624,750	168,000	-98.4%	10,145,522	332,453	-96.7%
Expenses	(871,057)	(1,094,140)	-25.6%	(675,543)	(763,112)	13.0%
<b>Net Other</b>	<b>9,753,693</b>	<b>(926,140)</b>	<b>-81.0%</b>	<b>9,469,979</b>	<b>(430,659)</b>	<b>-104.5%</b>
<b>Total Net Proceeds/Operating</b>	<b>13,713,251</b>	<b>1,160,017</b>	<b>78.0%</b>	<b>12,691,580</b>	<b>3,752,542</b>	<b>-70.4%</b>
Capital/Repair Expenditures	(1,051,672)	(6,079,000)	52.0%	(157,254)	(3,178,037)	-1921.0%
<b>Results Net of Capital Expenditures</b>	<b>\$ 12,661,579</b>	<b>\$ (4,918,983)</b>	<b>71.0%</b>	<b>\$ 12,534,326</b>	<b>\$ 574,504</b>	<b>-95.4%</b>

NOTES: Combined net operating income of VAA & DVP is just under \$295k improvement over same point prior fiscal year.

# CAA Trends

## Monthly Net Operating Proceeds through April 30, 2023



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY22 Actual	7689	7339	7355	7641	9706	10051	10401	11130	11970	12667	13406	13272
FY23 Budget	-7	101	-325	-60	124	192	632	845	1498	1475	1413	1160
FY23 Actual	372	293	186	423	1034	1823	2119	2608	3478	3752		3237

Accumulative Net Proceeds by Month

**Grand Rapids-Kent County Convention/Arena Authority**  
**Administrative Accounts**  
**Net Other Detail**  
**March 31, 2023**

	<b>Annual</b>			<b>Actual</b>		
	<b>FY 2022</b>	<b>FY 2023</b>	<b>Change</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>Change</b>
	<b>Final (Audited)</b>	<b>Budget</b>	<b>Positive</b>	<b>7/1/21-4/30/22</b>	<b>7/1/22-4/30/23</b>	<b>Positive</b>
			<b>(Negative)</b>			<b>(Negative)</b>
Other						
Revenues						
Interest/Capital Contr.	\$ 144,201	\$ 100,000	-30.7%	\$ 107,431	\$ 306,027 <sup>(2)</sup>	184.9%
Miscellaneous	10,480,549	68,000	-99.4%	10,038,091	26,426	-99.7%
	10,624,750	168,000	-98.4%	10,145,522	332,453	-96.7%
Expenses						
Arena 25-Year Recognition/New						
Venue Awareness	39,626	100,000	-100.0%	53,884	36,317	32.6%
Marketing (CVB/Sports)	200,000	200,000	0.0%	200,000	200,000	0.0%
Diversity Initiative	9,817	200,000	-1937.3%	9,115	71,331	-682.6%
Wages/Benefits	147,035	111,800	24.0%	102,562	69,935	31.8%
Professional Services	167,381	135,570	19.0%	105,082	128,822	-22.6%
DID Assessment	63,806	65,720	-3.0%	63,806	66,646	-4.5%
Food & Beverage Repairs	-	45,000	-100.0%	-	46,042	0%
Consulting Services	132,561	143,165 <sup>(1)</sup>	-8.0%	55,528	55,857	-0.6%
Landscaping	25,909	27,810	-7.3%	19,057	24,796	-30.1%
Procurement of Art	25,958	30,000	-100.0%	15,875	25,283	-59.3%
Insurance	19,392	25,075	-29.3%	25,075	25,542	-1.9%
Supplies/Other	39,572	10,000	74.7%	25,561	12,541	50.9%
	871,057	1,094,140	-25.6%	675,543	763,112	-13.0%
Net Proceeds - Operating	\$ 9,753,693	\$ (926,140)	109.5%	\$ 9,469,979	\$ (430,659)	-104.5%

Notes:

<sup>(1)</sup> SMG - \$57,165; Potomac Strategic Development - \$36,000; Progressive AE - \$50,000

<sup>(2)</sup> Excludes \$15M first installment received from MEDC for Amphitheater project

# DEVOS PLACE

## DE VOS PLACE

### FINANCIAL STATEMENT FOR THE FISCAL YEAR ENDED APRIL 30, 2023

Distribution:

Grand Rapids – Kent County 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, 2023

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	376	54	430	368	62
ATTENDANCE	509,882	106,500	616,382	563,920	52,462
DIRECT EVENT INCOME	2,930,169	678,360	3,608,529	3,431,950	176,579
ANCILLARY INCOME	2,444,083	185,400	2,629,483	2,208,772	420,711
OTHER EVENT INCOME	1,094,571	155,600	1,250,171	538,400	711,771
<b>TOTAL EVENT REVENUE</b>	<b>6,468,823</b>	<b>1,019,360</b>	<b>7,488,183</b>	<b>6,179,122</b>	<b>1,309,061</b>
<b>TOTAL OTHER REVENUE</b>	<b>95,226</b>	<b>15,500</b>	<b>110,726</b>	<b>50,000</b>	<b>60,726</b>
<b>TOTAL OPERATING REVENUE</b>	<b>6,564,049</b>	<b>1,034,860</b>	<b>7,598,909</b>	<b>6,229,122</b>	<b>1,369,787</b>
INDIRECT EXPENSES					
EXECUTIVE	181,717	81,400	263,117	296,040	32,923
FINANCE	241,205	61,500	302,705	338,129	35,424
MARKETING	178,776	36,700	215,476	214,546	(930)
OPERATIONS	1,300,374	325,900	1,626,274	1,734,993	108,719
EVENT SERVICES	1,830,199	206,400	2,036,599	1,520,809	(515,790)
BOX OFFICE	235,062	56,400	291,462	321,544	30,082
SALES	420,722	122,300	543,022	582,879	39,857
OVERHEAD	2,247,758	384,600	2,632,358	2,268,651	(363,707)
<b>TOTAL OPERATING EXP.</b>	<b>6,635,812</b>	<b>1,275,200</b>	<b>7,911,013</b>	<b>7,277,591</b>	<b>(633,422)</b>
<b>NET REVENUE ABOVE EXPENSES</b>	<b>(71,763)</b>	<b>(240,340)</b>	<b>(312,104)</b>	<b>(1,048,469)</b>	<b>736,365</b>
INCENTIVE FEE		184,794	184,794	0	(184,794)
<b>NET OPERATING REVENUE OVER OPERATING EXPENSES</b>	<b>(71,763)</b>	<b>(425,134)</b>	<b>(496,898)</b>	<b>(1,048,469)</b>	<b>551,571</b>

Comments:

April was another successful month for DeVos Place as revenues came in ahead of both budget and forecast, however, was offset by higher than anticipated expenses.

DocuSigned by:  
  
General Manager  
5/18/2023

DocuSigned by:  
  
Assistant General Manager  
5/18/2023

**DE VOS PLACE**  
**FINANCIAL STATEMENT HIGHLIGHTS**  
**FISCAL YEAR ENDING JUNE 30, 2023**

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

<b>MONTH</b>	<b>April Actual</b>	<b>April Budget</b>	<b>April FY 2022</b>
Number of Events	35	25	39
Attendance	55,887	34,600	35,239
Direct Event Income	\$291,142	\$223,502	\$277,576
Ancillary Income	295,079	149,012	234,663
Other Event Income	68,509	53,400	99,434
Other Operating Income	6,675	4,166	5,865
Indirect Expenses	(765,414)	(606,470)	(693,372)
Net Income	(\$104,009)	(\$176,390)	(\$75,834)

<b>YTD</b>	<b>YTD 2023 Actual</b>	<b>YTD 2023 Budget</b>	<b>YTD 2022 Prior Year</b>
Number of Events	376	308	331
Attendance	509,882	487,860	362,119
Direct Event Income	\$2,930,169	\$3,011,365	\$2,707,472
Ancillary Income	2,444,083	1,933,358	1,542,683
Other Event Income	1,094,571	429,700	714,896
Other Operating Income	95,226	41,660	75,461
Indirect Expenses	(6,635,812)	(6,064,700)	(5,407,670)
Net Income	(\$71,763)	(\$648,617)	(\$367,158)

**EVENT INCOME**

Event income came in a little higher than expected.

**ANCILLARY INCOME**

Ancillary income came in higher than budget and forecast for the month due to strong spending by the shows hosted.

**INDIRECT EXPENSES**

Indirect expenses came in higher than budget for the month.

**DeVos Place**  
**Income Statement**  
**For the Ten Months Ended April 30, 2023**

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
<b>Event Income</b>								
<b>Direct Event Income</b>								
Rental Income	\$339,807	\$217,932	\$ 121,875	\$306,897	\$3,572,295	\$3,072,885	\$ 499,410	\$2,860,709
Service Revenue	373,177	285,698	87,479	415,108	3,133,017	2,650,449	482,568	2,515,752
Service Expenses	(421,842)	(280,128)	(141,714)	(444,429)	(3,775,143)	(2,711,969)	(1,063,174)	(2,668,989)
<b>Total Direct Event Income</b>	<b>291,142</b>	<b>223,502</b>	<b>67,640</b>	<b>277,576</b>	<b>2,930,169</b>	<b>3,011,365</b>	<b>(81,196)</b>	<b>2,707,472</b>
<b>Ancillary Income</b>								
F&B Concession	40,711	9,914	30,797	27,914	362,896	205,566	157,330	240,721
F&B Catering	127,203	57,461	69,742	92,303	804,000	616,048	187,952	408,080
Novelty Sales	1,254	2,640	(1,386)	4,235	35,729	14,560	21,169	36,420
Booth Cleaning	45,808	15,748	30,060	27,397	373,560	296,602	76,958	252,949
Telephone/Long Distance	0	-	-	0	0	200	(200)	0
Electrical Services	28,350	21,284	7,066	18,752	355,214	332,961	22,253	227,847
Audio Visual	21,095	24,577	(3,482)	34,271	258,561	236,652	21,909	167,478
Internet Services	8,765	6,999	4,764	4,711	99,454	89,510	9,944	65,134
Equipment Rental	21,893	10,389	11,504	25,080	154,669	141,259	13,410	144,054
<b>Total Ancillary Income</b>	<b>295,079</b>	<b>149,012</b>	<b>146,067</b>	<b>234,663</b>	<b>2,444,083</b>	<b>1,933,358</b>	<b>510,725</b>	<b>1,542,683</b>
<b>Other Event Income</b>								
Ticket Rebates(Per Event)	68,509	53,400	15,109	99,434	1,094,571	429,700	664,871	714,896
<b>Total Other Event Income</b>	<b>68,509</b>	<b>53,400</b>	<b>15,109</b>	<b>99,434</b>	<b>1,094,571</b>	<b>429,700</b>	<b>664,871</b>	<b>714,896</b>
<b>Total Event Income</b>	<b>654,730</b>	<b>425,914</b>	<b>228,816</b>	<b>611,673</b>	<b>6,468,823</b>	<b>5,374,423</b>	<b>1,094,400</b>	<b>4,965,051</b>
<b>Other Operating Income</b>								
Luxury Box Agreements	767	1,333	(566)	0	7,892	13,330	(5,438)	0
Advertising	0	1,000	(1,000)	0	0	10,000	(10,000)	0
Other Income	5,908	1,833	4,075	5,865	87,334	18,330	69,004	75,461
<b>Total Other Operating Income</b>	<b>6,675</b>	<b>4,166</b>	<b>2,509</b>	<b>5,865</b>	<b>95,226</b>	<b>41,660</b>	<b>53,566</b>	<b>75,461</b>
<b>Adjusted Gross Income</b>	<b>661,405</b>	<b>430,080</b>	<b>231,325</b>	<b>617,538</b>	<b>6,564,049</b>	<b>5,416,083</b>	<b>1,147,966</b>	<b>5,040,512</b>
<b>Operating Expenses</b>								
Salaries and Wages	488,635	315,797	172,838	490,386	4,338,096	3,157,970	1,180,126	3,462,250
Payroll Taxes and Benefits	205,745	99,956	105,789	192,287	1,339,276	999,560	339,716	1,186,509
Labor Allocations to Events	(370,265)	(152,700)	(217,565)	(364,980)	(2,997,603)	(1,527,000)	(1,470,603)	(2,435,985)
<b>Net Salaries and Benefits</b>	<b>324,115</b>	<b>263,053</b>	<b>61,062</b>	<b>317,693</b>	<b>2,679,769</b>	<b>2,630,530</b>	<b>49,239</b>	<b>2,212,774</b>
Contracted Services	57,094	39,217	17,877	59,340	498,279	392,170	106,109	397,476
General and Administrative	38,770	39,603	(833)	45,756	450,410	396,030	54,380	311,396
Operations	25,271	13,852	11,419	9,680	200,445	138,520	61,925	99,369
Repair and Maintenance	72,090	48,667	23,423	58,671	502,558	486,670	15,888	513,851
Operational Supplies	41,223	25,675	15,548	24,202	283,017	256,750	26,267	212,216
Insurance	43,521	32,725	10,796	29,986	406,426	327,250	79,176	288,636
Utilities	147,387	127,734	19,653	133,016	1,455,528	1,277,340	178,188	1,221,670
SMG Management Fees	15,943	15,944	(1)	15,028	159,380	159,440	(60)	150,282
<b>Total Operating Expenses</b>	<b>765,414</b>	<b>606,470</b>	<b>158,944</b>	<b>693,372</b>	<b>6,635,812</b>	<b>6,064,700</b>	<b>571,112</b>	<b>5,407,670</b>
<b>Net Income(Loss) From Operatic</b>	<b>(104,009)</b>	<b>(176,390)</b>	<b>72,381</b>	<b>(75,834)</b>	<b>(71,763)</b>	<b>(648,617)</b>	<b>576,854</b>	<b>(367,158)</b>
<b>Other Non-Operating Expenses</b>								
<b>Adjusted Net Income(Loss)</b>	<b>(104,009)</b>	<b>(176,390)</b>	<b>72,381</b>	<b>(75,834)</b>	<b>(71,763)</b>	<b>(648,617)</b>	<b>576,854</b>	<b>(367,158)</b>

**SMG DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Year to Date Event Summary Report**  
**For the Ten Months Ended April 30, 2023**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	115	155	112,549	177,520	1,972,288	2,770,983
Consumer/Gated Shows	45	46	160,907	154,000	1,137,626	1,188,216
DeVos Performance Hall	131	101	188,328	144,340	2,244,260	1,262,600
Banquets	24	-	21,236	-	345,968	-
Meetings	48	6	15,077	12,000	646,707	152,626
Other	13	-	11,785	-	121,973	-
GRAND TOTALS	376	308	509,882	487,860	6,468,823	5,374,423

As Percentage of Overall

Convention/Trade Shows	30.59%	50.32%	22.07%	36.39%	30.49%	51.56%
Consumer/Gated Shows	11.97%	14.94%	31.56%	31.57%	17.59%	22.11%
Devos Performance Hall	34.84%	32.79%	36.94%	29.59%	34.69%	23.49%
Ballroom Exclusive	6.38%	0.00%	4.16%	0.00%	5.35%	0.00%
Meetings	12.77%	1.95%	2.96%	2.46%	10.00%	2.84%
Other	3.46%	0.00%	2.31%	0.00%	1.89%	0.00%

DeVos Place  
Balance Sheet  
As of April 30, 2023

ASSETS

<b>Current Assets</b>		
Cash	4,329,059	
Account Receivable	2,136,367	
Prepaid Expenses	23,381	
	-----	
<b>Total Current Assets</b>		<b>\$6,488,807</b>
<b>Total Assets</b>		<b>\$6,488,807</b>
		=====

LIABILITIES AND EQUITY

<b>Current Liabilities</b>		
Accounts Payable	597,587	
Accrued Expenses	173,840	
Deferred Income	438,806	
Advanced Ticket Sales & Deposits	3,486,798	
	-----	
Total Current Liabilities		\$4,697,031
<b>Other Liabilities</b>		
<b>Equity</b>		
Funds Remitted to CAA	(55,000)	
Funds Received by CAA		
Expenses Paid Direct by CAA	1,421,663	
Beginning Balance Equity	496,878	
Current Year Equity	(71,765)	
	-----	
Total Equity		\$1,791,776
<b>Total Liabilities and Equity</b>		<b>\$6,488,807</b>
		=====

**SMG - DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**As of April 30, 2023**

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Current - Under 30 Days	
Food & Beverage	167,913
Ticketing	4,504
Merchandise	1,278
Decorating	45,808
Audio/Visual	21,095
Van Andel Arena	1,266,514
Operating	454,798
 Over 30 Days	 106,471
 Over 60 Days	 67,986
 Over 90 Days	
 Total Accounts Receivable	 2,136,367

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

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2022 Actual
Net Revenue above Expenses	2,876,954	(312,104)	2,564,850	3,012,987
Benchmark++			1,050,000	1,050,000
Excess	2,876,954	(312,104)	1,514,850	1,962,987

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Unaudited
Base Fee	191,321	191,321	382,642	371,497
Incentive Fee				
Revenue	8,461,333	7,598,909	16,060,242	14,136,872
Benchmark Revenue	6,019,622	5,318,308	11,337,930	10,449,705
Revenue Excess	2,441,711	2,280,601	4,722,312	3,687,167
Incentive Fee **	197,848	184,794	382,642	371,497
Total SMG Management Fee	389,169	376,115	765,284	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.



# **VAN ANDEL ARENA**

## **FINANCIAL STATEMENT FOR THE FISCAL YEAR ENDED APRIL 30, 2023**

PROUD HOME OF THE GRAND RAPIDS GRIFFINS AND GRAND RAPIDS GOLD

### Distribution:

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

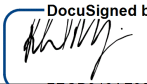


VAN ANDEL ARENA  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2023

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	111	7	118	86	32
ATTENDANCE	619,404	58,000	677,404	561,500	115,904
DIRECT EVENT INCOME	1,209,036	284,000	1,493,036	1,401,940	91,096
ANCILLARY INCOME	2,763,950	304,800	3,068,750	1,716,326	1,352,424
OTHER EVENT INCOME	1,396,956	203,500	1,600,456	1,195,500	404,956
TOTAL EVENT INCOME	5,369,942	792,300	6,162,242	4,313,766	1,848,476
TOTAL OTHER INCOME	1,896,591	402,500	2,299,091	2,328,600	(29,509)
TOTAL INCOME	7,266,533	1,194,800	8,461,333	6,642,366	1,818,967
INDIRECT EXPENSES					
EXECUTIVE	210,969	58,600	269,569	291,542	21,973
FINANCE	199,019	47,500	246,519	282,455	35,936
MARKETING	264,856	66,300	331,156	327,145	(4,011)
OPERATIONS	2,330,125	405,700	2,735,825	2,342,866	(392,959)
BOX OFFICE	218,076	47,300	265,376	284,042	18,666
SKYWALK ADMIN	17,768	3,200	20,968	54,100	33,132
OVERHEAD	1,448,366	266,600	1,714,966	1,467,341	(247,625)
TOTAL INDIRECT EXP.	4,689,181	895,200	5,584,379	5,049,491	(534,888)
NET REVENUE ABOVE EXPENSES	2,577,352	299,600	2,876,954	1,592,875	1,284,079
LESS INCENTIVE FEE		197,848	197,848	-	(197,848)
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	2,577,352	101,752	2,679,106	1,592,875	1,086,231

Comments:

April unfortunately concluded the Griffins season and saw the Morgan Wallen concert get pushed to June. The loss of the concert was offset some by the very successful sold out Jim Gaffigan date.

DocuSigned by:  
  
5/18/2023  
7ECB540AF99F403...  
General Manager

DocuSigned by:  
  
5/18/2023  
10BEBDB652E245A...  
Assistant General Manager

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR FISCAL YEAR ENDING JUNE 30, 2023**

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

<b>MONTH</b>	<b>April Actual</b>	<b>April Budget</b>	<b>April FY 2022</b>
Number of Events	6	7	13
Attendance	47,028	49,500	88,461
Direct Event Income	\$87,243	\$110,230	\$44,481
Ancillary Income	101,807	113,546	466,435
Other Event Income	115,171	72,000	273,079
Other Operating Income	169,608	187,972	232,607
Indirect Expenses	(413,017)	(420,794)	(338,188)
Net Income	\$60,812	\$62,954	\$678,414

<b>YTD</b>	<b>YTD 2023 Actual</b>	<b>YTD 2023 Budget</b>	<b>YTD 2022 Prior Year</b>
Number of Events	111	81	91
Attendance	619,404	524,500	513,055
Direct Event Income	\$1,209,036	\$1,237,940	\$1,170,439
Ancillary Income	2,763,950	1,605,049	2,331,125
Other Event Income	1,396,956	1,051,500	1,151,263
Other Operating Income	1,896,591	1,933,070	1,264,298
Indirect Expenses	(4,689,176)	(4,207,940)	(3,338,922)
Net Income	\$2,577,357	\$1,619,619	\$2,578,203

**EVENT INCOME**

Event income came in below budget and forecast for the month as the Morgan Wallen date scheduled for April was pushed to June.

**ANCILLARY INCOME**

Ancillary income fell below expected levels due to the concert shift.

**INDIRECT EXPENSES**

Indirect expenses came in consistent with budget and forecast.

**Van Andel Arena**  
**Income Statement**  
**For the Ten Months Ended April 30, 2023**

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
<b>Event Income</b>								
<b>Direct Event Income</b>								
Rental Income	\$ 175,137	\$ 149,230	\$ 25,907	\$ 227,770	\$ 3,384,878	\$ 2,080,140	\$ 1,304,738	\$ 2,474,558
Service Revenue	209,548	176,000	33,548	577,086	2,670,411	1,761,800	908,611	2,399,070
Service Expenses	(297,442)	(215,000)	(82,442)	(760,375)	(4,846,253)	(2,604,000)	(2,242,253)	(3,703,189)
<b>Total Direct Event Income</b>	<b>87,243</b>	<b>110,230</b>	<b>(22,987)</b>	<b>44,481</b>	<b>1,209,036</b>	<b>1,237,940</b>	<b>(28,904)</b>	<b>1,170,439</b>
<b>Ancillary Income</b>								
F&B Concession	90,706	99,351	(8,645)	381,689	2,414,823	1,398,185	1,016,638	2,012,077
F&B Catering	6,733	7,955	(1,222)	32,614	211,523	115,886	95,637	146,859
Novelty Sales	473	6,240	(5,767)	51,841	132,769	90,978	41,791	168,303
Booth Cleaning	395	-	395	291	699	-	699	291
Audio Visual	-	-	-	-	636	-	636	95
Other Ancillary	3,500	-	3,500	-	3,500	-	3,500	3,500
<b>Total Ancillary Income</b>	<b>101,807</b>	<b>113,546</b>	<b>(11,739)</b>	<b>466,435</b>	<b>2,763,950</b>	<b>1,605,049</b>	<b>1,158,901</b>	<b>2,331,125</b>
<b>Other Event Income</b>								
Ticket Rebates(Per Event)	115,171	72,000	43,171	273,079	1,396,956	1,051,500	345,456	1,151,263
<b>Total Other Event Income</b>	<b>115,171</b>	<b>72,000</b>	<b>43,171</b>	<b>273,079</b>	<b>1,396,956</b>	<b>1,051,500</b>	<b>345,456</b>	<b>1,151,263</b>
<b>Total Event Income</b>	<b>304,221</b>	<b>295,776</b>	<b>8,445</b>	<b>783,995</b>	<b>5,369,942</b>	<b>3,894,489</b>	<b>1,475,453</b>	<b>4,652,827</b>
<b>Other Operating Income</b>								
Luxury Box Agreements	119,910	129,888	(9,978)	194,607	1,289,093	1,352,230	(63,137)	982,815
Advertising	48,000	52,084	(4,084)	38,000	500,270	520,840	(20,570)	266,000
Other Income	1,698	6,000	(4,302)	-	107,228	60,000	47,228	15,483
<b>Total Other Operating Income</b>	<b>169,608</b>	<b>187,972</b>	<b>(18,364)</b>	<b>232,607</b>	<b>1,896,591</b>	<b>1,933,070</b>	<b>(36,479)</b>	<b>1,264,298</b>
<b>Adjusted Gross Income</b>	<b>473,829</b>	<b>483,748</b>	<b>(9,919)</b>	<b>1,016,602</b>	<b>7,266,533</b>	<b>5,827,559</b>	<b>1,438,974</b>	<b>5,917,125</b>
<b>Operating Expenses</b>								
Salaries and Wages	169,963	201,334	(31,371)	208,209	2,532,836	2,013,340	519,496	1,678,810
Payroll Taxes and Benefits	84,676	60,119	24,557	111,933	824,522	601,190	223,332	619,219
Labor Allocations to Events	(61,680)	(82,886)	21,206	(237,182)	(1,381,722)	(828,860)	(552,862)	(1,051,180)
<b>Net Salaries and Benefits</b>	<b>192,959</b>	<b>178,567</b>	<b>14,392</b>	<b>82,960</b>	<b>1,975,636</b>	<b>1,785,670</b>	<b>189,966</b>	<b>1,246,849</b>
Contracted Services	32,337	36,600	(4,263)	35,981	350,401	366,000	(15,599)	253,577
General and Administrative	24,328	33,831	(9,503)	37,090	385,782	338,310	47,472	321,789
Operations	6,114	7,184	(1,070)	8,267	74,521	71,840	2,681	46,974
Repair and Maintenance	23,923	31,375	(7,452)	21,233	408,323	313,750	94,573	208,657
Operational Supplies	19,170	23,017	(3,847)	15,701	221,477	230,170	(8,693)	183,548
Insurance	29,462	23,667	5,795	40,844	368,289	236,670	131,619	264,406
Utilities	68,781	70,609	(1,828)	81,083	748,058	706,090	41,968	662,840
SMG Management Fees	15,943	15,944	(1)	15,029	156,689	159,440	(2,751)	150,282
<b>Total Operating Expenses</b>	<b>413,017</b>	<b>420,794</b>	<b>(7,777)</b>	<b>338,188</b>	<b>4,689,176</b>	<b>4,207,940</b>	<b>481,236</b>	<b>3,338,922</b>
<b>Net Income(Loss) From Operations</b>	<b>60,812</b>	<b>62,954</b>	<b>(2,142)</b>	<b>678,414</b>	<b>2,577,357</b>	<b>1,619,619</b>	<b>957,738</b>	<b>2,578,203</b>
<b>Other Non-Operating Expenses</b>								
<b>Adjusted Net Income(Loss)</b>	<b>60,812</b>	<b>62,954</b>	<b>(2,142)</b>	<b>678,414</b>	<b>2,577,357</b>	<b>1,619,619</b>	<b>957,738</b>	<b>2,578,203</b>

**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Event Summary**  
**For the Ten Months Ended April 30, 2023**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	10	9	51,832	50,000	399,871	269,739
Sporting Event	11	6	75,094	38,000	1,349,241	373,377
Concert	18	24	150,862	194,000	2,269,090	2,408,769
Team Home Games	60	36	248,630	198,000	337,373	561,060
Other	12	6	92,986	44,500	1,014,365	281,544
GRAND TOTALS	111	81	619,404	524,500	5,369,942	3,894,489
As Percentage of Overall						
Family Show	9.01%	11.11%	8.37%	9.53%	7.45%	6.93%
Sporting Event	9.91%	7.41%	12.12%	7.24%	25.13%	9.59%
Concert	16.22%	29.63%	24.36%	36.99%	42.26%	61.85%
Team Home Games	54.05%	44.44%	40.14%	37.75%	6.28%	14.41%
Other	10.81%	7.41%	15.01%	8.48%	18.89%	7.23%

Van Andel Arena  
Balance Sheet  
As of April 30, 2023

ASSETS

<b>Current Assets</b>		
Cash	20,528,552	
Account Receivable	897,629	
Prepaid Expenses	186,512	
	-----	
<b>Total Current Assets</b>		<b>\$21,612,693</b>

<b>Total Assets</b>		-----
		<b>\$21,612,693</b>
		=====

LIABILITIES AND EQUITY

<b>Current Liabilities</b>		
Accounts Payable	1,422,028	
Accrued Expenses	397,813	
Deferred Income	2,469,841	
Advanced Ticket Sales & Deposits	13,733,025	
	-----	
<b>Total Current Liabilities</b>		<b>\$18,022,707</b>

Other Liabilities

<b>Equity</b>		
Funds Remitted to CAA	(3,500,000)	
Funds Received by CAA	-	
Expenses Paid Direct by CAA	717,726	
Beginning Balance Equity	3,794,904	
Current Year Equity	2,577,357	
	.....	
<b>Total Equity</b>		<b>\$3,589,986</b>
		-----
<b>Total Liabilities and Equity</b>		<b>\$21,612,693</b>
		=====

**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**As of April 30, 2023**

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Current - Under 30 Days	
Food & Beverage	963,702
Ticketing	358,676
Merchandise	-
Permanent Advertising	32,000
DeVos Place	(1,261,789)
Operating	517,324
 Over 30 Days	 201,748
 Over 60 Days	 85,968
 Over 90 Days	
 Total Accounts Receivable	 897,629

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

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2022 Actual
Net Revenue above Expenses	2,876,954	(312,104)	2,564,850	3,012,987
Benchmark++			1,050,000	1,050,000
Excess	2,876,954	(312,104)	1,514,850	1,962,987

Incentive Fee Calculation (Only if above greater than zero)

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



## Memorandum

**To:** CAA Board of Directors

**From:** Rich MacKeigan

**Date:** June 2, 2023

**Re:** Application to Liquor Control Commission for Special License

---

Once again, the “Best Fall Wine Festival Not to Miss” will be returning to DeVos Place®. As we move forward with planning the operational aspects of the upcoming International Wine, Beer & Food Festival, the CAA will need to apply to the Michigan Liquor Control Commission for Special (24-Hour) On-Premises Licenses. These licenses allow 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-premises consumption. The dates for the Wine, Beer & Food Festival this year are Thursday-Saturday, November 16-18, 2023.

The license fee is \$50.00 for each separate, consecutive day of the event. This is the same process we have gone through in previous years, and 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 apply to the Michigan Liquor Control Commission for Special On-Premises Licenses.

**County of Kent, Michigan**  
**Lodging Excise Tax Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**First Quarter Ended March 31st**

	Year - to - Year Comparison			Q1 Comparison		
	2022 Actual <sup>(a)</sup>	2023 Budget <sup>(b)</sup>	% Change	2022	2023	% Change
<b>Revenues:</b>						
Taxes	\$ 12,489,808	\$ 8,500,000	-31.9%	\$ 1,392,289	\$ 1,627,286	16.9%
Investments, Rents & Royalties	(12,290)	35,000	-384.8%	5,378	175,799	3168.9%
Other Revenue	12,550	10,735	-14.5%	1,941	5,118	163.7%
Transfers In - General Fund	-	-	NA	-	-	NA
<b>Total Revenues</b>	<b>12,490,068</b>	<b>8,545,735</b>	<b>-31.6%</b>	<b>1,399,609</b>	<b>1,808,203</b>	<b>29.2%</b>
<b>Expenditures:</b>						
DeVos Place Debt Service	8,280,350	6,200	-99.9%	-	-	NA
Experience Grand Rapids	2,248,166	1,779,700	-20.8%	250,612	292,912	16.9%
Administration	136,159	110,123	-19.1%	33,321	34,214	2.7%
Contributions - Festival	10,000	10,000	0.0%	-	-	NA
Transfers Out - General Fund	-	-	NA	-	-	NA
<b>Total Expenditures</b>	<b>10,674,675</b>	<b>1,906,023</b>	<b>-82.1%</b>	<b>283,934</b>	<b>327,125</b>	<b>15.2%</b>
Net Revenue (Expense)	1,815,394	6,639,712	265.7%	1,115,675	1,481,078	32.8%
Fund Balance - Beg	7,893,175	9,708,569	23.0%			
<b>Fund Balance - End</b>	<b>\$ 9,708,569</b>	<b>\$ 16,348,281</b>	<b>68.4%</b>			

(a) Subject to audit

(b) Nine-month budget as amended