

Agenda

Board of Directors

Friday, May 5, 2023
** 8:30 a.m. **
Kent County Administration Building
300 Monroe, NW • Grand Rapids, MI 49503

1.	Call to Order	Richard Winn					
2.	Minutes of March 3, 2023	Action					
3.	Committee Reports						
	A. Operations Committee i. Experience Grand Rapids Report	Doug Small					
	 B. Finance Committee i. Consolidated Financial Statements for Period Ending March 31, 2023 ii. ASM Global Financial Statements for Period Ending March 31, 2023 – DeVos Place® and Van Andel Arena® 	Action Information					
4.	Preliminary Review of FY 2024 Budgets	Information					
5.	Preliminary Review of 2024-2028 DeVos Place® Rate Sheets	Information					
6.	Auto Parking System Periodic Reporting	Information					
7.	Independent Contractor/Consultant Agreement with McConomy Properties, LLC	Action					
8.	DeVos Place® Parking Operation Agreement	Action					
9.	Resolution Approving and Authorizing Execution of Memorandum of Understanding Relating to Amphitheater Construction Cost Reimbursement	Action					
10.	Cash Management and Investment Policy Update	Information					
11.	Calendar Update from ASM Global	Rich MacKeigan					
12.	Public Comment						
13.	Adjournment						

^{**} Please note that the start time is approximate. The CAA Finance Committee meeting starts at 8:00AM, followed by the CAA Board meeting. Timing for the CAA Board meeting varies based on how long the Committee meeting takes. **

MINUTES OF THE GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY BOARD OF DIRECTORS 300 MONROE AVENUE, NW | GRAND RAPIDS, MI FRIDAY, MARCH 3, 2023

Attendance:

Members Present: Richard Winn, Chairperson

Mandy Bolter M. Scott Bowen Birgit Klohs Mike Verhulst

Members Absent: Rosalynn Bliss

Lew Chamberlin

Staff/Others: Andrea Anderson City of Grand Rapids

Kathy Bart ASM Global

Kate Berens City of Grand Rapids

Jen Henkel ASM Global
Steve Jbara Grand Rapids Gold
Hayden Johnson ASM Global
Deandre Jones Jump Ahead L3C
Chris Machuta ASM Global
Rich MacKeigan ASM Global

Mary Manier Experience Grand Rapids
Cheri McConomy McConomy Properties, LLC
Brian McVicar Grand Rapids Press/MLive

Jackie MorseASM GlobalJohn RizerProgressive AEEmilee SyrewiczeOpera Grand RapidsDoug SmallExperience 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
John Weiss Dickinson Wright
Jessica Wood Dickinson Wright

1. Call to Order

The chairperson, Richard Winn, called the meeting to order at 8:47 a.m. Staff recorded the meeting minutes.

2. Oaths of Office

The oaths of office were administered to Mandy Bolter, Kent County appointee, and Birgit Klohs, City of Grand Rapids appointee.

3. Minutes of Prior Meetings

Motion by Ms. Klohs, support by Mr. Verhulst, to approve the February 3, 2023, Board Minutes. Motion carried.

4. Committee Reports

A. Operations Committee

There were no new discussion items.

B. Finance Committee

i. Consolidated Financial Statement for Period Ending January 31, 2023

Ms. McConomy reviewed the dashboard, which is both a high-level view of operations for the Van Andel Arena® and DeVos Place® and a consolidated view of fund balance. The YTD budget to/from fund balance was originally budgeted at (-\$1.5 million) but is currently trending (\$60,382). The positive variance comes from \$200,000 in parking revenues, \$120,000 from interest and miscellaneous revenue at the administrative level, and the balance from building operations. Ms. McConomy reviewed the roll page that compared the YTD actuals with FYE expectations. The estimate for the Arena net operating income is \$2.2 million; however, year-end actual could reach \$2.5-\$2.6 million. DeVos Place® budgeted net operating income of (-\$625,000), while YTD actual is (-210,000). The DeVos Place® roof replacement project (north end) should be completed in spring and is expected to come under budget. Mr. Machuta stated that DeVos Place® had a successful January with strong-selling consumer shows and 13 sold-out performances in DeVos Performance Hall. The Van Andel Arena® fell short of budget, as no concerts were hosted during the month. Ms. McConomy reviewed the net operating proceed trend analysis 2023 against 2019 (best year ever) and to date, the CAA is on a similar track. The prior fiscal year against which the CAA is trending included the SVOG grant funds that continues to skew the outlook.

Motion by Mr. Bowen, support by Mr. Verhulst, to accept the consolidated financial statements for the period ending January 31, 2023. Motion carried.

ii. ASM Global Financial Statements for Period Ending January 31, 2023 - DeVos Place® and Van Andel Arena®

The financial statements were included as information items.

5. 201 Market Closing Task List

Included as an information item, the closing task list is an update. The CAA and the City have an option on land at 201 Market for the amphitheater. A number of conditions need to be completed before closing occurs. The option expires at the end of June. Most of the conditions have been met and work is ongoing for each of the remaining conditions. The goal is to close on the property before the end of June.

6. Public Comment

Deandre Jones, Jump Ahead L3C, stated his organization will be holding career and skill building workshops for local youth and young adults that focus on practical lessons on topics such as politics, housing, financial literacy, and health and wellness. Mr. Jones is planning to bring e-sports competitions

to the community and has been in talks with the NBA to create innovative growth. Mr. Jones is hosting an event on April 22 at the Four Star Theater, located at the corner of Burton and Division. Mr. Jones has been in talks with Western Michigan University, which converted an old theater into an e-sports stadium.

8. Board Member Comments

Mr. Washington thanked Mr. MacKeigan for his report on the closing task list and echoed the collaboration among the CAA, City, County, DGRI, and Grand Action 2.0 to make the amphitheater project a reality. The City must relocate off the property to a new site and there is site preparation that the City still must complete, but it is committed to finding a pathway forward as fast as possible.

The meeting adjourned at 9:03 a.m.	
	Susan M. Waddell, Recording Secretary



Consolidated Financial Report March 31, 2023

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Financial Dashboard Year-To-Date (9 Months) March 31, 2023

Van Andel Arena®									
			Concert						
	Prior Year	Budget	Actual	Prior Year	Budget		Actual		
Events	78	74	105	19	22		17		
Attendance	424,594	475,000	572,636	140,095	178,000		147,617		
Event Income	\$ 4,900,522	\$ 5,343,811	\$ 6,743,969	\$ 2,070,186	\$ 2,205,449	\$	2,234,597		

DeVos Place®										
	All Events					Convention/Trade				
Prior Year Budget Actual					Prior Year Budget			Actual		
Events	292	283	341		59	129		85		
Attendance	326,880	453,260	453,995	42	870	142,520		90,279		
Event Income	\$ 4,422,973	\$ 4,986,003	\$ 5,904,791	\$ 955	156 \$	2,124,309	\$	1,577,652		

	F	Prior Year Budget		Budget	Actual	
Operating Income (Loss)	\$	12,070,517	\$	1,474,553	\$	3,478,428
Capital/Repair/Replacement		(98,791)		(3,140,846)		(3,140,846)
Net - To/(From) on Fund Balance	\$	11,971,726	\$	(1,666,293)	\$	337,582 (1)

*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

	7/1/22 - 3/31/23				
	Year-to-Date	Roll	Estimate ⁽¹⁾	Budget	
Van Andel Arena					
Operating - Revenues	\$ 6,743,969	\$ 1,621,911	\$ 8,365,880	\$ 6,642,366	
- Expenses - Facilities	(4,130,606)	(1,274,323)	(5,404,929)	(4,858,170)	
- Base Management Fees	(140,746)	(50,575)	(191,321)	(191,321)	
- Incentive Fee	-	(200,702)	(200,702)	-	
Net Operating Income (Loss)	2,472,617	96,311	2,568,928	1,592,875	
Parking	397,135	(19,683)	377,452	387,830	
Pedestrian Safety	(58,826)	(6,174)	(65,000)	(65,000)	
Net Proceeds (Cost) of VAA	2,810,925	70,455	2,881,380	1,915,705	
DeVos Place Convention Center					
Operating - Revenues	5,904,791	1,540,440	7,445,231	6,229,122	
- Expenses - Facilities	(5,726,959)	(1,797,518)	(7,524,477)	(7,086,270)	
- Base Management Fees	(143,437)	(47,884)	(191,321)	(191,321)	
- Incentive Fee	-	(181,940)	(181,940)	-	
Net Operating Income (Loss)	34,395	(486,902)	(452,507)	(1,048,469)	
Parking	1,127,745	257,015	1,384,760	1,254,921	
Pedestrian Safety	-	(36,000)	(36,000)	(36,000)	
Net Proceeds (Cost) of DVP	1,162,140	(265,887)	896,253	170,452	
Other					
Revenues	269,224	218,776	488,000	168,000	
Expenses	(763,862)	(330,278)	(1,094,140)	(1,094,140)	
Net Other	(494,638)	(111,502)	(606,140)	(926,140)	
Total Net Proceeds/Operating	3,478,428	(306,935)	3,171,493	1,160,017	
Capital/Repair Expenditures	(3,140,846)	(2,938,154)	(6,079,000)	(6,079,000)	
Results Net of Capital/Repair Expenditures	\$ 337,582	\$ (3,245,089)	\$ (2,907,507) (3)	\$ (4,918,983)	

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 \$24,686,318

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

	11 2025 Buug	Actual		Appropriation	
FY 2023 Eligible Projects:	Budget	7/1/22-3/31/23	Roll	Lapse	
Van Andel Arena®					
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 Total VAA	110,000 785,000	\$ 114,522 304,797	(4,522) 480,203		
DeVos Place®					
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		
Total DVP	4,322,000	2,444,963	1,877,037		
Both Venues					
Radio System Upgrade	100,000		100,000		
Small Motor Equipment	60,000	40,662	19,338		
Computers and Accessories	150,000	114,865	35,135		
X-Ray Inspection Systems	33,100	33,100	-		
Total Both Venues	343,100	188,627	154,473		
Carryover (FY20& FY22) Projects					
OVP New Sound System	183,788	148,626	35,162		
VAA Cooling Tower/Condenser Coil	30,000		30,000		
VAA Wireless Communication Devices	45,000	53,833	(8,833)		
VAA Suite Refresher	370,112		370,112		
Total Carryover	628,900	(1) 202,459	426,441	-	
Fotal FY 2023 Capital Budget	\$ 6,079,000	\$ 3,140,846	\$ 2,938,154	\$	

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

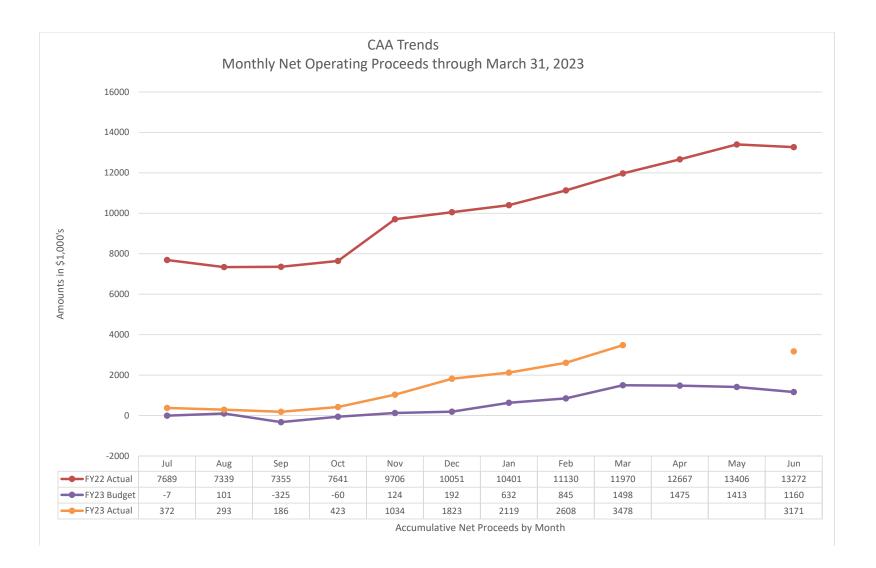
⁽¹⁾ The July monthly financial report included a request to re-appropriate a total of \$628,900 for previous year projects that could not be completed for supply issues

⁽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.

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

	Annual				Year-To-Date			
	FY 2022 Final (Audited)	FY 2023 Budget	Change Positive (Negative)	FY 2022 7/1/21-2/28/22	FY 2023 7/1/22-2/28/23	Change Positive (Negative)		
Van Andel Arena								
Operating - Revenues	\$ 7,934,764	\$ 6,642,366	-16.3%	\$ 4,900,522	\$ 6,743,969	37.6%		
- Expenses - Facilities	(4,108,004)	(4,858,170)	-18.3%	(2,865,478)	(4,130,606)	44.2%		
- Base Management Fees	(185,746)	(191,321)	-3.0%	(135,254)	(140,746)	4.1%		
- Incentive Fee	(240,472)							
Net Operating Income (Loss)	3,400,542	1,592,875	53.2%	1,899,790	2,472,617	30.2%		
Parking	371,385	387,830	4.4%	228,735	397,135	73.6%		
Pedestrian Safety	(95,620)	(65,000)	-100.0%	(54,969)	(58,826)	7.0%		
Net Proceeds (Cost) of VAA	3,676,307	1,915,705	-91.9%	2,073,556	2,810,925	35.6%		
DeVos Place Convention Center								
Operating - Revenues	6,202,108	6,229,122	0.4%	4,422,973	5,904,791	33.5%		
- Expenses - Facilities	(6,644,386)	(7,086,270)	-6.7%	(4,579,043)	(5,726,959)	25.1%		
- Base Management Fees	(185,749)	(191,321)	-3.0%	(135,254)	(143,437)	6.1%		
- Incentive Fee	(131,025)					0.0%		
Net Operating Income (Loss)	(759,052)	(1,048,469)	-38.1%	(291,324)	34,395	111.8%		
Parking	1,071,815	1,254,921	17.1%	859,090	1,127,745	31.3%		
Pedestrian Safety	(29,512)	(36,000)	22.0%	(18,051)	-	-100.0%		
Net Proceeds (Cost) of DVP	283,251	170,452	-66.2%	549,715	1,162,140	-111.4%		
Other								
Revenues	10,624,750	168,000	-98.4%	10,106,422	269,224	-97.3%		
Expenses	(871,057)	(1,094,140)	-25.6%	(659,175)	(763,862)	15.9%		
Net Other	9,753,693	(926,140)	-81.0%	9,447,246	(494,638)	-105.2%		
Total Net Proceeds/Operating	13,713,251	1,160,017	78.0%	12,070,517	3,478,428	-71.2%		
Capital/Repair Expenditures	(1,051,672)	(6,079,000)	52.0%	(98,791)	(3,140,846)	-3079.3%		
Results Net of Capital Expenditures	\$ 12,661,579	\$ (4,918,983)	71.0%	\$ 11,971,726	\$ 337,582	-97.2%		

NOTES: Combined net operating income of VAA & DVP is just under \$900k improvement over same point prior fiscal year.



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

	Annual			Actual			
	FY 2022 Final (Audited)	FY 2023 Budget	Change Positive (Negative)	FY 2022 7/1/21-3/31/22	FY 2023 7/1/22-3/31/23	Change Positive (Negative)	
Other			_				
Revenues							
Interest/Capital Contr.	\$ 144,201	\$ 100,000	-30.7%	\$ 98,053	\$ 258,423 (2)	163.6%	
Miscellaneous	10,480,549	68,000	-99.4%	10,008,369	10,801	-99.9%	
	10,624,750	168,000	-98.4%	10,106,422	269,224	-97.3%	
Expenses							
Arena 25-Year Recognition/New							
Venue Awareness	39,626	100,000	-100.0%	53,884	-	100.0%	
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	76,063	-734.5%	
Wages/Benefits	147,035	111,800	24.0%	94,240	60,720	35.6%	
Professional Services	167,381	135,570	19.0%	100,046	112,166	-12.1%	
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 (1)	-8.0%	52,528	55,857	-6.3%	
Landscaping	25,909	27,810	-7.3%	19,057	22,620	-18.7%	
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%	25,551	72,922	-185.4%	
	871,057	1,094,140	-25.6%	659,175	763,862	-15.9%	
Net Proceeds - Operating	\$ 9,753,693	\$ (926,140)	109.5%	\$ 9,447,246	\$ (494,638)	-105.2%	

Notes:

 $^{^{(1)}}$ SMG - $\$57,\!165;$ Potomac Strategic Development - $\$36,\!000;$ Progressive AE - $\$50,\!000$

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

DEVOSPLACE

DE VOS PLACE

FINANCIAL STATEMENT FOR THE FISCAL YEAR ENDED MARCH 31, 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	341	83	424	368	56
ATTENDANCE	453,995	155,500	609,495	563,920	45,575
DIRECT EVENT INCOME	2,641,175	917,633	3,558,808	3,431,950	126,858
ANCILLARY INCOME	2,149,004	407,698	2,556,702	2,208,772	347,930
OTHER EVENT INCOME	1,026,062	205,000	1,231,062	538,400	692,662
TOTAL EVENT REVENUE	5,816,241	1,530,331	7,346,572	6,179,122	1,167,450
TOTAL OTHER REVENUE	88,550	10,109	98,659	50,000	48,659
TOTAL OPERATING REVENUE	5,904,791	1,540,440	7,445,231	6,229,122	1,216,109
INDIRECT EXPENSES					
EXECUTIVE	163,516	104,300	267,816	296,040	28,224
FINANCE	216,970	92,400	309,370	338,129	28,759
MARKETING	161,831	52,900	214,731	214,546	(185)
OPERATIONS	1,103,722	407,900	1,511,622	1,734,993	223,371
EVENT SERVICES	1,626,433	342,100	1,968,533	1,520,809	(447,724)
BOX OFFICE	210,455	80,100	290,555	321,544	30,989
SALES	368,955	192,900	561,855	582,879	21,024
OVERHEAD	2,018,516	572,800	2,591,316	2,268,651	(322,665)
TOTAL OPERATING EXP.	5,870,396	1,845,400	7,715,798	7,277,591	(438,207)
NET REVENUE ABOVE EXPENSES	34,395	(304,960)	(270,567)	(1,048,469)	777,902
INCENTIVE FEE		181,940	181,940	0	(181,940)
NET OPERATING REVENUE OVER OPERATING EXPENSES	34,395	(486,900)	(452,507)	(1,048,469)	595,962

Comments:

DeVos Place concludes a strong first 3 quarters of the fiscal year well ahead of budget. Stronger than anticipated attendance for consumer shows and continued strong sales for theater events has expectations of a loss under \$300,000 for the fiscal year.

DocuSigned by:

General Manager

--- DocuSigned by:

Assistant General Manager

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:

MONTH	March	March	March
	Actual	Budget	FY 2022
Number of Events	51	39	43
Attendance	71,516	90,950	66,705
Direct Event Income	\$426,659	\$533,525	\$439,454
Ancillary Income	232,001	292,039	241,848
Other Event Income	134,454	22,900	48,105
Other Operating Income	22,741	4,166	15,047
Indirect Expenses	(734,198)	(606,470)	(629,065)
Net Income	\$81,657	\$246,160	\$115,389

YTD	YTD 2023 Actual	YTD 2023 Budget	YTD 2022 Prior Year
Number of Events	341	283	292
Attendance	453,995	453,260	326,880
Direct Event Income	\$2,641,175	\$2,787,863	\$2,429,896
Ancillary Income	2,149,004	1,784,346	1,308,019
Other Event Income	1,026,062	376,300	615,462
Other Operating Income	88,550	37,494	69,596
Indirect Expenses	(5,870,396)	(5,458,230)	(4,714,297)
Net Income	\$34,395	(\$472,227)	(\$291,324)

EVENT INCOME

Event income came in at expected levels for the month overall.

ANCILLARY INCOME

Ancillary income came in lower than budget for the month as more banquet events were expected

INDIRECT EXPENSES

Indirect expenses came in higher than budget for the month.

DeVos Place Income Statement For the Nine Months Ended March 31, 2023

	Current Month C	Surrent Menth		Current Month	Voor to Data	Voor to Data		Year to Date
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
F								
Event Income Direct Event Income								
Rental Income	\$544,346	\$553,405	\$ (9,059)	\$514,082	\$3,232,488	\$2,854,953	\$ 377,535	\$2,553,812
Service Revenue	286,263	244,650	41,613	218,879	2,759,840	2,364,751	395,089	2,100,644
Service Expenses	(403,950)	(264,530)	(139,420)	(293,507)	(3,351,153)	(2,431,841)	(919,312)	(2,224,560)
Total Direct Event Income	426,659	533,525	(106,866)	439,454	2,641,175	2,787,863	(146,688)	2,429,896
Ancillary Income	E0 000	20.214	10.010	40.042	202 405	10F 6F0	106 F22	242.806
F&B Concession F&B Catering	52,232 28,911	39,314 80,734	12,918 (51,823)	40,043 44,473	322,185 676,797	195,652 558,587	126,533 118,210	212,806 315,777
Novelty Sales	1,376	1,100	276	1,298	34,476	11,920	22,556	313,777
Booth Cleaning	55,514	51,981	3,533	42,969	327,752	280,854	46,898	225,552
Telephone/Long Distance	0	100	(100)	,	027,702	200	(200)	0
Electrical Services	48,010	61,090	(13,080)		326.864	311,677	15,187	209.095
Audio Visual	26,318	26,177	141	27,038	237,465	212,075	25,390	133,207
Internet Services	8,391	15,549	4,764	15,187	90,689	82,511	8,178	60,423
Equipment Rental	11,249	15,994	(4,745)	17,692	132,776	130,870	1,906	118,974
Total Ancillary Income	232,001	292,039 	(60,038) 	241,848	2,149,004	1,784,346	364,658	1,308,019
Other Event Inc								
Other Event Income Ticket Rebates(Per Event)	134,454	22,900	111,554	48,105	1,026,062	376,300	649,762	615,462
Total Other Event Income								
Total Other Event Income	134,454	22,900 	111,554 	48,105	1,026,062	376,300	649,762	615,462
Total Event Income	793,114	848,464	(55,350)	729,407	5,816,241	4,948,509	867,732	4,353,377
Other Operating Income								
Luxury Box Agreements	2,300	1,333	967	0	7,125	11,997	(4,872)	0
Advertising	0	1,000	(1,000)	0	0	9,000	(9,000)	0
Other Income	20,441	1,833	18,608	15,047	81,425	16,497	64,928	69,596
Total Other Operating Income								
	22,741	4.166	18.575	15.047	88.550	37.494	51.056	69.596
rotal other operating mount	22,741	4,166	18,575	15,047	88,550	37,494	51,056	69,596
Adjusted Gross Income	22,741 	4,166 852,630	18,575 (36,775)		5,904,791	4,986,003	51,056 918,788	69,596 4,422,973
		·						
		·						
Adjusted Gross Income		·						
Adjusted Gross Income Operating Expenses	815,855	852,630	(36,775)	744,454	5,904,791	4,986,003	918,788	4,422,973
Adjusted Gross Income Operating Expenses Salaries and Wages	815,855	852,630 315,797	(36,775)	744,454 330,555 137,630	5,904,791	4,986,003	918,788	4,422,973
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits	815,855 490,233 80,659	852,630 315,797 99,956	(36,775) 174,436 (19,297)	744,454 330,555 137,630 (225,049)	5,904,791 3,849,461 1,133,531	4,986,003	918,788 	4,422,973
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events	815,855 490,233 80,659 (286,661)	852,630 315,797 99,956 (152,700)	(36,775) 174,436 (19,297) (133,961)	744,454 330,555 137,630 (225,049)	5,904,791 3,849,461 1,133,531 (2,627,339)	2,842,173 899,604 (1,374,300)	918,788 1,007,288 233,927 (1,253,039)	2,971,864 994,221 (2,071,004)
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events	815,855 490,233 80,659 (286,661) 284,231	852,630 315,797 99,956 (152,700) 263,053	(36,775) 174,436 (19,297) (133,961) 21,178	744,454 330,555 137,630 (225,049) 243,136	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653	2,842,173 899,604 (1,374,300) 2,367,477	918,788 1,007,288 233,927 (1,253,039) (11,824)	2,971,864 994,221 (2,071,004) 1,895,081
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits	815,855 490,233 80,659 (286,661) 284,231	852,630 315,797 99,956 (152,700) 263,053 39,217	(36,775) 174,436 (19,297) (133,961) 21,178	744,454 330,555 137,630 (225,049) 243,136	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185	2,842,173 899,604 (1,374,300) 2,367,477	918,788 1,007,288 233,927 (1,253,039) (11,824)	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services	815,855 490,233 80,659 (286,661) 284,231	852,630 315,797 99,956 (152,700) 263,053	(36,775) 174,436 (19,297) (133,961) 21,178	744,454 330,555 137,630 (225,049) 243,136	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653	2,842,173 899,604 (1,374,300) 2,367,477	918,788 1,007,288 233,927 (1,253,039) (11,824)	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807	852,630 315,797 99,956 (152,700) 263,053 39,217 39,603	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204	330,555 137,630 (225,049) 243,136 52,384 23,388 7,902	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640	2,842,173 899,604 (1,374,300) 2,367,477 352,953 356,427	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213	2,971,864 994,221 (2,071,004) 1,895,081
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011	852,630 315,797 99,956 (152,700) 263,053 39,217 39,603 13,852	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159	330,555 137,630 (225,049) 243,136 52,384 23,388 7,902	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173	2,842,173 899,604 (1,374,300) 2,367,477 352,953 356,427 124,668	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505	2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682	852,630 315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985)	744,454 330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468	2,842,173 899,604 (1,374,300) 2,367,477 352,953 356,427 124,668 438,003	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535)	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682 32,613	315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667 25,675	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985) 6,938	744,454 330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025 44,051	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468 241,794	2,842,173 899,604 (1,374,300) 2,367,477 352,953 356,427 124,668 438,003 231,075	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535) 10,719	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180 188,014
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies Insurance	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682 32,613 51,017	315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667 25,675 32,725	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985) 6,938 18,292	330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025 44,051 40,818 133,333	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468 241,794 362,905	2,842,173 899,604 (1,374,300) 2,367,477 352,953 356,427 124,668 438,003 231,075 294,525	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535) 10,719 68,380	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180 188,014 258,650
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies Insurance Utilities	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682 32,613 51,017 165,368	315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667 25,675 32,725 127,734	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985) 6,938 18,292 37,634	744,454 330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025 44,051 40,818 133,333 15,028	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468 241,794 362,905 1,308,141	2,842,173 899,604 (1,374,300) 2,367,477 352,953 356,427 124,668 438,003 231,075 294,525 1,149,606	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535) 10,719 68,380 158,535	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180 188,014 258,650 1,088,654
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies Insurance Utilities SMG Management Fees Total Operating Expenses	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682 32,613 51,017 165,368 15,943 734,198	315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667 25,675 32,725 127,734 15,944 606,470	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985) 6,938 18,292 37,634 (1) 127,728	744,454 330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025 44,051 40,818 133,333 15,028 629,065	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468 241,794 362,905 1,308,141 143,437 5,870,396	352,953 356,427 124,668 438,003 231,075 294,525 1,149,606 143,496	918,788 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535) 10,719 68,380 158,535 (59)	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180 188,014 258,650 1,088,654 135,254 4,714,297
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies Insurance Utilities SMG Management Fees	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682 32,613 51,017 165,368 15,943 734,198	315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667 25,675 32,725 127,734 15,944 606,470	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985) 6,938 18,292 37,634 (1) 127,728 (164,503)	744,454 330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025 44,051 40,818 133,333 15,028 629,065	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468 241,794 362,905 1,308,141 143,437 5,870,396	352,953 356,427 124,668 438,003 231,075 294,525 1,149,606 143,496 (472,227)	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535) 10,719 68,380 158,535 (59) 412,166	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180 188,014 258,650 1,088,654 135,254 4,714,297
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies Insurance Utilities SMG Management Fees Total Operating Expenses	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682 32,613 51,017 165,368 15,943 734,198	315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667 25,675 32,725 127,734 15,944 606,470	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985) 6,938 18,292 37,634 (1) 127,728 (164,503)	744,454 330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025 44,051 40,818 133,333 15,028 629,065	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468 241,794 362,905 1,308,141 143,437 5,870,396	352,953 356,427 124,668 438,003 231,075 294,525 1,149,606 143,496 (472,227)	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535) 10,719 68,380 158,535 (59) 412,166	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180 188,014 258,650 1,088,654 135,254 4,714,297
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies Insurance Utilities SMG Management Fees Total Operating Expenses Net Income(Loss) From Operation	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682 32,613 51,017 165,368 15,943 734,198	315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667 25,675 32,725 127,734 15,944 606,470	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985) 6,938 18,292 37,634 (1) 127,728 (164,503)	744,454 330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025 44,051 40,818 133,333 15,028 629,065	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468 241,794 362,905 1,308,141 143,437 5,870,396	352,953 356,427 124,668 438,003 231,075 294,525 1,149,606 143,496 (472,227)	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535) 10,719 68,380 158,535 (59) 412,166	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180 188,014 258,650 1,088,654 135,254 4,714,297
Adjusted Gross Income Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies Insurance Utilities SMG Management Fees Total Operating Expenses Net Income(Loss) From Operation	815,855 490,233 80,659 (286,661) 284,231 56,526 43,807 46,011 38,682 32,613 51,017 165,368 15,943 734,198	315,797 99,956 (152,700) 263,053 39,217 39,603 13,852 48,667 25,675 32,725 127,734 15,944 606,470	(36,775) 174,436 (19,297) (133,961) 21,178 17,309 4,204 32,159 (9,985) 6,938 18,292 37,634 (1) 127,728 (164,503)	744,454 330,555 137,630 (225,049) 243,136 52,384 23,388 7,902 69,025 44,051 40,818 133,333 15,028 629,065 115,389 =======	5,904,791 3,849,461 1,133,531 (2,627,339) 2,355,653 441,185 411,640 175,173 430,468 241,794 362,905 1,308,141 143,437 5,870,396	352,953 356,427 124,668 438,003 231,075 294,525 1,149,606 143,496 (472,227)	918,788 1,007,288 233,927 (1,253,039) (11,824) 88,232 55,213 50,505 (7,535) 10,719 68,380 158,535 (59) 412,166	4,422,973 2,971,864 994,221 (2,071,004) 1,895,081 338,137 265,639 89,688 455,180 188,014 258,650 1,088,654 135,254 4,714,297

SMG DeVos Place Grand Rapids - Kent County Convention/Arena Authority Year to Date Event Summary Report For the Nine Months Ended March 31, 2023

	Events/Days		Attendance		Total Even	t Income
Event Type	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	101	142	96,649	161,520	1,724,615	2,499,433
Consumer/Gated Shows	44	46	146,907	154,000	1,116,131	1,188,216
DeVos Performance Hall	116	89	167,341	125,740	2,010,425	1,108,235
Banquets	21	-	17,486	-	215,006	-
Meetings	47	6	14,327	12,000	630,758	152,626
Other	12	-	11,285	-	119,304	-
GRAND TOTALS	341	283	453,995	453,260	5,816,241	4,948,509
As Percentage of Overall						
Convention/Trade Shows	29.62%	50.18%	21.29%	35.64%	29.65%	50.51%
Consumer/Gated Shows	12.90%	16.25%	32.36%	33.98%	19.19%	24.01%
Devos Performance Hall	34.02%	31.45%	36.86%	27.74%	34.57%	22.40%
Ballroom Exclusive	6.16%	0.00%	3.85%	0.00%	3.70%	0.00%
Meetings	13.78%	2.12%	3.16%	2.65%	10.84%	3.08%
Other	3.52%	0.00%	2.49%	0.00%	2.05%	0.00%

Total Liabilities and Equity

DeVos Place Balance Sheet As of March 31, 2023

ASSETS

Current Assets Cash Account Receivable Prepaid Expenses	3,589,619 1,713,359 84,408	
Total Current Assets		\$5,387,386
Total Assets		\$5,387,386
	=====	=======================================
LIABILITIES AND EQU	IITY	
Current Liabilities Accounts Payable Accrued Expenses Deferred Income Advanced Ticket Sales & Deposits	372,889 10,242 353,565 2,891,256	
Total Current Liabilities		\$3,627,952
Other Liabilities		
Equity Funds Remitted to CAA Funds Received by CAA Expenses Paid Direct by CAA Beginning Balance Equity Current Year Equity	(49,500) 1,277,663 496,878 34,393	
Total Equity		\$1,759,434

\$5,387,386

SMG - DeVos Place Grand Rapids - Kent County Convention/Arena Authority Summary of Accounts Receivable As of March 31, 2023

Current - Under 30 Days	
Food & Beverage	81,143
Ticketing	4,504
Merchandise	-
Decorating	55,514
Audio/Visual	26,317
Van Andel Arena	1,013,046
Operating	295,918
Over 30 Days	178,471
Over 60 Days	58,446
Over 90 Days	
Total Accounts Receivable	1,713,359

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	DeVos Place	Total	FY 2022
	Estimate	Estimate	Estimate	Actual
Net Revenue above Expenses	2,769,630	(270,567)	2,499,063	3,012,987
Benchmark++			1,050,000	1,050,000
Excess	2,769,630	(270,567)	1,449,063	1,962,987

Incentive Fee Calculation (Only if above greater than zero)

Base Fee	Arena Estimate 191,321	DeVos Place Estimate 191,321	Total Estimate 382,642	Total Unaudited 371,497
Incentive Fee				
Revenue	8,365,880	7,445,231	15,811,111	14,136,872
Benchmark Revenue	6,019,622	5,318,308	11,337,930	10,449,705
Revenue Excess Incentive Fee **	2,346,258 200,702	2,126,923 181,940	4,473,181 382,642	3,687,167 371,497
Total SMG Management Fee	392,023	373,261	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 MARCH 31, 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	105	14	119	86	33
ATTENDANCE	572,633	104,500	677,133	561,500	115,633
DIRECT EVENT INCOME	1,121,794	365,480	1,487,274	1,401,940	85,334
ANCILLARY INCOME	2,662,142	399,931	3,062,073	1,716,326	1,345,747
OTHER EVENT INCOME	1,281,785	268,000	1,549,785	1,195,500	354,285
TOTAL EVENT INCOME	5,065,721	1,033,411	6,099,132	4,313,766	1,785,366
TOTAL OTHER INCOME	1,678,248	588,500	2,266,748	2,328,600	(61,852)
TOTAL INCOME	6,743,969	1,621,911	8,365,880	6,642,366	1,723,514
INDIRECT EXPENSES					
EXECUTIVE	187,743	91,500	279,243	291,542	12,299
FINANCE	179,330	52,900	232,230	282,455	50,225
MARKETING	239,572	91,300	330,872	327,145	(3,727)
OPERATIONS	2,138,216	607,100	2,745,316	2,342,866	(402,450)
BOX OFFICE	194,191	74,300	268,491	284,042	15,551
SKYWALK ADMIN	16,128	5,500	21,628	54,100	32,472
OVERHEAD	1,316,170	402,300	1,718,470	1,467,341	(251,129)
TOTAL INDIRECT EXP.	4,271,352	1,324,900	5,596,250	5,049,491	(546,759)
NET REVENUE ABOVE EXPENSES	2,472,617	297,011	2,769,630	1,592,875	1,176,755
LESS INCENTIVE FEE		200,702	200,702	-	(200,702)
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	2,472,617	96,309	2,568,928	1,592,875	976,053

Comments:

March was a strong month for the Arena with record setting sales for Monster Trucks and a sold out tour kick off with Kane Brown.

The arena concludes the first 3 months of the fiscal year well ahead of budget and forecast has the facility ending the fiscal year over a million ahead of original budget.

IAMM

General Manager

- DocuSigned by:

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:

MONTH	March	March	March
	Actual	Budget	FY 2022
Number of Events	21	19	14
Attendance	120,268	111,000	87,377
Direct Event Income	\$240,228	\$212,490	\$319,996
Ancillary Income	521,975	289,331	355,055
Other Event Income	176,179	103,000	167,703
Other Operating Income	184,139	168,372	154,584
Indirect Expenses	(647,884)	(420,794)	(393,491)
Net Income	\$474,637	\$352,399	\$603,847

YTD	YTD 2023 Actual	YTD 2023 Budget	YTD 2022 Prior Year
Number of Events	105	74	78
Attendance	572,636	475,000	424,594
Direct Event Income	\$1,121,794	\$1,127,710	\$1,125,957
Ancillary Income	2,662,142	1,491,503	1,864,690
Other Event Income	1,281,785	979,500	878,184
Other Operating Income	1,678,248	1,745,098	1,031,691
Indirect Expenses	(4,271,352)	(3,787,146)	(3,000,732)
Net Income	\$2,472,617	\$1,556,665	\$1,899,790

EVENT INCOME

Event income came in a little ahead of budget overall as shows hosted during the month all performed very well.

ANCILLARY INCOME

Ancillary income finished well ahead of budget as strong selling Monster Trucks and strong per caps for Hockey and Kane Brown concert led to very good F&B numbers for the month.

INDIRECT EXPENSES

Indirect expenses came in higher than budget for the month and a little higher than forecast.

Van Andel Arena Income Statement For the Eight Months Ended March 31, 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
	Hotaai	Dauget	variance	T Hor Tear	Notaci	Dauget	vananoc	T HOL TOU
Event Income Direct Event Income Rental Income Service Revenue Service Expenses	\$ 693,894 236,875 (690,541)	\$ 417,690 111,800 (317,000)	\$ 276,204 125,075 (373,541)	282,523	\$ 3,209,741 2,460,863 (4,548,810)	\$ 1,930,910 1,585,800 (2,389,000)	\$ 1,278,831 875,063 (2,159,810)	\$ 2,246,788 1,821,983 (2,942,814)
Total Direct Event Income	240,228	212,490	27,738	319,996	1,121,794	1,127,710	(5,916)	1,125,957
Ancillary Income F&B Concession F&B Catering Novelty Sales Booth Cleaning Audio Visual Other Ancillary Total Ancillary Income	469,122 38,580 14,273 - - - 521,975	272,560 10,471 6,300 - - - 289,331	196,562 28,109 7,973 - - - 232,644	315,406 21,494 18,155 - - - 355,055	2,324,117 204,790 132,295 304 636 - - - 2,662,142	1,298,834 107,931 84,738 - - - - - - 1,491,503	1,025,283 96,859 47,557 304 636 	1,630,388 114,245 116,462 - 95 3,500
rotal Allematy moonle								
Other Event Income Ticket Rebates(Per Event)	176,179	103,000	73,179	167,703	1,281,785	979,500	302,285	878,184
Total Other Event Income	176,179	103,000	73,179	167,703	1,281,785	979,500	302,285	878,184
Total Event Income	938,382	604,821	333,561	842,754	5,065,721	3,598,713	1,467,008	3,868,831
Other Operating Income Luxury Box Agreements Advertising Other Income	136,139 48,000 -	110,288 52,084 6,000	25,851 (4,084) (6,000)		1,169,183 452,270 56,795	1,222,342 468,756 54,000	(53,159) (16,486) 2,795	788,208 228,000 15,483
Total Other Operating Income	184,139	168,372	15,767	154,584	1,678,248	1,745,098	(66,850)	1,031,691
Adjusted Gross Income	1,122,521	773,193	349,328	997,338	6,743,969	5,343,811	1,400,158	4,900,522
Operating Expenses Salaries and Wages Payroll Taxes and Benefits Labor Allocations to Events Net Salaries and Benefits	337,187 101,393 (142,460) 			192,222 73,952 (127,367) 				
Contracted Services General and Administrative Operations Repair and Maintenance Operational Supplies Insurance Utilities SMG Management Fees	40,415 31,309 23,151 55,881 27,224 64,713 93,128 15,943	36,600 33,831 7,184 31,375 23,017 23,667 70,609 15,944	3,815 (2,522) 15,967 24,506 4,207 41,046 22,519 (1)	31,932 5,841 13,695 33,804 40,844 81,188	318,064 356,646 68,407 384,400 202,307 338,827 679,277 140,746	329,400 304,479 64,656 282,375 207,153 213,003 635,481 143,496	(11,336) 52,167 3,751 102,025 (4,846) 125,824 43,796 (2,750)	284,699 38,707 187,423 167,846 223,562 581,757 135,254
Total Operating Expenses	647,884	420,794	227,090	393,491		3,787,146		
Net Income(Loss) From Operations			122,238	603,847	2,472,617		•	
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	474,637	,	,	603,847				, ,

SMG - Van Andel Arena Grand Rapids - Kent County Convention/Arena Authority Event Summary For the Nine Months Ended March 31, 2023

	Events	/Days	Attend	ance	Total Even	t Income
Event Type	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	10	9	51,829	50,000	399,871	269,739
Sporting Event	11	6	75,094	38,000	1,349,241	373,377
Concert	17	22	147,617	178,000	2,234,597	2,205,449
Team Home Games	59	34	240,746	187,000	335,654	529,890
Other	8	3	57,347	22,000	746,357	220,258
GRAND TOTALS	105	74	572,633	475,000	5,065,721	3,598,713
As Percentage of Overall						
Family Show	9.52%	12.16%	9.05%	10.53%	7.89%	7.50%
Sporting Event	10.48%	8.11%	13.11%	8.00%	26.63%	10.38%
Concert	16.19%	29.73%	25.78%	37.47%	44.11%	61.28%
Team Home Games	56.19%	45.95%	42.04%	39.37%	6.63%	14.72%
Other	7.62%	4.05%	10.01%	4.63%	14.73%	6.12%

Total Liabilities and Equity

Van Andel Arena Balance Sheet As of March 31, 2023

ASSETS

Current Assets Cash Account Receivable Prepaid Expenses Total Current Assets	18,821,691 1,341,700 152,485	¢20 24E 976
Total Current Assets		\$20,315,876
Total Assets		 \$20,315,876
Total Assets	====	\$20,313,876
LIABILITIES A	ND EQUITY	
Current Liabilities Accounts Payable Accrued Expenses Deferred Income Advanced Ticket Sales & Deposits	2,112,533 498,753 2,458,666 11,826,341	
Total Current Liabilities		\$16,896,293
Other Liabilities		
Equity Funds Remitted to CAA Funds Received by CAA Expenses Raid Direct by CAA	(3,500,000) - 652,062	
Expenses Paid Direct by CAA Beginning Balance Equity	3,794,904	
Current Year Equity	2,472,617	
Total Equity		\$3,419,583

\$20,315,876

SMG - Van Andel Arena Grand Rapids - Kent County Convention/Arena Authority Summary of Accounts Receivable As of March 31, 2023

Current -	Under 30	Dave
Current -	Under 30	Days

Food & Beverage	808,656
Ticketing	95,331
Merchandise	-
Permanent Advertising	749,349
DeVos Place	(1,006,164)
Operating	388,465

Over 30 Days 179,474

Over 60 Days 126,589

Over 90 Days

Total Accounts Receivable 1,341,700

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	DeVos Place	Total	FY 2022
_	Estimate	Estimate	Estimate	Actual
Net Revenue above Expenses	2,769,630	(270,567)	2,499,063	3,012,987
Benchmark++			1,050,000	1,050,000
Excess	2,769,630	(270,567)	1,449,063	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	8,365,880	7,445,231	15,811,111	14,136,872
Benchmark Revenue	6,019,622	5,318,308	11,337,930	10,449,705
Revenue Excess Incentive Fee **	2,346,258 200,702	2,126,923 181,940	4,473,181 382,642	3,687,167 371,497
Total SMG Management Fee	392,023	373,261	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.



Memorandum

To: CAA Finance Committee

Grand Rapids – Kent County Convention/Arena Authority

From: Cheri McConomy

Date: May 3, 2023

Re: Convention/Arena Authority (CAA)

Fiscal Year 2024 Budget Recommendation

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 preliminary recommendations. Preliminary Finance Committee review will be 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 \$2.116 M. Funding, requested for FY 2024, would generate a net operating income of \$718k.

Fiscal Year 2024 Operating Assumptions:

- Van Andel Arena® events will be run at full capacity for the entire fiscal year however includes a budgeted decrease in concerts from FY 2023. The number of total events should remain consistent, however, will not have the same ancillary income impact that was seen in FY23.
- DeVos Place® events will be run at full capacity for the entire fiscal year. Convention activity has been slower to return, however, FY24 is expected to run closer to pre-pandemic levels. Theater activity will also show an increase led by Broadway and Symphony having July performances outside of the traditional arts group season.

The Fiscal Year 2024 consolidated income statement (Table C) forecasts net operating income totaling \$1.510 M. The capital funding required, of \$6.089 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 2023 activities with a "fund balance" approximating \$24.7 million. This would include a recommended minimum operating reserve balance of \$3.0 million and a capital repair/replacement/improvement reserve of \$21.7 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. We would expect to present this to the Finance Committee, at its May 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

	FY 2022	FY 2023	FY 2023	FY 2024
	Actual	Budget	Estimate	Recommendation
Van Andel Arena				
Operating - Revenues	\$ 7,934,764	\$ 6,642,366	\$ 8,365,880	\$ 6,942,515
- Expenses - Facilities	(4,108,004)	(4,858,170)	(5,404,929)	(5,157,882)
- Management Fees	(185,746)	(191,321)	(191,321)	(197,061)
- Incentive Fees	(240,472)	-	(200,702)	(76,231)
Net Operating Income	3,400,542	1,592,875	2,568,928	1,511,341
DeVos Place				
Operating - Revenues	6,202,108	6,229,122	7,445,231	7,979,837
- Expenses - Facilities	(6,644,386)	(7,086,270)	(7,524,477)	(8,258,551)
- Management Fees	(185,749)	(191,321)	(191,321)	(197,061)
- Incentive Fees	(131,025)	-	(181,940)	(317,891)
Net Operating Income/(Loss)	(759,052)	(1,048,469)	(452,507)	(793,666)
Net Available to CAA:				
Van Andel Arena	3,400,542	1,592,875	2,568,928	1,511,341
DeVos Place	(759,052)	(1,048,469)	(452,507)	(793,666)
	\$ 2,641,490	\$ 544,406	\$ 2,116,421	\$ 717,675

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

	FY2022	FY 2023	FY 2023	FY 2024	
	Actual	Budget	Estimate Recommenda		
Revenues:					
Facility Operations	\$ 2,641,490	\$ 544,406	\$ 2,116,421	717,675	
Utility Reimbursement	2,154,592	2,195,000	2,494,294	2,519,100	
Transfers from SMG	4,796,082	2,739,406	4,610,715	3,236,775	
Federal Grant	\$10,042,022	\$ -		-	
State Grant	-	-	4,281,393	-	
County Grant	447,957	-		-	
DeVos Place Parking (1	1,319,898	1,543,000	1,718,750	2,050,000	
VanAndel Parking (1	371,385	387,830	377,452	384,500	
Interest	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	11,476,310	6,309,025	
Expenditures:					
Utilities	2,154,592	2,195,000	2,494,294	2,519,100	
Other Operating (5	399,124	461,889	507,800	523,595	
Administration/Other (6)	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	6,079,000	6,088,583	
Total Expenditures	4,492,558	9,757,219	14,383,817	10,318,346	
t Excess (Deficit)	\$12,661,579	\$ (4,918,983)	\$ (2,907,507)	\$ (4,009,321)	

Notes: See Following Pages

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

Notes:

(1)DeVos Place Parking Rates:	F	Y 2023	F	Y 2024	FY 2025	FY 2026	FY 2027
30 Minutes	\$	2.00	\$	2.00			
Daily Maximum Vehicles with Trailers: Courtesy Validations (2 Hr. Limit) ASM Designated Onl-	3 7	25.00 NC*		25.00 NC*			
Event	. y	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							
(2) \$21.5 million (3/31/23 Kent County pool balance) in invested funds at 2.65%.							
(3) FY 2024 Proposed Projects:							
DeVos Place®				252 592			
Parking Control Equipment & Software Beam Detector for Grand Gallery				253,583 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				,100,000	1,300,000		
Skywalk Carpeting		Total DVP		150,000 ,363,583	1,550,000	1,125,000	1,125,000
Van Andel Arena		Total DVI	Э,	,505,565	1,550,000	1,123,000	1,123,000
Emergency Exit Door Replacement				95,000			
Ice Plant Compressor Change				190,000			
Video Board with Scoreboard functionality				,200,000			
Fencing				150,000			
Zamboni				150,000	5 0.000	# 0.000	= 0.000
Air Handler Motor Refurbishment				50,000	50,000	50,000	50,000
Floor Seating Replacement		Total VAA		290,000 ,125,000	50,000	50,000	50,000
Dath Facilities							
Both Facilities Concrete				100,000			
Surveillance				500,000	500,000	500,000	
	otal Bo	th Facilities		600,000	500,000	500,000	
Anticipated future projects					3,000,000	3,000,000	3,000,000
Total FY 2023 Capital Budget		-	\$ 6,	,088,583	\$ 5,100,000	\$4,675,000	\$ 4,175,000

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

	FY 2022	FY 2023	FY 2023	FY 2024
	Actual	Budget	Estimate	Recommendation
Utilities ⁽⁴⁾ :				
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
	\$ 2,154,592	\$ 2,195,000	\$ 2,494,294	2,519,100
Other Operating ⁽⁵⁾ :				
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
	\$ 399,124	\$ 461,889	\$ 507,800	523,595
Administration/Other(6):				
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 ^(A)	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	-	-	-	-
	\$ 845,148	\$ 1,021,330	\$ 1,021,330	\$ 1,187,068

Notes:

⁽A) 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

		FY 2022	FY 2023	FY 2023	FY 2024
		Actual	Budget	Estimate	Recommendation
Operating Revenue	e:				
Event	- VanAndel Arena	\$ 1,304,940	\$ 1,401,940	\$ 1,487,274	\$ 1,485,800
	- DeVos Place	3,171,904	3,970,350	4,789,870	5,314,045
Ancillary	- VanAndel Arena	2,791,817	1,716,326	3,062,073	1,825,015
	- DeVos Place	2,043,069	2,208,772	2,556,702	2,549,792
Other	- VanAndel Arena	3,838,007	3,524,100	3,816,533	3,631,700
	- DeVos Place	987,135	50,000	98,659	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
		26,308,704	14,870,318	17,975,313	17,424,852
Operating Expense	e / Appropriations:				
Facility Ope	erations				
	- VanAndel Arena	4,108,004	4,858,170	5,404,929	5,157,882
	- DeVos Place	6,644,386	7,086,270	7,524,477	8,258,551
	- 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 Opera	ating	178,181	-	-	-
Administrat	ion/Other	845,148	1,021,330	1,021,330	1,187,068
		12,917,835	13,810,301	15,223,820	15,915,340
Operating Income Non-Operating Re		13,390,869	1,060,017	2,751,493	1,509,512
Interest/Cap	oital Contribution	144,201	100,000	420,000	569,750
Transfer (to) from Capital Acct.	(873,491)	(6,079,000)	(6,079,000)	(6,088,583)
		(729,290)	(5,979,000)	(5,659,000)	(5,518,833)
Net Income (Loss	s)	12,661,579	(4,918,983)	(2,907,507)	(4,009,321)
Fund Balance, be	•	14,932,246	27,593,825	27,593,825	24,686,318
Fund Balance, en	nd of yr.	\$ 27,593,825	\$ 22,674,842	\$ 24,686,318	\$ 20,676,997

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

Van Andel Arena Actual Budget Estimate Operating - Revenues \$7,934,764 \$6,642,366 \$8,365,880 - Expenses - Facilities (4,108,004) (4,858,170) (5,404,929) - Management Fees (185,746) (191,321) (191,321) - Incentive Fee (240,472) - (200,702) Net Operating Income (Loss) 3,400,542 1,592,875 2,568,928 Parking 371,385 387,830 377,452 Pedestrian Safety (95,620) (65,000) (65,000) Net Proceeds (Cost) of VAA 3,676,307 1,915,705 2,881,380 DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815	FY 2024	FY 2023	FY 2023	FY 2022	
Operating - Revenues \$ 7,934,764 \$ 6,642,366 \$ 8,365,880 - Expenses - Facilities (4,108,004) (4,858,170) (5,404,929) - Management Fees (185,746) (191,321) (191,321) - Incentive Fee (240,472) - (200,702) Net Operating Income (Loss) 3,400,542 1,592,875 2,568,928 Parking 371,385 387,830 377,452 Pedestrian Safety (95,620) (65,000) (65,000) Net Proceeds (Cost) of VAA 3,676,307 1,915,705 2,881,380 DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) <th>Recommendation</th> <th>Estimate</th> <th>Budget</th> <th>Actual</th> <th></th>	Recommendation	Estimate	Budget	Actual	
- Expenses - Facilities					Van Andel Arena
- Management Fees (185,746) (191,321) (191,321) (191,321) (200,702) Net Operating Income (Loss) 3,400,542 1,592,875 2,568,928 Parking 371,385 387,830 377,452 Pedestrian Safety (95,620) (65,000) (65,000) Net Proceeds (Cost) of VAA 3,676,307 1,915,705 2,881,380 DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Miscellaneous (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810)	\$ 6,942,515	\$ 8,365,880	\$ 6,642,366	\$ 7,934,764	Operating - Revenues
Flincentive Fee (240,472) - (200,702) Net Operating Income (Loss) 3,400,542 1,592,875 2,568,928 Parking 371,385 387,830 377,452 Pedestrian Safety (95,620) (65,000) (65,000) Net Proceeds (Cost) of VAA 3,676,307 1,915,705 2,881,380 DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Miscellaneous 10,480,549 68,000 68,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	(5,157,882)	(5,404,929)	(4,858,170)	(4,108,004)	- Expenses - Facilities
Net Operating Income (Loss) 3,400,542 1,592,875 2,568,928 Parking 371,385 387,830 377,452 Pedestrian Safety (95,620) (65,000) (65,000) Net Proceeds (Cost) of VAA 3,676,307 1,915,705 2,881,380 DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues 1 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Miscella	(197,061)	(191,321)	(191,321)	(185,746)	- Management Fees
Parking Pedestrian Safety 371,385 (95,620) 387,830 (65,000) 377,452 (65,000) Net Proceeds (Cost) of VAA 3,676,307 1,915,705 2,881,380 DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Miscellaneous 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330)	(76,231)	(200,702)		(240,472)	- Incentive Fee
Pedestrian Safety (95,620) (65,000) (65,000) Net Proceeds (Cost) of VAA 3,676,307 1,915,705 2,881,380 DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,81	1,511,341	2,568,928		3,400,542	Net Operating Income (Loss)
Net Proceeds (Cost) of VAA 3,676,307 1,915,705 2,881,380 DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Miscellaneous 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) <td>384,500</td> <td>377,452</td> <td>387,830</td> <td>371,385</td> <td>Parking</td>	384,500	377,452	387,830	371,385	Parking
DeVos Place Convention Center Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues 1 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Miscellaneous 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (1,094,140) (1,094,140) (1,094,140)	(70,000)			(95,620)	
Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	1,825,841	2,881,380	1,915,705	3,676,307	Net Proceeds (Cost) of VAA
Operating - Revenues 6,202,108 6,229,122 7,445,231 - Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)					
- Expenses - Facilities (6,644,386) (7,086,270) (7,524,477) - Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)					
- Management Fees (185,749) (191,321) (191,321) - Incentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	7,979,837				
Fincentive Fee (131,025) - (181,940) Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues	(8,258,551)		* ' ' '		
Net Operating Loss (759,052) (1,048,469) (452,507) Parking 1,071,815 1,254,921 1,384,760 Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Miscellaneous 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	(197,061)		(191,321)	* '	
Parking Pedestrian Safety 1,071,815 (29,512) 1,254,921 (36,000) 1,384,760 (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	(317,891)	(181,940)			- Incentive Fee
Pedestrian Safety (29,512) (36,000) (36,000) Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	(793,666)	(452,507)	(1,048,469)	(759,052)	
Net Proceeds (Cost) of DVP 283,251 170,452 896,253 Other Revenues 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	1,689,020	1,384,760	1,254,921	1,071,815	C
Other Revenues 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 Expenses 10,624,750 168,000 488,000 Expenses 4dministration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)		(36,000)	(36,000)	(29,512)	
Revenues 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	895,354	896,253	170,452	283,251	Net Proceeds (Cost) of DVP
Revenues 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)					Other
Interest 144,201 100,000 420,000 Miscellaneous 10,480,549 68,000 68,000 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)					
Miscellaneous 10,480,549 68,000 10,624,750 68,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) (1,066,330) (27,810) (27,810) Other Operating (871,057) (1,094,140) (1,094,140) (1,094,140) (1,094,140)	569,750	420.000	100,000	144.201	
Expenses 10,624,750 168,000 488,000 Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	68,000	· · · · · · · · · · · · · · · · · · ·	, , , , , , , , , , , , , , , , , , ,	,	Miscellaneous
Expenses Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	637,750				
Administration (845,148) (1,066,330) (1,066,330) Other Operating (25,909) (27,810) (27,810) (871,057) (1,094,140) (1,094,140)	,	,	,		Expenses
(871,057) (1,094,140) (1,094,140)	(1,232,068)	(1,066,330)	(1,066,330)	(845,148)	
	(47,615)	(27,810)	(27,810)	(25,909)	Other Operating
	(1,279,683)	(1,094,140)	(1,094,140)	(871,057)	
	(641,933)	(606,140)	(926,140)	9,753,693	Net Other
Total Net Proceeds/Operating 13,713,251 1,160,017 3,171,493	2,079,262	3,171,493	1,160,017	13,713,251	Total Net Proceeds/Operating
Capital Expenditures (1,051,672) (6,079,000) (6,079,000)	(6,088,583)				
Results Net of Capital Expenditures \$ 12,661,579 \$ (4,918,983) \$ (2,907,507)	\$ (4,009,321)	\$ (2,907,507)	\$ (4,918,983)	\$ 12,661,579	Results Net of Capital Expenditures

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

	Actual								Est.	Rec.
_	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	3,082	\$ 1,902
DVP - Net Proceeds	908	1,625	1,465	1,441	1,243	(688)	(3,784)	414	1,078	1,213
SMG Incentive Fees	(344)	(344)	(347)	(353)	(353)	-	-	(371)	(383)	(394)
Other-Net Proceeds	(308)	(565)	(442)	(516)	(447)	(591)	(351)	9,754	(606)	(642)
Total Net Operating	1,866	2,696	3,541	2,910	4,810	659	(5,638)	13,713	3,171	2,079
Capital	(1,130)	(2,361)	(2,360)	(2,618)	(4,245)	(3,299)	(2,194)	(1,052)	(6,079)	(6,089)
Transfer To/(From) Fund Balance	736	335	1,181	292	565	(2,640)	(7,832)	12,662	(2,908)	(4,009)
Fund Balance, End of Year	\$21,896	\$22,230	\$23,411	\$ 23,703	\$24,268	\$22,578	\$ 14,932	\$27,594	\$24,686	\$ 20,677



May 5, 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

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

FY 2024 (July 1, 2023 - June 30, 2024)

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

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.

		FY 2025 (July 1, 20	24 – June 30, 2025)			
ROOM	PERFORM	ARTS GROUPS	CONVENTION	CONSUMER	ONE DAY MEETING	BANQUET
DeVos Hall (Sun – Thurs)	\$4,000 vs 12%	\$4,000/1st Performance \$2,000/2nd 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	\$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 A

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

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.

N/A

N/A

N/A

Monroe Meeting

Rooms A-D

Monroe Meeting

Room B, C, or D

Recital Hall or

Monroe Meeting

Room A

\$1,600 vs

12%

N/A

\$1,150 vs

12%

\$1,550 per day

\$675 per day

\$1,150 per day

\$1,600 per day

\$675 per day

\$1,150 per day

\$1,600

\$675

\$1,150

\$1,550

\$675

\$1,150

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%	\$4,200/1st Performance \$2,100/2nd Performance	N/A	N/A	\$4,610	N/A
DeVos Hall (Fri-Sat)	\$4,700 vs 12%	\$4,700/1st Performance \$2,350/2nd 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.

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 st Performance \$2,150/2 nd Performance	N/A	N/A	\$5,120	N/A
DeVos Hall (Fri-Sat)	\$4,800 vs 12%	\$4,800/1st Performance \$2,400/2nd 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 st or 2 nd	\$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.



Memorandum

To: Jay Preston, Finance Committee Chairperson

CAA Board

From: Susan Waddell, Administrative Manager

Subject: Auto Parking System Periodic Reporting

Date: May 5, 2023

The previously (6/5/20) adopted "Parking Operation Agreement" requires the City-Auto Parking System to provide a quarterly report regarding City/County utilization of discounted DeVos Place® monthly parking passes. The content of this 3rd quarter (FY23) periodic report includes the following information:

A) "... the number of current City and County passes outstanding ..."

The City currently holds 112 monthly passes. The County currently holds 192 monthly passes.

B) "... the increase and/or decrease in such City and County passes since the prior report ..."

The City decreased the number of passes out by 6 between 1/1/23 and 3/31/23.

The County increased the number of passes out by 14 between 1/1/23 and 3/31/23.

C) "... a calculation of the difference between the then current market rate for monthly passes for the Parking Spaces and the then current rate for monthly passes by the City and County."

The current (public) monthly pass rate is \$159, while the discounted City/County rate is \$58.45.

The City currently holds 112 passes with a total annualized discount of \$139,139. The County currently holds 192 passes with a total annualized discount of \$231,667.

Attached with this correspondence is a copy of the quarterly report from City-Auto Parking System.

Cc: Richard MacKeigan

	Previous End of Quarter Space Count	Total Spaces	Space Count	Current Monthly Market Rate Price Difference	Monthly Price Difference Variance, Prev
Account	Q2 FY23	End of Q3 FY23	Change	EOQ*	Quarter
17th Circuit Court	28	29	1	\$2,915.95	\$100.55
KC Facilities					
Management	150	163	13	\$16,389.65	\$1,307.15
City of GR	118	112	-6	\$11,261.60	(\$603.30)
Total	296	304	8	\$30,567.20	\$804.40
* Current Market Bata is \$150 monthly City/County Contractual Bata is \$59.45 monthly Effective 7/1/22					

^{*} Current Market Rate is \$159 monthly, City/County Contractual Rate is \$58.45 monthly, Effective 7/1/22



MEMORANDUM

To: CAA Finance Committee

CAA Board

From: Richard MacKeigan, Executive Director

Date: May 5, 2023

Re: Independent Contractor/Consultant

Agreement with McConomy Properties, LLC

On January 1, 2022, the CAA Board entered into a one-year Agreement with McConomy Properties, LLC (Cheri McConomy) to provide for certain enhanced financing, contract monitoring, budgeting, and related services for and on behalf of the CAA. The agreement terminated on January 1, 2023.

The Agreement set the compensation at the rate of \$140 per hour for services not to exceed 400 hours per year, at a total potential compensation of \$56,000 per year. I am recommending that the CAA enter into an Independent Contractor Consultant Agreement with Cheri with an increase in the rate to \$160 per hour for an 18th month term, commencing on January 1, 2023, continuing through June 30 2024, to align with the CAA's fiscal year end. I have spoken to Cheri, and she is supportive of this agreement. During each 12-month period, Cheri will not receive payment for more than 350 hours, unless approved in advance by the CAA's Executive Director. The increased rate is competitive for like services in our market.

The CAA has contracted with McConomy Properties, LLC annually since 2004, and Cheri has performed booking and accounting services with the highest degree of professionalism. The CAA and Cheri have enjoyed an excellent working relationship and the CAA wishes to continue its affiliation with Cheri.

Based on the above, I am requesting the CAA Board approve the Independent Contractor/Consultant Agreement with McConomy Properties, LLC.

INDEPENDENT CONTRACTOR/CONSULTANT AGREEMENT

THIS INDEPENDENT CONTRACTOR/CONSULTANT AGREEMENT (the "Agreement") is made and is effective as of January 1, 2023, by and between the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY,** an authority organized pursuant to Act 203 of the Public Acts of Michigan of 1999, as amended (the "CAA"), of 303 Monroe Avenue, N.W., Grand Rapids, Michigan 49503 and **McCONOMY PROPERTIES, LLC,** a Michigan limited liability company (the "Contractor") of 4542 Hidden Ridge Drive, Hudsonville, Michigan 49426.

- **Section 1. Agreement.** The CAA has identified the need for certain bookkeeping and accounting services and certain enhanced financing, contract monitoring, and budgeting services. The Contractor has represented to the CAA that it is willing and has the ability to provide certain bookkeeping and accounting services in accord with recognized professional standards and certain enhanced financing, contract monitoring and budgeting services (collectively, the "Services"). The Contractor has represented that it is qualified and willing to provide the Services. This Agreement confirms the terms and conditions of the Services the Contractor will provide to the CAA.
- **Section 2. Engagement.** The CAA hereby engages the Contractor to perform the Services. The Contractor agrees that the Services shall all be personally performed by Cheryl L. McConomy ("McConomy"), unless otherwise agreed by the CAA, and agrees to perform the Services in good faith and to the best of its ability. The Services contracted for are as follows:
 - A. Prepare monthly bank reconciliation and prepare cash basis financial statements.
 - B. Prepare for each financial month consolidated financial data and reporting information including all operating and administrative accounts.
 - C. Convert, at year end, accounting records for cash basis to accrual basis, prepare necessary audit work papers, compile year-end financial statements, and respond to auditor requests for additional information.
 - D. Cash flow and investment matters including:
 - 1. compiling twelve month rolling forecasts; and
 - 2. coordinating the cash flow schedule with the CAA facilities manager, ASM Global.
 - E. Monitor and keep current CAA contracts including, but not limited to, the management services agreement, the food and beverage agreement, the parking services agreements, agreements with professional sports organizations, the legal services agreement, the accounting services agreement, and the audit services agreement.
 - F. Perform liaison services between the CAA and the City of Grand Rapids, the County of Kent, and the State of Michigan, including monitoring State and local legislation affecting the CAA.

- G. Assist in the preparation of the CAA's annual consolidated budget and longrange capital plan; monitor the annual budget and expenditures and prepare monthly reports regarding the same; and prepare quarterly financial reports as requested.
- H. Analyze and make recommendations regarding the CAA's disbursement schedule to maximize the value of the CAA's State of Michigan sales tax exemption.
- I. Such other duties as directed by the CAA including review of the annual Downtown Improvement District assessment, review of the annual calculation of the CAA's contribution for pedestrian safety and attendance at CAA Board of Directors meetings and Board committee meetings.
- **Section 3. Direction and Reporting.** McConomy will receive direction and assignment of Services from, and report to, the CAA's Executive Director. McConomy shall keep a written record of the time she devotes to performing the Services in a format acceptable to the CAA which she shall submit to the CAA's Executive Director for review and approval at the end of each calendar month during the term of this Agreement and which the CAA will use to determine the Contractor's compensation for such month.
- **Section 4. Compensation.** The Contractor will be compensated for the Services at the rate of \$160 per hour determined to the nearest quarter hour, *provided, however*, during each twelve-month period the Contractor will not receive payment for more than 350 hours unless approved in advance by the CAA's Executive Director. The hourly rates set forth in this Section 4 shall include reimbursement for related ordinary out-of-pocket expenses. In order to be reimbursed for extraordinary out-of-pocket expenses, Contractor shall obtain the prior approval of the CAA's Executive Director. The hourly rate set forth above may be adjusted on the anniversary date of this Agreement upon mutual written agreement of the CAA and Contractor.
- **Section 5. Payment Terms.** The Contractor shall invoice the CAA on a monthly basis with such detail of Services as required by the CAA from time to time. The Contractor will be paid according to the CAA's customary payment terms not later than 30 days from receipt of the invoice.
- Section 6. Independent Contractor Status. It is the intention of the parties hereto that the Contractor be an independent contractor for all purposes. This Agreement shall not be construed to make the Contractor in any sense an agent, servant, or employee of the CAA. The Contractor shall have no authority over or on behalf of the CAA, its business, or employees. The Contractor shall conduct its services as an independent contractor, and, as such, shall have control over the manner, method, and hours of work so long as the Contractor performs the Services in a timely, competent, and professional manner. The Contractor understands and agrees that the Contractor and its employees, if any, are not entitled to unemployment compensation benefits or workers compensation benefits, and that the Contractor shall be responsible for obtaining and maintaining, if required, workers' compensation insurance during the term of this Agreement.
- **Section 7.** Tax Responsibilities of Contractor. The Contractor acknowledges, understands and agrees to be responsible for any declarations of estimated tax liability relating to

any payments under this Agreement and filing all taxes, including by way of illustration but not limitation, federal, State and local income tax returns, social security tax, self-employment tax, unemployment insurance taxes, or any other taxes or business license fees as required. The CAA shall furnish Contractor with a 1099 Form, when required of it, indicating all compensation paid to the Contractor on an annual basis.

Section 8. Assignment or Transfer. This Agreement may not be assigned or transferred by the Contractor or the CAA to any party or parties or to any entity or entities without the written consent of the other party, *provided*, *however*, the CAA may, without the Contractor's consent assign this Agreement to any successor or other entity who undertakes the duties and responsibilities of the CAA.

Section 9. Term and Termination. This Agreement shall be for an eighteen-month term commencing on January 1, 2023 and continuing through June 30, 2024 to align with the CAA's fiscal year end. Thereafter the annual agreement, unless otherwise terminated under this Section 9, shall automatically renew itself for a twelve-month period under its terms provided neither party before May 1 of any contract year has given the other party written notice electing not to renew. Additionally, during any one-year term under this Agreement, either party may terminate this Agreement for any reason or no reason upon 30 days prior written notice to the other party. Further, the Contractor's engagement shall terminate automatically without notice in the event of the death of McConomy or her disability that makes her unable to perform the Services under this Agreement.

Section 10. Notices. All notices required to be given pursuant to this Agreement by one party to the other party shall be given by first-class mail or personal delivery at the addresses shown in the first paragraph of this Agreement, or such other address as one party provides the other by notice given in compliance with this Section 10.

Section 11. Treatment of Information. The Contractor agrees that all information generated or compiled in the rendering of Services under this Agreement, including but not limited to, work papers, source documents and other financial or other data, are the property of the CAA and will be made available to the CAA when requested. In the event of any termination under this Agreement, the Contractor shall deliver promptly to the CAA all information, records, documents, computer files and other items belonging to the CAA which are in the Contractor's possession or under its control as of the date of termination and relating to the Service or to the CAA, its business or finances. Contractor shall keep confidential and shall not in any way use, disclose or communicate to any person any financial, operational, or other information obtained during the term of this Agreement or in connection with its Services as Contractor, except as otherwise required by law. The Contractor's obligations under this Section 11 shall continue in effect beyond termination of this Agreement, beyond the period Contractor acts as an independent contractor for the CAA, and notwithstanding any other terms of this Agreement, these obligations shall be binding upon Contractor's assigns, heirs, executors, administrators, and other legal representatives.

Section 12. Severability. The provisions of this Agreement are severable, and if any one or more of its provisions may be determined to be illegal, or otherwise unenforceable, in whole or in part, the remaining provisions, and any partially unenforceable provisions, to the extent enforceable, shall nevertheless be binding and enforceable.

Section 13. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Michigan.

Section 14. Complete Agreement. This Agreement contains the complete agreement between the Contractor and the CAA regarding the subject matter, and as of the effective date of this Agreement, any and all prior agreement, arrangements, representations, or understandings between the Contractor and the CAA, including specifically the Independent Contractor/Consultant Agreement between the CAA and Contractor dated January 1, 2022, are superseded by this Agreement. This Agreement may only be modified by an express written agreement executed by the Contractor and the CAA.

WHEREFORE, the undersigned have executed this Agreement effective as of the day first above written.

By:
Richard A. Winn, Chairperson
McCONOMY PROPERTIES, LLC
By:
Cheryl L. McConomy

Its: Principal

GRAND RAPIDS – KENT COUNTY CONVENTION/ARENA AUTHORITY

GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY

RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A PARKING OPERATION AGREEMENT WITH THE CITY OF GRAND RAPIDS

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

WHEREAS, the Grand Rapids-Kent County Convention/Arena Authority (the "CAA") controls the operation of DeVos Place, a performing arts/convention/entertainment facility (the "Convention Center") including 660 parking spaces located in the lower level of the Convention Center (the "Parking Spaces"); and

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

WHEREAS, the CAA and the City previously entered into a Parking Operation Agreement dated July 1, 2008, related to the Parking Spaces which expired June 30, 2011, a Parking Operation Agreement dated July 1, 2011, related to the Parking Spaces which expired June 30, 2014, a Parking Operation Agreement dated July 1, 2014, related to the Parking Spaces which expired June 30, 2017, a Parking Operation Agreement dated July 1, 2017, which expired

June 30, 2020, and a Parking Operation Agreement dated July 1, 2020, which expires June 30,

2023; and

WHEREAS, the CAA and the City desire to enter into this Agreement setting forth (a) the

terms and conditions for the continued operation of the Parking Spaces and (b) the basis for

providing, including the determination of cost, the Parking Spaces to the County and the City.

RESOLVED:

1. That the Agreement substantially in the form presented at this meeting with such

minor deviations as are not materially adverse to the CAA and approved as to content by the CAA

Chairman and as to form by the CAA's legal counsel is approved.

2. That the Chairman of the CAA is authorized and directed to execute the Agreement

for and on behalf of the Authority.

3. That all resolutions or parts of resolutions in conflict herewith shall be, and the

same are hereby, rescinded to the extent of such conflict.

YEAS:	Boardmembers		
NAYS:	Boardmembers		
ABSTAIN:	Boardmembers		
ABSENT:	Boardmembers		
RESOLUTIO	ON DECLARED ADOPTED.		
Dated: May 5,	2023		

Administrative Manager/Recording Secretary

Susan M. Waddell

CERTIFICATION

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on May 5, 2023, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976.

Dated: May 5, 2023

Susan M. Waddell Administrative Manager/Recording Secretary

PARKING OPERATION AGREEMENT

THIS PARKING OPERATION AGREEMENT (the "Agreement") is made as of July 1, 2023, by and between the GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY, a Michigan statutory authority (the "CAA" or "Authority"), and the CITY OF GRAND RAPIDS, a Michigan municipal corporation (the "City").

PREMISES

- A. The CAA controls the operation of DeVos Place, a performing arts/convention/entertainment facility located at 303 Monroe Avenue, N.W., in the City (the "Convention Center"), including 660 parking spaces located in the lower level of the Convention Center (the "Parking Spaces").
- B. The Operating Agreement dated as of March 29, 2000 (the "Operating Agreement"), between the County of Kent (the "County") and the City related to the Convention Center provides that (a) "all parking facilities constituting a portion of the Convention Center shall be operated by the City's Parking System under the direction of the Authority with any net income in a fiscal year of the Authority, after deduction of operating expenses, belong to the Authority" and (b) "the Authority shall make available to the County and the City, for employees and other users the parking spaces in the Convention Center parking facilities at a cost equal to a pro rata share of operating expenses."
- C. The CAA and the City previously entered into a Parking Operation Agreement dated July 1, 2008, related to the Parking Spaces which expired June 30, 2011, a Parking Operation Agreement dated July 1, 2011, related to the Parking Spaces which expired June 30, 2014, a Parking Operation Agreement dated July 1, 2014, related to the Parking Spaces which expired June 30, 2017, a Parking Operation Agreement dated July 1, 2017, related to the Parking Spaces which expired June 30, 2020, and a Parking Operation Agreement dated July 1, 2020, related to the Parking Spaces which expires June 30, 2023.
- D. The CAA and the City desire to enter into this Agreement setting forth (a) the terms and conditions for the continued operation of the Parking Spaces and (b) the basis for providing, including the determination of cost, the Parking Spaces to the County and the City.
- **NOW, THEREFORE,** in consideration of the mutual promises set forth below, the parties agree as follows:
- **Section 1. Operation of Parking Spaces.** Subject to the terms and conditions of this Agreement, the City, through its Mobile GR and Parking Services Department (the "Department"), shall be responsible for the operation of the Parking Spaces.
- **Section 2. Parking Control Equipment.** The CAA shall at its cost be responsible for providing, replacing and upgrading at each entry/exit to the Parking Spaces parking control equipment compatible with the City's Automobile Parking System (the "System") and, where required, attendant booths of the same or similar quality as booths located in City-owned parking ramps within the System. The City shall be responsible for the maintenance of such parking control equipment and attendant booths. In this regard, the City currently maintains its parking control equipment throughout the System pursuant to a maintenance agreement with an outside vendor and has included the Convention Center Parking Spaces parking control equipment in such

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

- **Section 3.** Conditions of Operation. The operation of the Parking Spaces by the Department shall be subject to the following conditions:
 - (a) Unless otherwise agreed by the CAA and the City, the Department shall be responsible for providing:
 - 1. Attendant staffing as and to the level mutually determined necessary by the CAA's Owner's Representative and the Department.
 - 2. Security/customer service "red car" patrol at the same level provided to parking lots and ramps in the System during those times that the Parking Spaces are available for public monthly pass, daily in/out or special event use. It is understood that the CAA has installed and will maintain and monitor security cameras throughout the area of the Parking Spaces as a part of the Convention Center's overall security system.
 - 3. Supervision of Department personnel performing services pursuant to this Agreement related to the Parking Spaces and related administrative services including management and accounting services.
 - (b) The level of operation provided shall, except as otherwise provided in this Agreement, be equal to that provided by the Department to City-owned ramps operated and maintained by the Department.
 - (c) The City, including the Department, shall not be responsible for any maintenance of the Parking Spaces.
- **Section 4. Utilities.** The CAA shall be responsible for furnishing and paying for utilities related to the space occupied by the Parking Spaces, including electricity for lighting and parking control equipment and electric and telephone lines for attendant booths.
- **Section 5. Hours of Operation.** The CAA's Owner's Representative shall determine the hours of operation of the Parking Spaces for both event and non-event days.
- **Section 6. City and County Use of Parking Spaces.** Pursuant to the terms of the Operating Agreement, the CAA is required to make the Parking Spaces available to the County and the City for employees and other users on a prepaid monthly pass basis. When such spaces are requested by the County or the City, the Department shall work with the CAA to facilitate making the requested spaces available. Unless otherwise mutually agreed by the City and CAA, the City agrees that it will maintain from time to time at the Government Center Parking Ramp located across Monroe Avenue from the Convention Center (the "Government Center Ramp") as

daily/special event spaces (without in and out privileges) parking spaces of an equal number to the number of spaces that have moved from the Government Center Ramp to the Parking Spaces at the request of the City. Upon 14 days prior written notice to the City and subject to the prior approval of the City and/or County whose employee prepaid monthly parking passes are affected, if the Convention Center is closed or temporarily inaccessible or the daily parking demand, as determined by the CAA's Owner's Representative, is projected to exceed capacity, the City agrees to provide parking for such prepaid monthly parking passes at another City owned or controlled parking facility or lot. If the affected parking passes are for County employees any additional charge by the City above the rate determined in accordance with Section 9 hereof shall be approved in advance by the County. Within 15 days after September 30, December 31, March 31 and June 30 during the term of this Agreement the Department shall provide the CAA's Owner's Representative with a written quarterly report indicating the number of current City and County monthly passes outstanding, the increase and/or decrease in such City and County passes since the prior report and a calculation of the difference between the then current market rate for monthly passes for the Parking Spaces and the then current rate for monthly passes paid by the City and the County.

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

Section 8. Establishment of Parking Rates. Rates charged for use of the Parking Spaces, except those made available to the County and City pursuant to Section 6 hereof, shall be as determined from time to time by the CAA after receiving input from the Department, *provided*, *however*, such (i) prepaid daily maximum rate shall not be less than 100% of the similar rate charged at the Government Center Ramp and (ii) the hourly visitor rate, prepaid monthly pass rate and special event rates shall not be less than those similar rates charged at the Government Center Ramp unless the CAA and the City otherwise mutually agree. In order to accommodate the Department's parking control equipment throughout the System, the CAA agrees to provide, at least 60-days prior written notice of rate changes and, whenever possible, to coordinate any change in rates for the Parking Spaces so that the effective date of such change takes place at the same time as the effective date of a change in rates by the City for public parking facilities owned by the City and operated by the Department.

Section 9. Establishment of Parking Rates for County and City Use. In accordance with the provisions of the Operating Agreement, parking spaces made available to the County and City pursuant to Section 6 hereof are to be provided at a cost equal to the pro rata share of the operating and maintenance expenses of the Parking Spaces used by the County and City. The Department shall with the assistance of the CAA's Owner's Representative determine such cost annually in conjunction with its annual facilities update. Costs to be incorporated in the rate established for the County and the City shall include the Department's operating costs, including the cost of maintaining the parking control equipment for the Parking Spaces and an annual management fee (the "Management Fee") related to the Parking Spaces (the "Department Operating Costs") and a pro rata share of the cost of maintenance and other services incurred by the CAA in connection with the Parking Spaces such as a pro rata share of utility costs, elevator maintenance, insurance premiums and building security and maintenance costs related to the

Parking Spaces for services performed by the CAA's Owner's Representative or other entity(ies) the CAA contracts with to provide such services (collectively, with the Department Operating Costs, the "Parking Spaces Operating and Maintenance Costs"). For purposes of this Section 9 and other applicable provisions of this Agreement, the Management Fee included in the Department Operating Costs shall mean an annual fee of \$26,250 for the first year of the term of this Agreement, which amount shall be adjusted upward for each subsequent year of this Agreement's term by the percentage change in the Consumer Price Index All Urban Consumers (CPI-U) U.S. city average during the one year period ending in June immediately preceding such year as published by the U.S. Department of Labor, provided that for purposes of this adjustment the amount of any yearly increase in the foregoing index in excess of 5% shall be disregarded. For each fiscal year during the term of this Agreement, the rate established for the City and the County (the "CC Rate") shall be determined based on estimated costs for such fiscal year plus an upward or downward adjustment to reflect the recovery of actual costs versus estimated costs for the prior fiscal year (the "Adjustment"). The CC Rate for the County and City shall be determined by dividing the total number of monthly passes for the Parking Spaces issued by the Department at the time of such determination (but such number shall never be less than the number of Parking Spaces) into the Parking Spaces Operating and Maintenance Costs plus or minus the Adjustment for such fiscal year. The Department shall make available to the CAA's Owner's Representative the calculation of such CC Rate for review and approval prior to the implementation of such CC Rate. It is understood that for the purpose of determining the CC Rate, Parking Spaces Operating and Maintenance Costs will not be allocated to daily in/out parkers and event parkers.

Section 10. Preparation and Approval of Annual Budget. The Department shall prepare and submit to the CAA's Owner's Representative for approval an operating cost budget for the services it is required to perform pursuant to this Agreement for the Parking Spaces for the ensuing fiscal year. Annual budgets shall be submitted at least 90 days prior to the beginning of the CAA's fiscal year, i.e. July 1.

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

Section 12. Collection and Deposit of Receipts and Payment of Department Operating Costs. The Department shall bill and collect all revenues for the Parking Spaces based on rates established pursuant to Section 8 and 9 hereof. On or before the First of the month, beginning August 1 each year and continuing each month thereafter until July 1 of the following year, the Department shall pay the CAA an amount equal to 1/12 of the agreed to annual budgeted operating revenues less budgeted operating expenses. Within 10 days after September 1 each year and continuing within 10 days after each calendar month thereafter until within 10 days after August 1 of the following year, the Department will complete a reconciliation of the second preceding calendar month's actual operating revenues less operating expenses. Any overage/shortfall determined by this calculation, will immediately thereafter be paid over/billed to

the CAA. Appropriate documentation, detailing the calculation, will accompany the check/invoice. The final monthly reconciliation will be provided no later than 10 days after August 1 following June 30 each year. If the CAA has any questions regarding an invoice, it shall promptly notify the Department and the CAA's Owner's Representative and the Department shall promptly meet to resolve such questions and make any required adjustments in the invoice.

Section 13. Term. This Agreement shall be for a term commencing on July 1, 2023, and ending June 30, 2026, subject to the right of either party to terminate the Agreement early on July 1 of any year by giving written notice to the other party at least one year prior to the termination date.

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

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

Section 15. Notices. All notices and other communications to be given pursuant to this Agreement shall be given in writing and delivered personally, by certified or registered mail (return receipt requested, postage prepaid) or by facsimile to the appropriate party at its address or facsimile number set forth below:

If to the CAA: Grand Rapids-Kent County Convention/Arena

Authority

303 Monroe Avenue, N.W. Grand Rapids, Michigan 49503 Attention: Administrative Manager Facsimile Number: (616) 742-6197

If to the City: City of Grand Rapids

6th Floor, City Hall

300 Monroe Avenue, N.W. Grand Rapids, Michigan 49503

Attention: City Manager

Facsimile Number: (616) 456-3166

With a copy to: City of Grand Rapids

Mobile GR and Parking Services Department

50 Ottawa Avenue, N.W.

P.O. Box 1968

Grand Rapids, Michigan 49501-1968

Attention: Mobile GR and Parking Services Manager

Facsimile Number: (616) 456-4322

Either party may change its designated address/facsimile number by delivery of written notice of the change to the other party. Notices shall be deemed effective upon actual receipt. Actual receipt of facsimile transmissions shall be presumed based upon the transmitting party's receipt of a confirmation of transmission.

Section 16. General Provisions.

- (a) This Agreement constitutes the entire agreement between the CAA and the City related to the subject matter hereof, i.e., the operation of the Parking Spaces, and may be modified or amended in whole or in part from time to time only by mutual written agreement of the CAA and the City.
- (b) As used in this Agreement the term "Owner's Representative" shall mean the General Manager of the Convention Center or such other person as shall be designated to the Department by the CAA in writing.
- (c) This Agreement shall be interpreted in accordance with the laws of the State of Michigan.
- (d) Nothing in this Agreement is intended by the parties hereto to create, nor shall anything in it be construed as creating, any obligations to, or rights in, any party not a signatory to this Agreement that would not exist independent of this Agreement.
- (e) If any particular portion of this Agreement is rendered invalid, illegal, unenforceable or otherwise of no effect, the remaining provisions of this

Agreement shall remain in full force and effect so that the essence and intent of this Agreement is preserved.

- (f) A failure of either party to give notice or insist upon the immediate performance of any right that it has under this Agreement shall not constitute a waiver of that right or any other right under this Agreement.
- (g) The section headings of this Agreement are for convenience only and shall not be considered a part of the substance of this Agreement or affect the interpretations of this Agreement.
- (h) This Agreement shall not be assigned, transferred or conveyed by either party without the prior written consent of the other party.
- (i) The City shall act solely as an independent contractor with respect to the operation of the Parking Spaces. The relationship of the City and the CAA under this Agreement shall in no way be construed to create a joint venture or partnership, or to constitute either party as an agent or employee of the other for any purpose.

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

GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY
Richard Winn, Chairman
CITY OF GRAND RAPIDS
Rosalynn Bliss, Mayor
Attest:
Joel H. Hondorp, City Clerk

GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY

RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF MEMORANDUM OF UNDERSTANDING RELATING TO AMPHITHEATER CONSTRUCTION COST REIMBURSEMENT

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

WHEREAS, the Grand Rapids-Kent County Convention/Arena Authority (the "CAA") is the recipient of a grant in an amount not-to-exceed \$30,000,000 from the Michigan Economic Development Corporation (the "MEDC") to support the costs of architecture and construction for the Grand Rapids Downtown Amphitheater ("Amphitheater"), all pursuant to a February 9, 2023 Grant Agreement ("Grant Agreement"); and

WHEREAS, Grand Action Foundation 2.0 ("GA2.0") is a Michigan nonprofit corporation formed for civic purposes including gaining private and public support for public facilities including a public outdoor amphitheater; and

WHEREAS, the CAA and GA2.0 have worked together toward the development, funding, and construction of a public outdoor amphitheater to be located at, or in the vicinity of, 201 Market Avenue in the City; and

WHEREAS, the CAA has agreed to reimburse GA2.0 with proceeds of the Grant Agreement for certain goods or services provided by GA2.0 in furtherance of the design and construction of the Amphitheater; and

WHEREAS, the CAA and GA2.0 desire to enter into a Memorandum of Understanding Relating to Amphitheater Construction Cost Reimbursement (the "Agreement") setting forth the terms and conditions for the reimbursement.

RESOLVED:

- 1. That the Agreement substantially in the form presented at this meeting with such minor deviations as are not materially adverse to the CAA and approved as to content by the CAA Chairman and as to form by the CAA's legal counsel is approved.
- 2. That the Chairman of the CAA is authorized and directed to execute the Agreement for and on behalf of the Authority.
- 3. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded to the extent of such conflict.

YEAS:	Boardmembers	
NAYS:	Boardmembers	
ABSTAIN:	Boardmembers	
ABSENT:	Boardmembers	
RESOLUTION	ON DECLARED ADOP	TED.
Dated: May 5	5, 2023	
•	•	Susan M. Waddell
		Administrative Manager/Recording Secretary

CERTIFICATION

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on May 5, 2023, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976.

Dated: May 5, 2023

Susan M. Waddell Administrative Manager/Recording Secretary

MEMORANDUM OF UNDERSTANDING RELATING TO AMPHITHEATER CONSTRUCTION COST REIMBURSEMENT

THIS MEMORANDUM OF UNDERSTANDING RELATING TO AMPHITHEATER CONSTRUCTION COST REIMBURSEMENT ("Agreement") is made as of _______, between the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY**, of 303 Monroe Avenue NW, Grand Rapids, MI 49503 ("CAA"), and **GRAND ACTION FOUNDATION** 2.0, of 125 Ottawa Ave NW, Suite 152, Grand Rapids, MI 49503 ("GA2.0") (collectively, the "Parties").

The CAA is the recipient of a grant in an amount not-to-exceed \$30,000,000 from the Michigan Economic Development Corporation (MEDC) to support the costs of architecture and construction for the Grand Rapids Downtown Amphitheater ("Amphitheater"), all pursuant to a February 9, 2023 Grant Agreement ("Grant Agreement"). The CAA has agreed to reimburse GA2.0 with proceeds of the Grant Agreement for certain goods or services provided by GA2.0 in furtherance of the design and construction of the Amphitheater as follows:

- 1. Conditions Precedent to Reimbursement. Reimbursement is contingent on (a) GA2.0 complying with all written CAA procurement policies and procedures provided to GA2.0, or such reimbursement as otherwise approved by CAA, and (b) GA2.0 providing adequate documentation, to the satisfaction of CAA and MEDC, that a request for reimbursement is for costs of architecture and construction incurred on or after October 1, 2022 or otherwise qualifying as an eligible expenditure under the Grant Agreement. GA2.0 shall reimburse CAA for disbursements under this Agreement later determined by MEDC to have been expended for purposes other than as set forth in the Grant Agreement.
- **2. Public Record; Public Audit.** GA2.0 acknowledges that CAA and MEDC are public bodies subject to the Freedom of Information Act, Act 442 of 1976, as amended, and other laws governing the use of public funds, and that documentation provided under this Agreement is subject to possible public disclosure and audit.
- 3. Miscellaneous. This is the entire Agreement of the Parties as to this subject matter. It shall not be amended or modified except in writing signed by both Parties. It shall not be affected by any course of dealing and the waiver of any breach shall not constitute a waiver of any subsequent breach of the same or any other provision of this Agreement. This Agreement and the rights and obligations under this Agreement shall not be assigned or otherwise transferred. This Agreement shall be construed in all aspects in accordance with the laws of the State of Michigan. This Agreement shall not constitute a partnership, joint venture, or agency. Neither Party shall have the authority to make any statements, representations, or commitments of any kind, or take any action, which shall be binding on the other, without the prior consent of such other Party. Both Parties agree to execute any additional documents or provide additional information necessary to carry out the intent of this Agreement.

IN WITNESS WHEREOF, the CAA and GA2.0 have caused this Agreement to be signed as of the date and year first written above.

GRAND RAPIDS-KENT	COUNTY
CONVENTION/ARENA	AUTHORITY

GRAND ACTION FOUNDATION 2.0

By:	By:	
Its:	Its:	

4872-5809-3665 v1 [61448-218]

Lake Michigan Credit Union (Consolidated) Balance Sheet December 31, 2022

	<u>December 31, 2022</u>	December 31, 2021	% Change	\$ Change
LOANS:	1 (00 005 517	1 101 070 244	40.2424	F20 40C 202
Loans to Members	1,699,985,517	1,161,879,314	46.31%	538,106,203
Real Estate Loans	6,761,473,451	5,261,523,159	28.51%	1,499,950,292
Commercial Loans	1,448,908,529_	1,168,220,228	24.03%	280,688,301
TOTAL LOANS	9,910,367,497	7,591,622,701	30.54%	2,318,744,796
Allowance for Loan Loss	(22,289,364)	(16,534,594)	34.80%	(5,754,770)
NET MEMBER LOANS	9,888,078,133	7,575,088,108	30.53%	2,312,990,025
LOANS HELD FOR SALE	40,938,435	179,154,004	-77.15%	(138,215,569)
CASH	770,919,931	2,581,950,921	-70.14%	(1,811,030,991)
INVESTMENTS	672,746,120	854,748,515	-21.29%	(182,002,395)
NCUSIF	86,765,296	82,600,076	5.04%	4,165,220
ACCRUED INTEREST INCOME	30,322,404	21,093,479	43.75%	9,228,924
OTHER RECEIVABLES & PREPAIDS	298,843,492	264,329,327	13.06%	34,514,165
FIXED ASSETS (Net of Depr)	117,361,855	111,783,594	4.99%	5,578,262
TOTAL ASSETS	11,905,975,667	11,670,748,024	2.02%	235,227,643
LIABILITIES:				
Accrued Dividends	1,920,663	402,615	377.05%	1,518,049
Accounts Payable / Accrued Expense	147,012,229	134,475,763	9.32%	12,536,466
Borrowed Funds	0	0	0.00%	0
FHLB Advances	200,000,000	210,000,000	-4.76%	(10,000,000)
TOTAL LIABILITES	348,932,892	344,878,378	1.18%	4,054,514
SAVINGS:				
Shares	5,107,958,533	5,027,252,887	1.61%	80,705,646
Deposits	5,195,229,486	5,108,808,732	1.69%	86,420,754
TOTAL SHARES	10,303,188,020	10,136,061,619	1.65%	167,126,400
EQUITY:				
Regular Reserve	13,605,067	13,605,067	0.00%	0
Undivided Earnings	1,361,104,164	1,192,927,734	14.10%	168,176,430
Unrealized Gain / (Loss) on Investments	(114,163,990)	(11,808,968)	866.76%	(102,355,022)
Other Comprehensive Income	(6,690,486)	(4,915,806)	36.10%	(1,774,680)
Net Income	0	0	0.00%	0
TOTAL EQUITY	1,253,854,754	1,189,808,027	5.38%	64,046,728
TOTAL LIABILITIES & EQUITY	11,905,975,667	11,670,748,024	2.02%	235,227,643

This credit union is federally insured by the National Credit Union Administration

LAKE MICHIGAN CREDIT UNION (CONSOLIDATED) INCOME STATEMENT December 31, 2022

	ACTUAL	BUDGET	\$	ACTUAL	BUDGET	\$
	M-T-D	M-T-D	VARIANCE	Y-T-D	Y-T-D	VARIANCE
INTEREST INCOME:	-		-			
Interest on Loans	33,547,170	23,809,952	9,737,219	323,831,667	272,217,539	51,614,127
Interest on Investments	3,511,110	1,365,291	2,145,820	35,298,506	12,294,795	23,003,711
TOTAL INTEREST INCOME:	37,058,281	25,175,243	11,883,038	359,130,173	284,512,335	74,617,838
COST OF FUNDS:						
Dividends	4,871,741	4,534,338	337,403	48,326,995	49,999,805	(1,672,810)
Interest on Deposits	4,520,234	1,469,837	3,050,398	20,345,256	16,328,680	4,016,576
Interest on Borrowed Funds	417,128	514,015	(96,887)	5,063,296	5,516,720	(453,424)
TOTAL INTEREST EXPENSE:	9,809,103	6,518,189	3,290,914	73,735,546	71,845,205	1,890,342
NET INTEREST INCOME	27,249,178	18,657,054	8,592,124	285,394,626	212,667,130	72,727,497
PROVISION FOR LOAN LOSSES	1,155,385	668,750	486,635	7,682,976	6,225,000	1,457,976
NET INTEREST INCOME AFTER PLL	26,093,793	17,988,304	8,105,489	277,711,650	206,442,130	71,269,521
NON INTEREST INCOME:						
Fee Income	10,790,719	16,890,352	(6,099,633)	154,269,119	206,587,267	(52,318,148)
Management Fees	12,375	11,875	500	146,500	142,500	4,000
TOTAL NON INTEREST INCOME	10,803,094	16,902,227	(6,099,133)	154,415,619	206,729,767	(52,314,148)
OPERATING EXPENSES:						
Compensation	9,973,064	11,289,742	(1,316,678)	126,643,084	131,730,860	(5,087,776)
Employee Benefits	1,724,448	2,047,039	(322,591)	23,230,318	25,901,039	(2,670,721)
Travel and Conference	279,429	111,614	167,815	1,278,214	1,339,368	(61,155)
Association Dues	59,394	52,106	7,287	507,096	619,737	(112,641)
Office Occupancy	1,243,148	1,346,572	(103,424)	14,185,074	15,593,846	(1,408,772)
Office Operations	4,944,871	4,435,427	509,444	50,450,891	53,641,164	(3,190,273)
Education and Promotion	991,743	632,643	359,100	8,149,118	7,582,248	566,870
Loan Servicing	2,689,885	4,221,495	(1,531,610)	29,899,693	49,688,759	(19,789,066)
Professional Services	116,842	361,173	(244,332)	3,591,423	4,475,932	(884,509)
State Operating Fees	52,495	67,740	(15,245)	562,225	760,708	(198,483)
NCUA Deposit Insurance	0	0	0	0	0	0
Cash Over and Short	(2,482)	0	(2,482)	45,062	0	45,062
Annual Meeting Expense	0	717	(717)	1,100	8,600	(7,500)
Miscellaneous Expense	859,330	461,309	398,020	6,555,333	5,348,889	1,206,444
TOTAL OPERATING EXPENSES	22,932,166	25,027,578	(2,095,413)	265,098,630	296,691,151	(31,592,520)
INCOME FROM OPERATIONS	13,964,721	9,862,952	4,101,769	167,028,639	116,480,746	50,547,892
(Gain) / Loss on Sale of Assets	(537,106)	0	(537,106)	(544,806)	0	(544,806)
(Gain) / Loss on Sale of Other RE Owned	0	0	0	0	0	0
(Gain) / Loss on Sale of Investments	0	0	0	0	0	0
Total (Gain)/Loss on Sale of Inv/Assets	(537,106)	0	(537,106)	(544,806)	0	(544,806)
NET INCOME	14,501,827	9,862,952	4,638,875	167,573,445	116,480,746	51,092,699
CUSO Net Income	64,524	52,402	12,123	2,023,803	1,583,927	439,875
Consolidated Net Income	14,566,352	9,915,354	4,650,998	169,597,248	118,064,674	51,532,574