

Board of Directors

Friday, November 5, 2010
Immediately Following
CAA Finance Committee Meeting
Kent County Commission Chambers
300 Monroe, NW – Grand Rapids, MI

A G E N D A

- | | |
|---|-------------|
| I. Call to Order | |
| II. Presentation by Grand Rapids Griffins – Tim Gortsema | |
| III. Approve October 1, 2010, Meeting Minutes | Action |
| IV. Committee Reports | |
| A. Operations Committee | Information |
| i. CVB Report | Information |
| B. Finance Committee | |
| i. SMG September 2010 Financial Statements -
DeVos Place® and Van Andel Arena® | Action |
| ii. CAA September 2010 Financial Statements | Action |
| iii. Special Purpose Financial Statements as of and
for the Years Ended June 30, 2010 and 2009 | Action |
| iv. Amendment to FY 2011 Capital Budget | Action |
| V. Booking Policy Review | Action |
| VI. Parking Operation and Maintenance Agreement | Action |
| VII. SMG Report and Facilities Calendars | Information |
| • Status Report on SMG Management Agreement and
SMG Food & Beverage Agreement | |
| VIII. Public Comment | |
| IX. Adjournment | |

**Next Meeting Date: Friday, December 3, 2010, immediately following the
CAA Operations Committee meeting**



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

DEVOS PLACE

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



**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS MEETING
Friday, October 1, 2010**

I. Call to Order

Steve Heacock, Chairperson, called the meeting to order at 8:35 a.m. Susan Waddell recorded the meeting minutes in the absence of Secretary/Treasurer Birgit Klohs. Chair Heacock stated that the booking policy recommendation would be removed from the agenda, at the request of Broadway Grand Rapids.

Attendance

Members Present: Steve Heacock, Chair
Lew Chamberlin
Gary McInerney
Floyd Wilson, Jr.

Members Absent: George Heartwell
Birgit Klohs
Joe Tomaselli

Staff/Others:	David Czurak	<i>Grand Rapids Business Journal</i>
	Jim Day	Kent County
	Daryl Delabbio	Kent County
	Scott Gorsline	DP Fox
	Tim Gortsema	Grand Rapids Griffins
	George Helmstead	CVB
	Lynne Ike	SMG
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Doug Small	CVB
	Eddie Tadlock	SMG
	Jim Talen	Kent County
	Susan Waddell	CAA
	Jim Watt	SMG
	Richard Wendt	Dickinson Wright
	Robert White	CAA

II. Minutes of Prior Meeting

Motion: Mr. McInerney, supported by Mr. Wilson, moved to approve the Minutes of the August 6, 2010 meetings of the Grand Rapids-Kent County Convention/Arena Authority. The motion carried unanimously.

III. Committee Reports

a. Operations Committee

Mr. Chamberlin provided a recap of the previous meeting. There were no action items. The Committee received a report from Experience Grand Rapids, formerly known as the Grand Rapids/Kent County Convention & Visitors Bureau.

b. Finance Committee.

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

Motion: Mr. Chamberlin, supported by Mr. Wilson, moved to approve the SMG Financial Statements for DeVos Place® and the Van Andel Arena® for the periods ended July 31, 2010 and August 31, 2010. After review and discussion, the motion carried unanimously.

ii. CAA Financial Statements

Motion: Mr. Wilson, supported by Mr. McInerney, moved to approve the CAA Financial Statements for the periods ended July 31, 2010 and August 31, 2010. After review and discussion, the motion carried unanimously.

IV. Booking Policy Recommendation

This item was removed from the agenda.

V. SMG Report and Facilities Calendar

Mr. MacKeigan presented a summary of the upcoming events that will be held at DeVos Place® and the Van Andel Arena®. Ticket sales for the Michael Buble and TSO concerts are trending ahead of the entire country.

VII. Public Comment

None.

VIII. Next Meeting Date

The date for next CAA Board meeting is Friday, November 5, 2010, in the Kent County Commission Chambers, Kent County Administration Building, 300 Monroe Avenue, NW, immediately following the Finance Committee meeting.

IX. Adjournment

There being no other business, the meeting adjourned at 8:50 a.m.

Susan M. Waddell, Recording Secretary

DEVOS PLACE

DE VOS PLACE

**FINANCIAL STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Bob McClintock

Lewis Dawley

Gary McAneney

Howard Feldman

Richard MacKeigan

Chris Machuta



An SMG Managed Facility

**DE VOS PLACE
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2011**

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	88	400	488	494	(6)
ATTENDANCE	52,748	460,000	512,748	531,500	(18,752)
DIRECT EVENT REVENUE	317,455	2,060,500	2,377,955	2,409,380	(31,425)
ANCILLARY REVENUE	352,292	1,560,800	1,913,092	1,907,266	5,826
TOTAL EVENT REVENUE	669,747	3,621,300	4,291,047	4,316,646	(25,599)
TOTAL OTHER REVENUE	27,494	157,400	184,894	190,950	(6,056)
TOTAL OPERATING REVENUE	697,241	3,778,700	4,475,941	4,507,596	(31,655)
INDIRECT EXPENSES					
EXECUTIVE	37,564	132,048	169,612	169,612	-
FINANCE	54,291	167,644	221,935	221,935	-
MARKETING	9,949	93,720	103,669	103,669	-
OPERATIONS	309,330	1,176,195	1,485,525	1,485,525	-
EVENT SERVICES	207,714	658,962	866,676	866,676	-
BOX OFFICE	20,185	59,026	79,211	79,211	-
SALES	76,519	279,145	355,664	355,664	-
OVERHEAD	460,546	1,475,701	1,936,247	1,936,247	-
TOTAL OPERATING EXP.	1,176,098	4,042,441	5,218,539	5,218,539	-
NET REVENUE ABOVE EXPENSES	(478,857)	(263,741)	(742,598)	(710,943)	(31,655)
INCENTIVE FEE			-	0	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(478,857)	(263,741)	(742,598)	(710,943)	(31,655)

Comments:

September concludes the first quarter of the fiscal year and DeVos Place is performing well compared to budget and consistent overall with prior year.

The forecast for the balance of the fiscal year remains fairly consistent with budget as revenue and expenses have been at expected levels and nothing in the first quarter has indicated a need to change.


General Manager


Finance Director

**DE VOS PLACE
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED SEPTEMBER 30, 2010**

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

MONTH	September Actual	September Budget	September FY 2010
Number of Events	46	43	28
Attendance	33,959	39,450	10,835
Direct Event Income	\$186,961	\$178,996	\$55,847
Ancillary Income	200,458	171,309	43,762
Other Income	14,838	16,657	8,942
Indirect Expenses	(407,193)	(434,879)	(383,985)
Net Income	(\$4,936)	(\$67,917)	(\$275,434)

YTD	YTD 2011 Actual	YTD 2011 Budget	YTD 2010 Prior Year
Number of Events	88	81	93
Attendance	52,748	66,150	54,713
Direct Event Income	\$317,455	\$308,098	\$369,524
Ancillary Income	352,292	362,480	254,572
Other Income	27,494	26,323	21,119
Indirect Expenses	(1,176,098)	(1,304,637)	(1,106,435)
Net Income	(\$478,857)	(\$607,736)	(\$461,220)

EVENT INCOME

Direct event income came in at expected levels for the month.

ANCILLARY INCOME

Ancillary income came in ahead of budget for the month as there was higher than anticipated spending on catering for a couple of meal functions that were hosted.

INDIRECT EXPENSES

Indirect expenses came in a little ahead of budget overall.

DeVos Place
Income Statement
For the Three Months Ending September 30, 2010

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$205,990	\$185,034	\$20,956	\$55,748	\$364,264	\$330,034	\$34,230	\$361,800
Service Revenue	195,567	174,866	20,701	35,491	276,323	304,005	(27,682)	283,689
Service Expenses	(214,596)	(180,904)	(33,692)	(35,392)	(323,132)	(325,941)	2,809	(275,965)
Total Direct Event Income	186,961	178,996	7,965	55,847	317,455	308,098	9,357	369,524
Ancillary Income								
F&B Concession	8,923	7,238	1,685	969	17,191	10,945	6,246	11,591
F&B Catering	91,342	56,726	34,616	22,330	142,487	124,695	17,792	91,086
Novelty Sales	502	1,622	(1,120)	0	502	1,622	(1,120)	3,648
Booth Cleaning	9,002	17,722	(8,720)	1,509	19,193	34,226	(15,033)	13,086
Telephone/Long Distance	225	1,512	(1,287)	0	225	3,024	(2,799)	563
Electrical Services	25,223	38,641	(13,418)	4,948	39,580	86,847	(47,267)	31,108
Audio Visual	31,596	30,866	730	9,377	81,144	60,726	20,418	70,379
Internet Services	19,302	3,504	15,798	(631)	20,955	7,752	13,203	10,786
Equipment Rental	14,343	13,478	865	5,260	31,015	32,643	(1,628)	22,325
Total Ancillary Income	200,458	171,309	29,149	43,762	352,292	362,480	(10,188)	254,572
Other Event Income								
Ticket Rebates(Per Event)	12,402	11,824	578	6,036	19,380	11,824	7,556	14,031
Total Other Event Income	12,402	11,824	578	6,036	19,380	11,824	7,556	14,031
Total Event Income	399,821	362,129	37,692	105,645	689,127	682,402	6,725	638,127
Other Operating Income								
Luxury Box Agreements	1,802	2,000	(198)	1,733	5,406	6,000	(594)	5,200
Other Income	634	2,833	(2,199)	1,173	2,708	8,499	(5,791)	1,888
Total Other Operating Income	2,436	4,833	(2,397)	2,906	8,114	14,499	(6,385)	7,088
Adjusted Gross Income	402,257	366,962	35,295	108,551	697,241	696,901	340	645,215
Operating Expenses								
Salaries and Wages	253,218	225,288	27,930	163,600	562,393	675,864	(113,471)	559,645
Payroll Taxes and Benefits	62,754	58,848	3,906	38,124	135,485	176,544	(41,059)	133,109
Labor Allocations to Events	(168,092)	(122,456)	(45,636)	(46,084)	(260,730)	(367,368)	106,638	(262,748)
Net Salaries and Benefits	147,880	161,680	(13,800)	155,640	437,148	485,040	(47,892)	430,006
Contracted Services	28,104	21,200	6,904	21,261	76,364	63,600	12,764	72,491
General and Administrative	27,147	28,058	(911)	12,278	59,028	84,174	(25,146)	56,083
Operations	5,613	10,312	(4,699)	25,203	45,127	30,936	14,191	33,620
Repair and Maintenance	39,109	41,941	(2,832)	41,930	92,911	125,823	(32,912)	115,458
Operational Supplies	22,807	21,500	1,307	15,969	36,684	64,500	(27,816)	47,118
Insurance	16,772	17,465	(693)	11,450	50,320	52,395	(2,075)	38,092
Utilities	106,393	119,500	(13,107)	87,031	338,412	358,500	(20,088)	273,899
SMG Management Fees	13,368	13,223	145	13,223	40,104	39,669	435	39,668
Total Operating Expenses	407,193	434,879	(27,686)	383,985	1,176,098	1,304,637	(128,539)	1,106,435
Net Income(Loss) From Operations	(4,936)	(67,917)	62,981	(275,434)	(478,857)	(607,736)	128,879	(461,220)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(4,936)	(67,917)	62,981	(275,434)	(478,857)	(607,736)	128,879	(461,220)

SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For the Three Months Ended September 30, 2010

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	28	28	22,150	35,000	331,185	398,272
Consumer/Gated Shows	2	2	1,674	3,000	16,372	19,308
Devos Performance Hall	17	10	10,807	12,100	97,636	65,120
Banquets	7	7	3,778	4,550	48,724	49,966
Meetings	19	19	5,336	4,750	119,674	56,031
Other	15	15	9,003	6,750	75,536	93,705
GRAND TOTALS	88	81	52,748	66,150	689,127	682,402

As Percentage of Overall

Convention/Trade Shows	31.82%	34.57%	41.99%	52.91%	48.06%	58.36%
Consumer/Gated Shows	2.27%	2.47%	3.17%	4.54%	2.38%	2.83%
Devos Performance Hall	19.32%	12.35%	20.49%	18.29%	14.17%	9.54%
Ballroom Exclusive	7.95%	8.64%	7.16%	6.88%	7.07%	7.32%
Meetings	21.59%	23.46%	10.12%	7.18%	17.37%	8.21%
Other	17.05%	18.52%	17.07%	10.20%	10.96%	13.73%

DeVos Place
Balance Sheet
As of September 30, 2010

ASSETS

Current Assets

Cash	725,686
Account Receivable	434,390
Prepaid Expenses	45,004

Total Current Assets

\$1,205,080

Total Assets

\$1,205,080
=====

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	(111,212)
Accrued Expenses	338,597
Deferred Income	25,268
Advanced Ticket Sales & Deposits	552,606

Total Current Liabilities

\$805,259

Other Liabilities

Equity

Expenses Paid Direct by CAA	318,949
Beginning Balance Equity	559,729
Current Year Equity	(478,858)

Total Equity

\$399,821

Total Liabilities and Equity

\$1,205,080
=====

SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of September 30, 2010

Current - Under 30 Days	
Food & Beverage	99,776
Ticketing	14,322
Merchandise	247
Decorating	7,234
Audio/Visual	31,616
Van Andel Arena	(139,604)
Operating	298,537
 Over 30 Days	 69,254
 Over 60 Days	 37,874
 Over 90 Days	
Donnell Productions	5,736
Paragon Leather	2,110
Saigon Entertainment	5,002
Grinder Promotions	2,286
 Total Accounts Receivable	 434,390

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2011**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2010 Actual
Net Revenue above Expenses	1,049,086	(742,598)	306,488	916,360
Benchmark			700,000	700,000
Excess	1,049,086	(742,598)	(393,512)	216,360

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	160,417	160,417	320,834	317,343
Incentive Fee				
Revenue	4,975,642	4,475,941	9,451,583	9,777,929
Benchmark Revenue	4,800,000	4,200,000	9,000,000	8,900,000
Revenue Excess	175,642	275,941	451,583	877,929
Incentive Fee **	-	-	-	238,379
Total SMG Management Fee	160,417	160,417	320,834	555,722

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



VAN ANDEL ARENA

**FINANCIAL STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2010**

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Bob McClintock

Lewis Dawley

Gary McAneney

Howard Feldman

Richard MacKeigan

Chris Machuta




An SMG Managed Facility

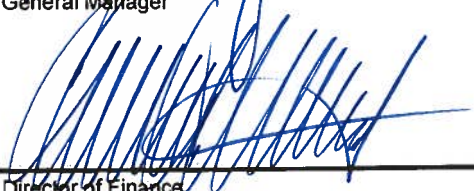
VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2011

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	13	94	107	111	(4)
ATTENDANCE	61,424	506,200	567,624	591,650	(24,026)
DIRECT EVENT INCOME	191,534	1,123,500	1,315,034	1,460,958	(145,924)
ANCILLARY INCOME	97,386	1,098,600	1,195,986	1,230,438	(34,452)
TOTAL EVENT INCOME	288,920	2,222,100	2,511,020	2,691,396	(180,376)
TOTAL OTHER INCOME	459,222	2,005,400	2,464,622	2,444,775	19,847
TOTAL INCOME	748,142	4,227,500	4,975,642	5,136,171	(160,529)
INDIRECT EXPENSES					
EXECUTIVE	37,199	153,914	191,113	191,113	-
FINANCE	52,093	174,810	226,903	226,903	-
MARKETING	65,899	223,330	289,229	289,229	-
OPERATIONS	372,821	1,235,134	1,607,955	1,607,955	-
BOX OFFICE	23,399	110,231	133,630	133,630	-
LUXURY SEATING	19,629	67,647	87,276	87,276	-
SKYWALK ADMIN	3,587	20,369	23,956	23,956	-
OVERHEAD	326,736	1,039,758	1,366,494	1,366,494	-
TOTAL INDIRECT EXP.	901,361	3,025,193	3,926,556	3,926,556	-
NET REVENUE ABOVE EXPENSES	(153,219)	1,202,307	1,049,086	1,209,615	(160,529)
LESS INCENTIVE FEE			0	-	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	(153,219)	1,202,307	1,049,086	1,209,615	(160,529)

Comments:

The Arena concluded the first quarter of the fiscal year behind budget overall as concert activity has been very limited, a trend that will continue through the first half of the fiscal year. While the second half of the year is forecasted to be stronger, it is anticipated that the Arena will fall short of budgeted expectations.


General Manager


Director of Finance

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED SEPTEMBER 30, 2010**

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

MONTH	September Actual	September Budget	September FY 2010
Number of Events	10	11	7
Attendance	49,191	47,000	32,012
Direct Event Income	\$154,609	\$136,534	\$52,591
Ancillary Income	59,252	58,422	53,769
Other Income	132,171	156,607	196,794
Indirect Expenses	(311,513)	(327,214)	(311,087)
Net Income	<u>\$34,519</u>	<u>\$24,349</u>	<u>(\$7,933)</u>

YTD	YTD 2011 Actual	YTD 2011 Budget	YTD 2010 Prior Year
Number of Events	13	14	11
Attendance	61,424	72,500	59,448
Direct Event Income	\$191,534	\$254,881	\$157,967
Ancillary Income	97,386	122,184	143,726
Other Income	459,222	553,703	579,886
Indirect Expenses	(901,361)	(981,642)	(815,468)
Net Income	<u>(\$153,219)</u>	<u>(\$50,874)</u>	<u>\$66,111</u>

EVENT INCOME

Direct event income came in at budgeted levels for the month as both the Circus and Spirit of America events were well attended.

ANCILLARY INCOME

Ancillary income performed at expected levels for the month as per caps were very consistent with expectations.

INDIRECT EXPENSES

Indirect expenses came in at expected levels for the month.

Van Andel Arena
Income Statement
For the Three Months Ending September 30, 2010

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$182,522	\$187,000	(4,478)	\$100,331	\$246,980	\$297,211	(50,231)	\$189,895
Service Revenue	297,151	270,250	26,901	60,781	455,027	409,528	45,499	179,795
Service Expenses	(325,064)	(320,716)	(4,348)	(108,521)	(510,473)	(451,858)	(58,615)	(211,723)
Total Direct Event Income	154,609	136,534	18,075	52,591	191,534	254,881	(63,347)	157,967
Ancillary Income								
F&B Concession	57,906	56,745	1,161	46,027	86,242	104,682	(18,440)	120,115
F&B Catering	1,346	1,677	(331)	2,923	2,349	6,648	(4,299)	11,064
Novelty Sales	0	0	0	4,819	8,777	10,854	(2,077)	12,547
Audio Visual	0	0	0	0	18	0	18	0
Total Ancillary Income	59,252	58,422	830	53,769	97,386	122,184	(24,798)	143,726
Other Event Income								
Ticket Rebates(Per Event)	1,300	0	1,300	15,028	28,842	46,230	(17,388)	46,462
Total Other Event Income	1,300	0	1,300	15,028	28,842	46,230	(17,388)	46,462
Total Event Income	215,161	194,956	20,205	121,388	317,762	423,295	(105,533)	348,155
Other Operating Income								
Luxury Box Agreements	82,060	97,607	(15,547)	114,924	271,090	330,473	(59,383)	349,349
Advertising	44,000	52,083	(8,083)	61,017	146,724	156,249	(9,525)	168,534
Other Income	4,811	6,917	(2,106)	5,825	12,566	20,751	(8,185)	15,541
Total Other Operating Income	130,871	156,607	(25,736)	181,766	430,380	507,473	(77,093)	533,424
Adjusted Gross Income	346,032	351,563	(5,531)	303,154	748,142	930,768	(182,626)	881,579
Operating Expenses								
Salaries and Wages	166,192	160,183	6,009	141,793	457,138	480,549	(23,411)	380,420
Payroll Taxes and Benefits	35,049	42,846	(7,797)	32,780	93,178	128,538	(35,360)	92,497
Labor Allocations to Events	(81,012)	(72,446)	(8,566)	(46,578)	(156,497)	(217,338)	60,841	(127,001)
Net Salaries and Benefits	120,229	130,583	(10,354)	127,995	393,819	391,749	2,070	345,916
Contracted Services	21,555	21,300	255	20,987	61,727	63,900	(2,173)	57,222
General and Administrative	33,696	30,742	2,954	26,467	79,051	92,226	(13,175)	66,289
Operations	1,552	4,996	(3,444)	1,215	4,414	14,988	(10,574)	4,074
Repair and Maintenance	18,535	17,943	592	32,119	29,747	53,829	(24,082)	50,317
Operational Supplies	20,356	19,883	473	10,506	41,700	59,649	(17,949)	23,089
Insurance	11,033	11,394	(361)	8,404	33,098	34,182	(1,084)	18,800
Utilities	71,189	77,150	(5,961)	70,171	217,701	231,450	(13,749)	210,093
SMG Management Fees	13,368	13,223	145	13,223	40,104	39,669	435	39,668
Total Operating Expenses	311,513	327,214	(15,701)	311,087	901,361	981,642	(80,281)	815,468
Net Income(Loss) From Operations	34,519	24,349	10,170	(7,933)	(153,219)	(50,874)	(102,345)	66,111
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	34,519	24,349	10,170	(7,933)	(153,219)	(50,874)	(102,345)	66,111

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
For the Three Months Ended September 30, 2010

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	6	7	22,283	23,000	63,838	60,396
Sporting Event	1		3,578		52,807	
Concert	2	3	8,655	25,500	49,795	215,339
Team Home Games						
Other	4	4	26,908	24,000	151,322	147,560
GRAND TOTALS	13	14	61,424	72,500	317,762	423,295

As Percentage of Overall

Family Show	46.15%	50.00%	36.28%	31.72%	20.09%	14.27%
Sporting Event	7.69%	0.00%	5.83%	0.00%	16.62%	0.00%
Concert	15.38%	21.43%	14.09%	35.17%	15.67%	50.87%
Team Home Games	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	30.77%	28.57%	43.81%	33.10%	47.62%	34.86%

Van Andel Arena
Balance Sheet
As of September 30, 2010

ASSETS

Current Assets

Cash	2,774,619
Account Receivable	2,382,687
Prepaid Expenses	134,097

Total Current Assets

\$5,291,402

Total Assets

\$5,291,402
=====

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	441,922
Accrued Expenses	473,906
Deferred Income	1,940,401
Advanced Ticket Sales & Deposits	1,807,249

Total Current Liabilities

\$4,663,478

Other Liabilities

Equity

Funds Remitted to CAA	(450,000)
Expenses Paid Direct by CAA	203,262
Beginning Balance Equity	1,027,882
Current Year Equity	(153,220)

Total Equity

\$627,925

Total Liabilities and Equity

\$5,291,403
=====

5

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of September 30, 2010

Current - Under 30 Days	
Food & Beverage	62,735
Ticketing	649,011
Merchandise	-
Permanent Advertising	684,816
DeVos Place	139,604
Operating	355,401
 Over 30 Days	 425,120
 Over 60 Days	 66,000
 Over 90 Days	
 Total Accounts Receivable	 2,382,687

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2011**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2010 Actual
Net Revenue above Expenses	1,049,086	(742,598)	306,488	916,360
Benchmark			700,000	700,000
Excess	1,049,086	(742,598)	(393,512)	216,360

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	160,417	160,417	320,834	317,343
Incentive Fee				
Revenue	4,975,642	4,475,941	9,451,583	9,777,929
Benchmark Revenue	4,800,000	4,200,000	9,000,000	8,900,000
Revenue Excess	175,642	275,941	451,583	877,929
Incentive Fee **	-	-	-	238,379
Total SMG Management Fee	160,417	160,417	320,834	555,722

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

Memorandum

To: CAA Finance Committee
CAA Board Members

From: Susan Waddell, Administrative Manager

Date: October 29, 2010

Re: CAA September 2010 Financial Statements

Convention
Arena
Authority

The following is a summary of financial activity in the two operating accounts as of September 30, 2010:

Steven Heacock,
Chairman
Birgit Klohs
Floyd Wilson, Jr.
Gary McInerney
George Heartwell
Joseph Tomaselli
Lew Chamberlin

	1050: Operations	1070: Kent County Operating
Beginning Balance	\$ 82,344.81	\$22,282,620.12
Cleared Transactions	<u>206,398.55</u>	<u>-279,410.90</u>
Cleared Balance	288,743.36	\$22,003,209.22
New/Uncleared Trans.	<u>-168,456.03</u>	<u>-100,000.00</u>
Register/End Balance	<u>\$ 120,287.33</u>	<u>\$21,903,209.22</u>

1. Bob White and I are going to work on reallocating the budget numbers to reflect a more accurate picture (e.g., parking revenues).
2. Bob White will be setting up new accounts to keep track of specific line items, such as the diversity initiative, landscaping, CVB contract, and West Michigan Sports Commission contract.

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



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

DEVOS PLACE

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

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10/26/10

Accrual Basis

Grand Rapids-Kent County Convention/Arena Authority

Balance Sheet

As of September 30, 2010

	Sep 30, 10
ASSETS	
Current Assets	
Checking/Savings	
1040 · Cash - Operations - SMG	3,523,446.10
1050 · Operations - Cash	120,287.33
Total Checking/Savings	3,643,733.43
Other Current Assets	
1070 · Kent County - Operating	22,003,209.22
1200 · Accounts Receivable	2,137,808.17
1300 · Prepaid Expenses	220,551.35
1600 · Advances/Deposits Receivable	-450,001.07
Total Other Current Assets	23,911,567.67
Total Current Assets	27,555,301.10
Fixed Assets	
Buildings & Structures	
Depreciation	-83,557.38
Original Cost	322,431.00
Total Buildings & Structures	238,873.62
Equip	
Depreciation	-922,197.61
Original Cost	1,297,999.04
Equip - Other	130,251.19
Total Equip	506,052.62
Vehicles	43,914.30
Total Fixed Assets	788,840.54
TOTAL ASSETS	28,344,141.64
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	-60,543.71
2005 · Accounts payable - SMG	1,196,050.17
Total Accounts Payable	1,135,506.46
Other Current Liabilities	
2200 · Accrued Expenses	1,171,331.61
2210 · Advance Ticket Sales	501,888.73
2220 · Advance deposits	283,445.00
2500 · Deferred facility income	1,141,480.74
Total Other Current Liabilities	3,098,146.08
Total Current Liabilities	4,233,652.54
Total Liabilities	4,233,652.54
Equity	
3000 · Opening Bal Equity	37,035,584.45
3900 · Retained Earnings	-11,518,349.53
Net Income	-1,406,745.82
Total Equity	24,110,489.10
TOTAL LIABILITIES & EQUITY	28,344,141.64

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10/26/10

Accrual Basis

Grand Rapids-Kent County Convention/Arena Authority
Profit & Loss Budget vs. Actual
July through September 2010

	Jul - Sep 10	Budget	\$ Over Budget	% of Budget
Income				
4500 · Interest on Investments	43,165.66	108,750.00	-65,584.34	39.7%
4540 · Land Lease	41,668.00	31,250.73	10,417.27	133.3%
4545 · Parking Revenues	71,252.00	257,283.99	-186,031.99	27.7%
4550 · Miscellaneous Revenue	5,000.00			
Total Income	161,085.66	397,284.72	-236,199.06	40.5%
Expense				
6000 · Professional Services				
6001 · Accounting/Auditing Services	1,867.41	9,000.00	-7,132.59	20.7%
6040 · Legal Services	2,874.20	8,749.98	-5,875.78	32.8%
Total 6000 · Professional Services	4,741.61	17,749.98	-13,008.37	26.7%
6060 · Other Contractual Services	0.00	111,249.99	-111,249.99	0.0%
6065 · Pedestrian Safety	142.23	21,249.99	-21,107.76	0.7%
6068 · Parking Management	15,907.00	29,835.48	-13,928.48	53.3%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	171.20			
6030 · Insurance-Property/Liability	23,561.00	24,000.00	-439.00	98.2%
6110 · Meeting Expense	3,151.09	2,499.99	651.10	126.0%
6120 · Supplies	835.80	1,249.98	-414.18	66.9%
6140 · Printing and Binding	180.72			
Total 6100 · Other Supplies & Expenses	27,899.81	27,749.97	149.84	100.5%
6160 · Facility Repair and Maintenance	0.00	2,499.99	-2,499.99	0.0%
6200 · Capital Replacement Projects	1,037,846.82	1,021,249.98	16,596.84	101.6%
6210 · F&B Repair & Maintenance	0.00	5,874.99	-5,874.99	0.0%
6300 · Utilities Expense				
6301 · Electricity	286,113.37	309,750.00	-23,636.63	92.4%
6310 · Natural Gas	632.72			
6320 · Steam	85,675.89			
6330 · Telephone	0.00			
6340 · Water & Sewer	26,773.48	28,200.00	-1,426.52	94.9%
Total 6300 · Utilities Expense	399,195.46	337,950.00	61,245.46	118.1%
6500 · DID Assessment	55,103.03			
8000 · Personal Services				
8001 · Employee Wages	19,327.33	26,745.99	-7,418.66	72.3%
8030 · Employee Benefits	7,668.19	6,124.98	1,543.21	125.2%
Total 8000 · Personal Services	26,995.52	32,870.97	-5,875.45	82.1%
Total Expense	1,567,831.48	1,608,281.34	-40,449.86	97.5%
Net Income	-1,406,745.82	-1,210,996.62	-195,749.20	116.2%

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Accrual Basis

Grand Rapids-Kent County Convention/Arena Authority

Profit & Loss Prev Year Comparison

July through September 2010

	Jul - Sep 10	Jul - Sep 09	\$ Change	% Change
Income				
4500 · Interest on Investments	43,165.66	72,524.50	-29,358.84	-40.5%
4540 · Land Lease	41,668.00	-3,179.00	44,847.00	1,410.7%
4545 · Parking Revenues	71,252.00	29,093.00	42,159.00	144.9%
4550 · Miscellaneous Revenue	5,000.00	0.00	5,000.00	100.0%
Total Income	161,085.66	98,438.50	62,647.16	63.6%
Expense				
6000 · Professional Services				
6001 · Accounting/Auditing Services	1,867.41	2,960.43	-1,093.02	-36.9%
6040 · Legal Services	2,874.20	6,717.30	-3,843.10	-57.2%
Total 6000 · Professional Services	4,741.61	9,677.73	-4,936.12	-51.0%
6060 · Other Contractual Services	0.00	25,000.00	-25,000.00	-100.0%
6065 · Pedestrian Safety	142.23	4,341.82	-4,199.59	-96.7%
6068 · Parking Management	15,907.00	0.00	15,907.00	100.0%
6100 · Other Supplies & Expenses				
6010 · Bank Fees	171.20	188.55	-17.35	-9.2%
6020 · Computer Services	0.00	240.00	-240.00	-100.0%
6030 · Insurance-Property/Liability	23,561.00	22,903.00	658.00	2.9%
6110 · Meeting Expense	3,151.09	9,971.66	-6,820.57	-68.4%
6120 · Supplies	835.80	1,028.59	-192.79	-18.7%
6140 · Printing and Binding	180.72	0.00	180.72	100.0%
Total 6100 · Other Supplies & Expenses	27,899.81	34,331.80	-6,431.99	-18.7%
6200 · Capital Replacement Projects	1,037,846.82	203,456.31	834,390.51	410.1%
6300 · Utilities Expense				
6301 · Electricity	286,113.37	223,379.45	62,733.92	28.1%
6310 · Natural Gas	632.72	783.11	-150.39	-19.2%
6320 · Steam	85,675.89	82,664.09	3,011.80	3.6%
6330 · Telephone	0.00	0.00	0.00	0.0%
6340 · Water & Sewer	26,773.48	18,545.09	8,228.39	44.4%
Total 6300 · Utilities Expense	399,195.46	325,371.74	73,823.72	22.7%
6500 · DID Assessment	55,103.03	0.00	55,103.03	100.0%
8000 · Personal Services				
8001 · Employee Wages	19,327.33	14,224.68	5,102.65	35.9%
8030 · Employee Benefits	7,668.19	5,918.76	1,749.43	29.6%
Total 8000 · Personal Services	26,995.52	20,143.44	6,852.08	34.0%
Total Expense	1,567,831.48	622,322.84	945,508.64	151.9%
Net Income	-1,406,745.82	-523,884.34	-882,861.48	-168.5%

Memorandum

To: CAA Board
CAA Finance Committee

From: Robert J. White

Subject: CAA September 30, 2010, Administrative Financial Statements

Date: October 27, 2010

The attached Balance Sheet and Income Statement have been reformatted to provide additional information concerning the Convention/Arena Authority administrative account (unconsolidated) – excluding facility manager financial activity (separately reported).

The Balance Sheet includes a two-year comparative financial position at September 30 for fiscal years 2010 and 2011. The Income Statement provides a line item comparison of accounts for the first three months of the current fiscal year as compared to a similar period in the prior fiscal year. In addition, the Income Statement provides a comparison of current year budget to prior year (FY 2010) actual. It will allow the reader to compare first quarter expenditure trends with full-year budgetary allowances.

Items of interest in the two financial statements are explained as follows:

Balance Sheet (Unconsolidated):

- The cash and investments position decreased by \$.13 million from September 30, 2009. Balance decreased by \$1.32 million from the June 30, 2010 position due to a quick start on several capital improvement projects.
- Fund balance increased by \$.1 million over the September 30, 2009 level.

Three-Month Revenue/Expense:

- Parking revenues have increased by 336%. Revenues in FY 2009 included only daily deposits (no deposits for monthly credit cards and parking passes). On a more comparable note, the first three months of daily deposits (cash transactions only) are increased by 20.5% over prior year.
- Interest income was budgeted (2% rate est.) to increase by 25%, but has declined by 41% from actual experience in the first three months of the prior fiscal year. The County Investment Pool is currently paying 1% interest.
- Capital R/R/A spending is increased by 410% over prior year trend. Several major projects at the Arena got off to a quick start.
- Other significant expenditure account variances are primarily due to timing issues.

Hopefully, these reports provide a more on-point analysis of administrative activities over the course of the fiscal year. These reports will be updated on a monthly basis.

Grand Rapids-Kent County Convention/Arena Authority
Balance Sheet (Unconsolidated)
September 30, 2010

		<u>2009</u>	<u>2010</u>
<u>Assets</u>			
Cash	- Operating	\$ 104,924	\$ 120,287
Investments	- Kent County	22,152,318	22,003,209
Capital Assets (Net)		<u>663,774</u>	<u>788,841</u>
Total Assets		<u><u>\$ 22,921,016</u></u>	<u><u>\$ 22,912,337</u></u>
<u>Liabilities & Fund Balance</u>			
Accounts Payable		\$ 50,044	\$ (60,544)
Fund Balance		<u>22,870,972</u>	<u>22,972,881</u>
Total Liabilities & Fund Balance		<u><u>\$ 22,921,016</u></u>	<u><u>\$ 22,912,337</u></u>

Grand Rapids-Kent County Convention/Arena Authority
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Three Months Ended September 30, 2010

	Annual		Year-To-Date	
	FY 2010 Actual	FY 2011 Budget	FY 2010 7/1 - 9/30	FY 2011 7/1 - 9/30
				Percentage Change
Revenues:				
Transfers from SMG	\$ 2,466,913	\$ 2,686,472	\$ 450,000	\$ 450,000
Parking	903,979	982,616	25,914	112,920
Interest	322,422	435,000	72,524	43,165
Miscellaneous	95,217	30,000	-	5,000
Total Revenues	3,788,531	4,134,088	548,438	611,085
				11.4
Expenditures:				
Operations				
- Utilities	2,141,494	2,197,800	325,372	399,195
- Parking Management	171,651	119,342	-	15,907
- Pedestrian Safety	85,348	85,000	4,342	142
- Landscaping	13,393	90,000	-	-
- DID Assessment	53,175	53,500	-	55,103
- Marketing	-	-	-	-
- Campaign	-	100,000	-	-
- CVB	75,000	75,000	-	-
- Sports Commission	25,000	25,000	25,000	-
Capital R/R/A ⁽¹⁾				
- Capital Projects	460,063	4,108,500	203,456	1,037,847
Administration				
- Wages/Benefits	105,529	131,484	20,143	26,996
- Professional Services	74,678	71,000	9,678	4,742
- Diversity Initiative	15,106	40,000	8,237	376
- Procurement of Art	-	25,000	-	-
- Insurance	22,903	24,000	22,903	23,561
- Supplies/Other	68,574	105,000 ⁽²⁾	3,192	3,963
Total Expenditures	3,311,914	7,250,626	622,323	1,567,832
				24.2
Excess (Deficiency) of Revenues Over Expenditures	476,617	(3,116,538)	\$ (73,885)	\$ (956,747)
Balance, beginning of period	24,119,455	24,596,072		
Balance, end of period	\$ 24,596,072	\$ 21,479,534		

NOTES:

(1)

R/R/A - Repair/Replacement/Additions

(2)

Includes an allowance of \$50,000 for an Arena long-term capital needs study

Van Andel Arena, as Managed by SMG

Special-Purpose Financial Statements as of and
for the Years Ended June 30, 2010 and 2009, and
Independent Auditors' Report

VAN ANDEL ARENA, AS MANAGED BY SMG

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INDEPENDENT AUDITORS' REPORT

Van Andel Arena, as Managed by SMG
Grand Rapids, Michigan

We have audited the accompanying special-purpose financial statements of Van Andel Arena, as managed by SMG ("SMG-Arena"), as of June 30, 2010 and 2009, and for the years then ended, as listed in the table of contents. These special-purpose financial statements are the responsibility of the management of SMG-Arena. Our responsibility is to express an opinion on these special-purpose financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SMG-Arena's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall special-purpose financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared to present the assets, liabilities, amount due operator, operating revenues, operating expenses, and operating cash flows of Van Andel Arena arising from the management activities of SMG and are not intended to be a complete presentation of Van Andel Arena's financial position and results of operations.

In our opinion, such special-purpose financial statements present fairly, in all material respects, the financial position of SMG-Arena at June 30, 2010 and 2009, and the results of its operations and its cash flows for the years then ended in conformity with the basis of accounting described in Note 2.

This report is intended solely for the information and use of the management of SMG-Arena and officials of the Grand Rapids-Kent County Convention/Arena Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Deloitte & Touche LLP

September 28, 2010

VAN ANDEL ARENA, AS MANAGED BY SMG

SPECIAL-PURPOSE STATEMENTS OF ASSETS, LIABILITIES, AND AMOUNT DUE OPERATOR ARISING FROM ACTIVITIES MANAGED BY SMG AS OF JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents:		
Operating	\$2,216,415	\$1,536,703
Ticket sales escrow	465,267	2,823,312
Accounts receivable — net of allowance of \$46,000 in 2010 and 2009	1,463,082	1,516,743
Prepaid expenses	<u>110,703</u>	<u>130,694</u>
TOTAL	<u>\$4,255,467</u>	<u>\$6,007,452</u>
 LIABILITIES AND AMOUNT DUE OPERATOR		
CURRENT LIABILITIES:		
Accounts payable	\$ 870,219	\$ 691,024
Accrued expenses	759,305	490,531
Advance ticket sales	465,267	2,823,312
Advance deposits	20,000	6,500
Deferred income	<u>1,112,796</u>	<u>1,176,055</u>
Total current liabilities	3,227,587	5,187,422
AMOUNT DUE OPERATOR	<u>1,027,880</u>	<u>820,030</u>
TOTAL	<u>\$4,255,467</u>	<u>\$6,007,452</u>

See notes to special-purpose financial statements.

VAN ANDEL ARENA, AS MANAGED BY SMG

SPECIAL-PURPOSE STATEMENTS OF OPERATING REVENUES AND OPERATING EXPENSES ARISING FROM ACTIVITIES MANAGED BY SMG FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
OPERATING REVENUES:		
Events	<u>\$1,476,691</u>	<u>\$1,199,916</u>
Net ancillary revenues:		
Food and beverage	1,192,508	1,096,962
Novelties	101,664	120,541
Other	<u>34,684</u>	<u>35,443</u>
Total net ancillary revenues	<u>1,328,856</u>	<u>1,252,946</u>
Total events and net ancillary revenues	<u>2,805,547</u>	<u>2,452,862</u>
Other revenues:		
Premium seating	1,473,338	1,545,982
Advertising income	564,534	663,135
Other — including interest income of \$10,356 and \$27,990 in 2010 and 2009, respectively	<u>458,697</u>	<u>410,207</u>
Total other revenues	<u>2,496,569</u>	<u>2,619,324</u>
Total operating revenues	<u>5,302,116</u>	<u>5,072,186</u>
OPERATING EXPENSES:		
Payroll and related	1,603,412	1,578,602
Repairs and maintenance	198,384	193,128
Supplies	155,768	119,444
Utilities	932,114	889,669
General and administrative	<u>923,119</u>	<u>906,155</u>
Total operating expenses	<u>3,812,797</u>	<u>3,686,998</u>
EXCESS OF OPERATING REVENUES OVER OPERATING EXPENSES — Before incentive management fee	1,489,319	1,385,188
INCENTIVE MANAGEMENT FEE	<u>149,913</u>	<u>99,840</u>
EXCESS OF OPERATING REVENUES OVER OPERATING EXPENSES	<u>\$1,339,406</u>	<u>\$1,285,348</u>

See notes to special-purpose financial statements.

VAN ANDEL ARENA, AS MANAGED BY SMG

SPECIAL-PURPOSE STATEMENTS OF CHANGES IN AMOUNT DUE OPERATOR ARISING FROM ACTIVITIES MANAGED BY SMG FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
AMOUNT DUE OPERATOR — Beginning of year	\$ 820,030	\$ 398,479
EXCESS OF OPERATING REVENUES OVER OPERATING EXPENSES	1,339,406	1,285,348
CONTRIBUTIONS RECEIVED FROM OPERATOR	968,444	1,036,202
AMOUNTS PAID TO OPERATOR	<u>(2,100,000)</u>	<u>(1,899,999)</u>
AMOUNT DUE OPERATOR — End of year	<u>\$ 1,027,880</u>	<u>\$ 820,030</u>

See notes to special-purpose financial statements.

VAN ANDEL ARENA, AS MANAGED BY SMG

SPECIAL-PURPOSE STATEMENTS OF OPERATING CASH FLOWS ARISING FROM ACTIVITIES MANAGED BY SMG FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of operating revenues over operating expenses	\$ 1,339,406	\$ 1,285,348
Changes in operating assets and liabilities:		
Accounts receivable	53,661	(766,491)
Prepaid expenses	19,991	(49,462)
Accounts payable	179,195	78,904
Accrued expenses	268,774	(230,247)
Advance deposits	13,500	(1,000)
Deferred income	(63,259)	170,805
Net cash provided by operating activities	<u>1,811,268</u>	<u>487,857</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions received from Operator	968,444	1,036,202
Amounts paid to Operator	<u>(2,100,000)</u>	<u>(1,899,999)</u>
Net cash used in financing activities	<u>(1,131,556)</u>	<u>(863,797)</u>
NET INCREASE (DECREASE) IN OPERATING CASH	679,712	(375,940)
OPERATING CASH — Beginning of year	<u>1,536,703</u>	<u>1,912,643</u>
OPERATING CASH — End of year	<u>\$ 2,216,415</u>	<u>\$ 1,536,703</u>

See notes to special-purpose financial statements.

VAN ANDEL ARENA, AS MANAGED BY SMG

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

1. OPERATIONS

Van Andel Arena (the "Arena") provides space for family shows, concerts, sporting events, meetings, and other performances. The Arena is operated by the Grand Rapids-Kent County Convention/Arena Authority (the "Operator").

The Operator has entered into a Management Agreement (the "Agreement") with SMG to manage the operations of the Arena. The activities of the Arena that are managed by SMG are herein referred to as "SMG-Arena."

The Operator from time to time provides funding to SMG-Arena to pay the obligations of the Arena when due. The Operator is contractually obligated to fund all liabilities and expenses of the Arena.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying special-purpose financial statements have been prepared to present the assets, liabilities, amount due operator, operating revenues, operating expenses, and operating cash flows of Van Andel Arena arising from the management activities of SMG and are not intended to be a complete presentation of Van Andel Arena's financial position and results of operations. Such special-purpose financial statements have been prepared on the accrual basis of accounting and include transactions managed by SMG in accordance with the Agreement, measured in conformity with accounting principles generally accepted in the United States of America. Accordingly, the special-purpose financial statements do not include property and equipment, noncontractual repair expenditures, and related fund equity associated with the Arena or certain other activities of the Operator related to the Arena that are not part of the activities managed by SMG. Payroll and related expenses are for employees hired by SMG to manage the Arena under the Agreement. These employees are not employees of the Operator.

Use of Estimates — Estimates and assumptions are required to be used by management in the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of operating revenues and operating expenses during the reporting period. Management believes its estimates to be reasonable; however, actual results could differ from those estimates.

Advance Ticket Sales — The Arena incurs a liability for cash received from ticket sales in advance of an event; a corresponding amount is held in a separate escrow account. Operating revenues are not recognized until the related event occurs.

Deferred Income — Deferred income is comprised primarily of advanced billings and collections for luxury boxes and advertising contracts which are recognized as revenues on a straight-line basis over the lives of the related contract. Also included are ticket rebates received from the ticket agent prior to an event, which are not recognized as revenue until the event occurs.

Event Revenues — SMG-Arena records event revenue upon the completion of the event. Accordingly, amounts received for advance ticket sales or deposits by promoters are recorded as liabilities until that time. Costs incurred prior to an event are recorded as prepaid expenses and charged to expense upon completion of the event.

Ancillary Revenues — All concession and merchandise revenues are recognized when earned. Ancillary revenues are a contractually determined percentage of gross receipts collected by the vendor for each event.

Other Operating Revenues — Other operating revenues include revenues associated with luxury seating, advertising, ticket rebates, interest income, and other miscellaneous items.

Noncontractual Repairs — From time to time, SMG-Arena incurs costs funded by the Operator's capital projects budget, which is separate and distinct from the operating funds provided by the Operator to the Arena. The Operator ultimately decides which expenses will be capitalized or expensed. These costs are excluded from operating expenses in the accompanying special-purpose statements of operating revenues and operating expenses.

3. MANAGEMENT AGREEMENT AND FEES

SMG and the Operator have a Management Agreement (the "Agreement"), which was originally scheduled to expire June 30, 2009. On April 29, 2009, the agreement was amended by the Operator to extend through June 30, 2011. The Agreement provides for both an annual base and incentive management fee. The annual base management fee is adjusted upward annually by the percentage change in the Consumer Price Index (not to exceed 3% in any one year). A decrease in the Consumer Price Index will not have an effect on the management fee.

The incentive fee is based on the combined results of operations of the Arena and DeVos Place, as managed by SMG ("SMG-Arena") compared to certain operating revenue benchmarks which escalate by \$100,000 each year through 2011, as defined in the Agreement. To qualify for the incentive fee, combined operating revenues of SMG-Arena and SMG-DeVos Place must exceed combined operating expenses by an established benchmark, as follows:

	2010	2009
Excess of operating revenue over operating expenses — as defined — Arena	\$ 1,489,319	\$ 1,385,188
Deficiency of operating revenue over operating expenses — as defined — DeVos Place	<u>(572,959)</u>	<u>(521,235)</u>
Total excess of operating revenue over operating expenses	<u>\$ 916,360</u>	<u>\$ 863,953</u>
Incentive benchmark	<u>\$ 700,000</u>	<u>\$ 700,000</u>
Benchmark exceeded?	Yes	Yes

The following is a schedule of the base and incentive management fees for the years ended June 30, 2010 and 2009, of which \$149,913 and \$99,840, respectively, are included in accrued expenses as of those dates, is as follows:

	2010	2009
Base management fee — included in general and administrative expense (A)	<u>\$ 158,672</u>	<u>\$ 158,672</u>
Incentive fee calculation:		
Total operating revenues — Arena	5,302,116	5,072,186
Total operating revenues — DeVos Place	<u>4,475,813</u>	<u>4,515,310</u>
Total operating revenues	<u>9,777,929</u>	<u>9,587,496</u>
Revenue benchmark — Arena	4,750,000	4,700,000
Revenue benchmark — DeVos Place	<u>4,150,000</u>	<u>4,100,000</u>
Total revenue benchmark	<u>8,900,000</u>	<u>8,800,000</u>
Revenues in excess of revenue benchmark	<u>\$ 877,929</u>	<u>\$ 787,496</u>
Computation of incentive fee resulting from revenues in excess of revenue benchmark:		
25% of the first \$500,000, collectively	\$ 125,000	\$ 125,000
30% of the excess of \$500,000, collectively, up to \$183,100	<u>113,379</u>	<u>86,249</u>
Total incentive fee	<u>238,379</u>	<u>211,249</u>
Incentive fee allocated to Arena (B)	149,913	99,840
Incentive fee allocated to DeVos Place	<u>88,466</u>	<u>111,409</u>
Total incentive fee	<u>238,379</u>	<u>211,249</u>
Total management fees — Arena (A + B)	<u>\$ 308,585</u>	<u>\$ 258,512</u>

The base fee is contingent upon the Operator maintaining the Arena concessions agreement with SMG-Food & Beverage, LLC. If that agreement were to be terminated, the base management fee would increase to \$175,000 for each managed facility, adjusted annually by the percentage change in the Consumer Price Index from the base year.

4. RETIREMENT PLAN

Employees at the Arena may elect to participate in the SMG Retirement and Savings Plan, a 401(k) defined contribution plan covering SMG employees who have completed one year of employment and 1,000 hours of service. SMG-Arena makes matching contributions equal to 67% of each participant's contribution up to a maximum of 5% of the participant's eligible compensation. Discretionary contributions may also be made on a monthly basis for active participants. SMG-Arena made \$15,287 in matching contributions and \$5,262 in discretionary contributions for the year ended June 30, 2009.

Effective January 1, 2009, SMG suspended indefinitely all 401 (k) matching and discretionary contributions on a company wide basis.

5. OTHER RELATED-PARTY TRANSACTIONS

In addition to the operations of the Arena, SMG personnel also manage the operations of DeVos Place. The two facilities share certain expenses such as payroll, employee fringe benefits, and insurance, resulting in frequent billings and payments between the two facilities. The two facilities also share a box office, resulting in frequent billings and payments between the two facilities for ticket sales. Accounts payable include \$249,021 and \$104,764 due to DeVos Place as of June 30, 2010 and 2009, respectively. Accounts receivable include \$175,838 and \$15,457 due from DeVos Place as of June 30, 2010 and 2009, respectively.

On July 1, 2006, the Operator entered into a concessions agreement for the Arena with SMG-Food & Beverage, LLC a related party to SMG. Accounts receivable include \$8,325 and \$16,213 from SMG-Food & Beverage, LLC as of June 30, 2010 and 2009, respectively.

6. CONTINGENCIES

The Arena is exposed to a number of asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management, the resolution of these matters will not have a material effect on SMG-Arena's financial position due to insurance coverage. As such, no provision for loss has been made in the accompanying special-purpose financial statements.

7. SUBSEQUENT EVENTS

Events or transactions occurring after the balance sheet date have been evaluated through September 28, 2010, the date the special-purpose financial statements were available to be issued. The special-purpose financial statements and the notes thereto do not reflect events or transactions after this date.

* * * * *

September 28, 2010

Deloitte & Touche LLP
700 Bridgewater Place
333 Bridge Street N.W.
Grand Rapids, MI 49504

Convention
Arena
Authority

Steven Hancock,

Chairman

Bergit Klohs

Floyd Wilson, Jr.

Cliff Gierney

George Heartwell

Joseph Tomaselli

Lee Chamberlin

We are providing this letter in connection with your audits of the Van Andel Arena special purpose statements of assets, liabilities, and amounts due Operator arising from the activities managed by SMG(" SMG – Van Andel Arena") as of June 30, 2010 and 2009 and the related special purpose financial statements of operating revenues and operating expenses arising from activities managed by SMG, and operating cash flows arising from activities managed by SMG, for the years ended June 30, 2010 and 2009, for the purpose of expressing an opinion as to whether the special purpose financial statements present fairly, in all material respects, the financial position , results of operations, and cash flows of Van Andel Arena, as managed by SMG, in conformity with the basis of accounting described in Note 2 to the special purpose financial statement. We confirm that we are responsible for the following.

- a. The fair presentation in the special purpose, financial statements of financial position, results of operations, and cash flows in conformity with the basis of accounting described in Note 2 to the special purpose financial statements.
- b. The design and implementation of programs and controls to prevent and detect fraud
- c. Establishing and maintaining effective internal control over financial reporting

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audits.

1. The financial statements referred to above are fairly presented in conformity with the basis of accounting described in Note 2 to the special purpose financial statement.
2. SMG – Van Andel Arena has made available to you all:
 - a. Financial records and related data
 - b. Minutes of the meetings of stockholders, directors, and committees of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.



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DEVOS PLACE

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4. SMG – Van Andel Arena has not performed a risk assessment, including the assessment of the risk that the financial statements may be materially misstated as a result of fraud.
5. We have no knowledge of any fraud or suspected fraud affecting SMG – Van Andel Arena involving:
 - a. Management
 - b. Employees who have significant roles in the SMG- Van Andel Arena's internal control over financial reporting
 - c. Others if the fraud could have a material effect on the financial statements.
6. We have no knowledge of any allegations of fraud or suspected fraud affecting the SMG – Van Andel Arena received in communications from employees, former employees, analysts, regulators, short sellers, or others.
7. There are no unasserted claims or assessments that legal counsel has advised us are probable of assertion and must be disclosed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 450, *Contingencies* (formerly FASB Statement No. 5, *Accounting for Contingencies*)
8. As an enterprise fund of the Grand Rapids – Kent County Convention/ Arena Authority, SMG- Van Andel Arena is exempt from Federal Income Tax. We are not aware of any activities that have taken place that would jeopardize SMG – Van Andel Arena's income tax exempt status.

Except where otherwise stated below, immaterial matters less than \$26,000 collectively are not considered to be exceptions that require disclosure for the purpose of the following representations. This amount is not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statements.

9. There are no transactions that have not been properly recorded in the accounting records underlying the financial statements.
10. SMG – Van Andel Arena has no plans or intentions that may affect the carrying value or classification of assets and liabilities.
11. The following, to the extent applicable, have been appropriately identified, properly recorded, and disclosed in the financial statements:
 - a. Related party transactions and associated amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees (written or oral)
 - b. Guarantees, whether written or oral, under which the SMG – Van Andel Arena is contingently liable
12. In preparing the financial statements in conformity with the basis of accounting described in Note 2 of special purpose financial statements, management uses estimates. All estimates have been disclosed in the financial statements for which known information available prior to the issuance of the financial statements indicates that both of the following criteria are met:

- a. It is at least reasonably possible that the estimate of the effect on the financial statements of a condition, situation, or set of circumstances that existed at the date of the financial statements will change in the near term due to one or more future confirming events.
 - b. The effect of the change would be material to the financial statements.
- 13. Risks associated with concentrations, based on information known to management, that meet all of the following criteria have been disclosed in the financial statements:
 - a. The concentration exists at the date of the financial statements.
 - b. The concentration makes the enterprise vulnerable to the risk of a near-term severe impact.
 - c. It is at least reasonably possible that the events that could cause the severe impact will occur in the near term.
- 14. There are no:
 - a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies* (formerly FASB Statement No. 5, *Accounting for Contingencies*).
- 15. SMG – Van Andel Arena has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 16. SMG – Van Andel Arena has complied with all aspects of contractual agreements that may have an effect on the financial statements in the event of noncompliance.
- 17. No events have occurred subsequent to June 30, 2010 that require consideration as adjustments to or disclosures in the financial statements.
- 18. Receivables recorded in the financial statements represent valid claims against debtors for sales or other charges arising on or before the balance-sheet date and have been appropriately reduced to their estimated net realizable value.
- 19. We believe that all expenditures that have been deferred to future periods are recoverable.
- 20. We have no intentions of withdrawing from the SMG Retirement and Saving Plan or taking any other action that could result in an effective termination or reportable event for any of the plan. We are not aware of any occurrence that could result in the termination of any of the SMG Retirement and Saving Plan.
- 21. Provision has been made for any loss to be sustained in the fulfillment of, or from inability to fulfill, any sales commitments.

22. Sales with recourse provisions have been properly recorded and disclosed in the financial statements.
23. We have fully disclosed to you all sales terms, including all rights of return or price adjustments and all warranty provisions.
24. All documentation related to sales transactions is contained in customer files. We also confirm that:
- a. We are not aware of any "side agreements" with any companies that are inconsistent with the applicable sale agreement, the customer's purchase order, sales invoice, or any other documentation contained in the customer's file. For the purpose of this letter, a "side agreement" is any agreement, understanding, promise, or commitment whether written (e.g., in the form of a letter or formal agreement or in the form of any exchange of physical or electronic communications) or oral by or on behalf of SMG – Van Andel Arena (or any subsidiary, director, employee, or agent of SMG) with a customer from whom revenue has been recognized that is not contained in the written purchase order from the customer or sales order confirmation and sales invoice of SMG – Van Andel Arena delivered to or generated by SMG – Van Andel Arena's Accounting and Finance Department. The definition of a side agreement is not limited by any particular subject matter. For purpose of example only, any agreement not contained in the written purchase order from the customer or sales order and sales invoice of SMG- Van Andel Arena that relates to return rights, future pricing, payment terms, free consulting, free maintenance, or exchange rights would be a side agreement.
 - b. We are not aware of any commitments or concessions to a customer regarding pricing or payment terms outside of the term documented in the customer's file.
25. For the purpose of calculating the incentive fee, all interest income included in the calculation is properly included and does not include any ineligible income.
26. For purpose of the special purpose financial statements, non-contractual expenses have been approximately excluded from the special purpose Statement of Revenues and Expenses arising from activities managed by SMG.



Richard MacKeigan, General Manager



Christopher Machuta, Director of Finance

DeVos Place, as Managed by SMG

Special-Purpose Financial Statements as of and
for the Years Ended June 30, 2010 and 2009, and
Independent Auditors' Report

DEVOS PLACE, AS MANAGED BY SMG

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INDEPENDENT AUDITORS' REPORT

DeVos Place, as Managed by SMG
Grand Rapids, Michigan

We have audited the accompanying special-purpose financial statements of DeVos Place, as managed by SMG, ("SMG-DeVos Place") as of June 30, 2010 and 2009, and for the years then ended, as listed in the table of contents. These special-purpose financial statements are the responsibility of the management of SMG-DeVos Place. Our responsibility is to express an opinion on these special-purpose financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SMG-DeVos Place's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall special-purpose financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared to present the assets, liabilities, amount due operator, operating revenues, operating expenses, and operating cash flows of DeVos Place arising from the management activities of SMG and are not intended to be a complete presentation of DeVos Place's financial position and results of operations.

In our opinion, such special-purpose financial statements present fairly, in all material respects, the financial position of SMG-DeVos Place as of June 30, 2010 and 2009, and the results of its operations and its cash flows for the years then ended in conformity with the basis of accounting described in Note 2.

This report is intended solely for the information and use of the management of SMG-DeVos Place and officials of the Grand Rapids — Kent County Convention/Arena Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Deloitte & Touche LLP

September 28, 2010

DEVOS PLACE, AS MANAGED BY SMG

SPECIAL-PURPOSE STATEMENTS OF ASSETS, LIABILITIES, AND AMOUNT DUE OPERATOR ARISING FROM ACTIVITIES MANAGED BY SMG AS OF JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents:		
Operating	\$ 805,142	\$ 740,117
Ticket sales escrow	36,621	210,623
Accounts receivable — net of allowances of \$32,000 in 2010 and 2009	674,726	588,856
Prepaid expenses	<u>109,847</u>	<u>74,171</u>
TOTAL	<u>\$ 1,626,336</u>	<u>\$ 1,613,767</u>
 LIABILITIES AND AMOUNT DUE OPERATOR		
CURRENT LIABILITIES:		
Accounts payable	\$ 325,831	\$ 15,623
Accrued expenses	412,027	385,740
Advance ticket sales	36,621	210,623
Advance deposits	263,445	271,135
Deferred income	<u>28,685</u>	<u>57,632</u>
Total current liabilities	1,066,609	940,753
AMOUNT DUE OPERATOR	<u>559,727</u>	<u>673,014</u>
TOTAL	<u>\$ 1,626,336</u>	<u>\$ 1,613,767</u>

See notes to special-purpose financial statements.

DEVOS PLACE, AS MANAGED BY SMG

SPECIAL-PURPOSE STATEMENTS OF OPERATING REVENUES AND OPERATING EXPENSES ARISING FROM ACTIVITIES MANAGED BY SMG FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
OPERATING REVENUES:		
Events	<u>\$2,447,855</u>	<u>\$2,376,311</u>
Net ancillary revenues:		
Food and beverage	685,677	810,185
Decorating	237,495	232,317
Electrical	411,817	405,283
Equipment rental	439,223	423,862
Other	<u>69,199</u>	<u>50,639</u>
Total net ancillary revenues	<u>1,843,411</u>	<u>1,922,286</u>
Total events and net ancillary revenues	4,291,266	4,298,597
Other — including interest income of \$1,372 and \$3,086 in 2010 and 2009, respectively	<u>184,547</u>	<u>216,713</u>
Total operating revenues	<u>4,475,813</u>	<u>4,515,310</u>
OPERATING EXPENSES:		
Payroll and related	1,961,967	1,982,891
Repairs and maintenance	471,785	492,774
Supplies	168,881	132,743
Utilities	1,364,396	1,364,931
General and administrative	<u>1,081,743</u>	<u>1,063,206</u>
Total operating expenses	<u>5,048,772</u>	<u>5,036,545</u>
DEFICIENCY OF OPERATING REVENUES OVER OPERATING EXPENSES, BEFORE INCENTIVE MANAGEMENT FEE	(572,959)	(521,235)
INCENTIVE MANAGEMENT FEE	<u>88,466</u>	<u>111,409</u>
DEFICIENCY OF OPERATING REVENUES OVER OPERATING EXPENSES	<u>\$ (661,425)</u>	<u>\$ (632,644)</u>

See notes to special-purpose financial statements.

DEVOS PLACE, AS MANAGED BY SMG

SPECIAL-PURPOSE STATEMENTS OF CHANGES IN AMOUNT DUE OPERATOR ARISING FROM ACTIVITIES MANAGED BY SMG FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
AMOUNT DUE OPERATOR — Beginning of year	\$ 673,014	\$ 313,542
DEFICIENCY OF OPERATING REVENUES OVER OPERATING EXPENSES	(661,425)	(632,644)
CONTRIBUTIONS RECEIVED FROM OPERATOR	1,398,138	1,342,116
AMOUNTS PAID TO OPERATOR	<u>(850,000)</u>	<u>(350,000)</u>
AMOUNT DUE OPERATOR — End of year	<u>\$ 559,727</u>	<u>\$ 673,014</u>

See notes to special-purpose financial statements.

DEVOS PLACE, AS MANAGED BY SMG

SPECIAL-PURPOSE STATEMENTS OF OPERATING CASH FLOWS ARISING FROM ACTIVITIES MANAGED BY SMG FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Deficiency of operating revenues over operating expenses	\$ (661,425)	\$ (632,644)
Changes in operating assets and liabilities:		
Accounts receivable	(85,870)	(121,652)
Prepaid expenses	(35,676)	33,696
Accounts payable	310,208	(38,060)
Accrued expenses	(2,660)	(5,360)
Advance deposits and ticket sales	<u>(7,690)</u>	<u>(12,837)</u>
Net cash used in operating activities	<u>(483,113)</u>	<u>(776,857)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions received from operator	1,398,138	1,342,116
Amounts paid to operator	<u>(850,000)</u>	<u>(350,000)</u>
Net cash provided by financing activities	<u>548,138</u>	<u>992,116</u>
NET INCREASE IN OPERATING CASH	65,025	215,259
OPERATING CASH — Beginning of year	<u>740,117</u>	<u>524,858</u>
OPERATING CASH — End of year	<u>\$ 805,142</u>	<u>\$ 740,117</u>

See notes to special-purpose financial statements.

DEVOS PLACE, AS MANAGED BY SMG

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

1. OPERATIONS

DeVos Place provides space for conventions, trade shows, concerts, meetings, banquets, and other performances. DeVos Place is operated by the Grand Rapids — Kent County Convention/Arena Authority (the “Operator”).

The Operator has entered into a Management Agreement (the “Agreement”) with SMG to manage the operations of DeVos Place. The activities of DeVos Place that are managed by SMG are referred to herein as “SMG-DeVos Place.”

The Operator, from time to time, provides funding to SMG-DeVos Place to pay the obligations of DeVos Place when due. The Operator is contractually obligated to fund all liabilities and expenses of DeVos Place.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying special-purpose financial statements were prepared to present the assets, liabilities, amount due operator, operating revenues, operating expenses, and operating cash flows of DeVos Place arising from the management activities of SMG and are not intended to be a complete presentation of DeVos Place’s financial position and results of operations. Such special-purpose financial statements have been prepared on the accrual basis of accounting and include transactions managed by SMG in accordance with the Agreement, measured in conformity with accounting principles generally accepted in the United States of America. Accordingly, the special-purpose financial statements do not include property and equipment, noncontractual repair expenditures, and related-fund equity associated with DeVos Place or certain other activities of the Operator related to DeVos Place that are not part of the activities managed by SMG. Payroll and related expenses are for employees hired by SMG to manage DeVos Place under the Agreement. These employees are not employees of the Operator.

Use of Estimates — Estimates and assumptions are required to be used by management in the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America that affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of operating revenues and operating expenses during the reporting period. Management believes its estimates to be reasonable; however, actual results could differ from those estimates.

Advance Ticket Sales — DeVos Place incurs a liability for all cash received from ticket sales in advance of an event; a corresponding amount is held in a separate escrow account. Revenues are not recognized until the related event occurs.

Deferred Income — Deferred income is comprised primarily of advanced billings and collections for premium seating, which are recognized as revenues on a straight-line basis over the lives of the related contract.

Event Revenues — SMG-DeVos Place records event revenue upon the completion of the event. Accordingly, amounts received for advance ticket sales or deposits by promoters are recorded as liabilities until that time. Costs incurred prior to an event are recorded as prepaid expenses and charged to expense upon completion of the event.

Ancillary Revenues — All concession and catering, decorating, electrical, and audio-visual revenues are recognized when earned. Ancillary revenues are a contractually determined percentage of gross receipts collected by the vendor for each event.

Other Operating Revenues — Other operating revenues are comprised of premium seating, interest income, nonevent equipment rental income, ticket rebates, and other miscellaneous items.

Noncontractual Repairs — From time to time, SMG-DeVos Place incurs costs funded by the Operator's capital projects budget, which is separate and distinct from the operating funds provided by the Operator to DeVos Place. The Operator ultimately decides which expenses will be capitalized or expensed. These costs are excluded from operating expenses in the accompanying special-purpose statements of operating revenues and operating expenses.

3. MANAGEMENT AGREEMENT AND FEES

SMG and the Operator have a Management Agreement (the "Agreement"), which originally was scheduled to expire June 30, 2009. On April 29, 2009, the agreement was amended by the Operator to extend through June 30, 2011. The Agreement provides for both an annual base and incentive management fee. The annual base management fee is adjusted upward annually by the percentage change in the Consumer Price Index (not to exceed 3% in any one year). A decrease in the in the Consumer Price Index will not have an effect on the management fee.

The incentive fee is based on the combined results of operations of the Arena and DeVos Place, as managed by SMG-DeVos Place compared to certain operating revenue benchmarks, which escalate by \$100,000 each year through 2011, as defined in the Agreement. To qualify for the incentive fee, combined operating revenues of Van Andel Arena and SMG-DeVos Place must exceed combined operating expenses by an established benchmark, as follows:

	2010	2009
Excess of operating revenue over operating expenses — as defined — Arena	\$ 1,489,319	\$ 1,385,188
Deficiency of operating revenue over operating expenses — as defined — DeVos Place	<u>(572,959)</u>	<u>(521,235)</u>
Total excess of operating revenue over operating expenses	<u>\$ 916,360</u>	<u>\$ 863,953</u>
Incentive benchmark	<u>\$ 700,000</u>	<u>\$ 700,000</u>
Benchmark exceeded?	Yes	Yes

The following is a schedule of the base and incentive management fees for the years ended June 30, 2010 and 2009, of which \$88,466 and \$111,409, respectively, are included in accrued expenses as of those dates:

	2010	2009
Base management fee, included in general and administrative expense (A)	<u>\$ 158,672</u>	<u>\$ 158,672</u>
Incentive fee:		
Total operating revenues — Arena	5,302,116	5,072,186
Total operating revenues — DeVos Place	<u>4,475,813</u>	<u>4,515,310</u>
Total operating revenues	<u>9,777,929</u>	<u>9,587,496</u>
Revenue benchmark — Arena	4,750,000	4,700,000
Revenue benchmark — DeVos Place	<u>4,150,000</u>	<u>4,100,000</u>
Total revenue benchmark	<u>8,900,000</u>	<u>8,800,000</u>
Revenues in excess of revenue benchmark	<u>\$ 877,929</u>	<u>\$ 787,496</u>
Computation of incentive fee resulting from revenues in excess of revenue benchmark:		
25% of the first \$500,000, collectively	\$ 125,000	\$ 125,000
30% of the excess of \$500,000, collectively up to \$183,100	<u>113,379</u>	<u>86,249</u>
Total incentive fee	<u>238,379</u>	<u>211,249</u>
Incentive fee allocated to Arena	149,913	99,840
Incentive fee allocated to DeVos Place (B)	<u>88,466</u>	<u>111,409</u>
Total incentive fee	<u>238,379</u>	<u>211,249</u>
Total management fees — DeVos Place (A + B)	<u>\$ 247,138</u>	<u>\$ 270,081</u>

The base fee is contingent upon the Operator maintaining the SMG-Arena concessions agreement with SMG — Food and Beverage LLC. If that agreement were to be terminated, the base management fee would increase to \$175,000 for each managed facility, adjusted annually by the percentage change in the Consumer Price Index from the base year.

4. RETIREMENT PLAN

Employees at the DeVos Place may elect to participate in the SMG Retirement and Savings Plan, a 401(k) defined contribution plan covering SMG employees who have completed one year of employment and 1,000 hours of service. SMG-DeVos Place makes matching contributions equal to 67% of each participant's contribution up to a maximum of 5% of the employee's eligible compensation. Discretionary contributions may also be made on a monthly basis for active participants. SMG-DeVos Place made \$19,530 in matching contributions and \$6,505 in discretionary contributions for the year ended June 30, 2009. Effective January 1, 2009, SMG suspended indefinitely all 401 (k) matching and discretionary contributions on a company wide basis.

5. OTHER RELATED-PARTY TRANSACTIONS

In addition to the operations of DeVos Place, SMG personnel also manage the operations of SMG-Arena. The two facilities share certain expenses such as payroll, employee fringe benefits, and insurance, resulting in frequent billings and payments between the two facilities. The two facilities also share a box office, resulting in frequent billings and payments between the two facilities for ticket sales. Accounts receivable include \$249,021 and \$104,764 due from the SMG-Arena as of June 30, 2010 and 2009, respectively. Accounts payable include \$175,838 and \$15,457 due to SMG-Arena as of June 30, 2010 and 2009, respectively.

6. CONTINGENCIES

DeVos Place is exposed to a number of asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management, the resolution of these matters will not have a material effect on SMG-DeVos Place's financial position due to insurance coverage. As such, no provision for loss has been made in the accompanying special-purpose financial statements.

7. SUBSEQUENT EVENTS

Events or transactions occurring after the balance sheet date have been evaluated through September 28, 2010, the date the special-purpose financial statements were available to be issued. The special-purpose financial statements and the notes thereto do not reflect events or transactions after this date.

* * * * *

September 28, 2010

Deloitte & Touche LLP
700 Bridgewater Place
333 Bridge Street N.W.
Grand Rapids, MI 49504

Convention
Arena
Authority

Steven Heacock
Chairman
Birgit Klehs
Hoyd Wilson, Jr.
G. Thornay
Dennis Hartwell
Joseph Tomasioli
Lew Chamberlin

We are providing this letter in connection with your audits of the DeVos Place special purpose statements of assets, liabilities, and amounts due Operator arising from the activities managed by SMG ("SMG – DeVos Place") as of June 30, 2010 and 2009 and the related special purpose financial statements of operating revenues and operating expenses arising from activities managed by SMG, and operating cash flows arising from activities managed by SMG, for the years ended June 30, 2010 and 2009, for the purpose of expressing an opinion as to whether the special purpose financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of DeVos Place, as managed by SMG, in conformity with the basis of accounting described in Note 2 to the special purpose financial statement. We confirm that we are responsible for the following.

- a. The fair presentation in the special purpose, financial statements of financial position, results of operations, and cash flows in conformity with the basis of accounting described in Note 2 to the special purpose financial statements.
- b. The design and implementation of programs and controls to prevent and detect fraud
- c. Establishing and maintaining effective internal control over financial reporting

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audits.

1. The financial statements referred to above are fairly presented in conformity with the basis of accounting described in Note 2 to the special purpose financial statement.
2. SMG – DeVos Place has made available to you all:
 - a. Financial records and related data
 - b. Minutes of the meetings of stockholders, directors, and committees of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.



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

DEVOS PLACE

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



4. SMG – DeVos Place has not performed a risk assessment, including the assessment of the risk that the financial statements may be materially misstated as a result of fraud.
5. We have no knowledge of any fraud or suspected fraud affecting SMG – DeVos Place involving:
 - a. Management
 - b. Employees who have significant roles in the SMG – DeVos Place’s internal control over financial reporting
 - c. Others if the fraud could have a material effect on the financial statements.
6. We have no knowledge of any allegations of fraud or suspected fraud affecting the SMG – DeVos Place received in communications from employees, former employees, analysts, regulators, short sellers, or others.
7. There are no unasserted claims or assessments that legal counsel has advised us are probable of assertion and must be disclosed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 450, *Contingencies* (formerly FASB Statement No. 5, *Accounting for Contingencies*)
8. As an enterprise fund of the Grand Rapids – Kent County Convention/ Arena Authority, SMG – DeVos Place is exempt from Federal Income Tax. We are not aware of any activities that have taken place that would jeopardize SMG – DeVos Place’s income tax exempt status.

Except where otherwise stated below, immaterial matters less than \$23,000 collectively are not considered to be exceptions that require disclosure for the purpose of the following representations. This amount is not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statements.

9. There are no transactions that have not been properly recorded in the accounting records underlying the financial statements.
10. SMG – DeVos Place has no plans or intentions that may affect the carrying value or classification of assets and liabilities.
11. The following, to the extent applicable, have been appropriately identified, properly recorded, and disclosed in the financial statements:
 - a. Related party transactions and associated amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees (written or oral)
 - b. Guarantees, whether written or oral, under which the SMG – DeVos Place is contingently liable
12. In preparing the financial statements in conformity with the basis of accounting described in Note 2 of special purpose financial statements, management uses estimates. All estimates have been disclosed in the financial statements for which known information available

prior to the issuance of the financial statements indicates that both of the following criteria are met:

- a. It is at least reasonably possible that the estimate of the effect on the financial statements of a condition, situation, or set of circumstances that existed at the date of the financial statements will change in the near term due to one or more future confirming events.
 - b. The effect of the change would be material to the financial statements.
13. Risks associated with concentrations, based on information known to management, that meet all of the following criteria have been disclosed in the financial statements:
- a. The concentration exists at the date of the financial statements.
 - b. The concentration makes the enterprise vulnerable to the risk of a near-term severe impact.
 - c. It is at least reasonably possible that the events that could cause the severe impact will occur in the near term.
14. There are no:
- a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies* (formerly FASB Statement No. 5, *Accounting for Contingencies*).
15. SMG – DeVos Place has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
16. SMG – DeVos Place has complied with all aspects of contractual agreements that may have an effect on the financial statements in the event of noncompliance.
17. No events have occurred subsequent to June 30, 2010 that require consideration as adjustments to or disclosures in the financial statements.
18. Receivables recorded in the financial statements represent valid claims against debtors for sales or other charges arising on or before the balance-sheet date and have been appropriately reduced to their estimated net realizable value.
19. We believe that all expenditures that have been deferred to future periods are recoverable.
20. We have no intentions of withdrawing from the SMG Retirement and Saving Plan or taking any other action that could result in an effective termination or reportable event for any of the plan. We are not aware of any occurrence that could result in the termination of any of the SMG Retirement and Saving Plan.

21. Provision has been made for any loss to be sustained in the fulfillment of, or from inability to fulfill, any sales commitments.
22. Sales with recourse provisions have been properly recorded and disclosed in the financial statements.
23. We have fully disclosed to you all sales terms, including all rights of return or price adjustments and all warranty provisions.
24. All documentation related to sales transactions is contained in customer files. We also confirm that:
 - a. We are not aware of any "side agreements" with any companies that are inconsistent with the applicable sale agreement, the customer's purchase order, sales invoice, or any other documentation contained in the customer's file. For the purpose of this letter, a "side agreement" is any agreement, understanding, promise, or commitment whether written (c.g., in the form of a letter or formal agreement or in the form of any exchange of physical or electronic communications) or oral by or on behalf of SMG – DeVos Place (or any subsidiary, director, employee, or agent of SMG) with a customer from whom revenue has been recognized that is not contained in the written purchase order from the customer or sales order confirmation and sales invoice of SMG – DeVos Place delivered to or generated by SMG – DeVos Place's Accounting and Finance Department. The definition of a side agreement is not limited by any particular subject matter. For purpose of example only, any agreement not contained in the written purchase order from the customer or sales order and sales invoice of SMG – DeVos Place that relates to return rights, future pricing, payment terms, free consulting, free maintenance, or exchange rights would be a side agreement.
 - b. We are not aware of any commitments or concessions to a customer regarding pricing or payment terms outside of the term documented in the customer's file.
25. For the purpose of calculating the incentive fee, all interest income included in the calculation is properly included and does not include any ineligible income.
26. For purpose of the special purpose financial statements, non-contractual expenses have been approximately excluded from the special purpose Statement of Revenues and Expenses arising from activities managed by SMG.



Richard MacKeigan, General Manager



Christopher Machuta, Director of Finance



**Van Andel Arena®
DeVos Place®**

Memorandum

To: CAA Board Members
CAA Finance Committee

From: Jim Watt, Assistant General Manager

CC: Rich MacKeigan

Date: Oct. 28, 2010

Re: FY 2011 Budget Amendment – Capital Addition

We are requesting a budget amendment for an addition to the FY 2011 Van Andel Arena® Capital.

The Point of Sales (POS) system at the Arena needs to be upgraded.

This has come to our attention due to the concourse expansion and recent failures with the current system.

The current POS is no longer available to have installed in the new areas of the expansion, and the new POS does not communicate with the old system. We would effectively have two independent systems.

By upgrading the old system with the installation of the expansion we will save substantial funds rather than waiting to upgrade at a later date.

We are asking for additional capital of \$180,000. We anticipate the expansion area to be around \$48,000, the upgrade of existing system around \$132,000. These numbers include travel and training, as well as credits for return of existing equipment.

Memorandum

To: CAA Board Members
From: Rich MacKeigan, Executive Director
Date: October 29, 2010
Re: Booking Policy Review

The CAA re-approved the current booking policy in June 2007. At that time, I recommended no changes and another review in three years. I have completed a review of the booking policy for DeVos Place. We requested feedback on the present policy from the arts tenants, ShowSpan, and the CVB. The Broadway Theater Guild voiced a desire to receive more favorable treatment than they currently receive.

The assessment was broken into two pieces, DeVos Performance Hall and the rest of DeVos Place. After conducting my review of the booking policy, I am recommending to the CAA that no change to the booking policy be made at this time. I would also recommend another review next year, if necessary. One change I am enacting is more of a practice than policy. SMG will insert themselves into the date negotiations for the next scheduled season (2012/13). This will provide us first hand involvement in the scheduling practices for a better position to assess the policy's strengths and weaknesses.

DeVos Performance Hall

DeVos Performance Hall is used principally by four arts groups, namely, Broadway Grand Rapids, Opera Grand Rapids, the Grand Rapids Symphony, and the Grand Rapids Ballet Co. Presently, the policy as adopted by the CAA has Broadway GR in a fourth priority position. This is a policy that was originally drafted by the City of Grand Rapids and adopted by the CAA. This policy provides a higher priority to the other arts tenants primarily due to the fact that the talent is mostly (and in many instances exclusively) local. Additionally, the majority of the revenue for the Ballet, Opera and Symphony stays in West Michigan, while Broadway shows are paid a fee with the overage retained by BTG.

Each of the arts tenants were contacted to see if they would like to see modifications to the booking policy. We received a request for consideration of changes to the policy. I attended several meetings this summer with the various arts tenants in an attempt to resolve this issue. DeVos Place

The policy provides priority use for conventions and tradeshow which guarantee 500 contracted peak room nights and total rooms night of 1,000 in Kent County. These "Major Events" can book 5 years out. For the exhibit hall, a priority is then afforded to smaller convention business using 250 peak room nights and 500 total room nights. Beyond that all other business, regardless of room nights, may be booked inside of eighteen months. The same practice applies for the ball room with the exception that the date window is twelve months, rather than eighteen.

The only exceptions to this practice are four Major Consumer Shows (Boat Show, Auto Show, Sport Show and Home & Garden Show) specifically identified within the booking policy. These four events may submit a three week window hold for the use of one of these weeks. They may be moved within the window provided the event which displaces them meets the Major Event room night requirement. Once the eighteen month window is reached, the dates for the consumer show can be locked in. Each of these consumer shows has access to the Exhibit Hall. The Boat Show is the only consumer show which also has the policy apply to the Ballroom as well as Exhibit Hall. SMG recommends no changes to the current booking policy.

One might argue that this process should have resulted in changes. The goal of the process and the specific need outlined in the booking policy was not to change the policy after a review, but rather to assess it. I believe the policy remains sound and am confident with the recommendations provided for the CAA's consideration. Please feel free to contact me (742-6189) with your questions. Thank you.

Memorandum

To: CAA Board
CAA Finance Committee

From: Robert J. White

Subject: Parking Agreement for the Van Andel Arena®

Date: October 28, 2010

The Van Andel Arena® site includes a 146-space surface lot located immediately south of the building. In 1996, year of opening, the Downtown Development Authority entered into a parking operation and maintenance agreement with the City of Grand Rapids-Auto Parking Services Department for operation and maintenance of this facility. In calendar year 2000, the Downtown Development Authority turned over responsibility for the Arena and parking lot to the Convention/Arena Authority. The Convention/Arena Authority thereafter entered into a new "Parking Operation and Maintenance Agreement" with the City of Grand Rapids. This new Agreement was modeled after the prior agreement, which had been entered into with the Downtown Development Authority.

Historically, this surface lot has operated as a monthly pass facility, staffed only on event days/nights to accommodate ticket holders. More recently, in September 2009, the City's Auto Parking System introduced "pay in lane" equipment which allowed the facility to expand its availability to a seven-day/twenty-four hour cycle. A three-year history of financial activity related to this facility is as follows:

	Actual FY 2009	Actual FY 2010	Budget FY 2011
Revenues	\$196,155	\$201,354	\$214,312
Expenses	<u>70,836</u>	<u>62,260</u>	<u>69,310</u>
Operating Income	<u>\$125,319</u>	<u>\$139,094</u>	<u>\$145,002</u>

There is a rather unique aspect to the parking management agreement in that certain events held at the Arena (circus, bull riders, motor cross) require utilization of the parking lot for staging activities related to the show. The City's Auto Parking System accommodates monthly parkers, normally utilizing this facility, with alternative parking locations during this time period. There are a total of 192 monthly parking cards currently issued. Forty-five of those are held by SMG/CAA employees with 147 cards held by paying customers (\$67/month). During times when the lot is taken over for Arena-related activities, the 192 card holders are accommodated in other City parking facilities.

The proposed agreement would run for a three-year term with two automatic three-year renewals unless otherwise terminated by either party. As in prior agreements, the City of Grand Rapids agrees to operate and maintain this facility at its cost, with any excess revenues paid over to the Convention/Arena Authority.

Assuming approval by the CAA Board, the agreement would proceed to the City's-Parking Commission on November 18, 2010, with final approval by the City Commission on November 30, 2010.

I would recommend approval of the attached Parking Operation and Maintenance Agreement.

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

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

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

WHEREAS, the Grand Rapids-Kent County Convention/Arena Authority (the "CAA") entered into a long-term Lease Agreement dated as of July 1, 2000 (the "Lease") with the Downtown Development Authority of the City of Grand Rapids (the "DDA") for the purpose of transferring ownership and operation of the Van Andel Arena (the "Arena") to the CAA; and

WHEREAS, included in the Lease as a part of the Arena properties leased and to ultimately be conveyed to the CAA is a 146-space surface parking lot to the south and adjacent to the Arena facility (the "Arena Parking Lot"); and

WHEREAS, prior to entering into the Lease, the DDA had an agreement with the City of Grand Rapids (the "City") for the City's Parking Services Department to operate and maintain the Arena Parking Lot; and

WHEREAS, after entering into the Lease, the CAA and the City have continued to have an agreement for the City's Parking Services Department to operate and maintain the Arena Parking Lot; and

WHEREAS, the CAA and the City desire to continue such relationship and have agreed to enter into a Parking Operation and Maintenance Agreement (the "Agreement") setting forth the terms and conditions for the operation and maintenance of the Arena Parking Lot.

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 counsel is approved.

2. That the Chairman of the CAA is authorized and directed to sign the Agreement for and on behalf of the City.

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 DECLARED ADOPTED.

Dated: November 5, 2010

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 November 5, 2010, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: November 5, 2010

Susan M. Waddell
Administrative Manager/Recording Secretary

PARKING OPERATION AND MAINTENANCE AGREEMENT

THIS PARKING OPERATION AND MAINTENANCE AGREEMENT (the "Agreement") is made this ____ day of _____, 2010, by and between the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY**, a Michigan statutory authority (the "CAA"), and the **CITY OF GRAND RAPIDS**, a Michigan municipal corporation (the "City").

PREMISES

The CAA entered into a long-term Lease Agreement (the "Lease") dated as of July 1, 2000, with the Downtown Development Authority of the City of Grand Rapids (the "DDA") for the purpose of transferring ownership and operation of the Van Andel Arena (the "Arena") to the CAA. The Lease provides that upon the payment of certain debt obligations the DDA shall convey the Arena to the CAA. Included in the Lease as a part of the Arena properties leased and to ultimately be conveyed to the CAA is a 146-space surface parking lot to the south and adjacent to the Arena facility as identified on the attached Exhibit A (the "Arena Parking Lot"). Prior to entering into the Lease, the DDA had an agreement with the City for the City's Parking Services Department to operate and maintain the Arena Parking Lot. Also, after entering into the Lease, the CAA and the City have continued to have an agreement for the City's Parking Services Department to operate and maintain the Arena Parking Lot. The CAA and the City desire to continue such relationship and have agreed to enter into this Agreement setting forth the terms and conditions for the operation and maintenance of the Arena Parking Lot.

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

Section 1. Operation and Maintenance of Arena Parking Lot. Subject to the terms and conditions of this Agreement the City, through its Parking Services Department, shall be responsible for the operation and maintenance of the Arena Parking Lot.

Section 2. Conditions of Operation and Maintenance. The operation and maintenance by the City's Parking Services Department of the Arena Parking Lot shall be subject to the following conditions:

- A. The City's Parking Services Department shall be responsible at its cost for providing necessary staffing, security, supervision/administration and routine maintenance (including snowplowing).
- B. The level of operation and routine maintenance provided shall be equal to that provided by the Parking Services Department at other surface parking lots operated and maintained by the Department. Maintenance responsibilities include striping and filling in "holes" or "cracks" in the surface but does not include resurfacing or replacement of parking control equipment.

- C. Except as provided in Section 3 hereof, the Arena Parking Lot shall be open for public use twenty-four hours a day and seven days a week.
- D. When the Arena Parking Lot is being utilized in connection with an Arena event, it shall be staffed with a parking attendant who shall provide customer service beginning at least one hour before the beginning of the event to at least one-half hour after the event. At the request of the Arena General Manager, the City's Parking Services Department agrees to alter such schedule to better serve patrons of the Arena.

Section 3. Special Use of Arena Parking Lot. The parties recognize that certain events at the Arena will require the utilization of the Arena Parking Lot in connection with such events, i.e., rodeo, motor cross, circus staging, etc. Upon at least fourteen days' advance notice by the Arena General Manager to the Parking Services Department, the Arena Parking Lot shall be turned over to Arena at no cost to the CAA for use in connection with such event during such event and such time as is reasonably necessary prior to and after such event.

The parties also recognize that the CAA has a certain lease agreement related to the Arena with the owners of the Grand Rapids Griffins, a professional hockey team, which requires certain parking spaces be provided at the Arena Parking Lot at certain times at no cost. The City agrees to make such spaces available to the CAA at no cost at such times as are required in such lease agreement.

Section 4. Establishment of Parking Rates and Retention of Revenues. Rates charged for use of the Arena Parking Lot shall be (i) as determined from time to time by the Parking Commission and the City Commission after receiving input from the Arena General Manager in conjunction with the City Parking Services Department's annual comprehensive facilities study update and (ii) as finally approved by the CAA or its designee. All revenues realized from operation of the Arena Parking Lot shall belong to, and be retained by, the City as a part of its Automobile Parking System.

Section 5. Monthly Parking Passes. As monthly parking passes at the Arena Parking Lot from time to time become available, the Parking Services Department agrees to notify the Arena General Manager and the Arena shall have fourteen days to identify persons associated with the Arena to be issued such passes. If at the end of such fourteen-day period, monthly passes still remain available, the City Parking Services Department is free to issue such monthly passes to such persons as it shall determine.

Section 6. Usage Fees. In return for the City's retention of all revenues realized from operation of the Arena Parking Lot, the City shall pay the CAA usage fees for each fiscal year during the term of this Agreement and any extension thereof, the total annual budgeted revenue for the Arena Parking Lot less annual budgeted operating expenses. Such amount shall be paid in monthly installments to the CAA on or before the third business day of each calendar month pro rata based on estimated budgeted revenues and expenses for such fiscal year prepared by the City Parking Services Department. At the end of each fiscal year when actual revenues and expenses are known, the amount payable to the CAA shall be adjusted upward or downward to

reflect actual revenues and expenses and paid to or debited from future payments to the CAA, as the case may be.

Section 7. Term and Termination. This Agreement shall be for an initial term of three years effective July 1, 2010, and ending June 30, 2013. The term of this Agreement shall automatically be extended for two additional consecutive three-year terms unless either party gives the other party notice pursuant to Section 10 of this Agreement of its intent not to extend the term of this Agreement at least one year prior to the expiration of the then current term of this Agreement. Either party may terminate this Agreement for any reason upon one year's advanced written notice to the other party.

Section 8. Insurance. The City shall (a) provide or cause to be provided and keep or cause to be kept in force comprehensive general public liability insurance naming the CAA as an additional insured against claims for casualty, personal injury, death or property damage occurring on or about the Arena Parking Lot, in amounts determined by the City with the approval of the CAA or (b) a program of self insurance acceptable to the CAA. Any policy of insurance shall provide that the CAA shall receive 30 days' prior notice from the insurer of cancellation, termination or modification of the policy. The City shall deliver evidence of insurance or evidence of a program of self insurance to the CAA upon request.

Section 9. 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 DDA 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 Arena Parking Lot 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 Arena Parking Lot 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 10. 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 set forth below:

If to the CAA:

Grand Rapids-Kent County Convention/Arena
Authority
303 Monroe Avenue, NW
Grand Rapids, Michigan 49503
Attention: Administrative Manager
Facsimile Number: (616) 742-6595

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

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 11. 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 and maintenance of the Arena Parking Lot, 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) This Agreement shall be interpreted in accordance with the laws of the State of Michigan.

(c) 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.

(d) 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.

(e) 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.

(f) 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.

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

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

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

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

Steven R. Heacock, Chairman

CITY OF GRAND RAPIDS

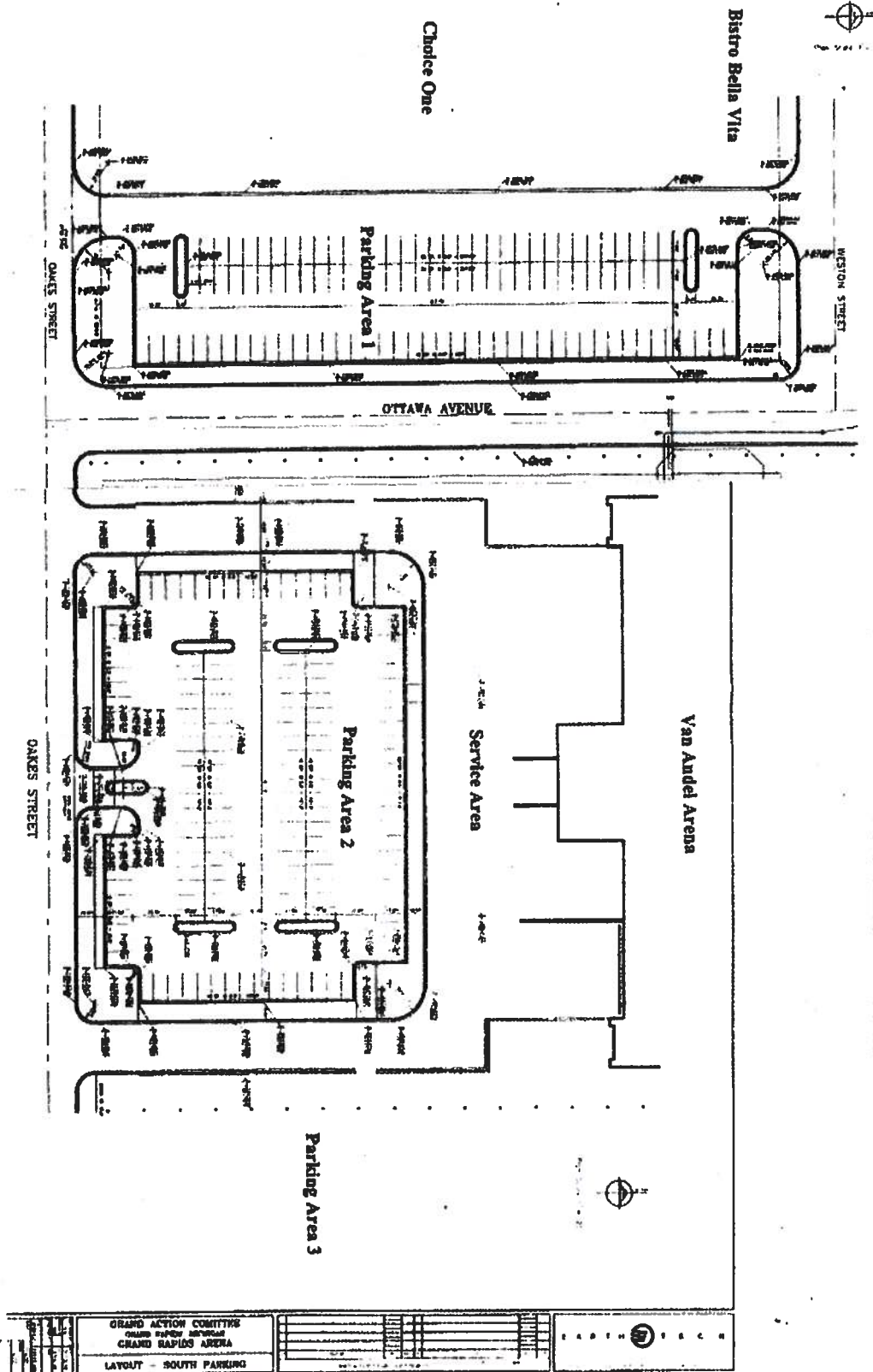
George K. Heartwell, Mayor

Attest:

Lauri S. Parks, City Clerk

EXHIBIT A

ARENA PARKING LOT



DATE	EVENT	EC	MOD	ROOM	TIME	FUNCTION
Wed, Oct 27	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Thur, Oct 28	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Fri, Oct 29	Griffins vs Oklahoma City	GC	ROD	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
	Oklahoma City	DG		Banquet C	8P-11P	Post-game meal
Sat, Oct 30	Griffins vs Manitoba	GC	EDDIE	Arena	10A-12:30P 6:00 PM 7P-9:30P 9:30P-9:50P 9:50P-10:10P	Team practice Doors Hockey game Post-game skate Post-game autographs
				Crease Club	6P-10:10P	Band performance
	ProTravel International	DG		Suite 101A	6P-10:10P	Banquet
Sun, Oct 31	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Mon, Nov 1	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Tue, Nov 2	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Wed, Nov 3	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Thur, Nov 4	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Fri, Nov 5	Griffins vs Manitoba	GC	ROD	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
	West Pharma	DG		Banquet B/C	6P-7P	Banquet
	MTU Alumni Association			Banquet D	6P-7P	Banquet
	West Side Beer			East Nest	6P-9:30P	Banquet
Sat, Nov 6	Griffins vs Chicago	GC	EDDIE	Arena	10A-12:30P 6:00 PM 7P-9:30P 9:30P-9:50P	Team practice Doors Griffins hockey game Post-game skate
	West Pharma			Banquet D	6P-7P	Banquet
	Appletree Learning Center			Crease Club	6P-9:50P	Banquet
	Star Tickets			Suite 101A	6P-9:50P	Banquet
Sun, Nov 7	Available					
Mon, Nov 8	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Tue, Nov 9	Rockford Construction	JW		Arena Concourse	7A-5P	Expansion
Wed, Nov 10	Griffins vs Milwaukee	GC	KATHY	Arena	10A-11A 11:00 AM 12P-2:30P	Team practice Doors Hockey game
		DG		Banquet B/C	11A-12P	Senior bingo
	Milwaukee Admirals			Banquet D	2:30P-3:30P	Post-game meal
Thur, Nov 11	Sesame Street Live	GC		Arena	8:00 AM	Load-in
Fri, Nov 12	Sesame Street Live	GC	LYNNE	Arena	10:30 AM 7:00 PM	Performance Performance
Sat, Nov 13	Sesame Street Live	GC	KATHY	Arena	10:30 AM 2:00 PM	Performance Performance
Sun, Nov 14	Sesame Street Live	GC	CHRIS	Arena	1:00 PM 4:30 PM	Performance Performance
Mon, Nov 15	Available					
Tue, Nov 16	Available					
Wed, Nov 17	Available					
Thur, Nov 18	Available					

Fri, Nov 19	Griffins vs Milwaukee	GC	ROD	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
				Crease Club	6P-9:30P	GVSU dance team staging area
	Paws with a Cause	DG		Banquet B	6P-7P	Banquet
	Grand Masonic Lodge			Banquet C	6P-7P	Banquet
	GRCC			Banquet D	6P-7P	Banquet
	Retirement Living Mgmt			East Nest	6P-9:30P	Banquet
	Michigan Office Solutions			MOS Corner Office	6P-9:30P	Banquet
	Amerigas			Suite 101A	6P-9:30P	Banquet
Sat, Nov 20	Griffins vs Lake Erie	GC	TODD	Arena	10A-12:30P 6:00 PM 7P-9:30P 9:30P-9:50P 9:50P-10:10P	Team practice Doors Hockey game Post-game skate Post-game autographs
	Mark's Photo	DG		Banquet B	6P-7P	Banquet
	Laser's Resource			Banquet C	6P-7P	Banquet
				East/West Nests	6P-10:10P	Banquet
	Amway			MOS Corner Office	6P-10:10P	Banquet
	Comerica Bank			Suite 101A	6P-10:10P	Banquet
Sun, Nov 21	Available					
Mon, Nov 22	Available					
Tue, Nov 23	Available					
Wed, Nov 24	Available					
Thur, Nov 25	Closed – Holiday 🦃					
Fri, Nov 26	Griffins vs Rockford	GC	JIM	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
	Yellow Rose Transport	DG		East/West Nests	6P-9:30P	Banquet
Sat, Nov 27	Available					
Sun, Nov 28	Griffins vs Peoria	GC	CHRIS	Arena	10A-12:30P 3:00 PM 4P-6:30P 6:30P-6:50P	Team practice Doors Griffins hockey game Post-game skate
		DG		Crease Club	3P-6:50P	Band performance
	Nordic Hot Tubs			Suite 101A	3P-6:50P	Banquet

DEVOSPLACE

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TUES. OCT 26	MILLER JOHNSON – EMPLOYMENT LAW 2010	BALL CD	6:00am-6:30am 7:00am-7:30am 7:30am-8:00am 8:00am-9:30am 9:45am-11:00am 11:15am-12:30pm 9:45am-11:00am 11:15am-12:30pm 9:45am-11:00am 11:15am-12:30pm 9:45am-11:00am 11:15am-12:30pm 9:45am-11:00am 11:15am-12:30pm	IA Crew Arrives Client Arrival Registration & Continental Breakfast General Session Breakout Session Breakout Session Breakout Session Breakout Session Breakout Session Breakout Session Breakout Session Breakout Session Breakout Session	MY	EST. ATTENDANCE: 450
		GG A GG B GG CD GG EF GGO GH				
	PINEREST FOUNDATION	Ballroom AB RO F Ballroom AB Ballroom AB Ballroom AB Ballroom AB Ballroom AB Ballroom AB Ballroom AB Chase Boardroom Ballroom AB Ballroom AB	7:00am-4:30pm 12:00pm-10:00pm 1:00pm-3:00pm 3:30pm-4:30pm 4:00pm-5:00pm 4:30pm-5:30pm 5:00pm-7:00pm 5:15pm-7:00pm 5:30pm-7:00pm 7:00pm-9:00pm 9:00pm-9:30pm 9:30pm-10:30pm 9:30pm-2:00am	Production Load In Green Room for Guest Speaker Client Arrival and Setup Committee arrival and Setup Volunteer Arrival Rehearsal Registration Open Guest Arrival Reception Program and Dinner After Glow Client Clean Up and Departure Production Load Out	JL	EST. ATTENDANCE: 500
	GRSO – CLASSICAL II “OUT OF THIS WORLD”	Recital Hall	9:00am-1:00pm 3:30pm-6:00pm 7:30pm-10:00pm	Move In Rehearsal Rehearsal	AK	
WED. OCT 27	DTE ENERGY – CUSTOMER ASSISTANCE DAY	Ballroom A Coat Room Ballroom AB	8:00am-5:00pm 7:00am-8:00am 8:00am-8:30am 9:00am-5:00pm 11:00am-12:00pm 3:00pm-5:00pm 5:00pm-5:30pm	Document Storage Room Set Completed Client Arrival AV Load In and Rehearsals DTE Truck Arrival Set Up Client Departure	DA	
	GRSO – CLASSICAL II “OUT OF THIS WORLD”	DVPH Multi-purpose Room DVPH	8:00am-1:00pm 3:30pm-6:00pm 6:00pm-7:30pm 7:30pm-10:00pm	Move In Rehearsal Meeting Rehearsal	AK	
	SMG	BALL A-D	8:00AM-5:00PM	POTENTIAL BALLROOM MAINTENANCE		
THUR. OCT 28	DTE ENERGY – CUSTOMER ASSISTANCE DAY	Ballroom A Coat Room	7:00am-11:59pm	Document Storage	DA	EST. ATTENDANCE: 1,000
G A-F = Grand Gallery Meeting Rooms A-F GG = Grand Gallery Area RO A-F = River Overlook A-F		O A-H = Overlook Meeting Rooms A-H MON A-D = Monroe Meeting Rooms		EH A-C = Exhibit Halls A-C DV = DeVos Performance Hall BALL A-D = Ballroom A-D		1

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		Ballroom AB	7:00am-7:30am 8:30am-9:00am 9:00am-7:00pm	Client Arrival DTE Personnel Arrival Customers Come Through – End Time Estimated Load Out – Start Time Estimated Client Departure Breakfast DTE Employee Break Room Lunch Dinner		
	NCEES – ENGINEERING EXAMS	EH B Storage GG A-F	2:00pm-11:59pm 1:30pm-1:40pm 2:00pm-2:30pm	Used for Security of the Eng Tests Client Arrival Brinks Truck arrives with NCEES exams	MY	
	PATTERSON DENTAL – BRUCE CHRISTOPHER TEAM EVENT	Ballroom C	10:00AM-11:00AM 11:00AM-12:30PM 12:30PM-1PM 1:00PM-5:00PM 2:00PM-4:30PM 4:50PM 5:00PM-8:00PM 8:00PM-9:00PM	BlueWater Set up Client Set up Registration Session Vendor Move in (Freight Elevator) F&B ready Open House Vendor Move out (Freight Elevator)	TJ	EST. ATTENDANCE: 320
	GRSO – CLASSICAL II “OUT OF THIS WORLD”	Ballroom D	TBD Afternoon 6:00pm	Mic Hang Outside Doors Open (check with GRS first)	AK	EST. ATTENDANCE: 250+
	OPERA GRAND RAPIDS – “RIGOLETTO”	DVPH	7:30pm – 10pm	Open Rehearsal (250+ people)		
		Lyon Dock	TBD	Freight Delivery		
FRI. OCT 29	NCEES – ENGINEERING EXAMS	GG A-F	6:30am-7:00am 7:15am-7:40am 7:40am-8:00am 8:00am-12:00pm 12:00pm-1:00pm 1:00pm-5:00pm 6:00pm-6:30pm 12:00am-11:59pm	Client Arrival Examinees Registration Admittance to Testing Room Tests Begin & Doors Locked Lunch Break Exam Client Departs Security of the Eng. Exams	MY	EST. ATTENDANCE: 160
	PAWS WITH A CAUSE	EH B Storage Ballroom CD Ballrooms A-D Ballrooms A-D Ballrooms A-D Ballrooms A-D Ballrooms A-D	Before 8:00am 8:00am-7:00pm 4:00pm 7:00pm 7:00pm 3rd Shift	Operations to PRE SET Recep. Stage Production Load In Operations to start table set/Set Main Stage Operations to complete table set Operations to set dance floor AGPH to linen tables	RC	
	GRSO – CLASSICAL II “OUT OF THIS WORLD”	Recital Hall DeVos Performance Hall Recital Hall DeVos Performance Hall	5:30pm 6:30pm 6:45pm 7:00pm – 7:30pm 7:30pm	Setup Outside Doors Open Lobby Open/Upbeat Open Upbeat Seating Open	AK	EST. ATTENDANCE: 1,200

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			8:00pm – 9:45pm	Performance	MY	EST. ATTENDANCE: 160
SAT. OCT 30	NCEES – ENGINEERING EXAMS	GG A-F	6:30am-7:00am 7:15am-7:40am 7:40am-8:00am 8:00am-12:00pm 12:00pm-1:00pm 1:00pm-5:00pm 7:00pm-7:30pm 12:00am-7:00pm 6:00am-5:00pm	Client Arrival Examinees Registration Admittance to Exam Rooms Exams Begin & Doors Lock Lunch Break Exams Client Departs Exams picked up via Brinks Security for Eng. Exams ADA Test Taking Room Additional Production In PAWS staff to set coat check and reg	MY	EST. ATTENDANCE: 500
	PAWS WITH A CAUSE	Ballrooms A-D Secchia Lobby – Bus Center Ballroom A-D GGO GH West GG Patio Ballrooms AB Ballrooms CD Ballrooms AB DVP North Secchia GGO GH Ballrooms CD Ballrooms AB Ballrooms AB Ballrooms AB Ballrooms AB Ballrooms CD Ballroom A-D	8:00am 9:00am-3:00pm 9:00am-3:00pm 10:00am 12:00pm-3:00pm 4:00pm 5:00pm 5:15pm 5:30pm 5:30pm-11:30pm 6:00pm-7:00pm 6:40pm 7:00pm-8:00pm 8:00pm-8:30pm 8:30pm-9:30pm 9:30pm-11:30pm 12:00am	PAWS staff to decorate PAWS to set up doggie break area Doggie Relief Station setup Entertainment Load In – Mike Super Entertainment Load In – 50 Amp Fuse Client Rehearsal PAWS Staff and Volunteers arrive for event Registration Opens Doggie break area (Restricted access) Reception Dinner Seating Dinner PAWS presentations Entertainment – Mike Super Afterglow Operations to strike tables/stages/dance floor	RC	EST. ATTENDANCE: 1,200
	GRSO – CLASSICAL II “OUT OF THIS WORLD”	Recital Hall Recital Hall DeVos Performance Hall Recital Hall DeVos Performance Hall	1:00pm – 4:00pm 5:30pm 6:30pm 6:45pm 7:00pm – 7:30pm 7:30pm 8:00pm – 9:45pm 9:45pm-12am 9am – 12pm 1pm – 4pm	Opera Rehearsal Setup Outside Doors Open Lobby Open/Upbeat Open Upbeat Seating Open Performance Move Out Move In Rehearsal	AK	EST. ATTENDANCE: 1,200
	OPERA GRAND RAPIDS – “RIGOLETTO”	RECITAL HALL			AK	
SUN. OCT 31	PAWS WITH A CAUSE	Ballrooms A-D West GG Patio	9:00am-1:00pm 9:00am	Production Load Out Strike Doggie Relief Station	RC	
	OPERA GRAND RAPIDS – “RIGOLETTO”	DVPH/Lyon Dock	8am – 6pm 6:30pm – 10:30pm	Move In Rehearsal	AK	

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MON. NOV 1	NCEES – ENGINEERING EXAMS	GGO A	8:00AM-11:59PM	ADA Test Taking Room	MY	EST. ATTENDANCE: 2
	SPECTRUM HEALTH – SYSTEM LEADERSHIP CONF.	Ballroom A-D Ballroom A-D/Secchia Ballroom A-D Ballroom A-D Ballroom A-D	7:00am 9:00am 1:00pm-2:00pm 2:00pm 3:00pm-5:00pm 6:00pm	Production Set Up Client Arrival and Set Up Final AV Preparations Client Walk Thru Rehearsals Client Set Up in Parking Garage Move In/Lighting focus and Cueing Rehearsal	JL	
	OPERA GRAND RAPIDS – “RIGOLETTO”	DVPH	8am – 6pm 7:30pm – 11:30pm		AK	
TUES. NOV 2	SYSTEM LEADERSHIP CONFERENCE	Ballroom A-D/Secchia Ballroom A-D Ballroom A-D Ballroom A-D Secchia Lobby Ballroom A-D Ballroom A-D Secchia Lobby Ballroom A-D Ballroom A-D Chase Boardroom	6:00am 6:00am 7:00am 7:15am 8:00am-8:30am 8:15am 8:30am-9:40am 9:40am-10:00am 11:00am-11:40am 11:40am 12:00pm-2:00pm	Client Arrival Production call Erik Wahl Sound Check Staff Arrival Registration Doors to Ballroom Session Break Session Load out VIP Luncheon	JL	EST. ATTENDANCE: 1,000
	OPERA GRAND RAPIDS: “RIGOLETO”	DVPH	8am – 6pm 7:30pm – 10:30pm	Move In/Lighting focus and Cueing Rehearsal with Orchestra	AK	
WED. NOV 3	MI ASSOCIATION OF SCHOOL BOARDS 2010 ANNUAL CONFERENCE	BALLA-B	All Day	Art Craft Setup	DA	
	HUNTINGTON BANK TOWN HALL	GG ABCDEF	8:00AM-11:59PM	GENERAL SESSION		
	OPERA GRAND RAPIDS: “RIGOLETO”	DVPH	8am – 6pm 7:30pm – 10:30pm	Move In/Lighting focus and Cueing Open Dress Rehearsal with Orchestra	AK	EST. ATTENDANCE: 1,000+
THUR. NOV 4	MI ASSOCIATION OF SCHOOL BOARDS 2010 ANNUAL CONFERENCE	Ballroom AB Lyon Dock Ballroom C Ballroom AB	8:00am 8:00am-2:00pm 2:15pm-2:45pm 3:15pm-5:15pm 5:15pm-6:30pm	Client Arrival Exhibitor Load In Exhibitor Orientation Exhibits Open Close Exhibits DARK	DA	EST. ATTENDANCE: 600
	OPERA GRAND RAPIDS: “RIGOLETO”	DVPH	8:00AM-11:59PM		AK	
FRI NOV 5	MI ASSOCIATION OF SCHOOL BOARDS 2010 ANNUAL CONFERENCE	Ballroom AB Ballroom CD Ballroom AB Lyon Dock	9:00am 10:00am-1:20pm 12:30pm-1:30pm 1:30pm-3:30pm 3:30pm-6:30pm	Client Arrival Hall Open to Exhibitors and Staff Lunch Exhibits Open Exhibitor Load Out	DA	EST. ATTENDANCE: 600

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	COMPETITIVE CHEER COACHES ASSOC. OF MI/MI CHEER JUDGES ASSOC.	Grand Gallery Grand Gallery B-E	3:00pm 5:00pm-10:00pm 6:00pm-8:00pm 8:00pm	Client Arrival Vendor Set Up Opening Session Operations to put airwall in place Outside Doors Open Lobby Open/Seating For Lecture Open Pre Opera Lecture Seating Open Performance	DA	EST. ATTENDANCE: 400
	OPERA GRAND RAPIDS: "RIGOLETO"	DVPH	6:00pm 6:25pm 6:30pm – 7:00pm 7:00pm 7:30pm – 10:30pm		AK	EST. ATTENDANCE: 1,000
SAT. NOV 6	COMPETITIVE CHEER COACHES ASSOC. OF MI/MI CHEER JUDGES ASSOC.	Grand Gallery Grand Gallery and GGO Pre-function GG A-F and GG O A-H Grand Gallery B-E Grand Gallery and GG Overlook Pre-function GG A-F and GG O A-H Grand Gallery B-E Grand Gallery BALL B BALL C BALL D RO A-F DVPH 30 TH ANNIVERSARY CELEBRATION	7:30am 8:30am 9:00am-12:20pm 11:20am 12:30pm-1:15pm 1:15pm-5:50pm 2:00pm 6:00pm-7:00pm 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 12:00PM-2:00PM	Client Arrival Registration Sessions Operations to pull airwall into storage Lunch Sessions Operations to put airwall in place Load Out EXHIBITS GENERAL SESSION MEALS BREAKOUT ROOMS OPERA GR OPENHOUSE	DA MY AK	EST. ATTENDANCE: 400
	NAPA AUTO CARE BUSINESS CONF					
	DVPH 30 TH ANNIVERSARY CELEBRATION					
	OPERA GRAND RAPIDS: "RIGOLETO"	DVPH	12:00pm – 2:00pm 6:00pm 6:25pm 6:30pm – 7:00pm 7:00pm 7:30pm – 10:30pm 10:30pm – 2:30am	30th Anniversary Open House Outside Doors Open Lobby Open/Seating For Lecture Open Pre Opera Lecture Seating Open Performance Move Out	AK	EST. ATTENDANCE: 1,000
SUN. NOV 7	SIGNATURE CHEFS AUCTION	BALL A-D	8:00AM 8:00AM 10:00AM – 6:00PM	Amway Conference Services arrive to skirt tables Production Load In All center tables to be set /liner/skirted Client Arrival March of Dimes truck arrival Volunteer arrival and prep Art Craft to hang Chef Banners	RC	
	DATA STRATEGY FALL EVENT	EH C & GG A-F	8:00am-6:00pm 8:30am	Exhibitor Move in Truck Arrival – Michigan Dock	MY	

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DEVOS-PLACE

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MON. NOV 8	SIGNATURE CHEFS AUCTION	BALL A-D	12:00PM 2:00PM – 5:45PM 5:30PM 6:00PM 7:30PM – 10:00PM 10:00PM– 12:00AM	Client arrival Chef Move-in Doors Sampling starts Program Move-out	RC	EST. ATTENDANCE: 700
	DATA STRATEGY FALL EVENT	Exhibit Hall C Grand Gallery Grand Gallery A-F	6:00am 8:00am 9:00am-11:00am 11:00am 12:00pm-1:00pm 1:00pm-5:00pm 5:00pm 6:00pm	Client arrives/last minute setup Registration opens Breakfast Buffet opens (in Gen Session) General Session Exhibit hall opens Lunch Buffet (In Grand Gallery) Breakout Sessions Exhibit Hall Closes Load Out Client departs	MY	EST. ATTENDANCE: 300
TUES. NOV 9	CALVIN COLLEGE ANNUAL SCHOLARSHIP DINNER	BALL A-D	8:30AM-12:30AM	DINNER	JL	
	DATA STRATEGY FALL EVENT	Exhibit Hall C Grand Gallery A-F	8:00am-11:00am	Load Out	MY	
WED. NOV 10	MI ASSOC FOR HEALTH, PE, REC & DANCE	BALL A GG A-F	8:00AM-11:59PM 8:00AM-11:59PM	SETUP	MY	
THUR. NOV 11	MI ASSOC FOR HEALTH, PE, REC & DANCE	BALL A-D GG A-F	8:00AM-11:59PM 8:00AM-11:59PM	CONVENTION	MY	
	ECHELBARGER, HIMEBAUGH, TAMM & CO QUICK BOOKS CONFERENCE	GGO A-H GGO LOBBY	8:00AM-11:59PM 8:00AM-11:59PM	MEETINGS REGISTRATION/ EXHIBITS	JL	
	INTSTITUTE FOR NATURAL RESOURCES	MON A-D	6:00AM-11:59PM	MEETING	RC	
	GIRLS NIGHT OUT	E-H	8:00AM-11:59PM	EXHIBITS	JL	
	GRSO: POPS 11:THE VON TRAPP CHILDREN	DVPH	8AM-6PM 5P-9P 7P-10P	MOVE IN RECEPTION OPEN REHEARSAL (500)	AK	
FRI NOV 12	MI ASSOC FOR HEALTH, PE, REC & DANCE	BALL A-D GG A-F	8:00AM-11:59PM 8:00AM-11:59PM	EXHIBITS	MY	
	CITY MANAGER'S MEETING	RO A	8:00AM-11:00AM	MEETING	RC	
	GIRLS NIGHT OUT	E-H	8:00AM-11:00AM	EXHIBITS	JL	
	GRSO: POPS 11:THE VON TRAPP CHILDREN	DVPH	8P-10P	PERFORMANCE	AK	

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DV = DeVos Performance Hall
BALL A-D = Ballroom A-D

DEVOSPLACE

REVISED WEEKLY – 2010

SAT. NOV 13	MI ASSOC FOR HEALTH, PE, REC & DANCE	GG A-F	8:00AM-11:59PM	EXHIBITS	MY
	VSA ARTS OF MICHIGAN	BALL A	8:00AM-11:59PM	RECEPTION	MY
	GIRLS NIGHT OUT	E-H	8:00AM-11:59PM	EXHIBITS	JL
	GRSO: POPS 11:THE VON TRAPP CHILDREN	DVPH	8P-10P	PERFORMANCE	AK
SUN. NOV 14	GIRLS NIGHT OUT	E-H	8:00AM-11:59PM	EXHIBITS	JL
	GRSO: POPS 11:THE VON TRAPP CHILDREN	DVPH	3P-5P 5P-8P	PERFORMANCE MOVE OUT	AK
MON. NOV 15	INT'L WINE AND FOOD FESTIVAL	MON A-D	8:00AM-11:59PM	SETUP	RC
TUES. NOV 16	YWCA TRIBUTE! AWARDS LUNCHEON	BALL A-B	8:00AM-11:59PM	LUNCHEON	MY
	INT'L WINE AND FOOD FESTIVAL	MON A-D	8:00AM-11:59PM	SETUP	RC
	GRSO: CLASSICAL III: ORFF'S CARMINA BURANA	DVPH MULTIPURPOSE DVPH	8A-5P 4P-6P 7:30P-10P	MOVE IN MUSICIAN MEETING REHEARSAL	AK
WED. NOV 17	INT'L WINE AND FOOD FESTIVAL	BALL A-D MON A-D DVPH	8:00AM-11:59PM 8:00AM-11:59PM 3:30P-6P 7:30P-10P	SETUP SETUP REHEARSAL REHEARSAL	RC AK
THUR. NOV 18	INT'L WINE AND FOOD FESTIVAL	BALL A-D GG A-F RO A-F BOARDROOM MON A-D GO A-B GO C-DF GO G-H DVPH	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 7P-10P	EXHIBIT BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOM INVENTORY ROOM MEALS MEETING DINNER REHEARSAL	RC DA AK
FRI. NOV 19	INT'L WINE AND FOOD FESTIVAL	BALL A-D GG A-F RO A-F BOARDROOM MON A-D GO A-B	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	EXHIBIT BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOM INVENTORY ROOM MEALS / MEETING	RC DA

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	GRSO: CLASSICAL III: ORFF'S CARMINA BURANA	RECITAL HALL DVPH	7P-7:30P 8P-10P	UPBEAT PERFORMANCE	AK
SAT. NOV 20	INT'L WINE AND FOOD FESTIVAL	BALL A-D GG A-F RO A-F BOARDROOM MON A-D	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	EXHIBIT BREAKOUT ROOMS BREAKOUT ROOMS BREAKOUT ROOM INVENTORY ROOM	RC
	GRSO: CLASSICAL III: ORFF'S CARMINA BURANA	RECITAL HALL DVPH	7P-7:30P 8P-10P	UPBEAT PERFORMANCE	AK
SUN. NOV 21	INT'L WINE AND FOOD FESTIVAL	BALL A-D MON A-D	8:00AM-11:59PM 8:00AM-11:59PM	TEARDOWN TEARDOWN	RC
MON. NOV 22	INT'L WINE AND FOOD FESTIVAL	MON A-D	8:00AM-11:59PM	TEARDOWN	RC
	BGR – LEGALLY BLONDE	DVPH	9A-1P	HOUSE STRIP	AK

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