



# Agenda

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## Board of Directors

**Friday, November 1, 2013**  
**Following CAA Finance Committee Meeting**  
**Kent County Commission Chambers**  
**300 Monroe, NW – Grand Rapids, MI**

- |    |   |               |
|----|---|---------------|
| 1. | Call to Order   | Steve Heacock |
| 2. | Minutes of October 4, 2013  | Action        |
| 3. | Committee Reports   |               |
|    | A. Operations Committee   | Information   |
|    | i. Experience Grand Rapids Report   |               |
|    | B. Finance Committee  |               |
|    | i. Acceptance of CAA September 2013 Financial Statements  | Action        |
|    | ii. Acceptance of SMG September 2013 Financial Statements   | Action        |
|    | iii. SMG Special Purpose Financial Statements as of and for the Years Ended June 30, 2013 and 2012 – Deloitte & Touche, LLP   | Action        |
|    | iv. FY 2013 Audit Plan – BDO USA, LLP   | Information   |
| 4. | Resolution to Extend Term of SMG Management Agreement for the First Renewal Term, Authorize Notification to SMG, and Approve and Authorize Execution of First Amendment to SMG Management Agreement | Action        |
| 5. | SMG Report and Facilities Calendars   | Information   |
| 6. | Public Comment  |               |
| 7. | Adjournment   |               |

**Next Meeting Date: Friday, December 6, 2013,**  
**Following the CAA Operations Committee Meeting**

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY  
CONVENTION/ARENA AUTHORITY  
BOARD OF DIRECTORS MEETING  
Friday, October 4, 2013**

**1. Call to Order**

Steve Heacock, Chairperson, called the meeting to order at 8:15 a.m. Secretary/Treasurer, Richard Winn, recorded the meeting minutes.

Attendance

Members Present: Steve Heacock, Chair  
Lew Chamberlin  
George Heartwell  
Birgit Klohs  
Richard Winn

Members Absent: Charlie Secchia  
Floyd Wilson, Jr.

Staff/Others:	Dawn Baker	ShowSpan
	Henri Boucher	ShowSpan
	Lisa Dalm	ShowSpan
	Daryl Delabbio	Kent County
	Tim Gortsema	Grand Rapids Griffins
	Jim Harger	MLive
	George Helmstead	Experience Grand Rapids
	Chris Machuta	SMG
	Doug Small	Experience Grand Rapids
	Greg Sundstrom	City of Grand Rapids
	Susan Waddell	CAA
	Jana Wallace	City of Grand Rapids
	Richard Wendt	Dickinson Wright
	Robert White	CAA

**2. International Wine, Beer & Food Festival Preview**

Henri Boucher, Vice President of ShowSpan and producer of the International Wine, Beer & Food Festival, attended the meeting to provide a preview of the upcoming event. Taking place November 21-23 in the DeVos Place® ballrooms for its sixth year, the Festival will feature 1,200 wines, 200 craft beers, 45 hard ciders, and spirits. Mr. Boucher distributed proof copies of the program that will be going to final print soon. The Festival is gaining in attendance 15%-20% each year. Last year's show attracted 14,000 and this year's event is expected to exceed 20,000. Ticket prices will continue to sell for \$15 for Thursday; however, Friday and Saturday night tickets will increase to \$20 unless they are purchased in advance on line at the Festival's website. The show producers made a decision early on to sell tasting tickets to avoid turning the Festival into a drunk-fest. Chair Heacock asked if any new sponsors have come on board. Mr. Boucher responded that Barnes & Thornburg is a new sponsor, along with IBM which will be hosting a reception.

Dawn Baker, Show Manager, often is asked the question if there is a charity beneficiary. ShowSpan has fostered relationships with Ferris State University, Grand Rapids Community College, Grand Valley State University, and the Culinary Institute at Baker College to provide student volunteers as pourers, breakers, supervisors, and inventory control/accounting assistance. There will be a full-page article in the program about the college partnerships. Not only do the partnerships benefit us, but also they provide the students with on-site learning experience, opportunities to build relationships in the industry, opening doors for internships, and developing customer service skills. Ms. Baker stated that the Brewer's Loft will be moved to the third floor, freeing up the Welsh Auditorium for the Cider House that will include live music and concierges to help patrons navigate the event. The Brewer's Loft will include the beer seminars, beer pairing dinners, and a beer flight by New Holland Brewery.

### **3. Minutes of Prior Meeting**

*Motion by Ms. Klohs, support by Mr. Chamberlin, to approve the October 4, 2013, Minutes. Motion carried.*

### **4. Committee Reports**

#### **a. Operations Committee**

Mr. Chamberlin stated that the Operations Committee has nothing additional to report. Chair Heacock stated that it has been a real pleasure working with George Helmstead, whom the CAA has relied on for a long time. The CAA greatly appreciates the work George has done for DeVos Place®.

#### **b. Finance Committee**

##### **i. CAA August 2013 Financial Statements**

Mr. White presented the CAA financial statements for the period ended August 31, 2013. Mr. White referred to the Consolidated Income Statement and stated that total operating net proceeds are down by (\$405,132) from a like period in the prior fiscal year. The Van Andel Arena® budget forecast a current-year net proceeds decrease of (36.9%). For the current fiscal year, net proceeds are at a decline of (53.3%) from prior-year performance. DeVos Place® budget forecast a current-year net proceeds decrease of (70.2%). For the current fiscal year, net proceeds are reported at a decline of (587.8%) from prior-year performance. Very limited activity has occurred in July and August.

*Motion: Mr. Winn, supported by Ms. Klohs, moved to accept the CAA Financial Statements for the period ended August 31, 2013. The motion carried unanimously.*

##### **ii. SMG August 2013 Financial Statements**

Mr. Machuta reported DeVos Place® performed well in August as compared to the budget. Coupled with the July activity, August has been a very good start to the fiscal year. No events were hosted at the Van Andel Arena®. On-sales have begun for upcoming event and the events on-sale are performing well. September will see the kick-off to FY 2013 events.

*Motion: Mr. Winn, supported by Mr. Heartwell, moved to accept the SMG Financial Statements for DeVos Place® and the Van Andel Arena® for the period ended August 31, 2013. The motion carried unanimously.*

**5. SMG Report and Facilities Calendars**

Mr. Machuta stated that the Griffins home opening game is schedule Friday, October 18. This year, \$1 hotdog/\$1 beer has been increased to \$2 hotdog/\$2 beer. Upcoming events at DeVos Performance Hall include Gabriel Iglesias, the Temptations, the Ghost Brothers of Darkland County, and Shen Yung. Events on-sale at the Arena include Keith Urban, John Mayer, Lady Antebellum, Disney on Ice, Nuclear Cowboyz, TSO, Harlem Globetrotters, Chris Tomlin, and Josh Groban. Demi Lovato will go on-sale next week.

**6. Public Comment**

None.

**7. Adjournment**

The meeting adjourned at 9:00 a.m.

The date for next CAA Board meeting is Friday, November 1, 2013, in the Kent County Commission Chambers, Kent County Administration Building, 300 Monroe Avenue, NW, following the CAA Finance Committee meeting.

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Richard A. Winn, Secretary/Treasurer



## Memorandum

**To:** CAA Finance Committee  
CAA Board Members

**From:** Robert J. White

**Subject:** September 2013 Financial Statements

**Date:** October 23, 2013

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The attached interim Balance Sheet, Administrative Income Statement, and Consolidated Income Statement are formatted to provide information concerning the Convention/Arena Authority administrative accounts.

These statements are prepared on a cash basis. The Balance Sheet includes a two-year comparative financial position at September 30 for Fiscal Years 2013 (subject to audit) and 2014. The Administrative Income Statement provides a line item comparison of accounts for the current fiscal year as compared to a similar period in the prior fiscal year. In addition, the Administrative Income Statement provides a comparison of current year budget to prior year (FY 2013). It will allow the reader to compare expenditure trends with full-year budgetary allowances. The Consolidated Income Statement is formatted by functional area. The columnar format is the same as in the Administrative Income Statement.

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

### Balance Sheet (Unconsolidated):

- The cash and investments position decreased by \$1.96 million from June 30, 2013. This is generally in line with the budget forecast, with no summer activity at the Arena and a significantly increased capital program.
- Fund balance decreased by \$1.84 million from the June 30, 2013 level.

### September Administrative Revenue/Expense:

- Parking revenues at DeVos Place® are down significantly from prior year. Attendance at events dropped by over 50%.
- Utilities (electric) are significantly increased due to a "stuck" meter in the prior year. This trend will continue to run over budget until year-end when a prior year catch-up payment will bring the trend in line with budget.

- Marketing - On September 1st, a \$50,000 payment was made to the West Michigan Sports Commission. A \$25,000 payment was made (prior year) on October 11, 2012.
- DID Assessment - On September 16+23, \$38,990 in payments were made to Grand Rapids. A \$36,124 payment was made (prior year) on May 2, 2013.
- Capital R/R/C - Spending for the first three months totaled \$1.2 million compared to \$.2 million in the prior fiscal year.
- Overall Expense - Activity picked up in the third month. Spending for the first quarter totaled 21% of annual operating budget. Operating expenses are budgeted at an 8.6% annual increase. For the current fiscal year, actual operating expenses totaled a 40.0% increase from prior year.

**Consolidated Income Statement (three months):**

- The Van Andel Arena® budget forecast a current year “Net Proceeds” decrease of (34.4%). For the current fiscal year, “Net Proceeds” are reported at a decline of (20.5%) from prior-year performance.
- The DeVos Place® budget forecast a current year “Net Proceeds” decrease of (70.2%). For the current fiscal year, “Net Proceeds” are reported at a decline of (846.2%) from prior-year performance.
- Total operating “Net Proceeds” are down by (\$984,832) from a like period in the prior fiscal year. The budget forecast a full year decline of (\$1,183,345).

These reports are intended to provide a summary analysis of administrative activities over the course of the fiscal year.

**Grand Rapids-Kent County Convention/Arena Authority**  
**Preliminary Year-End Balance Sheet (Unconsolidated)**  
**September 30, 2013**

		<u>9/30/2012</u>	<u>9/30/2013</u>
<b><u>Assets</u></b>			
Cash	- Operating	\$ 96,840	\$ 98,916
Investments	- Kent County	20,622,092	19,304,963
Capital Assets (Net)		<u>1,611,131</u>	<u>1,400,394</u>
Total Assets		<u><u>\$ 22,330,063</u></u>	<u><u>\$ 20,804,273</u></u>
<b><u>Liabilities &amp; Fund Balance</u></b>			
Accounts Payable		\$ 183,300	\$ 425,252
Fund Balance		<u>22,146,763</u>	<u>20,379,021</u>
Total Liabilities & Fund Balance		<u><u>\$ 22,330,063</u></u>	<u><u>\$ 20,804,273</u></u>

**Grand Rapids-Kent County Convention/Arena Authority**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ending June 30, 2014**

	Annual			Year-To-Date		
	FY 2013	FY 2014	Percentage	FY 2013	FY 2014	Percentage
	<u>Final</u>	<u>Budget</u>	<u>Change</u>	<u>7/1 - 9/30</u>	<u>7/1 - 9/30</u>	<u>Change</u>
<b>Revenues:</b>						
Transfers from SMG	\$ 2,950,000	\$ 2,819,566	(4.4)	\$ 150,000	\$ 150,000	-
Parking	1,080,022	1,072,066	(0.8)	154,220	109,075	(29.3)
Interest	92,909	84,000	(9.6)	17,691	7,663	(56.7)
Miscellaneous	108,301	100,300	(7.4)	-	2,040	+100.0
<b>Total Revenues</b>	<u>4,231,232</u>	<u>4,075,932</u>	<u>(3.7)</u>	<u>321,911</u>	<u>268,778</u>	<u>(16.5)</u>
<b>Expenditures:</b>						
<b>Operations</b>						
- Utilities	2,299,463	2,339,808	1.8	418,039	537,238	28.5
- Parking Management	148,408	186,700	25.8	16,286	13,445	(17.4)
- Pedestrian Safety	147,128	132,653	(9.8)	-	-	-
- Marketing - CVB/Sports	100,000	125,000	25.0	-	50,000	+100.0
- DID Assessment	38,124	60,000	57.4	-	38,990	+100.0
- Landscaping	16,487	30,000	82.0	-	-	-
- Food & Beverage Repairs	33,026	40,000	21.1	-	3,554	+100.0
<b>Administration</b>						
- Wages/Benefits	111,355	114,339	2.7	17,822	20,144	13.0
- Consulting Services	35,688	31,004	(13.1)	2,678	-	(100.0)
- Professional Services	40,032	61,000	52.4	5,304	2,631	(50.4)
- Diversity Initiative	59,373	125,000	110.5	8,087	9,637	19.2
- Procurement of Art	17,554	30,000	70.9	10,952	4,365	(60.1)
- Insurance	25,303	26,500	4.7	20,934	19,401	(7.3)
- Supplies/Other	24,263	60,000	147.3	771	1,811	134.9
<b>Operating Expenditures</b>	<u>3,096,204</u>	<u>3,362,004</u>	<u>8.6</u>	<u>500,873</u>	<u>701,216</u>	<u>40.0</u>
<b>Capital R/R/A</b>	<u>981,552</u>	<u>3,329,000</u>	<u>239.2</u>	<u>236,691</u>	<u>1,219,060</u>	<u>415.0</u>
<b>Total Expenditures</b>	<u>4,077,756</u>	<u>6,691,004</u>		<u>737,564</u>	<u>1,920,276</u>	
<b>Excess (Deficiency) of Revenues</b>	<u>153,476</u>	<u>(2,615,072)</u>	<u>(1,803.8)</u>	<u>\$ (415,653)</u>	<u>\$ (1,651,498)</u>	<u>(397.3)</u>
<b>Over Expenditures</b>						
<b>Balance, beginning of period</b>	<u>22,065,862</u>	<u>22,219,338</u>				
<b>Balance, end of period</b>	<u>\$ 22,219,338</u>	<u>\$ 19,604,266</u>				

NOTES:  
(1) Subject to audit.



**Budget Summary by Facility/Other  
Financial Trends for Year Ending June 30, 2014**

	Annual		Year-To-Date			
	FY 2013	FY 2014	Percentage	FY 2013	FY 2014	Percentage
	Final	Budget	Change	7/1 - 9/30	7/1 - 9/30	Change
<b>Van Andel Arena</b>						
Operating - Revenues	\$5,431,667	\$5,023,466	(7.5)	\$597,750	\$600,808	0.5
- Expenses - Facilities	(3,618,820)	(3,848,986)	6.4	(824,881)	(878,333)	6.5
- Base Management Fees	(165,263)	(167,741)	1.5	(41,316)	(42,059)	1.8
- Incentive Fee	(84,113)	(20,187)	(76.0)	-	-	-
Net Operating Income (Loss)	1,563,471	986,552	(36.9)	(268,447)	(319,584)	(19.0)
Parking	145,088	160,066	10.3	36,252	39,786	9.7
Pedestrian Safety	(93,420)	(87,767)	(6.1)	-	-	-
<b>Net Proceeds (Cost) of VAA</b>	<b>1,615,139</b>	<b>1,058,851</b>	<b>(34.4)</b>	<b>(232,195)</b>	<b>(279,798)</b>	<b>(20.5)</b>
<b>DeVos Place Convention Center</b>						
Operating - Revenues	5,857,525	5,268,030	(10.1)	1,201,061	653,703	(44.2)
- Expenses - Facilities	(5,596,537)	(5,354,821)	(4.3)	(1,181,679)	(1,263,325)	6.9
- Base Management Fees	(165,263)	(167,741)	1.5	(41,316)	(41,316)	0.0
- Incentive Fee	(246,412)	(252,262)	2.4	-	-	-
Net Operating Loss	(150,687)	(506,794)	(236.3)	(21,934)	(650,938)	(2967.7)
Parking	786,523	725,300	(7.8)	101,681	55,844	(45.1)
Pedestrian Safety	(53,707)	(44,886)	(16.4)	-	-	-
<b>Net Proceeds (Cost) of DVP</b>	<b>582,129</b>	<b>173,620</b>	<b>(70.2)</b>	<b>79,747</b>	<b>(595,094)</b>	<b>(846.2)</b>
<b>Other</b>						
Revenues	201,210	184,300	(8.4)	17,691	9,703	(45.6)
Expenses	(501,205)	(702,843)	40.2	(66,548)	(150,533)	126.2
<b>Net Other</b>	<b>(299,995)</b>	<b>(518,543)</b>	<b>(76.9)</b>	<b>(48,857)</b>	<b>(140,830)</b>	<b>(188.2)</b>
<b>Total Net Proceeds/Operating</b>	<b>1,897,273</b>	<b>713,928</b>		<b>(201,305)</b>	<b>(1,015,722)</b>	
Capital Expenditures	(981,552)	(3,329,000)		(236,691)	(1,219,060)	
Results Net of Capital Expenditures	\$ 915,721	\$ (2,615,072)		\$ (437,996)	\$ (2,234,782)	

<sup>(1)</sup> Subject to Audit.

# DEVOS PLACE

## DE VOS PLACE

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED SEPTEMBER 30, 2013**

**Distribution:**

Grand Rapids – Kent County Convention / Arena Authority  
Robert White  
Harry Cann  
Gary McAneney  
John Szudzik  
Richard MacKeigan  
Chris Machuta



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*An SMG Managed Facility*

DE VOS PLACE  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2014

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	72	425	497	507	(10)
ATTENDANCE	39,429	442,500	481,929	498,100	(16,171)
DIRECT EVENT REVENUE	274,427	2,582,630	2,857,057	2,918,040	(60,983)
ANCILLARY REVENUE	329,935	1,712,775	2,042,710	2,105,540	(62,830)
TOTAL EVENT REVENUE	604,362	4,295,405	4,899,767	5,023,580	(123,813)
TOTAL OTHER REVENUE	49,341	202,748	252,089	244,450	7,639
TOTAL OPERATING REVENUE	653,703	4,498,153	5,151,856	5,268,030	(116,174)
INDIRECT EXPENSES					
EXECUTIVE	44,228	145,254	189,482	189,482	-
FINANCE	55,817	197,870	253,687	253,687	-
MARKETING	17,738	93,411	111,149	111,149	-
OPERATIONS	339,951	1,109,403	1,449,354	1,449,354	-
EVENT SERVICES	207,864	826,417	1,034,281	1,034,281	-
BOX OFFICE	28,119	62,593	90,712	90,712	-
SALES	77,456	309,895	387,351	387,351	-
OVERHEAD	533,468	1,473,073	2,006,541	2,006,541	-
TOTAL OPERATING EXP.	1,304,641	4,217,916	5,522,557	5,522,557	-
NET REVENUE ABOVE EXPENSES	(650,938)	280,237	(370,701)	(254,527)	(116,174)
INCENTIVE FEE			0	252,261	(252,261)
NET OPERATING REVENUE OVER OPERATING EXPENSES	(650,938)	280,237	(370,701)	(506,788)	136,087

Comments:

DeVos Place concludes the first quarter of the fiscal year consistent with budgeted expectations. As compared to prior year, the facility is well behind, however, that deficit will begin to close over the course of the second quarter.

The forecast for the balance of the fiscal year does call for a small decrease in expectations, however, much of that is related to the 4th quarter so there is still time to close the gap.

General Manager

Finance Director

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**DE VOS PLACE  
FINANCIAL STATEMENT HIGHLIGHTS  
FISCAL YEAR ENDING JUNE 30, 2014**

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

<b>MONTH</b>	<b>September Actual</b>	<b>September Budget</b>	<b>September FY 2013</b>
Number of Events	32	32	51
Attendance	14,069	24,770	31,306
Direct Event Income	\$100,670	\$136,726	\$273,106
Ancillary Income	79,247	120,857	238,647
Other Event Income	24,199	8,052	27,376
Other Operating Income	3,926	2,666	3,515
Indirect Expenses	(485,377)	(460,212)	(457,691)
Net Income	(\$277,335)	(\$191,911)	\$84,953

<b>YTD</b>	<b>YTD 2014 Actual</b>	<b>YTD 2014 Budget</b>	<b>YTD 2013 Prior Year</b>
Number of Events	72	67	112
Attendance	39,429	49,565	84,975
Direct Event Income	\$274,427	\$331,666	\$561,596
Ancillary Income	329,935	322,964	597,395
Other Event Income	41,718	8,052	33,454
Other Operating Income	7,623	7,998	8,616
Indirect Expenses	(1,304,641)	(1,380,636)	(1,222,995)
Net Income	(\$650,938)	(\$709,956)	(\$21,934)

**EVENT INCOME**

Event income fell below budget for the month as a couple of events ended up being smaller than anticipated.

**ANCILLARY INCOME**

Ancillary income fell below expectations for the month as attendance was lower than expected.

**INDIRECT EXPENSES**

Indirect expenses came in at expected levels for the month and continue to do so year to date.

**DeVos Place**  
**Income Statement**  
**For the Three Months Ending September 30, 2013**

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
<b>Event Income</b>								
<b>Direct Event Income</b>								
Rental Income	\$107,724	\$147,500	(\$39,776)	\$280,954	\$314,356	\$368,100	(\$53,744)	\$599,377
Service Revenue	56,427	84,946	(28,519)	215,652	140,426	174,846	(34,420)	419,349
Service Expenses	(63,481)	(95,720)	32,239	(223,500)	(180,355)	(211,280)	30,925	(457,130)
<b>Total Direct Event Income</b>	<b>100,670</b>	<b>136,726</b>	<b>(36,056)</b>	<b>273,106</b>	<b>274,427</b>	<b>331,666</b>	<b>(57,239)</b>	<b>561,596</b>
<b>Ancillary Income</b>								
F&B Concession	6,754	5,098	1,656	10,997	14,444	9,767	4,677	31,762
F&B Catering	36,292	45,851	(9,559)	92,731	121,180	114,567	6,613	226,395
Novelty Sales	402	425	(23)	1,009	402	425	(23)	2,048
Booth Cleaning	5,756	10,741	(4,985)	22,338	34,856	33,929	927	51,507
Telephone/Long Distance	0	0	0	0	788	0	788	0
Electrical Services	9,545	19,935	(10,390)	38,186	47,402	61,715	(14,313)	96,852
Audio Visual	8,264	24,819	(16,555)	43,142	71,790	67,112	4,678	111,557
Internet Services	3,735	5,983	(2,248)	10,791	21,979	18,139	3,840	34,491
Equipment Rental	8,499	8,005	494	19,453	17,094	17,310	(216)	42,783
<b>Total Ancillary Income</b>	<b>79,247</b>	<b>120,857</b>	<b>(41,610)</b>	<b>238,647</b>	<b>329,935</b>	<b>322,964</b>	<b>6,971</b>	<b>597,395</b>
<b>Other Event Income</b>								
Ticket Rebates(Per Event)	24,199	8,052	16,147	27,376	41,718	8,052	33,666	33,454
<b>Total Other Event Income</b>	<b>24,199</b>	<b>8,052</b>	<b>16,147</b>	<b>27,376</b>	<b>41,718</b>	<b>8,052</b>	<b>33,666</b>	<b>33,454</b>
<b>Total Event Income</b>	<b>204,116</b>	<b>265,635</b>	<b>(61,519)</b>	<b>539,129</b>	<b>646,080</b>	<b>662,682</b>	<b>(16,602)</b>	<b>1,192,445</b>
<b>Other Operating Income</b>								
Luxury Box Agreements	1,461	1,333	128	1,186	4,383	3,999	384	3,559
Other Income	2,465	1,333	1,132	2,329	3,240	3,999	(759)	5,057
<b>Total Other Operating Income</b>	<b>3,926</b>	<b>2,666</b>	<b>1,260</b>	<b>3,515</b>	<b>7,623</b>	<b>7,998</b>	<b>(375)</b>	<b>8,616</b>
<b>Adjusted Gross Income</b>	<b>208,042</b>	<b>268,301</b>	<b>(60,259)</b>	<b>542,644</b>	<b>653,703</b>	<b>670,680</b>	<b>(16,977)</b>	<b>1,201,061</b>
<b>Operating Expenses</b>								
Salaries and Wages	180,994	258,942	(77,948)	251,184	496,428	776,826	(280,398)	614,348
Payroll Taxes and Benefits	45,965	74,362	(28,397)	86,526	142,115	223,086	(80,971)	188,868
Labor Allocations to Events	(62,991)	(147,870)	84,879	(167,458)	(170,663)	(443,610)	272,947	(332,153)
<b>Net Salaries and Benefits</b>	<b>163,968</b>	<b>185,434</b>	<b>(21,466)</b>	<b>170,252</b>	<b>467,880</b>	<b>556,302</b>	<b>(88,422)</b>	<b>471,063</b>
Contracted Services	33,126	20,718	12,408	28,496	92,752	62,154	30,598	80,159
General and Administrative	25,989	28,110	(2,121)	25,531	71,274	84,330	(13,056)	72,939
Operations	31,742	9,771	21,971	31,236	40,561	29,313	11,248	46,444
Repair and Maintenance	40,038	41,645	(1,607)	42,194	110,491	124,935	(14,444)	96,273
Operational Supplies	19,323	20,908	(1,585)	29,756	32,321	62,724	(30,403)	45,678
Insurance	14,481	16,248	(1,767)	14,215	43,052	48,744	(5,692)	41,090
Utilities	142,938	123,400	19,538	101,779	404,994	370,200	34,794	328,033
SMG Management Fees	13,772	13,978	(206)	14,232	41,316	41,934	(618)	41,316
<b>Total Operating Expenses</b>	<b>485,377</b>	<b>460,212</b>	<b>25,165</b>	<b>457,691</b>	<b>1,304,641</b>	<b>1,380,636</b>	<b>(75,995)</b>	<b>1,222,995</b>
<b>Net Income(Loss) From Operations</b>	<b>(277,335)</b>	<b>(191,911)</b>	<b>(85,424)</b>	<b>84,953</b>	<b>(650,938)</b>	<b>(709,956)</b>	<b>59,018</b>	<b>(21,934)</b>
<b>Other Non-Operating Expenses</b>								
<b>Adjusted Net Income(Loss)</b>	<b>(277,335)</b>	<b>(191,911)</b>	<b>(85,424)</b>	<b>84,953</b>	<b>(650,938)</b>	<b>(709,956)</b>	<b>59,018</b>	<b>(21,934)</b>

**SMG DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Year to Date Event Summary Report**  
**For the Three Months ended September 30, 2013**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	25	25	21,400	24,000	388,950	394,950
Consumer/Gated Shows	3	3	3,028	4,500	20,244	28,794
DeVos Performance Hall	12	7	6,001	7,490	89,818	43,064
Banquets	4	4	1,950	2,600	29,767	32,228
Meetings	25	25	4,985	9,625	108,644	138,200
Other	3	3	2,065	1,350	8,656	25,446
GRAND TOTALS	72	67	39,429	49,565	646,080	662,682

**As Percentage of Overall**

Convention/Trade Shows	34.72%	37.31%	54.27%	48.42%	60.20%	59.60%
Consumer/Gated Shows	4.17%	4.48%	7.68%	9.08%	3.13%	4.35%
Devos Performance Hall	16.67%	10.45%	15.22%	15.11%	13.90%	6.50%
Ballroom Exclusive	5.56%	5.97%	4.95%	5.25%	4.61%	4.86%
Meetings	34.72%	37.31%	12.64%	19.42%	16.82%	20.85%
Other	4.17%	4.48%	5.24%	2.72%	1.34%	3.84%

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**DeVos Place  
Balance Sheet  
As of September 30, 2013**

**ASSETS**

<b>Current Assets</b>		
Cash	2,678,931	
Account Receivable	337,332	
Prepaid Expenses	36,373	
	<hr/>	
<b>Total Current Assets</b>		<b>\$3,052,636</b>
		<hr/>
<b>Total Assets</b>		<b>\$3,052,636</b>
		<hr/>

**LIABILITIES AND EQUITY**

<b>Current Liabilities</b>		
Accounts Payable	92,093	
Accrued Expenses	308,732	
Deferred Income	65,731	
Advanced Ticket Sales & Deposits	1,310,663	
	<hr/>	
<b>Total Current Liabilities</b>		<b>\$1,777,219</b>
<b>Other Liabilities</b>		
<b>Equity</b>		
Funds Remitted to CAA	365,530	
Expenses Paid Direct by CAA	1,560,825	
Beginning Balance Equity	(650,938)	
Current Year Equity		
	<hr/>	
<b>Total Equity</b>		<b>\$1,275,417</b>
		<hr/>
<b>Total Liabilities and Equity</b>		<b>\$3,052,636</b>
		<hr/>

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**SMG - DeVos Place**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**As of September 30, 2013**

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Current - Under 30 Days	
Food & Beverage	45,253
Ticketing	14,755
Merchandise	-
Decorating	5,756
Audio/Visual	8,263
Van Andel Arena	(24,749)
Operating	194,662
 Over 30 Days	 41,210
 Over 60 Days	 52,182
 Over 90 Days	
 Total Accounts Receivable	 337,332



**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2014**

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**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2013 Estimate
Net Revenue above Expenses	842,544	(370,701)	471,843	1,743,309
Benchmark ++			750,000	750,000
Excess	842,544	(370,701)	(278,157)	993,309

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	167,741	167,741	335,482	330,525
Incentive Fee				
Revenue	4,859,271	5,151,856	10,011,127	11,289,192
Benchmark Revenue	4,950,000	4,350,000	9,300,000	9,200,000
Revenue Excess	(90,729)	801,856	711,127	2,089,192
Incentive Fee **	-	-	-	330,525
Total SMG Management Fee	167,741	167,741	335,482	661,050

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

++ If net revenues above expenses exceeds \$700,000, SMG is eligible for 75% of the incentive fee.



## **VAN ANDEL ARENA**

**FINANCIAL STATEMENT  
FOR THE PERIOD ENDED SEPTEMBER 30, 2013**

**PROUD HOME OF THE GRAND RAPIDS GRIFFINS – 2013 CALDER CUP CHAMPIONS**



**Distribution:**

Grand Rapids – Kent County Convention / Arena Authority  
Robert White  
Harry Cann  
Gary McAneney  
John Szudzik  
Richard MacKeigan  
Chris Machuta



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*An SMG Managed Facility*

VAN ANDEL ARENA  
ROLLING FORECAST  
FISCAL YEAR ENDING JUNE 30, 2014

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	9	87	96	96	-
ATTENDANCE	29,567	503,000	532,567	543,200	(10,633)
DIRECT EVENT INCOME	56,677	1,107,421	1,164,098	1,262,321	(98,223)
ANCILLARY INCOME	73,877	1,128,516	1,202,393	1,231,195	(28,802)
TOTAL EVENT INCOME	130,554	2,235,937	2,366,491	2,493,516	(127,025)
TOTAL OTHER INCOME	470,254	2,022,526	2,492,780	2,529,950	(37,170)
TOTAL INCOME	600,808	4,258,463	4,859,271	5,023,466	(164,195)
INDIRECT EXPENSES					
EXECUTIVE	49,949	129,532	179,481	179,481	-
FINANCE	42,928	185,570	228,498	228,498	-
MARKETING	56,793	264,690	321,483	321,483	-
OPERATIONS	431,826	1,240,674	1,672,500	1,672,500	-
BOX OFFICE	18,415	127,536	145,951	145,951	-
LUXURY SEATING	11,971	81,321	93,292	93,292	-
SKYWALK ADMIN	7,774	12,186	19,960	19,960	-
OVERHEAD	300,737	1,054,825	1,355,562	1,355,562	-
TOTAL INDIRECT EXP.	920,392	3,096,334	4,016,727	4,016,727	-
NET REVENUE ABOVE EXPENSES	(319,584)	1,162,129	842,544	1,006,739	(164,195)
LESS INCENTIVE FEE		-	0	20,187	20,187
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	(319,584)	1,162,129	842,544	986,552	(144,008)

Comments:

Van Andel Arena concludes a slow first quarter of the fiscal year consistent with budget overall, however, anticipating some shortfall as compared to budget as concert activity appears as though it will come up short. Shows that are currently on-sale are all performing well, however, the quantity of shows looks to fall below budgeted expectations.

  
General Manager

  
Director of Finance

**VAN ANDEL ARENA  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR MONTH ENDED SEPTEMBER 30, 2013**

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

<b>MONTH</b>	<b>September Actual</b>	<b>September Budget</b>	<b>September FY 2013</b>
Number of Events	9	8	8
Attendance	29,567	32,000	27,378
Direct Event Income	\$56,677	\$56,534	\$21,011
Ancillary Income	73,877	65,762	51,395
Other Event Income	13,094	10,000	8,445
Other Operating Income	159,984	151,376	147,206
Indirect Expenses	(325,401)	(334,727)	(300,623)
Net Income	(\$21,769)	(\$51,055)	(\$72,566)

<b>YTD</b>	<b>YTD 2014 Actual</b>	<b>YTD 2014 Budget</b>	<b>YTD 2013 Prior Year</b>
Number of Events	9	8	13
Attendance	29,567	32,000	34,587
Direct Event Income	\$56,677	\$56,534	\$107,243
Ancillary Income	73,877	65,762	54,762
Other Event Income	15,523	10,000	8,445
Other Operating Income	454,731	444,128	427,300
Indirect Expenses	(920,392)	(1,004,181)	(866,197)
Net Income	(\$319,584)	(\$427,757)	(\$268,447)

**EVENT INCOME**

Direct event income came in consistent with expectations.

**ANCILLARY INCOME**

Ancillary income came in higher than budget overall as per cap spending on food & beverage exceeded expectations and helped offset lower than expected attendance for the PBR event hosted.

**INDIRECT EXPENSES**

Indirect expenses came in at expected levels for the month.

**Van Andel Arena**  
**Income Statement**  
**For the Three Months Ending September 30, 2013**

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
<b>Event Income</b>								
<b>Direct Event Income</b>								
Rental Income	\$136,530	\$142,000	(5,470)	\$70,709	\$136,530	\$142,000	(5,470)	\$158,346
Service Revenue	39,086	20,250	18,836	67,221	39,086	20,250	18,836	92,236
Service Expenses	(118,939)	(105,716)	(13,223)	(116,919)	(118,939)	(105,716)	(13,223)	(143,339)
<b>Total Direct Event Income</b>	<b>56,677</b>	<b>56,534</b>	<b>143</b>	<b>21,011</b>	<b>56,677</b>	<b>56,534</b>	<b>143</b>	<b>107,243</b>
<b>Ancillary Income</b>								
F&B Concession	68,113	60,685	7,428	44,139	68,113	60,685	7,428	45,259
F&B Catering	2,209	1,677	532	3,348	2,209	1,677	532	4,960
Novelty Sales	3,555	3,400	155	3,908	3,555	3,400	155	3,908
Booth Cleaning	0	0	0	0	0	0	0	635
<b>Total Ancillary Income</b>	<b>73,877</b>	<b>65,762</b>	<b>8,115</b>	<b>51,395</b>	<b>73,877</b>	<b>65,762</b>	<b>8,115</b>	<b>54,762</b>
<b>Other Event Income</b>								
Ticket Rebates(Per Event)	13,094	10,000	3,094	8,445	15,523	10,000	5,523	8,445
<b>Total Other Event Income</b>	<b>13,094</b>	<b>10,000</b>	<b>3,094</b>	<b>8,445</b>	<b>15,523</b>	<b>10,000</b>	<b>5,523</b>	<b>8,445</b>
<b>Total Event Income</b>	<b>143,648</b>	<b>132,296</b>	<b>11,352</b>	<b>80,851</b>	<b>146,077</b>	<b>132,296</b>	<b>13,781</b>	<b>170,450</b>
<b>Other Operating Income</b>								
Luxury Box Agreements	100,467	95,292	5,175	88,941	284,176	275,876	8,300	254,497
Advertising	52,136	52,084	52	54,000	158,273	156,252	2,021	162,000
Other Income	7,381	4,000	3,381	4,265	12,282	12,000	282	10,803
<b>Total Other Operating Income</b>	<b>159,984</b>	<b>151,376</b>	<b>8,608</b>	<b>147,206</b>	<b>454,731</b>	<b>444,128</b>	<b>10,603</b>	<b>427,300</b>
<b>Adjusted Gross Income</b>	<b>303,632</b>	<b>283,672</b>	<b>19,960</b>	<b>228,057</b>	<b>600,808</b>	<b>576,424</b>	<b>24,384</b>	<b>597,750</b>
<b>Operating Expenses</b>								
Salaries and Wages	138,491	169,319	(30,828)	146,447	402,719	507,957	(105,238)	387,592
Payroll Taxes and Benefits	32,116	47,535	(15,419)	32,839	86,770	142,605	(55,835)	94,138
Labor Allocations to Events	(48,424)	(70,483)	22,059	(53,586)	(87,744)	(211,449)	123,705	(102,941)
<b>Net Salaries and Benefits</b>	<b>122,183</b>	<b>146,371</b>	<b>(24,188)</b>	<b>125,720</b>	<b>401,745</b>	<b>439,113</b>	<b>(37,368)</b>	<b>378,789</b>
Contracted Services	21,274	20,928	346	18,525	59,207	62,784	(3,577)	55,034
General and Administrative	37,787	22,535	15,252	21,352	94,664	67,605	27,059	67,704
Operations	862	6,800	(5,938)	1,202	4,315	20,400	(16,085)	15,834
Repair and Maintenance	16,872	21,417	(4,545)	27,868	59,835	64,251	(4,416)	57,886
Operational Supplies	28,765	15,417	13,348	16,341	49,743	46,251	3,492	38,605
Insurance	7,843	10,251	(2,408)	7,462	13,240	30,753	(17,513)	14,376
Utilities	75,299	77,030	(1,731)	67,921	195,584	231,090	(35,506)	196,653
SMG Management Fees	14,516	13,978	538	14,232	42,059	41,934	125	41,316
<b>Total Operating Expenses</b>	<b>325,401</b>	<b>334,727</b>	<b>(9,326)</b>	<b>300,823</b>	<b>920,392</b>	<b>1,004,181</b>	<b>(83,789)</b>	<b>866,197</b>
<b>Net Income(Loss) From Operations</b>	<b>(21,769)</b>	<b>(51,055)</b>	<b>29,286</b>	<b>(72,566)</b>	<b>(319,584)</b>	<b>(427,757)</b>	<b>108,173</b>	<b>(268,447)</b>
<b>Other Non-Operating Expenses</b>								
<b>Adjusted Net Income(Loss)</b>	<b>(21,769)</b>	<b>(51,055)</b>	<b>29,286</b>	<b>(72,566)</b>	<b>(319,584)</b>	<b>(427,757)</b>	<b>108,173</b>	<b>(268,447)</b>

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**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Event Summary**  
**For the Three Months Ended September 30, 2013**

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	7	6	21,635	22,000	50,834	47,396
Sporting Event	2	2	7,932	10,000	95,243	84,900
Concert	-	-	-	-	-	-
Team Home Games	-	-	-	-	-	-
Other	-	-	-	-	-	-
GRAND TOTALS	9	8	29,567	32,000	146,077	132,296

**As Percentage of Overall**

Family Show	77.78%	75.00%	73.17%	68.75%	34.80%	35.83%
Sporting Event	22.22%	25.00%	26.83%	31.25%	65.20%	64.17%
Concert	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Team Home Games	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Van Andel Arena  
Balance Sheet  
As of September 30, 2013**

**ASSETS**

<b>Current Assets</b>		
Cash	3,426,227	
Account Receivable	1,683,104	
Prepaid Expenses	27,095	
	<hr/>	
<b>Total Current Assets</b>		<b>\$5,136,426</b>
		<hr/>
<b>Total Assets</b>		<b>\$5,136,426</b>
		<hr/>

**LIABILITIES AND EQUITY**

<b>Current Liabilities</b>		
Accounts Payable	368,690	
Accrued Expenses	437,502	
Deferred Income	2,352,589	
Advanced Ticket Sales & Deposits	1,431,260	
	<hr/>	
<b>Total Current Liabilities</b>		<b>\$4,590,042</b>
<b>Other Liabilities</b>		
<b>Equity</b>		
Funds Remitted to CAA	(150,000)	
Expenses Paid Direct by CAA	183,650	
Beginning Balance Equity	832,318	
Current Year Equity	(319,584)	
	<hr/>	
<b>Total Equity</b>		<b>\$546,384</b>
		<hr/>
<b>Total Liabilities and Equity</b>		<b>\$5,136,426</b>
		<hr/>

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**SMG - Van Andel Arena**  
**Grand Rapids - Kent County Convention/Arena Authority**  
**Summary of Accounts Receivable**  
**As of September 30, 2013**

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Current - Under 30 Days	
Food & Beverage	70,704
Ticketing	436,683
Merchandise	4,964
Permanent Advertising	633,091
DeVos Place	28,404
Operating	45,852
 Over 30 Days	 385,676
 Over 60 Days	 77,730
 Over 90 Days	
 Total Accounts Receivable	 1,683,104



**SMG - Van Andel Arena & DeVos Place  
Grand Rapids - Kent County Convention/Arena Authority  
Management Fee Summary  
Fiscal Year Ending June 30, 2014**

**MANAGEMENT FEE SUMMARY**

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2013 Estimate
Net Revenue above Expenses	842,544	(370,701)	471,843	1,743,309
Benchmark ++			750,000	750,000
Excess	842,544	(370,701)	(278,157)	993,309

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	167,741	167,741	335,482	330,525
Incentive Fee				
Revenue	4,859,271	5,151,856	10,011,127	11,289,192
Benchmark Revenue	4,950,000	4,350,000	9,300,000	9,200,000
Revenue Excess	(90,729)	801,856	711,127	2,089,192
Incentive Fee **	-	-	-	330,525
Total SMG Management Fee	167,741	167,741	335,482	661,050

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

++ If net revenues above expenses exceeds \$700,000, SMG is eligible for 75% of the incentive fee.

# Grand Rapids-Kent County Convention/Arena Authority

Van Andel Arena/DeVos Place

Capital Projects 2014

jwatt rev Oct 25 2013

## CAPITAL ROLLING FORECAST

Item #	Project	STATUS	Budget	ACTUAL 1st Quarter	Estimated 2nd Quarter	Estimated 3rd quarter	Estimated 4th quarter	Estimated Total 2014	Estimated Carry 2015
<b>Carry over projects</b>									
6247	Dock Doors	complete	\$ 160,000.00	\$ 61,911.00	\$ -			\$ 61,911.00	
6249	Chillers rebuild	2nd quarter proj	\$ 90,000.00	\$ 31,481.00	\$ 90,000.00			\$ 90,000.00	
6248	Theater shell rig	90% complete	\$ 45,000.00	\$ 96,872.00	\$ 40,000.00			\$ 71,481.00	
6238	Lighting Controls	90% complete	\$ 125,000.00	\$ -	\$ 32,000.00			\$ 128,872.00	
<b>DeVos Place</b>									
6256	Meeting room airwall fabric	selecting fabric	\$ 50,000.00		\$ 50,000.00			\$ 50,000.00	
6257	DVP Sound System controls	40% complete	\$ 110,000.00	\$ 34,850.00	\$ 36,000.00			\$ 70,850.00	
6258	Lyon St Dock Concrete	moved to 4th qt	\$ 50,000.00	\$ -	\$ -		\$ 50,000.00	\$ 50,000.00	
6259	Replace phase 2 sloan valves	test units in place	\$ 40,000.00	\$ -	\$ 40,000.00			\$ 40,000.00	
6260	HVAC control system upgrade		\$ 30,000.00	\$ -	\$ 30,000.00			\$ 30,000.00	
6261	Theater exterior concrete	moved to 4th qt	\$ 50,000.00	\$ 56,999.68	\$ -		\$ 50,000.00	\$ 50,000.00	
6262	Theater spotlights	completed	\$ 60,000.00	\$ 497,220.00	\$ -			\$ 56,999.68	
6263	Theater show sound system	completed	\$ 500,000.00	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00	\$ 5,000.00	\$ 497,220.00	
6264	Technology	ongoing	\$ 25,000.00	\$ -	\$ -			\$ 25,000.00	
6265	Grand Gallery drainage	moved to 4th qt	\$ 50,000.00	\$ -	\$ -		\$ 50,000.00	\$ 50,000.00	
6266	Parking lighting	reviewing options	\$ 94,000.00	\$ -	\$ 94,000.00			\$ 94,000.00	
<b>Van Andel Arena</b>									
6267	Refrigerant R22 replace	in process	\$ 250,000.00	\$ 187,592.00	\$ 47,000.00			\$ 234,592.00	
6268	Electric room HVAC	complete	\$ 80,000.00	\$ 32,938.00	\$ -			\$ 32,938.00	
6269	Main lobby temp control	in process	\$ 120,000.00	\$ 50,000.00	\$ 17,000.00			\$ 67,000.00	
6270	Standby hot water unit	complete	\$ 60,000.00	\$ 32,981.00	\$ -			\$ 32,981.00	
6271	Fire alarm panel	in process	\$ 30,000.00	\$ 20,488.00	\$ 17,000.00			\$ 37,488.00	
6272	South video wall replace	in process	\$ 900,000.00	\$ 341,164.00	\$ 359,000.00			\$ 700,164.00	
6273	Upgrade HD TV system	discussing w vendor	\$ 25,000.00	\$ -	\$ -		\$ 25,000.00	\$ 25,000.00	
6274	Concrete repairs	moved to 4th qt	\$ 30,000.00	\$ 83,102.20	\$ -		\$ 30,000.00	\$ 30,000.00	
6275	Elevator refurbish	in process	\$ 100,000.00	\$ 33,500.00	\$ 10,000.00			\$ 93,102.20	
6276	Wireless clear-com shows	in process	\$ 40,000.00	\$ -	\$ -			\$ 33,500.00	
6277	main floor F&B opportunity	under review	\$ 215,000.00	\$ -	\$ 50,000.00	\$ 65,000.00	\$ 100,000.00	\$ 215,000.00	
<b>TOTALS</b>			\$ 3,329,000.00	\$ 1,566,078.88	\$ 917,000.00	\$ 75,000.00	\$ 310,000.00	\$ 2,868,078.88	\$ -

# DeVos Place, as Managed by SMG

Special-Purpose Financial Statements as of and  
for the Years Ended June 30, 2013 and 2012, 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"), which comprise the special-purpose statements of assets, liabilities, and amount due operator arising from activities managed by SMG as of June 30, 2013 and 2012, and the special-purpose statements of operating revenues and operating expenses arising from activities managed by SMG; special-purpose statements of changes in amount due operator arising from activities managed by SMG; and special-purpose statements of operating cash flows arising from activities managed by SMG for the years then ended, and the related notes to the Special-Purpose Financial Statements (collectively, the "Special-Purpose Financial Statements").

### Management's Responsibility for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of these Special-Purpose Financial Statements in accordance with the basis of presentation referred to in Note 2 to the Special-Purpose Financial Statements; this includes determining that the basis of presentation is an acceptable basis for the preparation of the Special-Purpose Financial Statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Special-Purpose Financial Statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on the 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Special-Purpose Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Special-Purpose Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to SMG-DeVos Place's preparation and fair presentation of the Special-Purpose Financial Statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Special-Purpose Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the Special-Purpose Financial Statements referred to above present fairly, in all material respects, the assets, liabilities, and amount due operator of SMG-DeVos Place as of June 30, 2013 and 2012, and operating revenues, operating expenses, changes in amount due operator, and cash flows for the years then ended in accordance with the basis of presentation referred to in Note 2 to the Special-Purpose Financial Statements.

## **Basis of Presentation**

We draw attention to Note 2 of the Special-Purpose Financial Statements, which describes the basis of accounting. The Special-Purpose Financial Statements are prepared to present the assets, liabilities, amount due operator, operating revenues, operating expenses, and operating cash flows of SMG-DeVos Place arising from the management activities of SMG, pursuant to the basis of presentation referred to in Note 2 to the Special-Purpose Financial Statements, which is a basis of accounting other than accounting principles generally accepted in the United States of America, and are not intended to be a complete presentation of SMG-DeVos Place assets and liabilities or its results of operations and cash flows. Our opinion is not modified with respect to this matter.

## **Restriction on Use**

Our 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 30, 2013

## 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, 2013 AND 2012

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	2013	2012
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents:		
Operating	\$ 1,760,646	\$ 430,196
Ticket sales escrow	156,423	254,750
Accounts receivable — net of allowances of \$95,700 in 2013 and 2012	926,856	1,342,323
Prepaid expenses	<u>55,350</u>	<u>79,624</u>
<b>TOTAL</b>	<u><b>\$2,899,275</b></u>	<u><b>\$2,106,893</b></u>
 <b>LIABILITIES AND AMOUNT DUE OPERATOR</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 266,381	\$ 129,212
Accrued expenses	558,287	257,485
Advance ticket sales	156,423	254,750
Advance deposits	298,383	307,627
Deferred income	<u>58,977</u>	<u>59,566</u>
Total current liabilities	1,338,451	1,008,640
<b>AMOUNT DUE OPERATOR</b>	<u><b>1,560,824</b></u>	<u><b>1,098,253</b></u>
<b>TOTAL</b>	<u><b>\$2,899,275</b></u>	<u><b>\$2,106,893</b></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, 2013 AND 2012

	2013	2012
OPERATING REVENUES:		
Events	<u>\$3,043,972</u>	<u>\$2,648,220</u>
Net ancillary revenues:		
Food and beverage	1,047,580	907,514
Decorating	297,438	239,795
Electrical	484,133	432,979
Equipment rental	570,660	525,843
Other	<u>123,397</u>	<u>75,607</u>
Total net ancillary revenues	<u>2,523,208</u>	<u>2,181,738</u>
Total events and net ancillary revenues	5,567,180	4,829,958
Other — including interest income of \$95 and \$696 in 2013 and 2012, respectively	<u>293,353</u>	<u>201,264</u>
Total operating revenues	<u>5,860,533</u>	<u>5,031,222</u>
OPERATING EXPENSES:		
Payroll and related	2,235,661	2,121,493
Repairs and maintenance	462,862	475,901
Supplies	295,812	153,855
Utilities	1,617,150	1,502,968
General and administrative	<u>1,171,013</u>	<u>1,159,098</u>
Total operating expenses	<u>5,782,498</u>	<u>5,413,315</u>
EXCESS (DEFICIENCY) OF OPERATING REVENUES OVER OPERATING EXPENSES BEFORE INCENTIVE MANAGEMENT FEE	78,035	(382,093)
INCENTIVE MANAGEMENT FEE	<u>234,506</u>	<u>          </u>
DEFICIENCY OF OPERATING REVENUES OVER OPERATING EXPENSES	<u>\$ (156,471)</u>	<u>\$ (382,093)</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, 2013 AND 2012**

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	<b>2013</b>	<b>2012</b>
AMOUNT DUE OPERATOR — Beginning of year	\$ 1,098,253	\$ 761,617
DEFICIENCY OF OPERATING REVENUES OVER OPERATING EXPENSES	(156,471)	(382,093)
CONTRIBUTIONS RECEIVED FROM OPERATOR	1,519,042	1,418,729
AMOUNTS PAID TO OPERATOR	<u>(900,000)</u>	<u>(700,000)</u>
AMOUNT DUE OPERATOR — End of year	<u>\$ 1,560,824</u>	<u>\$ 1,098,253</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, 2013 AND 2012

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	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Deficiency of operating revenues over operating expenses	\$ (156,471)	\$ (382,093)
Changes in operating assets and liabilities:		
Accounts receivable	415,467	(588,673)
Prepaid expenses	24,274	68,398
Accounts payable	137,169	(2,047)
Accrued expenses and deferred income	300,213	(147,091)
Advance deposits	<u>(9,244)</u>	<u>(33,665)</u>
Net cash provided by (used in) operating activities	<u>711,408</u>	<u>(1,085,171)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions received from operator	1,519,042	1,418,729
Amounts paid to operator	<u>(900,000)</u>	<u>(700,000)</u>
Net cash provided by financing activities	<u>619,042</u>	<u>718,729</u>
NET INCREASE (DECREASE) IN OPERATING CASH	1,330,450	(366,442)
OPERATING CASH — Beginning of year	<u>430,196</u>	<u>796,638</u>
OPERATING CASH — End of year	<u>\$ 1,760,646</u>	<u>\$ 430,196</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, 2013 AND 2012

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#### 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 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, results of operations, and operating cash flows. Such special-purpose financial statements have been prepared on the accrual basis of accounting and include transactions managed by SMG in accordance with the Management 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 amounts and 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 Management 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.

**Cash and Cash Equivalents** — Cash and cash equivalents consist of cash and highly liquid investments with an original maturity of three months or less at the date of purchase.

**Advance Ticket Sales** — SMG-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 contracts.

**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 audiovisual 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 and assets in the accompanying special-purpose financial statements.

### 3. MANAGEMENT AGREEMENT AND FEES

SMG and the Operator have a Management Agreement (the "Agreement"), that has an effective date of July 1, 2011, and expires on June 30, 2014, with two 2-year renewal periods extending through 2018. The Agreement provides for both an annual base and incentive management fee. The annual base management fee is \$162,500 for the first year of the agreement and 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 DeVos Place and Van Andel Arena, as managed by SMG ("SMG-Arena"), compared to a combined operating revenue benchmark with SMG-Arena of \$9,100,000, which escalate by \$100,000 annually for the remainder of the term, as defined in the Agreement. The maximum incentive to be paid in any fiscal year is equal to 100% of the base management fee. 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:

	2013	2012
Excess of operating revenue over operating expenses before incentive management fee — Arena	\$ 1,741,009	\$ 891,009
Excess (deficiency) of operating revenue over operating expenses before incentive management fee — DeVos Place	<u>78,035</u>	<u>(382,093)</u>
Total excess of operating revenue over operating expenses	<u>\$ 1,819,044</u>	<u>\$ 508,916</u>
Incentive benchmark	<u>\$ 700,000</u>	<u>\$ 700,000</u>
Benchmark exceeded?	Yes	No

In the event the combined operations of SMG-Arena and SMG-DeVos Place exceed the established operating revenue benchmark, and the operating revenues exceed operating expenses by the benchmark discussed above, the incentive fee is determined based on the below calculation. The amount of the incentive fee paid based on the calculation below is determined by the amount by which combined operating revenues exceed combined operating expense in accordance with the threshold levels set forth below:

<b>Amount by which Operating Revenues Exceed Operating Expenses</b>	<b>Percentage of Incentive Fee Payable to SMG</b>
\$700,000 or more and less than \$750,000	75 %
\$750,000 or more	100

The below calculation is only performed when combined operating revenues of Van Andel Arena and SMG-DeVos Place exceed combined operating expenses by the established benchmark. A schedule of the base and incentive management fees for the years ended June 30, 2013 and 2012, is as follows:

	<b>2013</b>	<b>2012</b>
Base management fee, included in general and administrative expense (A)	<u>\$ 165,263</u>	<u>\$ 162,500</u>
Incentive fee:		
Total operating revenues — Arena	\$ 5,538,964	\$ -
Total operating revenues — DeVos Place	<u>5,860,533</u>	<u>-</u>
Total operating revenues	<u>11,399,497</u>	<u>-</u>
Revenue benchmark — Arena	4,900,000	
Revenue benchmark — DeVos Place	<u>4,300,000</u>	<u>-</u>
Total revenue benchmark	<u>9,200,000</u>	<u>-</u>
Revenues in excess of revenue benchmark	<u>\$ 2,199,497</u>	<u>\$ -</u>
Computation of incentive fee resulting from revenues in excess of revenue benchmark:		
25% of the first \$500,000, collectively	\$ 125,000	\$ -
30% of the excess of \$500,000, collectively up to \$330,525	<u>205,525</u>	<u>-</u>
Total incentive fee	<u>330,525</u>	<u>-</u>
Percent payable	<u>100 %</u>	<u>-</u>
Total incentive fee payable	<u>\$ 330,525</u>	<u>\$ -</u>
Incentive fee allocated to Arena	\$ 96,019	\$ -
Incentive fee allocated to DeVos Place (B)	<u>234,506</u>	<u>-</u>
Total incentive fee	<u>\$ 330,525</u>	<u>\$ -</u>
Total management fees — DeVos Place (A + B)	<u>\$ 399,769</u>	<u>\$ 162,500</u>

The incentive fee shall be allocated between facilities by the percentage of each facilities contribution to the excess revenue above the revenue benchmark. 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 \$25,000 for each managed facility, adjusted annually by the percentage change in the Consumer Price Index from the base year.

#### **4. RETIREMENT PLAN**

Employees at SMG-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 \$21,138 and \$20,654 in matching contributions for the years ended June 30, 2013 and 2012, respectively.

#### **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 \$54,667 and \$764,171 due from the SMG-Arena as of June 30, 2013 and 2012, 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 30, 2013, 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.

\* \* \* \* \*

# **Van Andel Arena, as Managed by SMG**

**Special-Purpose Financial Statements as of and  
for the Years Ended June 30, 2013 and 2012, 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"), which comprise the special-purpose statements of assets, liabilities, and amount due operator arising from activities managed by SMG as of June 30, 2013 and 2012, and the special-purpose statements of operating revenues and operating expenses arising from activities managed by SMG, special-purpose statements of changes in amount due operator arising from activities managed by SMG, and special-purpose statements of operating cash flows arising from activities managed by SMG for the years then ended, and the related notes to the Special-Purpose Financial Statements (collectively, the "Special-Purpose Financial Statements").

### Management's Responsibility for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of these Special-Purpose Financial Statements in accordance with the basis of presentation referred to in Note 2 to the Special-Purpose Financial Statements; this includes determining that the basis of presentation is an acceptable basis for the preparation of the Special-Purpose Financial Statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Special-Purpose Financial Statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on the 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Special-Purpose Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Special-Purpose Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to SMG-Arena's preparation and fair presentation of the Special-Purpose Financial Statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Special-Purpose Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the Special-Purpose Financial Statements referred to above present fairly, in all material respects, the assets, liabilities, and amount due operator of SMG-Arena as of June 30, 2013 and 2012, and operating revenues, operating expenses, changes in amount due operator, and cash flows for the years then ended in accordance with the basis of presentation referred to in Note 2 to the Special-Purpose Financial Statements.

## **Basis of Presentation**

We draw attention to Note 2 of the Special-Purpose Financial Statements, which describes the basis of accounting. The Special-Purpose Financial Statements are prepared to present the assets, liabilities, amount due operator, operating revenues, operating expenses, and operating cash flows of SMG-Arena arising from the management activities of SMG pursuant to the basis of presentation referred to in Note 2 to the Special-Purpose Financial Statements, which is a basis of accounting other than accounting principles generally accepted in the United States of America, and are not intended to be a complete presentation of SMG-Arena assets and liabilities or its results of operations and cash flows. Our opinion is not modified with respect to this matter.

## **Restriction on Use**

Our 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 30, 2013

## **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, 2013 AND 2012**

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	<b>2013</b>	<b>2012</b>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents:		
Operating	\$2,117,606	\$2,084,321
Ticket sales escrow	307,410	776,617
Accounts receivable — net of allowance of \$56,200 in 2013 and \$39,100 in 2012	1,441,902	1,444,449
Prepaid expenses	<u>37,544</u>	<u>44,728</u>
<b>TOTAL</b>	<b><u>\$3,904,462</u></b>	<b><u>\$4,350,115</u></b>
 <b>LIABILITIES AND AMOUNT DUE OPERATOR</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 629,096	\$ 1,347,466
Accrued expenses	645,711	593,562
Advance ticket sales	307,410	776,617
Advance deposits	33,425	20,000
Deferred income	<u>1,456,505</u>	<u>1,228,304</u>
Total current liabilities	3,072,147	3,965,949
<b>AMOUNT DUE OPERATOR</b>	<b><u>832,315</u></b>	<b><u>384,166</u></b>
<b>TOTAL</b>	<b><u>\$3,904,462</u></b>	<b><u>\$4,350,115</u></b>

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, 2013 AND 2012

	2013	2012
OPERATING REVENUES:		
Events	<u>\$1,167,725</u>	<u>\$ 773,593</u>
Net ancillary revenues:		
Food and beverage	1,471,677	1,102,462
Novelties	120,848	99,332
Other	<u>1,084</u>	<u>30,118</u>
Total net ancillary revenues	<u>1,593,609</u>	<u>1,231,912</u>
Total events and net ancillary revenues	<u>2,761,334</u>	<u>2,005,505</u>
Other revenues:		
Premium seating	1,479,700	1,437,275
Advertising income	695,200	648,968
Other — including interest income of \$7,117 and \$8,471 in 2013 and 2012, respectively	<u>602,730</u>	<u>432,133</u>
Total other revenues	<u>2,777,630</u>	<u>2,518,376</u>
Total operating revenues	<u>5,538,964</u>	<u>4,523,881</u>
OPERATING EXPENSES:		
Payroll and related	1,597,783	1,585,366
Repairs and maintenance	217,499	189,927
Supplies	224,328	160,502
Utilities	917,421	890,464
General and administrative	<u>840,924</u>	<u>806,613</u>
Total operating activities	<u>3,797,955</u>	<u>3,632,872</u>
EXCESS OF OPERATING REVENUES OVER OPERATING EXPENSES — Before incentive management fee	1,741,009	891,009
INCENTIVE MANAGEMENT FEE	<u>96,019</u>	<u>          </u>
EXCESS OF OPERATING REVENUES OVER OPERATING EXPENSES	<u>\$1,644,990</u>	<u>\$ 891,009</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, 2013 AND 2012**

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	<b>2013</b>	<b>2012</b>
AMOUNT DUE OPERATOR — Beginning of year	\$ 384,166	\$ 466,496
EXCESS OF OPERATING REVENUES OVER OPERATING EXPENSES	1,644,990	891,009
CONTRIBUTIONS RECEIVED FROM OPERATOR	853,159	826,661
AMOUNTS PAID TO OPERATOR	<u>(2,050,000)</u>	<u>(1,800,000)</u>
AMOUNT DUE OPERATOR — End of year	<u>\$ 832,315</u>	<u>\$ 384,166</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, 2013 AND 2012**

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	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Excess of operating revenues over operating expenses	\$ 1,644,990	\$ 891,009
Changes in operating assets and liabilities:		
Accounts receivable	2,547	(63,879)
Prepaid expenses	7,184	1,857
Accounts payable	(718,370)	602,011
Accrued expenses	52,149	(32,162)
Advanced deposits	13,425	15,000
Deferred income	<u>228,201</u>	<u>(61,458)</u>
Net cash provided by operating activities	<u>1,230,126</u>	<u>1,352,378</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Contributions received from Operator	853,159	676,661
Amounts paid to Operator	<u>(2,050,000)</u>	<u>(1,650,000)</u>
Net cash used in financing activities	<u>(1,196,841)</u>	<u>(973,339)</u>
<b>NET INCREASE IN OPERATING CASH</b>	<b>33,285</b>	<b>379,039</b>
<b>OPERATING CASH — Beginning of year</b>	<u><b>2,084,321</b></u>	<u><b>1,705,282</b></u>
<b>OPERATING CASH — End of year</b>	<u><b>\$ 2,117,606</b></u>	<u><b>\$ 2,084,321</b></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, 2013 AND 2012

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#### 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 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 the Arena arising from the management activities of SMG and are not intended to be a complete presentation of the Arena’s financial position, results of operations, and operating cash flows. Such special-purpose financial statements have been prepared on the accrual basis of accounting and include transactions managed by SMG in accordance with the Management 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 amounts and 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 Management 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.

**Cash and Cash Equivalents** — Cash and cash equivalents consist of cash and highly liquid investments with an original maturity of three months or less at the date of purchase.

**Advance Ticket Sales** — SMG-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 novelty 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 financial statements.

### 3. MANAGEMENT AGREEMENT AND FEES

SMG and the Operator have a Management Agreement (the "Agreement"), that has an effective date of July 1, 2011, and expires on June 30, 2014, with two 2-year renewal periods extending through 2018. The Agreement provides for both an annual base and incentive management fee. The annual base management fee is \$162,500 for the first year of the Agreement and 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-DeVos Place"), compared to a combined operating revenue benchmark with SMG-DeVos Place of \$9,100,000, which escalate by \$100,000 annually for the remainder of the term, as defined in the Agreement. The maximum incentive to be paid in any fiscal year is equal to 100% of the base management fee. 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:

	2013	2012
Excess of operating revenue over operating expenses before incentive management fee — Arena	\$ 1,741,009	\$ 891,009
Excess (deficiency) of operating revenue over operating expenses before incentive management fee — DeVos Place	<u>78,035</u>	<u>(382,093)</u>
Total excess of operating revenue over operating expenses	<u>\$ 1,819,044</u>	<u>\$ 508,916</u>
Incentive benchmark	<u>\$ 700,000</u>	<u>\$ 700,000</u>
Benchmark exceeded?	Yes	No



In the event the combined operations of SMG-Arena and SMG-DeVos Place exceed the established operating revenue benchmark, and the operating revenues exceed operating expenses by the benchmark discussed above, the incentive fee is determined based on the below calculation. The amount of the incentive fee paid based on the calculation below is determined by the amount by which combined operating revenues exceed combined operating expense in accordance with the threshold levels set forth below:

<b>Amount by which Operating Revenues Exceed Operating Expenses</b>	<b>Percentage of Incentive Fee Payable to SMG</b>
\$700,000 or more and less than \$750,000	75 %
\$750,000 or more	100

The below calculation is only performed when combined operating revenues of the Arena and SMG-DeVos Place exceed combined operating expenses by the established benchmark. A schedule of the base and incentive management fees for the years ended June 30, 2013 and 2012, is as follows:

	<b>2013</b>	<b>2012</b>
Base management fee — included in general and administrative expense (A)	<u>\$ 165,263</u>	<u>\$ 162,500</u>
Incentive fee calculation:		
Total operating revenues — Arena	\$ 5,538,964	\$ -
Total operating revenues — DeVos Place	<u>5,860,533</u>	<u>-</u>
Total operating revenues	<u>11,399,497</u>	<u>-</u>
Revenue benchmark — Arena	4,900,000	
Revenue benchmark — DeVos Place	<u>4,300,000</u>	<u>-</u>
Total revenue benchmark	<u>9,200,000</u>	<u>-</u>
Revenues in excess of revenue benchmark	<u>\$ 2,199,497</u>	<u>\$ -</u>
Computation of incentive fee resulting from revenues in excess of revenue benchmark:		
25% of the first \$500,000, collectively	\$ 125,000	\$ -
30% of the excess of \$500,000, collectively up to \$330,525	<u>205,525</u>	<u>-</u>
Total incentive fee	330,525	-
Percent payable	<u>100 %</u>	<u>- %</u>
Total incentive fee payable	<u>\$ 330,525</u>	<u>\$ -</u>
Incentive fee allocated to Arena (B)	\$ 96,019	\$ -
Incentive fee allocated to DeVos Place	<u>234,506</u>	<u>-</u>
Total incentive fee	<u>\$ 330,525</u>	<u>\$ -</u>
Total management fees — Arena (A + B)	<u>\$ 261,282</u>	<u>\$ 162,500</u>

The incentive fee shall be allocated between facilities by the percentage of each facilities contribution to the excess revenue above the revenue benchmark. The base fee is contingent upon the Operator maintaining the SMG-Arena concessions agreement with SMG-Food & Beverage, LLC. If that agreement were to be terminated, the base management fee would increase \$25,000 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 \$8,931 and \$8,808 in matching contributions for the years ended June 30, 2013 and 2012, respectively.

#### **5. OTHER RELATED-PARTY TRANSACTIONS**

In addition to the operations of SMG-Arena, SMG personnel also manage the operations of SMG-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 \$54,667 and \$764,171 due to DeVos Place as of June 30, 2013 and 2012, 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 \$243,820 and \$71,475 from SMG-Food & Beverage, LLC as of June 30, 2013 and 2012, 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 30, 2013, 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.

\* \* \* \* \*



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September 30, 2013

To the Finance Committee of  
Grand Rapids – Kent County Convention/Arena Authority  
303 Monroe Avenue NW  
Grand Rapids, MI 49503

Dear Members of the Finance Committee:

We have performed an audit of the special-purpose financial statements of Van Andel Arena, as managed by SMG and DeVos Place, as managed by SMG (the “Arena and DeVos Place”) as of and for the year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America (“generally accepted auditing standards”) and have issued our report thereon dated September 30, 2013.

We have prepared the following comments to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process for which management of the Arena and DeVos Place is responsible.

#### **Our Responsibility under Generally Accepted Auditing Standards**

Our responsibility under generally accepted auditing standards has been described in our engagement letter dated August 9, 2013, a copy of which has been provided to you. As described in that letter, the objective of a financial statement audit conducted in accordance with generally accepted auditing standards is to express an opinion on the fairness of the presentation of the Arena and DeVos Place’s special-purpose financial statements for the year ended June 30, 2013, in conformity with the basis of accounting described in Note 2 to the special-purpose financial statements (“special-purpose accounting basis”), in all material respects. Our responsibilities under generally accepted auditing standards include forming and expressing an opinion about whether the special-purpose financial statements that have been prepared by management with the oversight of the Finance Committee of the Grand Rapids – Kent County Convention/Arena Authority (the “Finance Committee”) are presented fairly, in all material respects, in conformity with the special-purpose accounting basis. The audit of the special-purpose financial statements does not relieve management or the Finance Committee of their responsibilities.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the special-purpose financial statements, whether caused by fraud or error. In making those risk assessments, we considered internal control over financial reporting relevant to the Arena and DeVos Place’s preparation and fair presentation of the special-purpose financial statements in order to design audit procedures that were appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Arena and DeVos Place’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Arena and DeVos Place’s internal control over financial reporting. Our consideration of internal control over financial reporting was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses.

## **Accounting Estimates**

Accounting estimates are an integral part of the special-purpose financial statements prepared by management and are based on management's current judgments. Those judgments are ordinarily based on knowledge and experience about past and current events and on assumptions about future events. Significant accounting estimates reflected in the Arena and DeVos Place 2013 special-purpose financial statements include the allowance for doubtful accounts. During the year ended June 30, 2013, we are not aware of any significant changes in accounting estimates or in management's judgments relating to such estimates.

## **Uncorrected Misstatements**

Our audit of the special-purpose financial statements was designed to obtain reasonable, rather than absolute, assurance about whether the special-purpose financial statements are free of material misstatement, whether caused by error or fraud. There were no uncorrected misstatements or disclosure items passed identified during our audit.

## **Material Corrected Misstatements**

Our audit of the special-purpose financial statements was designed to obtain reasonable, rather than absolute, assurance about whether the special-purpose financial statements are free of material misstatement, whether caused by error or fraud. There were no material misstatements that were brought to the attention of management as a result of our audit procedures.

## **Significant Accounting Policies**

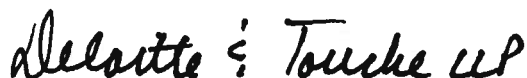
The Arena and DeVos Place significant accounting policies are set forth in Note 2 to the Arena and DeVos Place's 2013 special-purpose financial statements. During the year ended June 30, 2013, there were no significant changes in previously adopted accounting policies or their application.

## **Management's Representations**

We have made specific inquiries of the Arena and DeVos Place's management about the representations embodied in the special-purpose financial statements. Additionally, we have requested that management provide to us the written representations the Arena and DeVos Place is required to provide to its independent auditors under generally accepted auditing standards. We have attached to this letter, as Appendix A and B, a copy of the representation letters we obtained from management.

This report is intended solely for the information and use of management, the Finance Committee, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Yours truly,



cc: The Management of Van Andel Arena and DeVos Place

- Appendix A: Van Andel Arena Representations from Management
- Appendix B: DeVos Place Representations from Management



September 30, 2013

Deloitte & Touche LLP  
Suite 600  
38 Commerce SW  
Grand Rapids, MI 49503

We are providing this letter in connection with your audits of the Van Andel Arena special-purpose statements of assets, liabilities, and amount due Operator arising from the activities managed by SMG ("SMG—Van Andel Arena") as of June 30, 2013 and 2012 and the related special-purpose financial statements of operating revenues and operating expenses arising from activities managed by SMG, changes in amount due operator arising from activities managed by SMG and operating cash flows arising from activities managed by SMG, for the years then ended, for the purpose of expressing an opinion as to whether the special-purpose financial statements (the "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 accounting principles generally accepted in the United States of America.

Convention  
Arena  
Authority

We confirm that we are responsible for the following:

Steve Headcock,

Chairperson

Lew Chamberlain

Hon. George K. Heavner

Birgit M. Klehs

Charlie Secchia

Floyd Wilson, Jr.

Richard A. Winn

- a. The fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the basis of presentation referred to in Note 2 to the financial statements
- b. The design, implementation, and maintenance 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 presentation referred to in Note 2 to the financial statements.
2. SMG- Van Andel Arena has provided to you all relevant information and access as agreed in the terms of the audit engagement letter.
3. SMG- Van Andel Arena has provided you:
  - a. Financial records and related data



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

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Grand Rapids, MI 49503-2233  
616.742.6500  
Fax 616.742.6590



- 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.
- 4. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.
- 5. SMG – Van Andel Arena has provided to you the results of management’s risk assessment, including the assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 6. 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 SMG- Van Andel Arena’s internal control over financial reporting
  - c. Others, if the fraud could have a material effect on the financial statements
- 7. We have no knowledge of any allegations of fraud or suspected fraud affecting SMG- Van Andel Arena received in communications from employees, former employees, analysts, regulators, or others.
- 8. 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.
- 9. Significant assumptions used by us in making accounting estimates are reasonable.
- 10. We believe the effects of the uncorrected financial statement misstatements detected in the current year that relate to the prior year presented, when combined with those misstatements aggregated by you during the prior year audit engagement and pertaining to the prior year presented, are immaterial, both individually and in the aggregate, to the financial statements for the year ended June 30, 2012 taken as a whole.
- 11. 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 \$27,000 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.

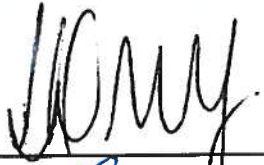
- 12. There are no transactions that have not been properly recorded in the accounting records underlying the financial statements.



13. SMG- Van Andel Arena has no plans or intentions that may affect the carrying value or classification of assets and liabilities.
14. The following, to the extent applicable, have been appropriately identified, properly accounted for, and disclosed in the financial statements:
  - a. Related parties and all the related-party relationships and transactions of which SMG- Van Andel Arena is aware, including sales, purchases, loans, transfers, leasing arrangements, and guarantees (written or oral).
15. In preparing the financial statements in conformity with the basis of presentation referred to in Note 2 to the 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.
16. 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.
17. 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. Known actual or possible litigation and claims whose effects should be considered and accounted for and disclosed in the financial statements and that have not been disclosed to the auditor.
18. 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.
19. 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.

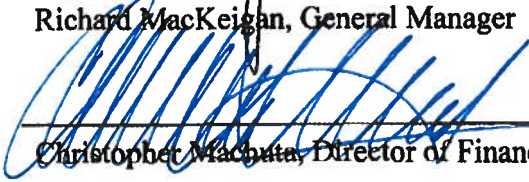
20. No events have occurred after June 30, 2013, but before, September 30, 2013, the date the financial statements were issued that require consideration as adjustments to, or disclosures in, the financial statements.
21. Receivables recorded in the financial statements represent valid claims against 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.
22. We believe that all expenditures that have been deferred to future periods are recoverable.
23. We have no intention of withdrawing from the SMG Retirement and Savings Plan or taking any other action that could result in an effective termination or reportable event for any of the plans. We are not aware of any occurrences that could result in the termination of any of the SMG Retirement and Savings Plan.
24. Provision has been made for any loss to be sustained in the fulfillment of, or from inability to fulfill, any sales commitments.
25. Sales with recourse provisions have been properly recorded and disclosed in the financial statements.
26. We have fully disclosed to you all sales terms, including all rights of return or price adjustments.
27. 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 sales agreement, the customer’s purchase order, sales invoice, or any other documentation contained in the customer’s file. For the purposes 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 – Van Andel Arena) 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 purposes 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, acceptance 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 terms documented in the customer’s file.
28. 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.





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Richard MacKeigan, General Manager



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Christopher Machata, Director of Finance



September 30, 2013

Deloitte & Touche LLP  
Suite 600  
38 Commerce SW  
Grand Rapids, MI 49503

We are providing this letter in connection with your audits of the DeVos Place special-purpose statements of assets, liabilities, and amount due Operator arising from the activities managed by SMG ("SMG – DeVos Place") as of June 30, 2013 and 2012 and the related special-purpose financial statements of operating revenues and operating expenses arising from activities managed by SMG, changes in amount due operator arising from activities managed by SMG and operating cash flows arising from activities managed by SMG for the years then ended, for the purpose of expressing an opinion as to whether the special-purpose financial statements (the "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 accounting principles generally accepted in the United States of America.

Convention  
Arena  
Authority

We confirm that we are responsible for the following:

Steve Heacock

Chairperson

Lew Chamberlin

Hon. George K. Hoar

Birgit M. Klohs

Charlie Secchia

Floyd Wilson, Jr.

Richard A. Winn

- a. The fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the basis of presentation referred to in Note 2 to the financial statements
- b. The design, implementation, and maintenance 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 presentation referred to in Note 2 to the financial statements.
2. SMG – DeVos Place has provided to you all relevant information and access as agreed in the terms of the audit engagement letter.
3. SMG – DeVos Place has provided you:

- a. Financial records and related data



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- 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.
- 4. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.
- 5. SMG – DeVos Place has provided to you the results of management’s risk assessment, including the assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 6. We have no knowledge of any fraud or suspected fraud affecting SMG – DeVos Place involving:
  - a. Management
  - b. Employees who have significant roles in SMG – DeVos Place’s internal control over financial reporting
  - c. Others, if the fraud could have a material effect on the financial statements
- 7. We have no knowledge of any allegations of fraud or suspected fraud affecting SMG – DeVos Place received in communications from employees, former employees, analysts, regulators, or others
- 8. 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.
- 9. Significant assumptions used by us in making accounting estimates are reasonable.
- 10. 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 \$29,000 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.

- 11. There are no transactions that have not been properly recorded in the accounting records underlying the financial statements.
- 12. SMG – DeVos Place has no plans or intentions that may affect the carrying value or classification of assets and liabilities.
- 13. The following, to the extent applicable, have been appropriately identified, properly accounted for, and disclosed in the financial statements:

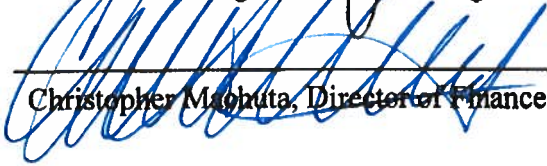
- a. Related parties and all the related-party relationships and transactions of which SMG – DeVos Place is aware, including sales, purchases, loans, transfers, leasing arrangements, and guarantees (written or oral).
14. In preparing the financial statements in conformity with the basis of presentation referred to in Note 2 to the 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.
15. 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.
16. 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. Known actual or possible litigation and claims whose effects should be considered and accounted for and disclosed in the financial statements and that have not been disclosed to the auditor.
17. 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.
18. 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.
19. No events have occurred after June 30, 2013, but before September 30, 2013, the date the financial statements were issued that require consideration as adjustments to, or disclosures in, the financial statements.

20. 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.
21. We believe that all expenditures that have been deferred to future periods are recoverable.
22. We have no intention of withdrawing from the SMG Retirement and Savings Plan or taking any other action that could result in an effective termination or reportable event for any of the plans. We are not aware of any occurrences that could result in the termination of any of the SMG Retirement and Savings Plan.
23. Provision has been made for any loss to be sustained in the fulfillment of, or from inability to fulfill, any sales commitments.
24. Sales with recourse provisions have been properly recorded and disclosed in the financial statements.
25. We have fully disclosed to you all sales terms, including all rights of return or price adjustments.
26. 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 sales agreement, the customer’s purchase order, sales invoice, or any other documentation contained in the customer’s file. For the purposes 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 – DeVos Place (or any subsidiary, director, employee, or agent of SMG – DeVos Place) 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 purposes 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, acceptance 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 terms documented in the customer’s file.
27. 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.



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**Richard MacKeigan, General Manager**



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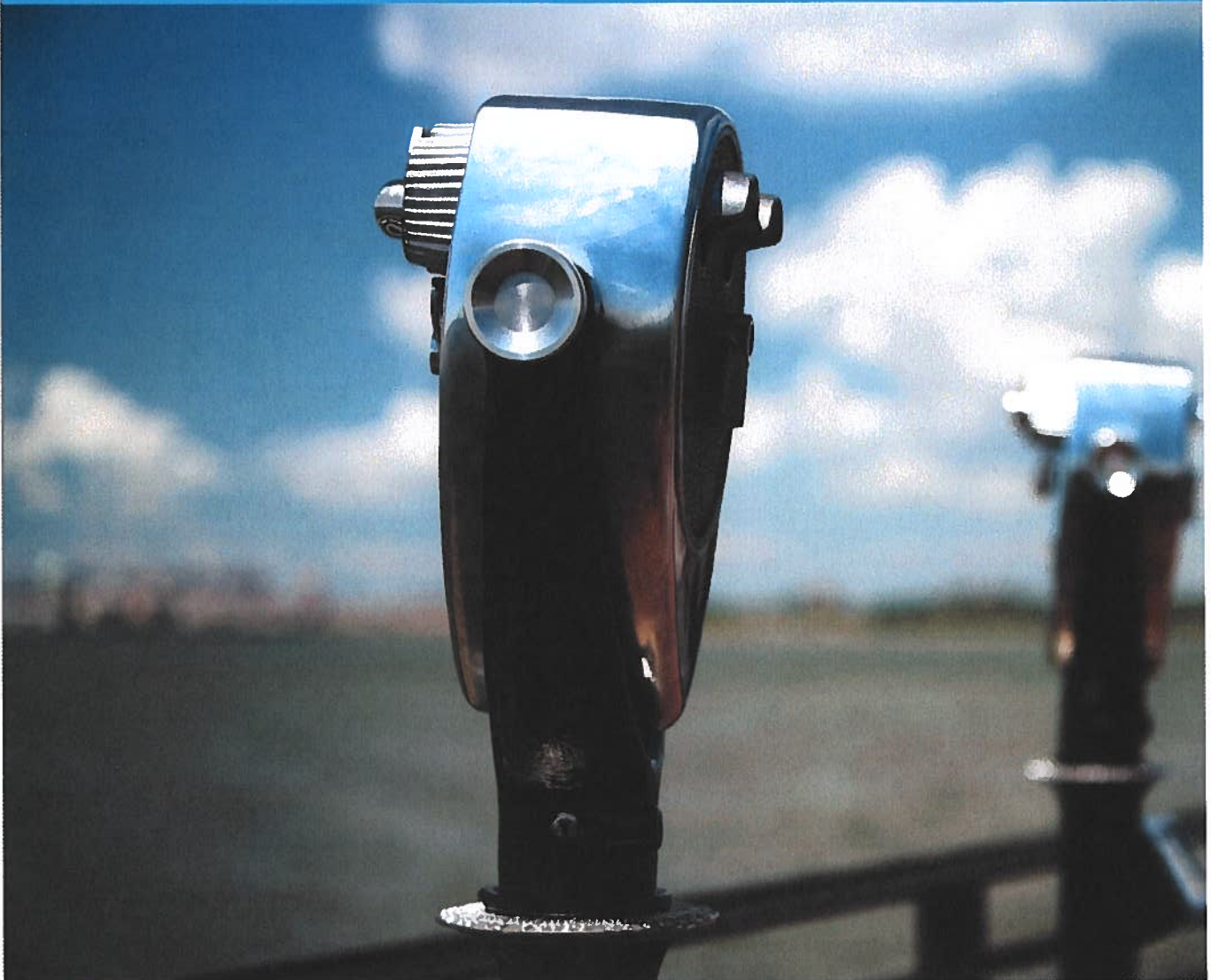
**Christopher Maphuta, Director of Finance**



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

# AUDIT PLANNING

June 30, 2013



The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Finance Committee) and, if appropriate, management of the Authority, and is not intended and shall not be used by anyone other than these specified parties.

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200 Ottawa Avenue NW, Suite 300  
Grand Rapids, MI 49503

September 20, 2013

Members of the Finance Committee  
Grand Rapids-Kent County Convention/Arena Authority

Professional standards require us to communicate with you regarding matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. This report provides an overview of our plan for the audit of the financial statements of Grand Rapids - Kent County Convention/Arena Authority (the Authority) as of and for the year ended June 30, 2013, including a summary of our overall objectives for the audit, and the nature, scope and timing of the planned audit work.

Should you desire further information concerning these matters, we will be happy to meet with you at your convenience.

Respectfully,

*BDO USA, LLP*

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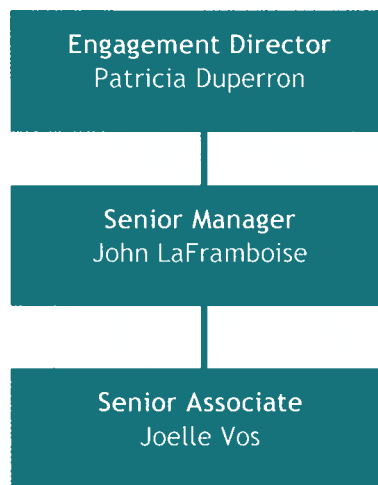
# Discussion Outline

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## Client Service Team

Our client service members for this year's audit services are listed in the organizational chart below. As a matter of policy, we attempt to provide continuity of service to our clients to the greatest extent possible. Where engagement team rotation is necessary, we will discuss this matter with those charged with governance if requested and determine the appropriate new individual to be assigned to the engagement based on particular experience, expertise and engagement needs.



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# Management's Responsibilities

Management is responsible for preparing, with the oversight of those charged with governance, the financial statements and disclosures in conformity with accounting principles generally accepted in the United States of America (GAAP) as of June 30, 2013. Management's responsibilities also include the following:

- Establish and maintain effective internal control over financial reporting and proper accounting records.
- Identify and ensure compliance with relevant laws and regulations.
- Safeguard the Authority's assets.
- Select appropriate accounting principles.
- Use reasonable judgments and accounting estimates.
- Ensure there are no significant financial statement disclosure deficiencies.
- Make all financial records and related information available to BDO.
- Record material audit adjustments, and affirm to BDO that the impact of uncorrected misstatements is immaterial to the financial statements taken as a whole.
- Provide BDO with a letter confirming representations made during the audit.

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# Engagement Objectives

Our objectives with respect to the audit of the Authority's annual financial statements are summarized below:

- Plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatements, whether caused by error or fraud. An audit in accordance with auditing standards generally accepted in the United States of America does not provide absolute assurance relative to or any guarantee of the accuracy of the financial statements and is subject to the inherent risk that errors or fraud, if they exist, may not be detected.
- Obtain a sufficient understanding of the Authority's internal control to plan the audit of the financial statements. However, such understanding is required for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
- Communicate our responsibilities in relation to the audit and establish an understanding of the terms of the engagement, including our engagement letter to you.
- Provide an overview of the overall audit strategy and planned scope and timing of the audit.
- Inquire of the Finance Committee about risks of material misstatement, including fraud risks, and whether the Finance Committee are aware of other matters that may be relevant to the audit such as violations or possible violations of laws or regulations and complaints or concerns raised regarding accounting or auditing matters.
- Consult regarding accounting and reporting matters as needed throughout the year.
- Communicate with management and the Finance Committee regarding significant deficiencies and material weaknesses identified during our audit and other timely observations that are significant and relevant to the financial reporting process.
- Work with management toward timely issuance of financial statements.
- Maintain our independence with respect to the Authority.
- Ensure that the Finance Committee is kept appropriately informed in a timely manner of the Authority's financial reporting matters; comply with professional standards as to communications with those charged with governance.

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# Overall Audit Strategy - Planned Scope

Overall, our audit strategy is to focus on higher risk areas of material misstatement (whether due to error or fraud) and other areas of concern for management and the Finance Committee.

Our audit strategy includes consideration of:

- Prior-year audit results along with interim results, including discussions with management and those charged with governance regarding the Authority's operations, business activities and risks.
- Inherent risk within the Authority (i.e., the susceptibility of the financial statements to material error or fraud) before recognizing the effectiveness of the control systems.
- A continual assessment of materiality thresholds based upon qualitative and quantitative factors affecting the Authority.
- Recent developments within the industry, regulatory environment and general economic conditions.
- Recently issued and effective accounting and financial reporting guidance.
- The Authority's significant accounting policies and procedures, including those requiring significant management judgments and estimates and those related to significant unusual transactions.
- The control environment, risk management and monitoring processes, and the possibility that the control systems and procedures may fail to prevent or detect a material error or fraud.
- Information about systems and the computer environment in which financial records and related systems operate.

Based upon our initial assessment, our audit will entail a combination of testing controls for reliance and substantive testing. The primary areas of focus in our overall audit strategy include the following:

- Cash and investments
- Revenue and receivables
- Capital assets
- Accrued liabilities and expenses
- Analytical procedures

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## Overall Audit Timeline

The following represents our anticipated schedule with regard to our audit of the annual financial statements of the Authority:

	Sept	Oct	Nov
Understand the Business	✓		
Planning Meeting	✓		
Assess Overall Controls	✓		
Determine Nature and Extent of Testing	✓		
Develop Audit Plans	✓		
Substantive Testing		✓	
Review Draft of Financial Statements			✓
Release of Final Financial Statements and Opinion			✓

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# Independence Communication

Our engagement letter to you dated September 20, 2013 describes our responsibilities in accordance with professional standards and certain regulatory authorities with regard to independence and the performance of our services. This letter also stipulates the responsibilities of the Authority with respect to independence as agreed to by the Authority. Please refer to that letter for further information.

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# Significant Accounting and Reporting Matters

## NEW PRONOUNCEMENTS

### **GASB STATEMENT NO. 60, ACCOUNTING AND REPORTING FOR SERVICE CONCESSION ARRANGEMENTS (SCA)**

This statement establishes accounting and reporting requirements for service concession arrangements (SCA).

- An SCA is an agreement between a government (transferor) and an operator in which the transferor conveys to the operator the right to provide services through use of infrastructure or another public asset in exchange for significant consideration and the operator collects fees from third parties. There are two types: public-private partnerships or public-public partnerships.
- Examples include toll roads, convention facilities and parking garages.
- Effective date: year ended June 30, 2013; however, the pronouncement is not expected to have any effect on the Authority's financial statements.

### **GASB STATEMENT NO. 61, THE FINANCIAL REPORTING ENTITY - OMNIBUS**

This statement addresses reporting entity issues that have arisen since the issuance of GASB statements Nos. 14 and 34. The proposed statement would modify certain requirements for inclusion of component units in the financial reporting entity.

- Component units previously included based on the fiscal dependency criteria would also have to show that financial benefit or burden relationship is present for it to be included as a component unit of the primary government.
- Clarifies how to determine whether to include a component unit if the primary government is not financially accountable (misleading to exclude).
- Disclosure requirements would include rationale for including each component unit.
- Effective date: year ended June 30, 2013; however, the pronouncement is not expected to have any effect on the Authority's financial statements.

### **GASB STATEMENT NO. 62, CODIFICATIONS OF PRIVATE SECTOR STANDARDS**

This pronouncement incorporates into GASB standards all relevant legacy guidance that does not contradict or conflict with GASB standards. The guidance included is:

- FASB Standards and interpretations issued before 11/30/89 (through FAS 102 and FIN 38).
- APB Opinions and ARB issued before 11/30/89 (through APB Opinion 31 and ARB 51).
- Excludes subsequent amendments to any of these pronouncements.
- Eliminates GASB 20 option for enterprise funds and business-type activities.
- Effective date: year ended June 30, 2013 and will require a minor wording change in the footnotes to the financial statements.



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# Significant Accounting and Reporting Matters

## ***GASB STATEMENT NO. 63, FINANCIAL REPORTING OF DEFERRED OUTFLOWS OF RESOURCES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION***

This pronouncement amends GASB Statement number 34 to incorporate these elements.

- Deferred outflows are consumptions of net assets that are applicable to a future reporting period and should be reported in a separate section following assets.
- Deferred inflows are acquisition of net assets that are applicable to a future reporting period and should be reported in a separate section following liabilities.
- Net position replaces net assets and represents the difference between all other elements.
- Effective date: year ended June 30, 2013 and will require minor changes to the financial statements.

## ***GASB STATEMENT NO. 65, ITEMS PREVIOUSLY REPORTED AS ASSETS AND LIABILITIES***

Requires certain items to be reclassified as deferred outflows or deferred inflows:

- Difference between the reacquisition price and the net carrying amount resulting from refunding debt should be reported as deferred outflows or deferred inflows.
- Property taxes received before the levy period should be reported as deferred inflows.
- Debt issuance costs should be recognized as an expense.
- Can no longer use the term “deferred revenue” in the financial statements.
- Effective date: year ending June 30, 2014.

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# BDO Resources

BDO is a national professional services firm providing assurance, tax, financial advisory, and consulting services to a wide range of publicly traded and privately held companies. Guided by core values including competence, honesty and integrity, professionalism, dedication, responsibility and accountability for 100 years, we have provided quality service and leadership through the active involvement of our most experienced and committed professionals.

The firm serves clients through 40 offices and more than 400 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multinational clients through a global network of 1,082 offices in 119 countries. BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. For further information, please refer to <http://www.bdo.com/about/>.

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## **BDO KNOWS FINANCIAL REPORTING LETTERS AND FLASH REPORTS**

Our *BDO Knows* financial reporting newsletters address significant financial reporting developments, relating to both public and private businesses, that occur throughout the year. In addition, our Flash reports are intended to highlight certain financial reporting developments in a timely and brief "flash" format.

## **TAX ALERTS AND NEWSLETTERS**

BDO's National Tax Organization (NTO) provides a multitude of alerts and newsletters spanning considerations involving expatriate, federal, state, and local jurisdictions and includes such areas as compensation and benefits, and credits and incentives. NTO further provides Tax Seminars/Webinars on a variety of topics, whose archives are readily available to clients and contacts.

## **INDUSTRY PUBLICATIONS**

BDO's industry publications are numerous and span the sectors of technology, finance, insurance, healthcare, retail and consumer products, not-for-profit and real estate, among many others.

For a complete listing of services, publications, archives of various webinars and events and other information regarding BDO, please visit <http://www.bdo.com/> for further information.

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- [Real Estate](#)
- [Retail & Consumer Products](#)
- [Technology & Life Sciences](#)

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

**RESOLUTION ELECTING TO EXTEND THE TERM OF THE  
MANAGEMENT AGREEMENT WITH SMG FOR THE FIRST  
RENEWAL TERM, AUTHORIZING THE NOTIFICATION OF SMG OF  
SUCH ELECTION, AND APPROVING AND AUTHORIZING  
EXECUTION OF A FIRST AMENDMENT TO MANAGEMENT  
AGREEMENT WITH SMG EXTENDING ITS TERM FOR THE PERIOD  
OF THE FIRST RENEWAL TERM**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_, moves  
the adoption of the following resolution:

**WHEREAS**, the Grand Rapids – Kent County Convention/Arena Authority (the “CAA”) and SMG have entered into a Management Agreement (the “Agreement”), and a First Addendum to Management Agreement (the “First Addendum” and collectively with the Agreement the “Management Agreement”) both dated and effective July 1, 2011, related to the promotion, operation, maintenance, marketing and management of the Van Andel Arena and DeVos Place and the performance of the additional services as set forth in Attachment A to the First Addendum; and

**WHEREAS**, the Initial Term of the Management Agreement will end of June 30, 2014; and

**WHEREAS**, Section 3.1(b) of the Agreement provides that the CAA Board of Directors (the “CAA Board”), in its sole discretion, may extend the term of the Management Agreement for a First Renewal Term, i.e. commencing July 1, 2014, and ending June 30, 2016, upon not less than 180 days’ written notice to SMG prior to the end of the Initial Term; and

**WHEREAS**, the CAA desires to extend the term of the Management Agreement for the period of the First Renewal Term and to direct that written notice of said election be given to SMG not less than 180 days prior to the end of the Initial Term: and

**WHEREAS**, the CAA further desires to approve and authorize the execution of a First Amendment to Management Agreement (the “First Amendment”) extending the term of the Agreement for the period of the First Renewal Term.

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the CAA Board elects to extend the term of the Management Agreement, i.e. both the Agreement and the First Addendum, for the period of the First Renewal Term, i.e. July 1, 2014, through June 30, 2016, pursuant to Section 3.1(b) of the Agreement.

2. That the Administrative Manager of the CAA is directed to provide written notice of such election not less than 180 days prior to June 30, 2014, in the form presented at this meeting in accordance with Sections 3.1(b) and 13.8 of the Agreement.

3. That the First Amendment in the form presented at this meeting is approved with such modifications not materially adverse to the CAA approved as to content by the Chairperson of the CAA Board (the “Chairperson”) or his designee and as to form by legal counsel and the Chairperson is authorized and directed to execute the approved First Amendment for and on behalf of the CAA.

4. That all resolutions and 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 1, 2013

---

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 1, 2013, 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 1, 2013

---

Susan M. Waddell  
Administrative Manager/Recording Secretary

**NOTICE OF ELECTION TO EXTEND TERM OF MANAGEMENT AGREEMENT  
BETWEEN THE GRAND RAPIDS – KENT COUNTY CONVENTION ARENA  
AUTHORITY AND SMG**

To:

SMG  
300 Conshohocken State Road, Suite 770  
West Conshohocken, PA 19428  
Attention: President

William R. Sasso, Esquire or  
Steven A. Scolari, Esquire  
Stradley, Ronon, Stevens & Young, LLP  
2600 One Commerce Square  
Philadelphia, PA 19103-7098

You are hereby notified that, pursuant to Section 3.1(b) of the Management Agreement dated as of July 1, 2011, between the Grand Rapids Kent County Convention/Arena Authority (the "CAA") and SMG, the CAA Board of Directors at a regular meeting held November 1, 2013, has elected to extend the term of the Management Agreement including the First Addendum to Management Agreement also dated as of July 1, 2011, and also between the CAA and SMG for the period of the First Renewal Term, i.e. commencing on July 1, 2014 at 12:01 a.m. and ending at midnight on June 30, 2016.

Dated: November 1, 2013

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

By: \_\_\_\_\_  
Susan M. Waddell  
Administrative Manager

## **FIRST AMENDMENT TO MANAGEMENT AGREEMENT**

**THIS FIRST AMENDMENT TO MANAGEMENT AGREEMENT** (the "First Amendment") is dated as of November 15, 2013, between the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY** (the "CAA") and **SMG**.

### **RECITALS**

A. The CAA and SMG have entered into a Management Agreement (the "Management Agreement") and a First Addendum to Management Agreement (the "First Addendum") both dated and effective as of July 1, 2011, related to the promotion, operation, maintenance, marketing and management of the Van Andel Arena and DeVos Place and the performance of additional service as set forth in Attachment A to the First Addendum.

B. The initial term of the Management Agreement and First Addendum will end June 30, 2014, and the CAA pursuant to the provisions of Section 3.1(b) has elected to extend the term of the Management Agreement including the First Addendum for the period of the First Renewal Term.

C. The CAA and SMG have agreed to enter into this First Amendment memorializing such extension.

**NOW, THEREFORE**, in further consideration of the promises, covenants and agreements in the Management Agreement and First Addendum, the parties hereto, intending to be legally bound, hereby agree as follows:

**Section 1. Extension of Term.** Pursuant to the provisions of Section 3.1(b) of the Management Agreement the term of the Management Agreement including the First Addendum is extended for the period of the First Renewal Term, i.e. commencing on July 1, 2014 at 12:01 a.m. and ending at midnight on June 30, 2016, unless earlier terminated pursuant to the provisions of the Management Agreement.

**Section 2. Ratification.** The Management Agreement including the First Addendum is in all other respects ratified and confirmed.

**IN WITNESS WHEREOF**, this First Amendment has been executed by the parties hereto as of the day and year first written above.

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

By: \_\_\_\_\_  
Steven R. Heacock  
Chairperson

**SMG**

By: \_\_\_\_\_

Its: \_\_\_\_\_





## Memorandum

**To:** CAA Board Members  
**From:** Rich MacKeigan, Executive Director  
**Date:** October 30, 2013  
**Re:** Health Insurance Options under Affordable Care Act

Convention

Arena

Authority

Steve Heacock,

Chairperson

Lew Chamberlin

Hon. George K. Heartwell

Birgit M. Klohs

Charlie Secchia

Floyd Wilson, Jr.

Richard A. Winn

The CAA's group health insurance under Priority Health is called a sole proprietor plan. These have been written in the past for groups who have only one eligible person. Under the Affordable Care Act, sole proprietor groups are no longer eligible for group coverage in 2014. As a result, the CAA's current group health plan will not be entitled to renew on July 1, 2014. The CAA's insurance agent, The Griswold Group, has identified a couple of options:

1) Let the plan continue until July of next year and look for an individual plan at that time. The Griswold Group would help with that process. One drawback of this approach is the CAA cannot pay the premiums directly so the employee loses the ability to pay the premiums with pre-tax dollars. The employee would have to pay the health premiums directly and then be reimbursed by the CAA.

2) Renew early (December 2013), adding another 5% to the premium, so the CAA can keep the plan until November 30, 2014, without any additional change. The increase would amount to \$29.17 per month, or \$350.04 annually. The early renewal deadline is November 1, 2013.

I am recommending that the CAA choose option 2). I think this provides the most consistency and comfort for the employee with a manageable increase, and will allow us (CAA and the employee) some time to see how things fall out. Should we opt to wait, I would foresee an increase to the cost of whichever plan is chosen as a likely scenario. A 5% increase is a manageable number in a very unpredictable environment.



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



**VAN ANDEL ARENA® WEEKLY**  
(Revised)

**Item 5**

DATE '13	EVENT	EC	MOD	ROOM	TIME	FUNCTION
Thur, Oct 24	Chris Tomlin	KP	CHRIS	Arena	8:30 AM 9:00 AM 2:00 PM 3:30 PM 5:00 PM 6:30 PM 7:30P-10P 9:30P	Floor mark Load-in Chair set Sound check Security meeting Doors Chris Tomlin w/Louie Giglio Load-out/Clean-up call
		AK		Banquet C/D	8A-8P	Backstage catering
Fri, Oct 25	Griffins vs. Charlotte	KP	LYNNE	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey Game
		RM		Banquet B/C	5:30P-8:30P	Season Tix Holder Calder Cup Photo Op
	KS	Crease Club		6P-8P	Dance club	
		West Nest		6P-9:30P	Banquet	
		Suite 120A		6P-9:30P	Banquet	
		Studio Dance		KS		
All Phase Electric						
Mr. E's Liquid						
Sat, Oct 26	Available					
Sun, Oct 27	Available					
Mon, Oct 28	Available					
Tue, Oct 29	Available					
Wed, Oct 30	Griffins vs. Charlotte	KP	CHRIS	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey Game
				Banquet B	5:30P-7P	Season Tix Holder Rookie Camp
		Banquet C		6P-7P	Banquet	
		MOS Corner Office		6P-9:30P	Banquet	
		Suite 101A		6P-9:30P	Banquet	
		Mark Beach				
FedEx Custom Critical						
WestCore Investments						
Thur, Oct 31	Available					
Fri, Nov 1	Available					
Sat, Nov 2	Available					
Sun, Nov 3	Available					
Mon, Nov 4	Available					
Tue, Nov 5	Available					
Wed, Nov 6	Griffins vs. Rockford	KP		Arena	10:00 AM 11A-1:30P	Doors Hockey Game
				Banquet B/C	10A-12P	Senior Bingo
	KS	Suite 101A		10A-1:30P	Banquet	
		Suite 101B		10A-1:30P	Banquet	
		Suite 120A		10A-1:30P	Banquet	
		Amway				
Aaron's Restoration						
Amway IT						
Thur, Nov 7	Sesame Street Live	KP		Arena	8:00 AM	Load-in
Fri, Nov 8	Sesame Street Live	KP		Arena	6:30 PM	Performance
Sat, Nov 9	Sesame Street Live	KP		Arena	10:30 AM 2:00 PM	Performance Performance
Sun, Nov 10	Sesame Street Live	KP		Arena	1:00 PM 4:30 PM	Performance Performance
Mon, Nov 11	Available					
Tue, Nov 12	Available					
Wed, Nov 13	Available					
Thur, Nov 14	Black Box Services	AK		Banquet B/C	11A-2P	Luncheon
Fri, Nov 15	Griffins vs. Rockford	KP		Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey Game
		KS		West Nest	6P-9:30P	Banquet
	East Nest			6P-9:30P	Banquet	
	MOS Corner Office			6P-9:30P	Banquet	
	Suite 101A/B			6P-9:30P	Banquet	
	All Phase Electric					
Spectrum Health						
MOS						
Nichol's Paper & Supply						

Sat, Nov 16	Available					
Sun, Nov 17	Available					
Mon, Nov 18	Available					
Tue, Nov 19	Available					
Wed, Nov 20	Griffins vs. Milwaukee	KP		Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey Game
	Siemens	KS		Banquet B/C	5:30P-7P	Banquet
	Configura			East Nest	6P-9:30P	Banquet
	Johnson Controls			MOS Corner Office	6P-9:30P	Banquet
	Nestlé Purina PetCare Co			Suite 101A	6P-9:30P	Banquet
Thur, Nov 21	Available					
Fri, Nov 22	Available					
Sat, Nov 23	Available					
Sun, Nov 24	Available					

# DEVOSPLACE

WEEKLY - 2013

DATE	EVENT NAME	ROOMS IN USE	TIME	DETAILS	EC	EST. ATTEND.
FRI NOV 1	Amway New Platinum Conference	Monroe A-D Exhibit Hall A Lyon Dock MI Dock Building	4:00 am- 6:00 pm 8:00 am 4:00 pm- 5:00 pm 4:00 pm- 5:00 pm 6:00 pm	Office Tear-Down Production Strike Pick Up Pick Up Client activities done for the day	JD	N/A
	Ferris Foundation Board of Directors Meeting	Grand Gallery DE Grand Gallery ABC Grand Gallery DE	7:30 am 8:00 am - 8:30 am 8:30 am - 12:00 pm 12:00 pm - 2:30 pm	Client Arrival Continental Breakfast Board of Directors Business Meeting Food and Beverage for staff setting up in Ballroom BCD	RP	35
	Ferris Fundraising Banquet	Lyon Loading Dock / Ballroom A-D Lyon Loading Dock / Ballroom A-D  Ballroom A-D Grand Gallery DE  Monroe Street Entrance Ballroom D Coat Room River Overlook Lobby & Secchia Lobby Ballroom A-D	8:00 am 8:30 am 9:30 am 12:00 pm 1:00 pm  2:00 pm 5:00 p.m. - 10:00 pm 5:00 p.m. - 10:00 pm 5:30 pm 6:45 pm 7:00 pm 9:30 pm - 10:00 pm  10:00 pm - 10:30 pm 10:00 pm	Production Load In RSVP Event arrival Client Arrival Staff and volunteer arrival Lunch Volunteer begin setting up registration/ centerpieces/signage Production Rehearsal Valet operated by Ellis on Monroe Street Coat check operated by Ferris volunteers Guest arrival for cocktail receptions Guests are ushered into Ballroom for dinner Dinner Program ends. Guests will filter out and have photo opportunity with VIP guest Volunteers begin tear down RSVP Arrival for tear down	RP	700
	National Heritage Academies (NHA)	Grand Gallery EH C Storage Pre-Function Spaces BALL A, EHs B C, GGOL A-H BALL A, EHs B C, GGOL A-H BALL A, EHs B C, GGOL A-H BALL A, EHs B C, GGOL A-H	7:30 am 7:30 am- 3:00 pm 8:30 am- 9:00 am 9:00 am- 12:30 pm 12:30 pm- 1:15 pm 1:15 pm- 3:00 pm 3:00 pm 3:30 pm	Client Arrival New Mom's Room Light Snack Sessions Lunch Sessions Production Load Out Client Departure	JD	300
	Silver Line Construction	work in front of DeVos Place	8:00AM-11:59PM	All traffic will be shifted to the east for a few days and then down to a single lane closure in front of the station	RW	
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
	OGR A Streetcar named Desire	DeVos Performance Hall  Orchestra Seating	6:00pm 6:30pm 6:30pm - 7:00pm 7:00pm 7:30pm - 10:30pm	Outside Doors Open Lobby Open Pre Opera Talk Seating Open Performance	AK	1,200
SAT. NOV 2	BOAR'S HEAD PROVISIONS CASINO	BALL A-D	8:00AM-11:59PM	RECEPTION	ES	

# DEVOSPLACE

WEEKLY - 2013

NIGHT	BUS CNTR WELSH SECCHIA	RECEPTION RECEPTION RECEPTION		
Talent on Parade	GG EF GG EF GG EF	8:00am-11:59pm 8:00am-11:59pm 8:00am-11:59pm	Client Arrival Client Load In Client Departure	EK
Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW
OGR A Streetcar named Desire	DeVos Performance Hall Orchestra Seating DeVos Performance Hall/Lyon Dock	6:00pm 6:30pm 6:30pm - 7:00pm 7:00pm 7:30pm - 10:30pm 10:30pm - 2:30am	Outside Doors Open Lobby Open Pre Opera Talk Seating Open Performance Move Out	AK
SUN. NOV 3	FALL SPECTRUM HEALTH SYSTEMS LEADERSHIP CONFERENCE	8:00AM-11:59PM	SETUP	AK
Talent on Parade	Ballroom C, D, GG EF Ballroom C, D, GG EF Ballroom C, D Pre-Function Ballroom C, D, GG EF Off Site Ballroom C, D, GG EF Ballroom C, D, GG EF Ballroom C, D, GG EF	5:30am 5:30am-7:00am 7:00am-8:00am 8:00am-12:00pm 12:00pm-1:00pm 1:00pm-6:30pm 6:30pm-8:00pm 8:00pm	Client Arrival Client Setup Registration Lunch Sessions Client Load Out Client Departure	EK
Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW
MON. NOV 4	Skywalk is Closed	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW
BGR PRESENTS IN THE MOOD	DVPH	8:00AM-11:59PM	PERFORMANCE	AK
TUES. NOV 5	YWCA TRIBUTE! Awards	12:00pm-4:00pm	Production Load In/Setup	EK
FALL SPECTRUM HEALTH SYSTEMS LEADERSHIP CONFERENCE	DVPH GG Lobby	8:00AM-11:59PM	MEETING	AK
Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW
WED. NOV 6	YWCA TRIBUTE! Awards	9:00am 9:00am-10:00am 10:00am 10:30am 11:00am-12:00pm 11:30am 11:50am	Client Arrival Client Setup Volunteer Arrival Speaker Rehearsal Registration Doors Open Catering Captain to ring signal bell	EK

		Ballroom AB Ballroom AB Ballroom AB Ballroom AB Ballroom AB Ballroom AB	11:55am 12:00pm 12:21 pm 12:43pm 1:30pm 1:30pm-3:00pm 3:00pm	Catering Captain to ring signal bell Program Commences Lunch Starts Program Resumes Program Concludes A/V Strike and Load out Client Departure		
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	
	GHOST BROTHERS OF DARKLAND COUNTY	DVPH	8:00AM-11:59PM	PERFORMANCE	AK	
THURS. NOV 7	WOLVERINE WORLDWIDE EVENT	BUS CNTR EH ABC	8:00AM-11:59PM 8:00AM-11:59PM	EMPTY SETUP	RH	
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	
	Roof Work	Crane on the south side of Lyon in front of the Welsh entrance	7:30 AM - 8:30 AM	Need to set a crane again on the south side of Lyon in front of the Welsh entrance to remove roof materials from the roof. Looking at 730a on November 7 For 1 hour.	RW	
FRI NOV 8	CITY MANAGERS MEETING	GG A	8:00AM-11:59PM 8:00AM-11:59PM	MEETING MEETING	RP	
	WOLVERINE WORLDWIDE EVENT	BUS CNTR EH ABC	8:00AM-11:59PM 8:00AM-11:59PM	EMPTY SETUP	RH	
	STATEWIDE SPORTS MANAGEMENT SUMMIT	BALL BCD CHASE BDRM RO A-F	8:00AM-11:59PM 8:00AM-11:59PM	CONFERENCE CONFERENCE CONFERENCE	RP	
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	
	GRAND RAPIDS SYMPHONY POPS: "PIXAR IN CONCERT"	DVPH	8:00AM-11:59PM	PERFORMANCE	AK	
SAT. NOV 9	2013 SIGNATURE CHEF AUCTION	STEELCASE BALL COAT CLOSET	8:00AM-11:59PM 8:00AM-11:59PM	BANQUET STORAGE	RP	
	WOLVERINE WORLDWIDE EVENT	BUS CNTR EH ABC	8:00AM-11:59PM 8:00AM-11:59PM	EMPTY SETUP	RH	
	STATEWIDE SPORTS MANAGEMENT SUMMIT	BALL BCD CHASE BDRM RO A-F	8:00AM-11:59PM 8:00AM-11:59PM	CONFERENCE CONFERENCE CONFERENCE	RP	
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	
	GRAND RAPIDS SYMPHONY POPS: "PIXAR IN CONCERT"	DVPH	8:00AM-11:59PM	PERFORMANCE	AK	
EH A-C = Exhibit Halls A-C BALL A-D = Ballroom A-D	GG A-F = Grand Gallery Meeting Rooms A-F RO A-F = River Overlook A-F	GGO A-H = Overlook Meeting Rooms A-H MON A-D = Monroe Meeting Rooms DVPH = DeVos Performance Hall				3

SUN. NOV 10	2013 SIGNATURE CHEF AUCTION	STEELCASE BALL COAT CLOSET	8:00AM-11:59PM 8:00AM-11:59PM	BANQUET STORAGE	RP	
	WOLVERINE WORLDWIDE EVENT	BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F Between Panera and Mlive	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 24/7 Until December 3 <sup>rd</sup>	SETUP SETUP SETUP SETUP SETUP SETUP SETUP 10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup> PERFORMANCE	RH	
	Skywalk is Closed				RW	
	GRAND RAPIDS SYMPHONY POPS: "PIXAR IN CONCERT"	DVPH	8:00AM-5:59PM	PERFORMANCE	AK	
	GABRIEL IGLESIAS	DVPH	6:30PM – 7:00 PM 7:00 PM 8:00 PM	SETUP DOORS OPEN PERFORMANCE	AK	
MON. NOV 11	2013 SIGNATURE CHEF AUCTION	STEELCASE BALL COAT CLOSET	8:00AM-11:59PM 8:00AM-11:59PM	BANQUET STORAGE	RP	N/A
	WOLVERINE WORLDWIDE EVENT	BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F Between Panera and Mlive	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 24/7 Until December 3 <sup>rd</sup>	SETUP SETUP SETUP SETUP SETUP SETUP SETUP 10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup> PERFORMANCE	RH	
	Skywalk is Closed				RW	N/A
TUES. NOV 12	WOLVERINE WORLDWIDE EVENT	BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F	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 24/7 Until December 3 <sup>rd</sup>	CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION SHOW OFFICE DINNER RECEPTION REGISTRATION 10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup> PERFORMANCE	RH	
	ANNUAL SCHOLARSHIP DINNER – CALVIN COLLEGE	BALL A STEELCASE SECCHIA WELSH LOBBY Between Panera and Mlive	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 24/7 Until December 3 <sup>rd</sup>		EK	N/A
	Skywalk is Closed				RW	N/A
	BROADWAY GRAND RAPIDS PRESENTS "WEST SIDE STORY"	DVPH	8:00AM-11:59PM	PERFORMANCE	AK	
WED. NOV 13	WOLVERINE WORLDWIDE EVENT	BALL A COAT BALL D COAT	8:00AM-11:59PM 8:00AM-11:59PM	CONVENTION CONVENTION	RH	

			STEELCASE BALL A-D BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F	Between Panera and Mlive	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 8:00AM-11:59PM 8:00AM-11:59PM	CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION			
	Skywalk is Closed				24/7 Until December 3 <sup>rd</sup>	8:00AM-11:59PM	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
	BROADWAY GRAND RAPIDS PRESENTS "WEST SIDE STORY"			DVPH		8:00AM-11:59PM	PERFORMANCE	AK	
THURS. NOV 14	WOLVERINE WORLDWIDE EVENT		BALL A COAT BALL D COAT STEELCASE BALL A-D BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	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 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION	RH	
	Skywalk is Closed				24/7 Until December 3 <sup>rd</sup>	8:00AM-11:59PM	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
	BROADWAY GRAND RAPIDS PRESENTS "WEST SIDE STORY"			DVPH		8:00AM-11:59PM	PERFORMANCE	AK	
FRI. NOV 15	WOLVERINE WORLDWIDE EVENT		BALL A COAT BALL D COAT STEELCASE BALL A-D BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	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 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION	RH	
	Skywalk is Closed				24/7 Until December 3 <sup>rd</sup>	8:00AM-11:59PM	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
	BROADWAY GRAND RAPIDS PRESENTS "WEST SIDE STORY"			DVPH		8:00AM-11:59PM	PERFORMANCE	AK	
SAT. NOV 16	WOLVERINE WORLDWIDE EVENT		BALL A COAT BALL D COAT STEELCASE		8:00AM-11:59PM	8:00AM-11:59PM	CONVENTION CONVENTION CONVENTION	RH	

EH A-C = Exhibit Halls A-C  
BALL A-D = Ballroom A-D

GG A-F = Grand Gallery Meeting Rooms A-F

GGO A-H = Overlook Meeting Rooms A-H  
MON A-D = Monroe Meeting Rooms

DVPH = DeVos Performance Hall



# DEVOSPLACE

WEEKLY - 2013

			BALL A-D BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F	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	CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION		
	Skywalk is Closed		Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup> .	RW	N/A
	BROADWAY GRAND RAPIDS PRESENTS "WEST SIDE STORY"		DVPH	8:00AM-11:59PM	PERFORMANCE	AK	
SUN. NOV 17	WOLVERINE WORLDWIDE EVENT		BALL A COAT BALL D COAT STEELCASE BALL A-D BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F	: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 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION	RH	
	Skywalk is Closed		Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup> .	RW	N/A
	BROADWAY GRAND RAPIDS PRESENTS "WEST SIDE STORY"		DVPH	8:00AM-11:59PM	PERFORMANCE	AK	
MON. NOV 18	2013 WINE & FOOD FESTIVAL		MON A-D,	8:00AM-11:59PM	SETUP	JD	N/A
	WOLVERINE WORLDWIDE EVENT		BALL A COAT BALL D COAT STEELCASE BALL A-D BUS CNTR CHASE EH A-C GG A-F GGO A-H MON A-D RO A-F	: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 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION CONVENTION	RH	
	Skywalk is Closed		Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup> .	RW	N/A
TUES. NOV 19	2013 WINE & FOOD FESTIVAL		MON A-D,	8:00AM-11:59PM	SETUP	JD	N/A
	WOLVERINE WORLDWIDE EVENT		EH ABC	8:00AM-11:59PM	TEARDOWN	RH	

# DEVOSPLACE

WEEKLY - 2013

	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
WED. NOV 20	2013 WINE & FOOD FESTIVAL	STEELCASE, CHASE, GG A-F, GGO A-H, MON A-D RO A-F, EH ABC	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	PUBLIC PUBLIC PUBLIC PUBLIC PUBLIC TEARDOWN	JD	N/A
	WOLVERINE WORLDWIDE EVENT		8:00AM-11:59PM		RH	
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
THURS. NOV 21	2013 WINE & FOOD FESTIVAL	STEELCASE, CHASE, GG A-F, GGO A-H, MON A-D RECITAL RO A-F,	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	PUBLIC PUBLIC PUBLIC PUBLIC PUBLIC PUBLIC	JD	Ticket Takers 3:30 pm- 9:30 pm
	CHAIRMAN'S RECEPTION - 2013 WINE & FOOD FESTIVAL	GGO AB	8:00AM-11:59PM	RECEPTION	JD	N/A
	WOLVERINE WORLDWIDE EVENT	EH ABC	8:00AM-11:59PM	TEARDOWN	RH	
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
FRI. NOV 22	2013 WINE & FOOD FESTIVAL	STEELCASE, CHASE, GG A-F, GGO A-H, MON A-D RECITAL HALL RO A-F,	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	PUBLIC PUBLIC PUBLIC PUBLIC PUBLIC PUBLIC	JD	Ticket Takers 3:30 pm- 9:30 pm
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
	MOZART'S REQUIM	DVPH	8:00AM-11:59PM	PERFORMANCE	AK	
SAT. NOV 23	2013 WINE & FOOD FESTIVAL	STEELCASE, CHASE, GG A-F, GGO A-H, MON A-D RECITAL HALL RO A-F,	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	PUBLIC PUBLIC PUBLIC PUBLIC PUBLIC PUBLIC	JD	Ticket Takers 11:30 am- 9:30 pm

# DEVOS-PLACE

WEEKLY - 2013

	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
	MOZART'S REQUIM	DVPH	8:00AM-11:59PM	PERFORMANCE	AK	
SUN. NOV 24	2013 WINE & FOOD FESTIVAL	STEELCASE, CHASE, GG A-F, GGO A-H, MON A-D, RO A-F,	8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM 8:00AM-11:59PM	MOVE OUT MOVE OUT MOVE OUT MOVE OUT MOVE OUT	JD	N/A
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
MON. NOV 25	2013 WINE & FOOD FESTIVAL	MON A-D,	8:00AM-11:59PM	WINE CELLAR	JD	N/A
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
TUES. NOV 26	2013 WINE & FOOD FESTIVAL	MON A-D,	8:00AM-11:59PM	WINE CELLAR	JD	N/A
	MID-AMERICAN US OIREAHTAS	EH C	7:00AM-11:59PM	WOOD DROP OFF	JD	N/A
	MEL TROTTER MINISTRIES THANKSGIVING BANQUET	EH A EH B	8:00AM-11:59PM 8:00AM-11:59PM	SETUP SETUP	RP	N/A
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
WED. NOV 27	2013 WINE & FOOD FESTIVAL	MON A-D,	8:00AM-11:59PM	WINE CELLAR	JD	N/A
	MID-AMERICAN US OIREAHTAS	STEELCASE BALL EH C GG BCDEF	7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM	SETUP SETUP SETUP	JD	N/A
	MEL TROTTER MINISTRIES THANKSGIVING BANQUET	EH A EH B	8:00AM-11:59PM 8:00AM-11:59PM	SETUP SETUP	RP	N/A
	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
THURS. NOV 28	2013 WINE & FOOD FESTIVAL	STEELCASE, MON A-D,	MON A-D,	8:00AM-11:59PM	JD	N/A
	MID-AMERICAN US OIREAHTAS	STEELCASE BALL EH C GG BCDEF GG A	7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM	SETUP SETUP SETUP SETUP	JD	N/A
	MEL TROTTER MINISTRIES THANKSGIVING BANQUET	EH A EH B GG A	8:00AM-11:59PM 8:00AM-11:59PM 11:59PM	BANQUET HOT BOXES STORAGE	RP	N/A

EH A-C = Exhibit Halls A-C GG A-F = Grand Gallery Meeting Rooms A-F

BALL A-D = Ballroom A-D RO A-F = River Overlook A-F

GGO A-H = Overlook Meeting Rooms A-H

MON A-D = Monroe Meeting Rooms

DVPH = DeVos Performance Hall

# DEVOS-PLACE

WEEKLY – 2013

	Skywalk is Closed	Between Panera and Mlive	24/7 Until December 3 <sup>rd</sup>	10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RW	N/A
FRI NOV 29	2013 WINE & FOOD FESTIVAL	MON A-D,	8:00AM-11:59PM	WINE CELLAR	JD	N/A
	MID-AMERICAN US OIREACHTAS	STEELCASE BALL EH B EH C GG ABCDEF GGO A GGO B GGO C GGO D GGO E GGO F GGO G GGO H	7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM	MEETING MEETING MEETING MEETING MEETING MEETING MEETING MEETING MEETING MEETING MEETING	JD	N/A
	MEL TROTTER MINISTRIES THANKSGIVING BANQUET Skywalk is Closed	EH A EH B Between Panera and Mlive	8:00AM-11:59PM 8:00AM-11:59PM 24/7 Until December 3 <sup>rd</sup>	SETUP SETUP 10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RP	N/A
	STRAIGHT NO CHASER	DVPH	7:00AM-11:59PM	PERFORMANCE	AK	
SAT. NOV 30	2013 WINE & FOOD FESTIVAL	MON A-D,	8:00AM-11:59PM	WINE CELLAR	JD	N/A
	MID-AMERICAN US OIREACHTAS	STEELCASE BALL EH B EH C GG ABCDEF GGO A GGO B GGO C GGO D GGO E GGO F GGO G GGO H	7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM 7:00AM-11:59PM	MEETING MEETING MEETING MEETING MEETING MEETING MEETING MEETING MEETING MEETING MEETING	JD	N/A
	MEL TROTTER MINISTRIES THANKSGIVING BANQUET Skywalk is Closed	EH A EH B Between Panera and Mlive	8:00AM-11:59PM 8:00AM-11:59PM 24/7 Until December 3 <sup>rd</sup>	SETUP SETUP 10/9/13 - Skywalk Is 100 Percent Closed Right Now Between Panera And Mlive Until Approximately December 3 <sup>rd</sup>	RP	N/A