

Agenda

Board of Directors

Friday, November 5, 2021
Following CAA Finance Committee Meeting
Kent County Administration Building
300 Monroe, NW • Grand Rapids, MI 49503

- | | | |
|----|---|----------------|
| 1. | Call to Order | Richard Winn |
| 2. | Minutes of October 1, 2021 | Action |
| 3. | Committee Reports | |
| | A. Operations Committee | |
| | i. Experience Grand Rapids Report | Information |
| | B. Finance Committee | |
| | i. Consolidated Financial Statement for Period Ending 9/30/21 | Action |
| | ii. ASM Global Financial Statements for Period Ending 9/30/21 - DeVos Place® and Van Andel Arena® | Information |
| 4. | Independent Contractor Agreement with McConomy Properties, LLC | Action |
| 5. | Auto Parking System Periodic Reporting | Information |
| 6. | Calendar Update from ASM Global | Rich MacKeigan |
| 7. | Public Comment | |
| 8. | Board Member Comments | |
| 9. | Adjournment | |

Next Meeting Date: Friday, December 3, 2021
Joint Board and Committee Meeting

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS
300 MONROE AVENUE, NW | GRAND RAPIDS, MI
FRIDAY, OCTOBER 1, 2021**

Attendance:

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

Members Absent: Birgit Klohs
Floyd Wilson, Jr.

Staff/Others:	Kate Carlson	<i>MIBiz</i>
	Eric DeLong	City of Grand Rapids
	Jeff Dood	Kent County
	Scott Gorsline	DP Fox
	Tim Gortsema	Grand Rapids Griffins
	Jen Henkel	ASM Global
	Jennifer Kasper	City of Grand Rapids
	Mike Lloyd	Broadway Grand Rapids
	Chris Machuta	ASM Global
	Rich MacKeigan	ASM Global
	Cheri McConomy	McConomy Properties, LLC
	Doug Small	Experience Grand Rapids
	Eddie Tadlock	ASM Global
	John Van Houten	Progressive AE
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Mark Washington	City of Grand Rapids
	Richard Wendt	Dickinson Wright
	Robert White	CAA
	Jessica Wood	Dickinson Wright
	Paul Ymker	Bluewater Technologies

1. Call to Order

Chairperson, Richard Winn, called the meeting to order at 8:40 a.m. Staff recorded the meeting minutes.

2. Welcome New CAA Board Member and New Kent County Administrator

Chair Winn welcomed Mandy Bolter, new CAA Board member, and Al Vanderberg, the new Kent County Administrator.

3. Minutes of Prior Meetings

*Motion by Mr. Chamberlin, support by Mr. Secchia, to approve the September 9, 2021, Board Minutes.
Motion carried.*

4. Committee Reports

A. Operations Committee

Chair Chamberlin stated there was nothing new to report.

B. Finance Committee

i. Consolidated Financial Statement for Period Ending August 31, 2021

Mr. White referred to dashboard and stated that the prior year operating income loss was \$765,561. The budget for the first two months of this fiscal year forecast a loss of \$778,363. The actual year-to-date in the first two months is just over \$7.3 million, which includes the \$8.2 million grant awarded by the SBA. Without the grant, the loss would have been \$874,00, which is slightly behind budget. The full-year budget for operating loss is \$1.2 million. Assumably, the operating losses decrease drastically for October, November, and December. The capital budget last year for the first two months spent \$722,085, and the capital budget this year-to-date was very nominal at \$10,754. The full year budget for capital repair and replacement is \$1.1 million. The CAA is the recipient of an SBA supplemental grant of \$1.8 million that should be received within the next month.

Chair Winn asked Mr. Machuta, considering the upcoming events that have been booked, how that will pair up to the original budget. Mr. Machuta stated that the CAA Board passed a conservative budget and, if all the shows play-off, the CAA should be in a good position. The budget is a worst-case scenario. From the Arena perspective, there is a negative variance compared to prior year that will carry through for the first quarter. There was some balance remaining for permanent advertising and premium seating that was amortized for the first three months of last fiscal year that we have not seen for the first three months of this fiscal year. Those revenue streams will pick up in October for the current fiscal year and will start to balance out. Parking revenues will improve, as well. The quarterly roll will be presented next month.

Motion by Mr. Chamberlin, support by Ms. Bliss, to accept the consolidated financial statement for the period ending August 31, 2021. Motion carried.

ii. ASM Global Financial Statements – DeVos Place® and Van Andel Arena® For the Period Ending August 31, 2021

The financial statements were included as information items.

5. ASM Global Report and Facilities Calendars

Mr. Machuta stated that Rehmann has completed the ASM Special Purpose Statements for FY 2021.

6. Public Comment

None.

7. Board Member Comments

Ms. Bliss welcomed Mandy Bolter to the CAA Board and thanked the ASM team for remaining optimistic and resilient during the pandemic.

Ms. Bolter is excited to represent the County on the CAA Board and report the good news back to the County Commission.

8. Adjournment

The meeting adjourned at 9:00 a.m. The next CAA Board meeting is Friday, November 5, 2021.

Susan M. Waddell, Recording Secretary



Consolidated Financial Report
September 30, 2021

	Page
Dashboard	1
Summary by Facility	
Rolling Forecast	2
Monthly Capital Status	3
Year-to-Date Comparable	4
Trend Analysis	
Monthly Net Operating Proceeds - FY21 & FY22	5
Lagging 12 Months Net Operating Proceeds	6
Significant Notes	7
Administrative Accounts	
Year-to-Date Comparable	8
Special Accounts	
Federal CARES Allotment (County)	9



Financial Dashboard
Year-To-Date (3Month)
September 30, 2021

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	2		4			3
Attendance			17,548			14,699
Event Income	\$ 18,894		\$ 317,677			\$ 257,187
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events		56	64		45	20
Attendance		64,010	22,866		50,160	5,830
Event Income	\$ (3,226)	\$ 554,242	\$ 637,711		\$ 412,395	\$ 261,178
			Prior Year	Budget	Actual	
Operating Income (Loss)			\$ (986,559)	\$ (1,309,804)	\$ 7,354,546	
Capital/Repair/Replacement			(768,255)			
Net - To/(From) on Fund Balance			\$ (1,754,814)	\$ (1,309,804)	\$ 7,354,546	

***NOTES:**

(1) Unrestricted Fund Balance at June 30, 2021 (preliminary, subject to audit) - \$13.8 million.

(2) Excluding the \$8.2 million SBA grant, the 9/30 year-to-date performance - (\$847,719).

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

	FY 2022			
	7/1 - 09/30			
	Year-to-Date	Roll	Estimate⁽¹⁾	Budget
Van Andel Arena				
Operating - Revenues	\$ 385,206	\$ 4,807,167	\$ 5,192,373	\$ 4,746,644
- Expenses - Facilities	(726,484)	(3,602,061)	(4,328,545)	(4,330,348)
- Base Management Fees	(45,085)	(140,663)	(185,748)	(183,945)
- Incentive Fee	-	-	-	-
Net Operating Income (Loss)	(386,363)	1,064,443	678,080	232,351
Parking	91,739	187,250	278,989	278,989
Pedestrian Safety	(1,134)	(63,866)	(65,000)	(65,000)
Net Proceeds (Cost) of VAA	(295,758)	1,187,827	892,069	446,340
DeVos Place Convention Center				
Operating - Revenues	657,004	3,742,406	4,399,410	4,143,265
- Expenses - Facilities	(1,303,844)	(4,419,559)	(5,723,403)	(5,725,206)
- Base Management Fees	(45,085)	(140,663)	(185,748)	(183,945)
- Incentive Fee	-	-	-	-
Net Operating Income (Loss)	(691,925)	(817,816)	(1,509,741)	(1,765,886)
Parking	228,221	534,790	763,011	763,011
Pedestrian Safety	(1,318)	(34,682)	(36,000)	(36,000)
Net Proceeds (Cost) of DVP	(465,022)	(317,708)	(782,730)	(1,038,875)
Other				
Revenues	8,212,812	2,060,188	10,273,000 ⁽³⁾	273,000
Expenses	(97,486)	(781,014)	(878,500)	(878,500)
Net Other	8,115,326	1,279,174	9,394,500	(605,500)
Total Net Proceeds/Operating	7,354,546	2,149,293	9,503,839	(1,198,035)
Capital/Repair Expenditures	-	(1,056,567)	(1,056,567)	(1,056,567)
Results Net of Capital/Repair Expenditures	\$ 7,354,546	\$ 1,092,726	\$ 8,447,272	\$ (2,254,602)

Notes:

- (1) A first quarter Roll will be compiled as a part of the September financial report and presented at the November Board meeting.
(2) Includes an approved (9/9/21 agenda) budget amendment to provide for several capital project balances (\$86,455) carried over from the June 2021 consolidated financial report for details.
(3) Includes a \$10M - Small Business Administration/Shuttered Venues Operator Grant

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

FY 2022 Eligible Projects:		Budget	Actual 7/1-09/30	Roll	Appropriation Lapse
Van Andel Arena®					
Total VAA		-	-	\$ -	-
DeVos Place®					
	Lyon Street Landscape	200,000	-	200,000	-
Total DVP		200,000	-	200,000	-
Both Venues				-	
Carryover (FY20) Projects					
DVP	Building Maintenance Software-HVAC	43,740	-	43,740	-
DVP	Additional Furniture	30,580	-	30,580	-
VAA	Security Upgrades	12,135		12,135	-
VAA	Suite Refresher	370,112	-	370,112	-
DVP	Lyon Street Landscaping	400,000	-	400,000	-
Total Carryover		856,567		856,567	-
Total Unrestricted Accounts		1,056,567		1,056,567	-
COVID-19 County Grant (Restricted Account)		48,620	1,380	47,240	-
Total FY 2021 Capital Budget		\$ 1,105,187	\$ 1,380	\$ 1,103,807	\$ -

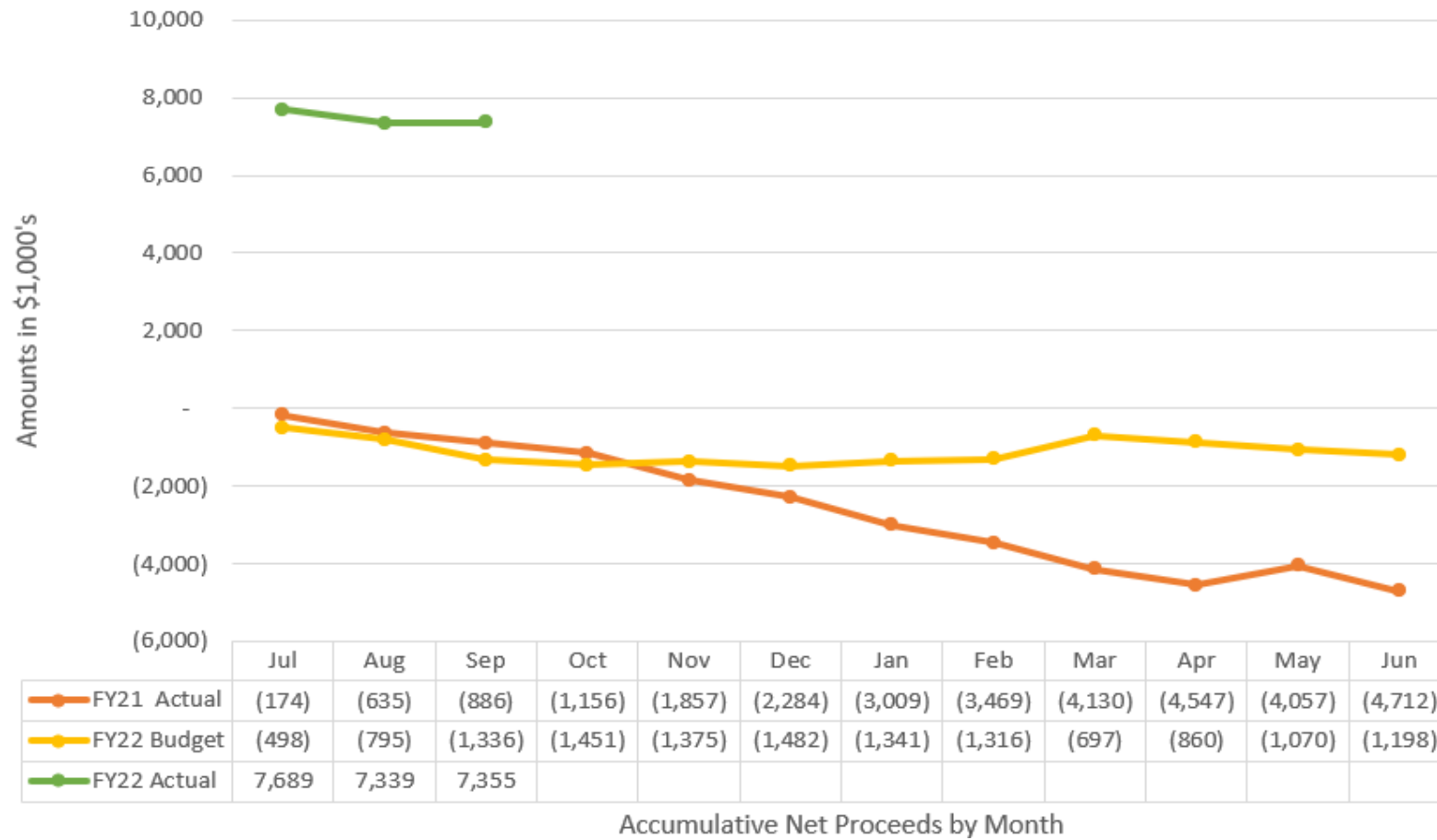
Notes: The FY2022 budget, as adopted, included - \$400,000 for Lyon Street Landscape and \$370,112 for Suite Refresher.
The July monthly financial report included a request to re-appropriate a total of \$86,455 for Unrestricted Projects
and \$48,620 in the County Grant account.

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

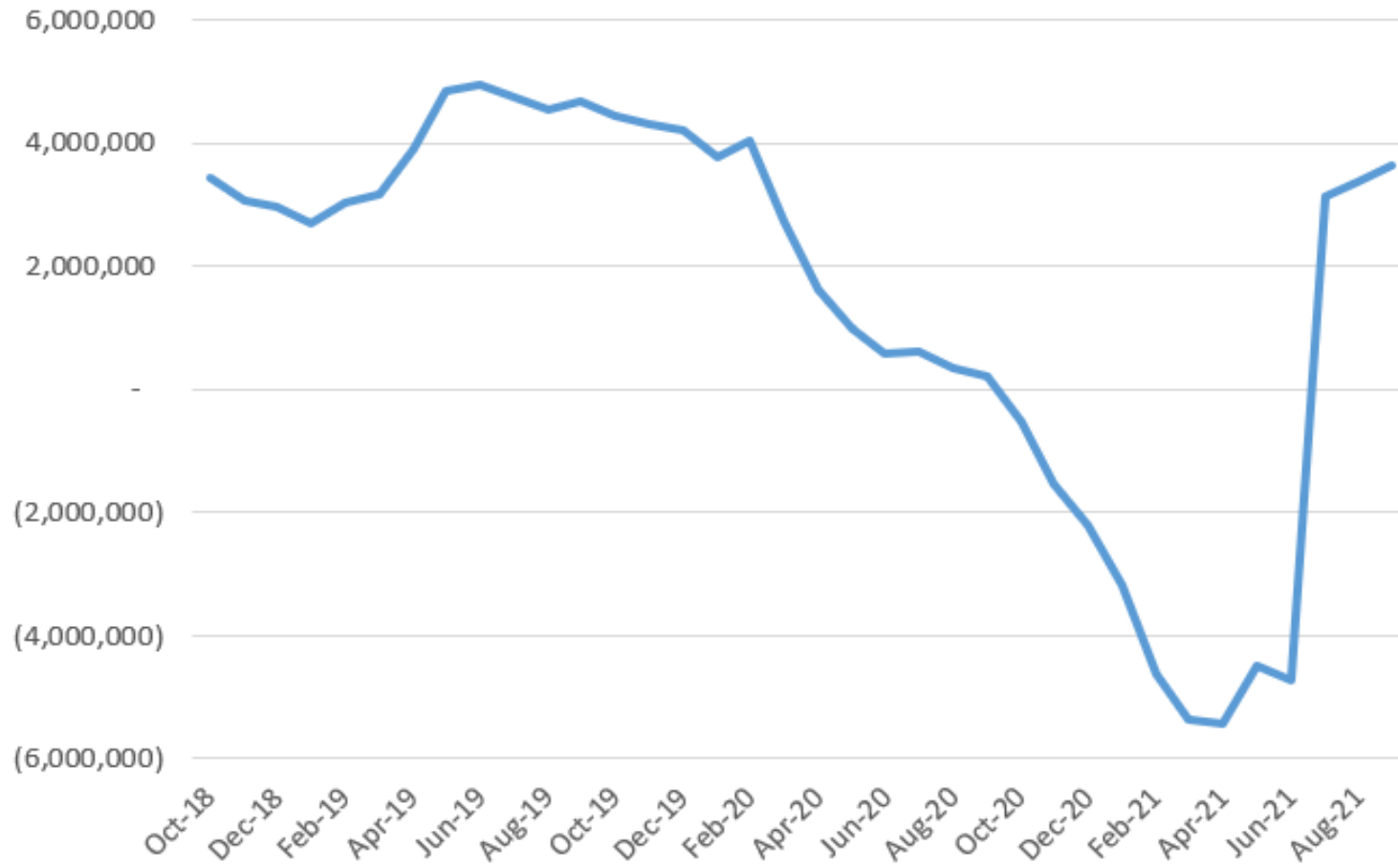
	Annual			Year-To-Date		
	FY 2021 Final	FY 2022 Budget	Change Positive (Negative)	FY 2021 7/1-09/30	FY 2022 7/1 - 0930	Change Positive (Negative)
Van Andel Arena						
Operating - Revenues	\$ 634,175	\$ 4,746,644	648.4	\$ 472,227	\$ 385,206	(18.4)
- Expenses - Facilities	(2,278,844)	(4,330,348)	(90.0)	(512,536)	(726,484)	(41.7)
- Base Management Fees	(180,339)	(183,945)	(2.0)	(45,085)	(45,085)	-
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	(1,825,008)	232,351	112.7	(85,394)	(386,363)	(352.4)
Parking	263,244	278,989	6.0	36,975	91,739	148.1
Pedestrian Safety		(65,000)	(100.0)		(1,134)	(100.0)
Net Proceeds (Cost) of VAA	(1,561,764)	446,340	128.6	(48,419)	(295,758)	(510.8)
DeVos Place Convention Center						
Operating - Revenues	175,842	4,143,265	2,256.2	20,084	657,004	3171.3
- Expenses - Facilities	(4,043,012)	(5,725,206)	(41.6)	(895,072)	(1,303,844)	(45.7)
- Base Management Fees	(180,339)	(183,945)	(2.0)	(45,085)	(45,085)	-
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	(4,047,509)	(1,765,886)	56.4	(920,073)	(691,925)	24.8
Parking	272,113	763,011	180.4	(11,912)	228,221	100.0+
Pedestrian Safety	(71,120)	(36,000)	(49.4)		(1,318)	(100.0)
Net Proceeds (Cost) of DVP	(3,846,516)	(1,038,875)	73.0	(931,985)	(465,022)	50.1
Other						
Revenues	1,334,864	273,000	(79.5)	62,661	8,212,812	100.0+
Expenses	(638,282)	(878,500)	(37.6)	(68,816)	(97,486)	(41.7)
Net Other	696,582	(605,500)	(186.9)	(6,155)	8,115,326	100.0+
Total Net Proceeds/Operating	(4,711,698)	(1,198,035)	74.6	(986,559)	7,354,546	745.5
Capital/Repair Expenditures	(3,070,138)	(1,056,567)	65.6	(768,255)		100.0+
Results Net of Capital Expenditures	\$ (7,781,836)	\$ (2,254,602)	71.0	\$ (1,754,814)	\$ 7,354,546	419.1

CAA Trends

Monthly Net Operating Proceeds through September 30, 2021



Lagging 12 Months Net Operating Proceeds



Significant Notes

Van Andel Arena®

- Page 1 - Three concerts generated \$257,187 in event revenue revenue, a 100% increase over no concerts
- Page 5 - Net Proceeds of (\$295,758) decreased by (510.8%) from prior year of (\$48,419).

DeVos Place®

- Page 1 - Convention/trade show business generated \$262,178 in event revenue, an increase of 100% over
- Page 5 - Net "proceeds" of (\$465,022) increased by 50.1% from prior year Net Proceeds of (\$931,985).

Grand Rapids-Kent County Convention/Arena Authority
Administrative Accounts
Net Other Detail
September 30, 2021

	Annual			Actual		
	FY 2021 Final	FY 2022 Budget	Change Positive (Negative)	FY 2021 7/1-9/30	FY 2022 7/1-9/30	Change Positive (Negative)
Other						
Revenues						
Interest/Capital Contr.	\$ 205,007	\$ 215,000	4.9	\$ 62,661	\$ 10,547	(83.2)
Miscellaneous	1,129,857	58,000	(94.9)		8,202,265	100.0+
	1,334,864	273,000	(79.6)	62,661	8,212,812	100.0+
Expenses						
Arena 25-Year Recognition	-	100,000	(100.0)	-	10,875	100.0+
Marketing (CVB/Sports)	200,000	200,000	-			
Diversity Initiative	3,000	100,000	(3,233.3)			
Wages/Benefits	135,838	139,000	(2.3)	24,948	33,170	(33.0)
Professional Services	87,233	87,000	0.3	3,402	3,732	(9.7)
DID Assessment	32,110	33,000	(2.8)			
Food & Beverage Repairs	-	40,000	(100.0)			
Consulting Services	118,099	91,500 ⁽¹⁾	22.5	13,600	23,580	(73.4)
Landscaping	25,151	27,000	(7.4)			
Procurement of Art		25,000	(100.0)		689	(100.0)
Insurance	24,836	26,000	(4.7)	24,445	22,501	8.0
Supplies/Other	12,015	10,000	16.8	2,421	2,939	(21.4)
	638,282	878,500	(37.6)	68,816	97,486	(41.7)
Net Proceeds - Operating	<u>\$ 696,582</u>	<u>\$ (605,500)</u>	<u>(186.9)</u>	<u>\$ (6,155)</u>	<u>\$ 8,115,326</u>	<u>100.0+</u>

Notes:

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

Grand Rapids-Kent County Convention/Arena Authority
Special Accounts
Federal CARES Allotment (County)
Grant Period: 10/8/20 to 12/30/20
Revenues/Expenses
September 30, 2021

	<u>Budget</u>	<u>Actual</u>
Revenues:		
County Grant	\$ 48,620	\$ 1,380
Expenses:	<u>(48,620)</u>	<u>(1,380)</u>
Net Balance	<u>\$ -</u>	<u>\$ -</u>

NOTES:

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

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

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

DEVOS PLACE

DE VOS PLACE

FINANCIAL STATEMENT FOR THE MONTH ENDED SEPTEMBER 30, 2021

Distribution:

Grand Rapids – KentCounty Convention / Arena Authority
Robert White
Harry Cann
Hope Parkin
Howard Feldman
Richard MacKeigan
Chris Machuta



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

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	64	213	277	269	8
ATTENDANCE	22,866	376,410	399,276	410,420	(11,144)
DIRECT EVENT INCOME	320,887	2,254,654	2,575,541	2,352,417	223,124
ANCILLARY INCOME	279,405	1,136,589	1,415,994	1,401,350	14,644
OTHER EVENT INCOME	37,419	263,365	300,784	287,498	13,286
TOTAL EVENT REVENUE	637,711	3,654,608	4,292,319	4,041,265	251,054
TOTAL OTHER REVENUE	19,293	87,798	107,091	102,000	5,091
TOTAL OPERATING REVENUE	657,004	3,742,406	4,399,410	4,143,265	256,145
INDIRECT EXPENSES					
EXECUTIVE	39,022	182,737	221,759	221,759	-
FINANCE	75,040	198,790	273,830	273,830	-
MARKETING	36,660	147,251	183,911	183,911	-
OPERATIONS	313,602	1,163,083	1,476,685	1,476,685	-
EVENT SERVICES	302,166	844,095	1,146,261	1,146,261	-
BOX OFFICE	44,384	124,240	168,624	168,624	-
SALES	84,668	401,292	485,960	485,960	-
OVERHEAD	453,387	1,498,734	1,952,121	1,952,121	-
TOTAL OPERATING EXP.	1,348,929	4,560,222	5,909,151	5,909,151	-
NET REVENUE ABOVE EXPENSES	(691,925)	(817,816)	(1,509,741)	(1,765,886)	256,145
INCENTIVE FEE		-	0	0	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(691,925)	(817,816)	(1,509,741)	(1,765,886)	256,145

Comments:

September marks the busiest month for DVP coming out of shutdown. 31 event days were hosted during the month including the start of the Arts Group season with a couple of Symphony events.

Forecast for the balance of the fiscal year anticipates revenue coming in higher than budget for the fiscal year overall.

DocuSigned by:



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General Manager

DocuSigned by:



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Assistant General Manager

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

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

MONTH	September Actual	September Budget	September FY 2021
Number of Events	31	11	0
Attendance	10,540	8,100	0
Direct Event Income	\$162,068	\$81,531	\$0
Ancillary Income	148,135	40,643	(1,865)
Other Event Income	23,046	12,393	0
Other Operating Income	7,799	8,500	20,298
Indirect Expenses	(531,010)	(376,938)	(308,924)
Net Income	(\$189,962)	(\$233,871)	(\$290,491)

YTD	YTD 2022 Actual	YTD 2022 Budget	YTD 2021 Prior Year
Number of Events	64	56	0
Attendance	22,866	64,010	0
Direct Event Income	\$320,886	\$288,881	\$2,200
Ancillary Income	279,407	226,003	(5,426)
Other Event Income	37,419	39,358	0
Other Operating Income	19,292	25,500	23,310
Indirect Expenses	(1,348,929)	(1,130,814)	(940,157)
Net Income	(\$691,925)	(\$551,072)	(\$920,073)

EVENT INCOME

Event income fell short of budget due to a couple of events that were postponed.

ANCILLARY INCOME

Ancillary income, while falling short of budget overall due to a couple of postponements, performed well for the events that were hosted and spending was consistent with expectations.

INDIRECT EXPENSES

Indirect expenses came in a bit higher than budget overall, however, nothing alarming that would indicate any sort of trend.

DeVos Place
Income Statement
For the Three Months Ended September 30, 2021

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$178,362	\$87,860	\$ 90,502	\$0	\$324,068	\$297,148	\$ 26,920	\$2,200
Service Revenue	133,197	69,870	63,327	0	301,616	236,060	65,556	0
Service Expenses	(149,491)	(76,199)	(73,292)	0	(304,797)	(244,327)	(60,470)	0
Total Direct Event Income	162,068	81,531	80,537	0	320,887	288,881	32,006	2,200
Ancillary Income								
F&B Concession	17,415	5,204	12,211	0	28,994	13,869	15,125	0
F&B Catering	60,021	12,115	47,906	0	85,030	85,069	(39)	0
Novelty Sales	600	203	397	0	5,009	1,695	3,314	0
Booth Cleaning	27,149	4,738	22,411	0	52,454	26,758	25,696	0
Telephone/Long Distance	0	-	-	0	0	-	-	0
Electrical Services	18,670	6,482	12,188	0	43,543	36,182	7,361	0
Audio Visual	8,255	4,691	3,564	0	30,113	37,046	(6,933)	0
Internet Services	6,315	1,159	4,764	(1,865)	7,682	9,670	(1,988)	(5,426)
Equipment Rental	9,710	6,051	3,659	0	26,580	15,714	10,866	0
Total Ancillary Income	148,135	40,643	107,492	(1,865)	279,405	226,003	53,402	(5,426)
Other Event Income								
Ticket Rebates(Per Event)	23,046	12,393	10,653	0	37,419	39,358	(1,939)	-
Total Other Event Income	23,046	12,393	10,653	0	37,419	39,358	(1,939)	0
Total Event Income	333,249	134,567	198,682	(1,865)	637,711	554,242	83,469	(3,226)
Other Operating Income								
Luxury Box Agreements	0	2,000	(2,000)	775	0	6,000	(6,000)	2,325
Advertising	0	0	-	0	0	0	-	0
Other Income	7,799	6,500	1,299	19,523	19,293	19,500	(207)	20,985
Total Other Operating Income	7,799	8,500	(701)	20,298	19,293	25,500	(6,207)	23,310
Adjusted Gross Income	341,048	143,067	197,981	18,433	657,004	579,742	77,262	20,084
Operating Expenses								
Salaries and Wages	296,661	202,967	93,694	144,419	736,614	608,901	127,713	551,564
Payroll Taxes and Benefits	112,798	58,972	53,826	67,667	266,422	176,916	89,506	209,584
Labor Allocations to Events	(193,739)	(126,398)	(67,341)	(74,921)	(456,388)	(379,194)	(77,194)	(307,780)
Net Salaries and Benefits	215,720	135,541	80,179	137,165	546,648	406,623	140,025	453,368
Contracted Services	38,796	28,046	10,750	2,768	89,033	84,138	4,895	6,445
General and Administrative	25,844	21,432	4,412	14,428	88,948	64,296	24,652	44,597
Operations	6,672	11,946	(5,274)	3,719	16,197	35,838	(19,641)	11,147
Repair and Maintenance	60,443	47,100	13,343	43,901	143,124	141,300	1,824	87,249
Operational Supplies	36,761	15,675	21,086	6,273	56,512	47,025	9,487	18,053
Insurance	18,459	18,969	(510)	12,639	51,920	56,907	(4,987)	37,916
Utilities	113,287	82,900	30,387	72,824	311,462	248,700	62,762	236,297
SMG Management Fees	15,028	15,329	(301)	15,207	45,085	45,987	(902)	45,085
Total Operating Expenses	531,010	376,938	154,072	308,924	1,348,929	1,130,814	218,115	940,157
Net Income(Loss) From Operatic	(189,962)	(233,871)	43,909	(290,491)	(691,925)	(551,072)	(140,853)	(920,073)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(189,962)	(233,871)	43,909	(290,491)	(691,925)	(551,072)	(140,853)	(920,073)

SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For the Three Months Ended September 30, 2021

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	20	45	5,830	50,160	261,178	412,395
Consumer/Gated Shows	4	-	2,400	-	56,588	19,330
DeVos Performance Hall	15	11	6,539	13,850	111,171	122,522
Banquets	2	-	270	-	2,306	-
Meetings	14	-	3,094	-	152,067	-
Other	9	-	4,733	-	54,400	-
GRAND TOTALS	64	56	22,866	64,010	637,711	554,242

As Percentage of Overall

Convention/Trade Shows	31.25%	80.36%	25.50%	78.36%	40.96%	74.41%
Consumer/Gated Shows	6.25%	0.00%	10.50%	0.00%	8.87%	3.49%
Devos Performance Hall	23.44%	19.64%	28.60%	21.64%	17.43%	22.11%
Ballroom Exclusive	3.13%	0.00%	1.18%	0.00%	0.36%	0.00%
Meetings	21.88%	0.00%	13.53%	0.00%	23.85%	0.00%
Other	14.06%	0.00%	20.70%	0.00%	8.53%	0.00%

DeVos Place
Balance Sheet
As of September 30, 2021

ASSETS

Current Assets

Cash	1,642,163
Account Receivable	466,600
Prepaid Expenses	215,217

Total Current Assets	\$2,323,980	
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Total Assets	\$2,323,980	
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LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	372,635
Accrued Expenses	191,051
Deferred Income	101,273
Advanced Ticket Sales & Deposits	2,268,908

Total Current Liabilities	\$2,933,868	
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Other Liabilities

Equity

Funds Remitted to CAA	(16,500)
Funds Received by CAA	
Expenses Paid Direct by CAA	302,932
Beginning Balance Equity	(204,395)
Current Year Equity	(691,925)

Total Equity	(\$609,888)	
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Total Liabilities and Equity	\$2,323,980	
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SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of September 30, 2021

Current - Under 30 Days	
Food & Beverage	78,065
Ticketing	66,600
Merchandise	2,657
Decorating	27,148
Audio/Visual	8,349
Van Andel Arena	(34,716)
Operating	284,157
 Over 30 Days	 -
 Over 60 Days	 34,340
 Over 90 Days	
 Total Accounts Receivable	 466,600

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

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Actual
Net Revenue above Expenses	678,080	(1,509,741)	(831,661)	(5,686,855)
Benchmark++			1,050,000	1,050,000
Excess	678,080	(1,509,741)	(1,881,661)	(6,736,855)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	185,749	185,749	371,497	360,676
Incentive Fee				
Revenue	5,192,373	4,399,410	9,591,783	1,018,204
Benchmark Revenue	5,548,039	4,901,666	10,449,705	9,914,331
Revenue Excess	(355,666)	(502,256)	(857,922)	(9,104,314)
Incentive Fee **	-	-	-	-
Total SMG Management Fee	185,749	185,749	371,497	360,676

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

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

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

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

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



VAN ANDEL ARENA

FINANCIAL STATEMENT FOR THE MONTH ENDED SEPTEMBER 30, 2021

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



Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Robert White
Harry Cann
Hope Parkin
Howard Feldman
Richard MacKeigan
Chris Machuta



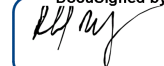
VAN ANDEL ARENA
 ROLLING FORECAST
 FISCAL YEAR ENDING JUNE 30, 2022

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	5	78	83	78	5
ATTENDANCE	20,397	523,600	543,997	523,600	20,397
DIRECT EVENT INCOME	108,754	913,770	1,022,524	913,770	108,754
ANCILLARY INCOME	120,496	1,341,111	1,461,607	1,334,871	126,736
OTHER EVENT INCOME	88,427	593,600	682,027	593,600	88,427
TOTAL EVENT INCOME	317,677	2,848,481	3,166,158	2,842,241	323,917
TOTAL OTHER INCOME	67,529	1,958,686	2,026,215	1,904,403	121,812
TOTAL INCOME	385,206	4,807,167	5,192,373	4,746,644	445,729
INDIRECT EXPENSES					
EXECUTIVE	47,592	206,750	254,342	254,342	-
FINANCE	63,345	172,921	236,266	236,266	-
MARKETING	38,610	247,851	286,461	286,461	-
OPERATIONS	314,312	1,756,866	2,071,178	2,071,178	-
BOX OFFICE	43,210	255,802	299,012	299,012	-
LUXURY SEATING	-	-	-	-	-
SKYWALK ADMIN	8,015	43,222	51,237	51,237	-
OVERHEAD	256,485	1,059,312	1,315,797	1,315,797	-
TOTAL INDIRECT EXP.	771,569	3,742,724	4,514,293	4,514,293	-
NET REVENUE ABOVE EXPENSES	(386,363)	1,064,443	678,080	232,351	445,729
LESS INCENTIVE FEE			-	-	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	(386,363)	1,064,443	678,080	232,351	445,729

Comments:

September saw the Arena host 3 concerts including its first "hair razing" sell out. The first quarter concludes with the facility well ahead of budget as it was anticipated no events until October. Bookings through the balance of the fiscal year appear to be consistent with budget and current forecast shows an increase of over \$400K from original budget.

DocuSigned by:



7ECB840AF99F405...

General Manager

DocuSigned by:



10BEBDD852E245A

Assistant General Manager

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

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

MONTH	September Actual	September Budget	September FY 2021
Number of Events	3	-	2
Attendance	14,699	-	-
Direct Event Income	\$83,239	\$0	\$19,076
Ancillary Income	95,490	0	0
Other Event Income	78,049	0	(15)
Other Operating Income	64,491	0	158,331
Indirect Expenses	(244,648)	(322,169)	(168,851)
Net Income	\$76,621	(\$322,169)	\$8,541

YTD	YTD 2022 Actual	YTD 2022 Budget	YTD 2021 Prior Year
Number of Events	4	-	2
Attendance	17,548	-	-
Direct Event Income	\$108,752	\$0	\$19,076
Ancillary Income	120,497	0	0
Other Event Income	88,428	0	(182)
Other Operating Income	67,529	0	453,333
Indirect Expenses	(771,571)	(904,329)	(557,620)
Net Income	(\$386,363)	(\$904,329)	(\$85,393)

EVENT INCOME

3 concerts were hosted during the month including sell outs by Michael Buble and Blake Shelton.

ANCILLARY INCOME

Per cap spending is very strong as compared to past visits of same artists.

INDIRECT EXPENSES

Indirect expenses came in ahead of budget overall.

Van Andel Arena
Income Statement
For the Three Months Ended September 30, 2021

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$ 108,017	\$ -	\$ 108,017	\$ 17,450	\$ 151,690	\$ -	\$ 151,690	\$ 17,450
Service Revenue	284,030	-	284,030	31,180	325,787	-	325,787	31,180
Service Expenses	(308,808)	-	(308,808)	(29,554)	(368,723)	-	(368,723)	(29,554)
Total Direct Event Income	83,239	0	83,239	19,076	108,754	0	108,754	19,076
Ancillary Income								
F&B Concession	74,103	-	74,103	-	95,826	-	95,826	-
F&B Catering	7,152	-	7,152	-	7,745	-	7,745	-
Novelty Sales	14,235	-	14,235	-	16,925	-	16,925	-
Booth Cleaning	-	-	-	-	-	-	-	-
Audio Visual	-	-	-	-	-	-	-	-
Other Ancillary	-	-	-	-	-	-	-	-
Total Ancillary Income	95,490	0	95,490	0	120,496	0	120,496	0
Other Event Income								
Ticket Rebates(Per Event)	78,049	-	78,049	(15)	88,427	-	88,427	(182)
Total Other Event Income	78,049	0	78,049	(15)	88,427	0	88,427	(182)
Total Event Income	256,778	0	256,778	19,061	317,677	0	317,677	18,894
Other Operating Income								
Luxury Box Agreements	50,443	-	50,443	97,993	52,926	-	52,926	293,980
Advertising	-	-	-	48,155	-	-	0	144,466
Other Income	14,048	-	14,048	12,183	14,603	-	14,603	14,887
Total Other Operating Income	64,491	0	64,491	158,331	67,529	0	67,529	453,333
Adjusted Gross Income	321,269	0	321,269	177,392	385,206	0	385,206	472,227
Operating Expenses								
Salaries and Wages	138,356	99,266	39,090	65,317	301,841	263,546	38,295	169,977
Payroll Taxes and Benefits	46,598	45,975	623	27,675	102,958	109,999	(7,041)	80,407
Labor Allocations to Events	(102,651)	-	(102,651)	(24,835)	(111,964)	-	(111,964)	(24,835)
Net Salaries and Benefits	82,303	145,241	(62,938)	68,157	292,835	373,545	(80,710)	225,549
Contracted Services	20,699	27,446	(6,747)	2,328	68,701	82,338	(13,637)	5,996
General and Administrative	20,666	22,827	(2,161)	19,312	89,735	68,481	21,254	52,911
Operations	5,076	7,232	(2,156)	446	7,235	21,696	(14,461)	3,261
Repair and Maintenance	20,909	30,875	(9,966)	5,925	69,881	92,625	(22,744)	48,299
Operational Supplies	11,163	15,558	(4,395)	7,369	28,184	46,674	(18,490)	24,994
Insurance	12,135	11,036	1,099	5,469	25,922	33,108	(7,186)	16,407
Utilities	56,669	46,625	10,044	44,638	143,991	139,875	4,116	135,118
SMG Management Fees	15,028	15,329	(301)	15,207	45,085	45,987	(902)	45,085
Total Operating Expenses	244,648	322,169	(77,521)	168,851	771,569	904,329	(132,760)	557,621
Net Income(Loss) From Operations	76,621	(322,169)	398,790	8,541	(386,363)	(904,329)	517,966	(85,393)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	76,621	(322,169)	398,790	8,541	(386,363)	(904,329)	517,966	(85,393)

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
For the Three Months Ended September 30, 2021

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	-	-	-	-	-	-
Sporting Event	1	-	2,849	-	60,490	-
Concert	3	-	14,699	-	257,187	-
Team Home Games	-	-	-	-	-	-
Other	-	-	-	-	-	-
GRAND TOTALS	4	-	17,548	-	317,677	-

As Percentage of Overall

Family Show	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	#DIV/0!
Sporting Event	25.00%	#DIV/0!	16.24%	#DIV/0!	19.04%	#DIV/0!
Concert	75.00%	#DIV/0!	83.76%	#DIV/0!	80.96%	#DIV/0!
Team Home Games	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	#DIV/0!
Other	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	#DIV/0!

Van Andel Arena
Balance Sheet
As of September 30, 2021

ASSETS

Current Assets

Cash	11,494,779
Account Receivable	1,358,022
Prepaid Expenses	164,553

Total Current Assets	\$13,017,354	
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Total Assets	\$13,017,354	
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LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	957,657
Accrued Expenses	133,293
Deferred Income	1,739,625
Advanced Ticket Sales & Deposits	10,859,529

Total Current Liabilities	\$13,690,104	
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Other Liabilities

Equity

Funds Remitted to CAA	-
Funds Received by CAA	-
Expenses Paid Direct by CAA	136,060
Beginning Balance Equity	(422,447)
Current Year Equity	(386,363)

Total Equity	(\$672,750)	
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Total Liabilities and Equity	\$13,017,354	
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SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of September 30, 2021

Current - Under 30 Days	
Food & Beverage	129,833
Ticketing	369,247
Merchandise	26,659
Permanent Advertising	-
DeVos Place	35,306
Operating	796,977
 Over 30 Days	
 Over 60 Days	
 Over 90 Days	
 Total Accounts Receivable	1,358,022

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

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Actual
Net Revenue above Expenses	678,080	(1,509,741)	(831,661)	(5,686,855)
Benchmark++			1,050,000	1,050,000
Excess	678,080	(1,509,741)	(1,881,661)	(6,736,855)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	185,749	185,749	371,497	360,676
Incentive Fee				
Revenue	5,192,373	4,399,410	9,591,783	1,018,204
Benchmark Revenue	5,548,039	4,901,666	10,449,705	9,914,331
Revenue Excess	(355,666)	(502,256)	(857,922)	(9,104,314)
Incentive Fee **	-	-	-	-
Total SMG Management Fee	185,749	185,749	371,497	360,676

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

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

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

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

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

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

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF AN
INDEPENDENT CONTRACTOR/CONSULTANT AGREEMENT WITH
MCCONOMY PROPERTIES, LLC**

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

WHEREAS, the Grand Rapids – Kent County Convention/Arena Authority (the “CAA”) has a need for certain bookkeeping and accounting services and certain enhanced financing, contract monitoring, and budgeting services (collectively, the “Services”); and

WHEREAS, McConomy Properties, LLC (“McConomy”) has represented that it is qualified and willing to provide the Services as an independent contractor with such Services to be personally performed by Cheryl L. McConomy; and

WHEREAS, with respect to the Services, the CAA and McConomy have agreed to enter into an Independent Contractor/Consultant Agreement (the “Agreement”).

RESOLVED:

1. That the Agreement in the form presented at this meeting is approved with such modifications not materially adverse to the CAA approved as to content by the Executive Director of the CAA and as to form by CAA legal counsel and the Chairperson of the Board of Directors is authorized and directed to executed the approved Agreement for and on behalf of the CAA.

2. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: November 5, 2021

Susan M. Waddell
Administrative Manager/Recording Secretary

CERTIFICATION

I, the undersigned duly qualified and acting Administrative Manager/Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the CAA Board at a regular meeting held on November 5, 2021, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: November 5, 2021

Susan M. Waddell
Administrative Manager/Recording Secretary

INDEPENDENT CONTRACTOR/CONSULTANT AGREEMENT

THIS INDEPENDENT CONTRACTOR/CONSULTANT AGREEMENT (the “Agreement”) is made and is effective as of January 1, 2022, by and between the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY**, an authority organized pursuant to Act 203 of the Public Acts of Michigan of 1999, as amended (the “CAA”), of 303 Monroe Avenue, N.W., Grand Rapids, Michigan 49503 and **McCONOMY PROPERTIES, LLC**, a Michigan limited liability company (the “Contractor”) of 4542 Hidden Ridge Drive, Hudsonville, Michigan 49426.

Section 1. Agreement. The CAA has identified the need for certain bookkeeping and accounting services and certain enhanced financing, contract monitoring, and budgeting services. The Contractor has represented to the CAA that it is willing and has the ability to provide certain bookkeeping and accounting services in accord with recognized professional standards and certain enhanced financing, contract monitoring and budgeting services (collectively, the “Services”). The Contractor has represented that it is qualified and willing to provide the Services. This Agreement confirms the terms and conditions of the Services the Contractor will provide to the CAA.

Section 2. Engagement. The CAA hereby engages the Contractor to perform the Services. The Contractor agrees that the Services shall all be personally performed by Cheryl L. McConomy (“McConomy”), unless otherwise agreed by the CAA, and agrees to perform the Services in good faith and to the best of its ability. The Services contracted for are as follows:

- A. Prepare monthly bank reconciliation and prepare cash basis financial statements.
- B. Prepare for each financial quarter consolidated financial data and reporting information including all operating and administrative accounts.
- C. Convert, at year end, accounting records for cash basis to accrual basis, prepare necessary audit work papers, compile year-end financial statements, and respond to auditor requests for additional information.
- D. Cash flow matters including:
 - 1. compiling twelve month rolling forecasts; and
 - 2. coordinating the cash flow schedule with the CAA facilities manager, ASM Global.
- E. Monitor and keep current CAA contracts including, but not limited to, the management services agreement, the food and beverage agreement, the parking services agreements, agreements with professional sports organizations, the legal services agreement, the accounting services agreement and the audit services agreement.
- F. Perform liaison services between the CAA and the City of Grand Rapids, the County of Kent and the State of Michigan, including monitoring State and local legislation affecting the CAA.

- G. Assist in the preparation of the CAA's annual consolidated budget and long-range capital plan; monitor the annual budget and expenditures and prepare monthly reports regarding the same; and prepare quarterly financial reports.
- H. Analyze and make recommendations regarding the CAA's disbursement schedule to maximize the value of the CAA's State of Michigan sales tax exemption.
- I. Such other duties as directed by the CAA including review of the annual Downtown Improvement District assessment, review of the annual calculation of the CAA's contribution for pedestrian safety and attendance at CAA Board of Directors meetings and Board committee meetings.

Section 3. Direction and Reporting. McConomy will receive direction and assignment of Services from, and report to, the Chairperson of the Board's Finance Committee. McConomy shall keep a written record of the time she devotes to performing the Services in a format acceptable to the CAA which she shall submit to the CAA's Executive Director for review and approval at the end of each calendar month during the term of this Agreement and which the CAA will use to determine the Contractor's compensation for such month.

Section 4. Compensation. The Contractor will be compensated for the Services at the rate of \$140 per hour determined to the nearest quarter hour, *provided, however*, during each twelve-month period the Contractor will not receive payment for more than 400 hours unless approved in advance by the CAA's Executive Director. The hourly rates set forth in this Section 4 shall include reimbursement for related ordinary out-of-pocket expenses. In order to be reimbursed for extraordinary out-of-pocket expenses, Contractor shall obtain the prior approval of the CAA's Executive Director. The hourly rate set forth above may be adjusted on the anniversary date of this Agreement upon mutual written agreement of the CAA and Contractor.

Section 5. Payment Terms. The Contractor shall invoice the CAA on a monthly basis with such detail of Services as required by the CAA from time to time. The Contractor will be paid according to the CAA's customary payment terms not later than 30 days from receipt of the invoice.

Section 6. Independent Contractor Status. It is the intention of the parties hereto that the Contractor be an independent contractor for all purposes. This Agreement shall not be construed to make the Contractor in any sense an agent, servant, or employee of the CAA. The Contractor shall have no authority over or on behalf of the CAA, its business or employees. The Contractor shall conduct its services as an independent contractor, and, as such, shall have control over the manner, method, and hours of work so long as the Contractor performs the Services in a timely, competent and professional manner. The Contractor understands and agrees that the Contractor and its employees, if any, are not entitled to unemployment compensation benefits or workers compensation benefits, and that the Contractor shall be responsible for obtaining and maintaining, if required, workers' compensation insurance during the term of this Agreement.

Section 7. Tax Responsibilities of Contractor. The Contractor acknowledges, understands and agrees to be responsible for any declarations of estimated tax liability relating to any payments under this Agreement and filing all taxes, including by way of illustration but not

limitation, federal, State and local income tax returns, social security tax, self-employment tax, unemployment insurance taxes, or any other taxes or business license fees as required. The CAA shall furnish Contractor with a 1099 Form, when required of it, indicating all compensation paid to the Contractor on an annual basis.

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

Section 9. Term and Termination. This Agreement shall be for a one year term commencing on January 1, 2022, and unless otherwise terminated under this Section 9, shall automatically renew itself under its terms provided neither party before October 1 of any contract year has given the other party written notice electing not to renew. Additionally, during any one year term under this Agreement, either party may terminate this Agreement for any reason or no reason upon 30 days prior written notice to the other party. Further, the Contractor's engagement shall terminate automatically without notice in the event of the death of McConomy or her disability that makes her unable to perform the Services under this Agreement.

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

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

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

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

Section 14. Complete Agreement. This Agreement contains the complete agreement between the Contractor and the CAA regarding the subject matter, and as of the effective date of this Agreement, any and all prior agreement, arrangements, representations, or understandings between the Contractor and the CAA, including specifically the Independent Contractor/Consultant Agreement between the CAA and Contractor dated September 1, 2004, are superseded by this Agreement. This Agreement may only be modified by an express written agreement executed by the Contractor and the CAA.

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

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

By: _____
Richard A. Winn, Chairperson

McCONOMY PROPERTIES, LLC

By: _____
Cheryl L. McConomy
Its: Principal

Memorandum

To: Richard A. Winn, Finance Committee Chairperson
CAA Board

From: Robert White

Subject: Auto Parking System Periodic Reporting

Date: November 1, 2021

The previously (6/5/20) adopted “Parking Operation Agreement” requires the City-Auto Parking System to provide a quarterly report regarding City/County utilization of discounted DeVos Place® monthly parking passes. The content of this first quarter (FY22) periodic report includes the following information:

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

The City currently holds 119 monthly passes.
The County currently holds 172 monthly passes.

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

The City increased the number of passes out by 2 between 7/1/21 and 9/30/21.
The County decreased the number of passes out by 7 between 7/1/21 and 9/30/21.

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

The current (public) monthly pass rate is \$154, while the discounted City/County rate is \$49.82.
The City currently holds 119 passes with a total annualized discount of \$148,769.
The County currently holds 172 passes with a total annualized discount of \$215,028.

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

Cc: Richard MacKeigan

Account	Previous End of Quarter Space Count Q4 FY21	Total Spaces End of Q1 FY22	Space Count Change	Current Monthly Market Rate Price Difference EOQ*	Monthly Price Difference Variance, Prev Quarter
17 th Circuit Court	25	24	-1	\$2,500.32	(\$91.22)
KC Facilities Management	154	148	-6	\$15,418.64	(\$547.32)
City of GR	117	119	2	\$12,397.42	\$182.44
Total	296	291	-5	\$30,316.38	(\$456.10)

*Current Market Rate is \$154 monthly, City/County Contractual Rate is \$49.82 monthly, effective 7/1/2021.