



Meeting of Board of Directors

Wednesday, October 23, 2002

7:30 a.m. – 9:30 a.m.

County Administration Building Board Room, 3rd Floor
Grand Rapids, Michigan 49503

A G E N D A

- | | |
|---|-------------|
| I. Call to Order | |
| II. Minutes of September 25, 2002 Board Meeting | Action |
| III. Public Comment | |
| IV. DeVos Place Construction Update - Erhardt/Hunt | Information |
| V. Committee Reports | |
| a. Building Committee | Information |
| b. Operations Committee | Information |
| - CVB Update | |
| c. Finance Committee | |
| i. Approval of Disbursements | Action |
| ii. Approval of SMG Financial Reports for
period ending September 30, 2002 | Action |
| iii. Approval of CAA Financial Report for
period ending September 30, 2002 | Action |
| VI. Approval of Five-Year Contracts for Electric Service | Action |
| VII. SMG Report | Information |
| - Facilities Calendar | |
| VIII. Other Business | |
| a. Determine November/December Meeting Date(s) | |
| IX. Adjournment | |



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



Grand Center
245 Monroe Ave. NW
Grand Rapids, MI 49503
616.742.6600
Fax 616.742.6590



**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS MEETING
Wednesday, September 25, 2002**

I. Call to Order

Chairman John Logie called the meeting to order at 7:30 a.m. Chairman Logie presided and Susan Waddell, in the absence of Secretary/Treasurer Birgit Klohs, recorded.

Attendance

Members Present: John Logie, Chairman
Lew Chamberlin
Clif Charles
David Frey
Steve Heacock
Birgit Klohs
Joseph Tomaselli

Members Absent: David Frey
Birgit Klohs
Joseph Tomaselli

Staff/Others:	Matt Barnes	Erhardt/Hunt Joint Venture
	Henri Boucher	ShowSpan
	David Czurak	<i>Grand Rapids Business Journal</i>
	Jim Day	Kent County
	Daryl Delabbio	Kent County
	Joe Erhardt	Erhardt/Hunt Joint Venture
	Jim Gray	CAA Owner Representative
	George Helmstead	CVB
	Amanda Jason	Aquinas College Student
	Kurt Kimball	City of Grand Rapids
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Steve Miller	SMG
	Dale Sommers	CAA Owner Representative
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Jana Wallace	City of Grand Rapids
	Jim Watt	SMG
	Garrison Wells	<i>The Grand Rapids Press</i>
	Richard Wendt	Dickinson Wright
	Steve Wilson	CVB
	Tim Wondergem	Wondergem Consulting

II. Minutes of Prior Meetings

Motion: Mr. Heacock, supported by Mr. Charles, moved to approve the Minutes of the August 28, 2002 meeting of the Authority. Motion carried unanimously.

III. Public Comment

None.

IV. DeVos Place Construction Update – Matt Barnes, Joe Erhardt

Mr. Erhardt reported that one of the big cranes has been disassembled and trucked-off the site. The Grand Gallery penthouse and mechanical level roof areas have been completed, leaving only the curved section that will be finished after the skylight installation. The east and west tensile truss and curtainwall components have arrived and are being installed. Throughout the Grand Gallery interior, air-handling units are being hooked up in the penthouse and spray fireproofing is almost complete. Metal studwork, framing exterior studs, interior walls, and hanging sheathing board continues. The Exhibit Hall east and west box trusses have been completed. The east one-third of the roof over the exhibit floor space has been decked-out. The catwalk system above the floor continues and preparations are underway to place concrete in the west box truss. Installation of the west side roof section continues, while roofing has begun on the east side. Concrete block walls are being installed on the east elevation, beginning the critical enclosure element of the Exhibit Hall. After three months of negotiation, agreement has been reached with Consumers Energy to supply partial power on April 1, 2003 and full power on June 1, 2003.

Mr. Barnes reported that a Minority/Women Business Enterprise one-to-one inreach forum has been scheduled for September 24-26, 2002. The purpose is to discuss contracting and supplier opportunities in connection with Phase III of the project. Twenty-five firms have responded so far.

Mr. Erhardt stated that he has submitted the convention center reconstruction to be featured in the *Real Estate & Construction Review: Michigan Edition* magazine.

V. Committee Reports

Building Committee

Mr. Sommers reported that the Building Committee approved a contract with Mid-State Security for card access, alarm system, CCTV system, and security office console system. In answer to a question from Mr. Logie, Mr. Sommers stated the bid process and bidders are referenced in the Building Committee minutes. Mr. Logie requested an update on the Woodworkers show request for early opening. Mr. Sommers responded that he sent a letter to the CVB outlining the additional costs to open DeVos Place. All parties are working hard to address the issues involved.

Mr. Logie stated that the Mormon Tabernacle Choir is scheduled to perform in Grand Rapids on June 25, 2003 and inquired whether DeVos Hall would be available to host the event. Mr. Sommers indicated he is aware of the concert and is working with SMG, as construction work is scheduled for DeVos Hall at that time.

Operations Committee

Mr. Chamberlin reported that the Committee did not meet in September but Mr. Wilson is prepared to give a marketing report.

Mr. Wilson announced that the CVB Board approved the 2003 budget, which will be considered by the Kent County Commission on Thursday. The budget increased from \$2.2 million to \$3.2 million. The recently approved 1% marketing assessment on all guestrooms in Kent County will generate an additional \$850,000. The marketing budget will increase from \$40,000 to \$400,000. Additional marketing expenditures will include \$104,000 on convention trade advertising, \$25,000 for a brochure, \$50,000 on outdoor advertising, \$20,000 on photography, and \$40,000 on marketing research. Marketing efforts will target Michigan, Indiana, Illinois, Ohio, and Wisconsin. A national marketing program includes press tours to bring in national travel editors.

The newest booking is the Lions Club International USA/Canada Leadership Forum. The convention will be held September 24 through October 1, 2007, and bring in 3,500 delegates, use 7,000 guest room nights, and have an economic impact of \$1.7 million. To date, 47 groups have been booked in the new convention center. The CVB has confirmed 34,150 delegates for 2004, 48,050 in 2005, 20,500 in 2006, and 14,269 in 2007.

Mr. Heacock noted the increased interest in canoeing and kayaking and offered his assistance to map out trails for conventioners. Mr. Logie added that one of the best rowing courses in the Midwest is the Grand River north of Ann Street.

Finance Committee

Mr. Heacock presented the Finance Committee report.

a. Approval of Disbursements for the Period August 23 – September 13, 2002

Motion: Mr. Heacock, supported by Mr. Chamberlin, moved to approve payment of disbursements totaling \$7,171,334.97, as presented. Motion carried unanimously.

b. Approval of SMG Financial Statements for Period Ending August 31, 2002

Motion: Mr. Heacock, supported by Mr. Chamberlin, moved to approve the SMG Financial Statements for the Van Andel Arena and Grand Center for the period ended August 31, 2002, as presented. Motion carried unanimously.

c. Approval of CAA Preliminary Financial Statements Prepared by Beene Garter LLP

Motion: Mr. Heacock, supported by Mr. Chamberlin, moved to approve the Grand Rapids – Kent County Convention/Arena Authority Financial Statements for the period August 31, 2002, as presented. Motion carried unanimously.

VI. SMG Report

Facilities Calendar

Mr. MacKeigan reported that the Red & White game on September 19th was the official kickoff for the Griffins first season as an affiliate of the Detroit Red Wings. The home opener for the Griffins is October 12. The Ringling Brothers Barnum & Bailey Circus will be in town through this Sunday, and Creed will play at the Arena on November 11. Mr. Logie expressed appreciation to the SMG staff for the successful disaster preparedness exercised held at the Arena.

VII. Other Business

Mr. Logie stated that he and staff are following-up on the CAA charitable event and working hard to find an available date. Mr. Kimball introduced Amanda Jason of Aquinas College who will be shadowing him this semester. Mr. Logie thanked Jim Gray and Chris Gray for his specially designed University of Michigan hard hat.

XII. Adjournment

There being no other business, the meeting was adjourned at 8:20 a.m.

Susan M. Waddell, Recording Secretary

BUILDING COMMITTEE REPORT
To
Grand Rapids-Kent County Convention/Arena Authority
October 23, 2002

Grand Gallery activities for September centered on expediting the enclosure work. The skylight framing for the sloped unit progressed well as did the east and west glazing systems being installed by Architectural Glass & Metals, Inc.

Face brick sample panels were erected as a means to select and approve the mortar color. Interior metal studs, electrical rough-ins and some miscellaneous drywall hanging continue thru out the Grand Gallery as well.

The spray fireproofing application by Bouma Corp. has been substantially completed in the Grand Gallery.

The structural steel erection of the Exhibit Hall reached a major milestone on schedule as the final long span roof truss was set in place on September 30. Steel Service Corp. and AZCO will continue detailing the in place structure until the Truck Dock area becomes available in the next few weeks.

Kent/Tillman continues to place structural concrete at the Truck Dock, and in the Exhibit Hall area. This work is planned to continue thru the winter.

Modern Roofing is progressing very well over the Exhibit Hall, with approximately 33% of the area dried in, thus minimizing weather impact on trades working below. Aside from Kent/Tillman this primarily will include: Lynn Masonry (block), Cleveland Construction (studs), Andy J. Egan Co. (mechanical & plumbing), ElecTech (electrical rough-in), Diversco (earthwork), and Riverside Group (metal panels).

Phase 3 elevator upgrades in DeVos Hall were completed and Phase 3 soil stabilization beneath the Grand Center has begun in areas currently not in use by the facility operator.

Phase 3 bid documents for the final site work, demolition of the Welsh Auditorium, meeting and ballroom construction and Grand Center renovation were printed and distributed to potential bidders. Bids for these categories are due next month, and the amount of bidder interest is encouraging. Erhardt/Hunt conducted a major search and interview process with local minority contracting firms with the goal of insuring that all interested and capable firms are given opportunity for involvement in the project during Phase 3 Bidding.

The Committee approved entering into a 5-year agreement with Consumers Energy for electrical service for DeVos Place. The agreement will be effective April 1, 2003. Presently, Consumers provides service to the Grand Center and DeVos Performance Hall.

The Committee supported the request for closure of Gillette Bridge as of June 1, 2003 during Phase 3 construction. Lyon Street from Monroe to the river will only be open for construction traffic and Amway Hotel deliveries. Demolition will start on June 1, 2003 and the excavation will be to the river wall.

The Committee also discussed reasons for the closure of DeVos Performance Hall from June 1 – September 1, 2003.

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 9, 2002

TO: Steve Heacock
Grand Rapids - Kent County Convention / Arena Authority
Finance Committee Chair

FROM: Jana M. Wallace *JMW*
Fiscal Services Analyst

SUBJECT: Monthly Disbursements Report

Attached for your review are the lists of invoices processed for payment during the most recent period. Expenditures for the period are summarized below.

Dates checks were issued	Operating Fund	Construction Fund
September 27, 2002	\$ 30,725.66	\$ 225,615.32
October 14, 2002	59,477.28	6,593,447.97
Payroll – 09/20/2002	1,920.76	--
Payroll – 10/04/2002	2,030.96	--
Disbursements by Fund	\$ 94,154.66	\$6,819,063.29

Total disbursements for the Grand Rapids - Kent County Convention / Arena Authority during the period September 20 through October 14, 2002, were \$6,913,217.95.

Please call me at 456-4514 if you need additional information.

Attachments

GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

List of Invoices Processed for Payment on September 27, 2002, as Authorized by the Current Bookkeeping Policy

Payee	Amount	Invoice Date	Description of materials acquired / services received
Invoices Submitted by Project Manager			
C Nextel Communications	194.17	09/12/2002	Owner's representatives cellular phone charges thru 09/06/2002
C Ottawa County Landfill	6,946.92	09/14/2002	Contaminated soil dumping - September 5 - 10, 2002
C Progressive AE	159,199.64	09/16/2002	Architectural design services - August 2002
C Progressive AE	24,626.16	09/16/2002	Owner requested changes - August 2002
C Progressive AE	14,385.00	09/16/2002	On-site architect's representative - August 2002
C Progressive AE	19,694.43	09/16/2002	Environmental graphics - August 2002
	\$ 225,046.32		Sub-Total - Invoices Submitted by Project Manager
Invoices Submitted by City Fiscal Services			
O Beene Garter LLP	3,411.00	09/20/2002	Bookkeeping & GASB 34 services for period ended 9/16/2002
O Consumers Energy	24,841.36	09/05/2002	Electrical services for Grand Center - August 2002
C Dickinson Wright PLLC	324.40	08/30/2002	Legal services re bldg technology / communications - July 2002
C Dickinson Wright PLLC	204.10	08/30/2002	Legal services re fire / safety consultants - July 2002
C Dickinson Wright PLLC	40.50	08/30/2002	Legal services re construction manager's agreement - July 2002
O Dickinson Wright PLLC	40.50	08/30/2002	Legal services re Area 2 parking operations & maint - July 2002
O Dickinson Wright PLLC	154.50	08/30/2002	Legal services re general matters - July 2002
O Grand Rapids City Treasurer	2,038.30	09/19/2002	Water and sewer services for Grand Center - September 2002
O ICMA Retirement Corporation - 401A	240.00	09/20/2002	Admin mgr's 401A - employer/employee contribs for 09/20/02 payroll
	\$ 31,294.66		Sub-Total - Invoices Submitted by City Fiscal Services
	\$ 225,615.32		Total Invoices Submitted for Payment from Construction Account
	\$ 30,725.66		Total Invoices Submitted for Payment from Operating Account
	\$ 256,340.98		Total Invoices Processed for Payment

C = Construction related expenses
O = Operating / non-construction expenses

GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

List of Invoices Processed for Payment on October 14, 2002, as Authorized by the Current Bookkeeping Policy

	Payee	Amount	Invoice Date	Description of materials acquired / services received
Invoices Submitted by Project Manager				
C	Erhardt - Hunt: A Joint Venture	\$6,345,753.00	09/30/2002	Progress pmt # 22: Construction - steel / general / fabrication
C	GR-KC C/AA Retainage Account	209,466.00	09/30/2002	Retainage for progress payment # 22
C	Jerry G Fellingner, Fire/Secur Sys	800.00	09/30/2002	Security system design and review - September 2002
C	Feyen-Zylstra Inc	3,572.04	07/31/2002	Install voice systems cabling - July 2002
C	J P Gray Consulting Inc	10,592.50	10/09/2002	Project management services - September 2002
C	Ottawa County Landfill	3,309.43	09/30/2002	Contaminated soil dumping - September 27, 2002
C	Sommers, Dale H	11,760.00	09/30/2002	Project management services - September 2002
C	Trust Thermal Abatement Inc	8,195.00	08/26/2002	Asbestos removal from Welsh - August 19-22, 2002
		<u>\$6,593,447.97</u>		Sub-Total - Invoices Submitted by Project Manager
Invoices Submitted by City Fiscal Services				
O	Consumers Energy	2,175.67	09/25/2002	Electrical services for Skywalk - September 2002
O	Consumers Energy	37,099.90	09/25/2002	Electrical services for Arena - September 2002
O	Grand Rapids City Treasurer	4,600.86	10/03/2002	Water and sewer services for Arena - September 2002
O	Grand Rapids City Treasurer	283.97	10/03/2002	Water services for Arena - September 2002
O	ICMA Retirement Corporation - 401A	240.00	10/04/2002	Admin mgr's 401A - employer/employee contribs for 10/04/02 payroll
O	ICMA Retirement Corporation - 457	160.00	09/06/2002	Admin manager's 457 - employee contrib for 09/06/02 payroll
O	ICMA Retirement Corporation - 457	160.00	09/20/2002	Admin manager's 457 - employee contrib for 09/20/02 payroll
O	ICMA Retirement Corporation - 457	160.00	10/04/2002	Admin manager's 457 - employee contrib for 10/04/02 payroll
O	Kent County Dept of Public Works	10.00	10/01/2002	Skywalk steam services - September 2002
O	Kent County Dept of Public Works	2,149.24	10/01/2002	Grand Center steam services - September 2002
O	Kent County Dept of Public Works	12,131.91	10/01/2002	Arena steam services - September 2002
O	Priority Health	278.05	09/14/2002	Insurance benefits for administrative manager - October 2002
O	Rapid Hot Coffee Service	27.68	09/25/2002	Beverages / snacks for September 25, 2002 meeting
		<u>\$ 59,477.28</u>		Sub-Total - Invoices Submitted by City Fiscal Services
		<u>\$6,593,447.97</u>		Total Invoices Submitted for Payment from Construction Account
		<u>\$ 59,477.28</u>		Total Invoices Submitted for Payment from Operating Account
		<u>\$6,652,925.25</u>		Total Invoices Processed for Payment

C = Convention Center construction related expenses

O = Non-construction / operating expenses



VAN ANDEL ARENA

**FINANCIAL STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2002**

Distribution:

Grand Rapids – Kent County Convention / Arena Authority
Robert White
Glen Mon
Bob Johnson
Gary McAneney
John Szudzik
Richard MacKeigan
Chris Machuta



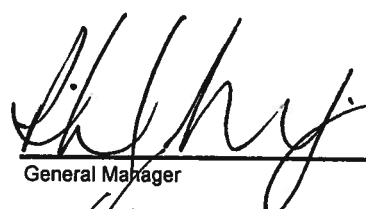
An SMG Managed Facility

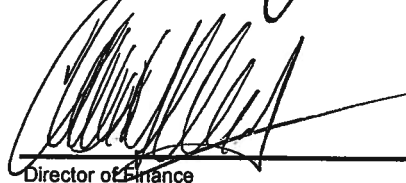
VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2003

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	25	99	124	126	(2)
ATTENDANCE	145,955	602,850	748,805	772,050	(23,245)
DIRECT EVENT INCOME	398,628	749,780	1,148,408	1,124,723	23,685
ANCILLARY INCOME	326,215	940,984	1,267,199	1,302,948	(35,749)
TOTAL EVENT INCOME	724,843	1,690,764	2,415,607	2,427,671	(12,064)
TOTAL OTHER INCOME	457,122	1,462,490	1,919,612	1,915,000	4,612
TOTAL INCOME	1,181,965	3,153,254	4,335,219	4,342,671	(7,452)
INDIRECT EXPENSES					
EXECUTIVE	23,734	68,174	91,908	91,525	(383)
FINANCE	30,869	132,701	163,570	166,900	3,330
MARKETING	43,769	133,984	177,753	173,800	(3,953)
OPERATIONS	270,742	807,400	1,078,142	1,081,652	3,510
BOX OFFICE	20,557	90,257	110,814	118,100	7,286
LUXURY SEATING	26,435	91,200	117,635	116,530	(1,105)
SKYWALK ADMIN	7,479	28,900	36,379	36,700	321
OVERHEAD	279,946	1,032,410	1,312,356	1,317,317	4,961
TOTAL INDIRECT EXP.	703,531	2,385,026	3,088,557	3,102,524	13,967
NET REVENUE ABOVE EXPENSES	478,434	768,228	1,246,662	1,240,147	6,515
LESS ALLOCATION FOR CAPITAL REPLACEMENT	16,750	348,700	365,450	368,700	3,250
NET REVENUE ABOVE EXPENSES AFTER CAPITAL	461,684	419,528	881,212	871,447	9,765

Comments:

September concludes the first quarter of the fiscal year for the Arena. The Arena performed at expected levels for the quarter on both revenues and expenses with the exception of a nice savings in utility expense due to more mild weather later in the quarter. The expectation for the balance of the fiscal year remains very close to the original budget. The second quarter of activity and bookings for the second half of the fiscal year will dictate the overall success of the fiscal year.


General Manager


Director of Finance

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED SEPTEMBER 31, 2002**

The following schedule summarizes operating results for the current month ending and the YTD ending June 30, 2003, compared to budget and to the prior year:

MONTH	September Actual	September Budget	September FY 2002
Number of Events	13	13	11
Attendance	67,470	71,000	50,785
Direct Event Income	\$145,397	\$148,224	\$45,319
Ancillary Income	95,903	137,790	95,601
Other Income	140,539	159,584	134,020
Indirect Expenses	(262,985)	(258,679)	(265,878)
Net Income	<u>\$118,854</u>	<u>\$186,919</u>	<u>\$9,062</u>

YTD	YTD 2003 Actual	YTD 2003 Budget	YTD 2002 Prior Year
Number of Events	25	24	24
Attendance	145,955	161,700	132,743
Direct Event Income	\$398,628	\$348,612	\$194,370
Ancillary Income	326,215	356,892	231,828
Other Income	457,122	478,752	410,350
Indirect Expenses	(703,531)	(776,207)	(746,108)
Net Income	<u>\$478,434</u>	<u>\$408,049</u>	<u>\$90,439</u>
Less Capital	\$16,750	\$20,000	\$41,600
Net Income after Capital	<u>\$461,684</u>	<u>\$388,049</u>	<u>\$48,839</u>

EVENT INCOME

Event income came in at expected levels for the month. All the events hosted during the month performed strong with no surprises good or bad.

ANCILLARY INCOME

Ancillary income fell below expected levels for the month. The events hosted, while attended very well, were not strong Food & Beverage or Novelty events.

INDIRECT EXPENSES

Indirect expenses came in at expected levels for the month.

VAN ANDEL ARENA
FACILITY STATEMENT OF INCOME
PERIOD ENDING 09/30/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						

DIRECT EVENT INCOME						
RENTAL INCOME	171,178	202,500	132,406	417,301	413,952	286,751
SERVICES INCOME	<25,781>	<54,276>	<87,087>	<18,673>	<65,340>	<92,381>
TOTAL DIRECT EVENT INCOME	145,397	148,224	45,319	398,628	348,612	194,370
ANCILLARY INCOME						

FOOD & BEVERAGE	82,633	113,950	85,952	251,149	264,474	186,297
NOVELTY	12,500	22,560	8,759	72,756	89,510	40,991
OTHER ANCILLARY	770	1,280	890	2,310	2,908	4,540
TOTAL ANCILLARY INCOME	95,903	137,790	95,601	326,215	356,892	231,828
TOTAL EVENT INCOME	241,300	286,014	140,920	724,843	705,504	426,198
OTHER OPERATING INCOME	140,539	159,584	134,020	457,122	478,752	410,350
ADJUSTED GROSS INCOME	381,839	445,598	274,940	1,181,965	1,184,256	836,548
INDIRECT EXPENSES						
EXECUTIVE	9,686	7,626	6,556	23,734	22,878	22,249
FINANCE	10,930	13,908	10,930	30,869	41,724	38,116
MARKETING	18,272	14,624	15,115	43,769	44,042	41,961
LUXURY SEATING	12,845	9,710	7,685	26,435	29,130	19,914
OPERATIONS	101,628	90,135	99,895	270,742	270,405	277,617
BOX OFFICE	8,446	9,842	7,467	20,557	29,526	23,752
SKYWALK ADMINISTRATION	2,380	3,058	2,592	7,479	9,174	8,201
OVERHEAD	98,799	109,776	115,637	279,946	329,328	314,298
INDIRECT EXPENSES	262,985	258,679	265,878	703,531	776,207	746,108
NET OPERATING INCOME	118,854	186,919	9,062	478,434	408,049	90,439
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	0	0	0	16,750	0	41,600
OTHER EXPENSES	0	0	0	16,750	0	41,600
NET INCOME (LOSS)	118,854	186,919	9,062	461,684	408,049	48,839
=====	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA
STATEMENT OF SERVICES INCOME
PERIOD ENDING 09/30/02

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	23,747	0	0	81,607	0	60,649
Sponsorship Income	0	0	0	0	0	18,500
Labor Billed	1,620	1,600	3,938	5,452	4,890	6,638
Changeover Setup Billed	13,948	14,200	19,358	39,384	34,300	44,998
Stagehands Billed	26,256	33,800	45,190	159,149	128,500	119,974
Security Billed	10,249	16,950	38,709	60,170	43,750	62,290
Ushers & Tix Takers Billed	12,393	11,800	18,640	41,740	30,900	34,841
Box Office Billed	387	800	774	2,967	3,150	3,191
Ticketing Service Billed	3,377	14,000	8,619	54,771	54,250	38,811
City Police Fire Billed	336	672	1,736	3,864	3,024	4,256
EMT Medical Billed	1,050	900	3,575	6,813	2,300	8,960
Cleaning Billed	13,333	12,450	15,280	39,932	33,050	33,948
Insurance Billed	0	0	0	455	0	416
Group Sales Commissions Billed	189	0	0	189	0	0
Telephone Billed	1,349	2,485	935	9,769	8,960	6,310
Other Production Billed	32,607	31,800	14,074	150,650	70,800	69,529
TOTAL SERVICE INCOME	140,840	141,457	170,828	656,912	417,874	513,310
Advertising Expense	23,938	0	22,370	79,241	0	81,895
Sponsorship Expenses	0	0	2,800	0	0	2,800
Labor Wages	1,377	1,361	3,347	4,634	4,160	5,642
Contracted Changeover Setup Expense	14,304	18,909	22,223	50,880	45,873	55,917
Stagehand Wages	32,512	40,520	47,751	160,452	133,033	120,213
Contracted Security Expense	24,371	22,360	36,943	75,928	50,160	65,966
Contracted Ushers & T/T Expense	14,072	25,440	20,845	50,093	49,460	49,021
Ticket Sellers Wages	329	0	658	2,522	0	2,712
Ticket Service Charge Expense	11,091	29,000	5,916	53,211	69,250	34,089
City Police Fire Expense	336	1,922	1,736	3,864	4,274	2,856
EMT Medical Expense	1,809	2,281	6,716	6,145	4,596	10,490
Contracted Cleaning Expense	14,538	29,319	22,239	54,388	56,648	53,694
Insurance Expense	8,341	0	0	9,117	0	416
Allocated Telephone Expense	413	821	275	3,013	2,960	1,600
Production Expense	19,190	23,800	64,096	122,098	62,800	118,378
TOTAL SERVICE EXPENSE	166,622	195,733	257,915	675,586	483,214	605,690
NET SERVICE INCOME	<25,781>	<54,276>	<87,087>	<18,673>	<65,340>	<92,381>
	=====	=====	=====	=====	=====	=====

VAN ANDEL ARENA
STATEMENT OF FINANCIAL POSITION
PERIOD ENDING 09/30/02

ASSETS

CURRENT ASSETS

CASH	3,574,352
ACCOUNTS RECEIVABLE	2,404,564
PREPAID EXPENSES	17,361

TOTAL CURRENT ASSETS	5,996,278

FIXED ASSETS

TOTAL ASSETS	5,996,278
	=====

LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	742,381
ACCRUED EXPENSES	404,685
DEFERRED INCOME	1,898,545
ADVANCED TIX SALES & DEPOSITS	725,023

TOTAL CURRENT LIABILITIES	3,770,634

EQUITY

FUNDS REMITTED	<96,280>
FUNDING RECEIVED	36,130
RETAINED EARNINGS	1,824,109
NET INCOME (LOSS)	461,684

TOTAL EQUITY	2,225,643

TOTAL LIABILITIES & EQUITY	5,996,278
	=====

VAN ANDEL ARENA
INDIRECT EXPENSE SUMMARY
PERIOD ENDING 09/30/02

	-----CURRENT-----			-----YTD-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	41,511	47,841	41,632	128,819	143,523	121,551
Part-Time	4,863	2,848	4,283	10,736	8,714	9,268
Wages-Trade	58,063	75,285	68,797	218,081	225,855	181,793
Auto Expense	777	810	777	2,331	2,430	2,085
Taxes & Benefits	25,477	31,364	23,058	84,332	94,092	61,558
Less: Allocation/Reimbursement	<47,322>	<71,668>	<62,651>	<206,615>	<215,004>	<139,801>
TOTAL LABOR COSTS	83,370	86,480	75,896	237,685	259,610	236,455
Contracted Security	13,050	17,083	16,944	50,146	51,249	52,054
Contracted Cleaning	2,098	2,167	2,017	6,294	6,501	6,052
Other Contracted Services	314	300	505	972	900	1,256
Travel & Entertainment	386	442	128	3,737	1,326	3,566
Corporate Travel	0	625	0	2,745	1,875	0
Meetings & Conventions	210	1,083	0	210	3,249	0
Dues & Subscriptions	1,074	108	881	1,074	324	881
Employee Training	0	1,000	338	0	3,000	338
Miscellaneous Expense	62	0	0	62	0	0
Computer Expense	5,369	5,417	18,710	10,308	16,251	49,580
Professional Fees	5,153	2,167	2,355	7,147	6,501	5,994
Marketing & Advertising	16,480	8,250	8,018	22,525	24,750	22,002
Box Office Expenses	3	0	<107>	344	0	<56>
Small Equipment	972	0	0	972	0	0
Trash Removal	825	1,250	795	3,940	3,750	2,585
Equipment Rental	1,656	1,300	1,431	4,630	3,900	3,871
Landscaping	0	292	0	0	876	3,561
Exterminating	495	333	495	743	999	990
Cleaning	0	450	0	8,739	1,350	2,810
Repairs & Maintenance	8,287	10,666	17,379	23,874	31,998	21,370
Supplies	31,748	15,091	25,944	52,297	45,273	69,166
Bank Service Charges	633	1,000	984	1,941	3,000	2,242
Insurance	10,211	11,967	10,360	27,453	35,901	27,488
Other Taxes	0	300	0	0	900	0
Printing & Stationary	0	1,917	0	0	5,751	0
Office Supplies	4,110	1,000	1,450	4,895	3,000	4,001
Postage	386	1,000	344	1,973	3,000	1,839
Parking Expense	2,048	1,592	3,020	5,934	4,776	4,615
Telephone Long Distance	2,399	4,583	8,452	13,273	13,749	15,384
Utilities	56,302	64,566	51,552	162,395	193,698	154,949
Base Fee	17,869	19,500	18,750	56,869	58,500	56,250
Amortization	0	0	1,811	0	0	5,737
Common Area Expense	<2,111>	<2,875>	<2,299>	<6,633>	<8,625>	<7,273>
Less: Allocated/Reimbursement	<413>	<375>	<275>	<3,013>	<1,125>	<1,600>
TOTAL MATERIAL AND SERVICES	179,616	172,199	189,982	465,847	516,597	509,654
TOTAL INDIRECT EXPENSES	262,985	258,679	265,878	703,531	776,207	746,108
=====	=====	=====	=====	=====	=====	=====

SMG - Van Andel Arena & Grand Center
Grand Rapids - Kent County Convention/Arena Authority
Capital Expenditures & Management Fee Summary
Fiscal Year Ending June 30, 2003

CAPITAL IMPROVEMENTS

	Budget	Expended	Balance	Project Status
Arena				
Lobby Duct Painting	35,000		35,000	Open
Skywalk Ice Melt System	42,000		42,000	Open
Terazzo Floor Repair	38,000		38,000	Open
Banquet Room Refurbishment	25,000		25,000	Open
Hydraulic Seating Section	70,000		70,000	Open
Hockey Glass	20,000	16,750	3,250	Closed
Floor Maintenance Equipment	18,500		18,500	Open
Security Gate System	120,200		120,200	Open
Total Arena	368,700	16,750	351,950	
Grand Center				
Refinish DeVos Stage Floor	50,000		50,000	Open
Cyclorama for DeVos Stage House	12,000		12,000	Open
Total Grand Center	62,000	-	62,000	
Grand Total Capital Improvements	430,700	16,750	413,950	

MANAGEMENT FEE SUMMARY

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Net Revenue above Expenses	1,246,662	(226,486)	1,020,176	1,642,788
Benchmark	1,550,000	(359,972)	1,190,028	1,043,839
Excess	(303,338)	133,486	(169,852)	598,949
Incentive Fee Calculation (Only if above greater than zero)				
	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Base Fee	227,475	227,475	454,950	450,000
Incentive Fee				
Revenue	4,335,219	2,104,060	6,439,279	6,993,519
Benchmark Revenue	4,367,910	1,991,859	6,359,769	5,969,444
Revenue Excess	-	-	-	1,024,075
Incentive Fee **				206,019
Total SMG Management Fee	227,475	227,475	454,950	656,019

** Incentive fee is 20% of the first \$1 million in excess, 25% of remaining capped at base fee amount.



GRAND CENTER

**FINANCIAL STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2002**

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Glen Mon

Bob Johnson

Gary McAneney

John Szudzik

Richard MacKeigan

Chris Machuta



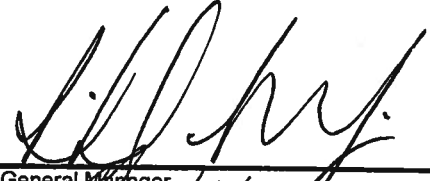
An SMG Managed Facility

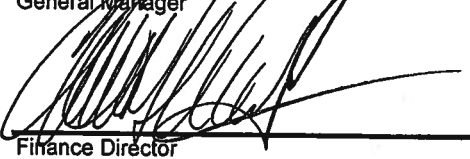
GRAND CENTER
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2003

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	60	265	325	305	20
ATTENDANCE	40,068	407,500	447,568	449,307	(1,739)
DIRECT EVENT REVENUE	266,219	1,150,872	1,417,091	1,297,805	119,286
ANCILLARY REVENUE	78,176	422,785	500,961	491,054	9,907
TOTAL EVENT REVENUE	344,395	1,573,657	1,918,052	1,788,859	129,193
TOTAL OTHER REVENUE	17,558	168,450	186,008	203,000	(16,992)
TOTAL OPERATING REVENUE	361,953	1,742,107	2,104,060	1,991,859	112,201
INDIRECT EXPENSES					
EXECUTIVE	20,969	63,214	84,183	86,064	1,881
FINANCE	35,052	108,840	143,892	142,850	(1,042)
MARKETING	9,271	106,470	115,741	146,847	31,106
OPERATIONS	100,616	371,942	472,558	480,979	8,421
EVENT SERVICES	102,712	348,025	450,737	447,613	(3,124)
BOX OFFICE	16,642	43,174	59,816	57,425	(2,391)
OVERHEAD	205,259	798,360	1,003,619	990,049	(13,570)
TOTAL OPERATING EXP.	490,521	1,840,025	2,330,546	2,351,831	21,281
NET REVENUE ABOVE EXPENSES	(128,566)	(97,918)	(226,486)	(359,972)	(133,486)
CAPITAL		62,000	62,000	62,000	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(128,566)	(159,918)	(288,486)	(421,972)	(133,486)

Comments:

The first quarter for the Grand Center was very successful and a good start to the fiscal year finishing \$224,000 ahead of projection. The Grand Center is expected to continue to perform well considering the ongoing construction, however, is expected to give back some of the first quarter gain and finish the fiscal year around \$133,000 ahead of budgeted numbers.


General Manager


Finance Director

**GRAND CENTER
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED SEPTEMBER 30, 2002**

The following schedule summarizes operating results for the current month ending and the YTD ending June 30, 2003, compared to budget and to the prior year:

MONTH	September Actual	September Budget	September FY 2002
Number of Events	21	24	30
Attendance	23,405	29,300	33,793
Direct Event Income	\$59,563	\$76,351	\$108,022
Ancillary Income	27,259	40,884	27,417
Other Income	6,040	16,917	15,180
Indirect Expenses	(164,653)	(196,511)	(155,024)
Net Income	(\$71,791)	(\$62,359)	(\$4,406)

YTD	YTD 2003 Actual	YTD 2003 Budget	YTD 2002 Prior Year
Number of Events	60	38	66
Attendance	40,068	39,307	49,576
Direct Event Income	\$266,219	\$130,316	\$158,667
Ancillary Income	78,176	55,789	51,126
Other Income	17,558	50,751	25,181
Indirect Expenses	(490,521)	(589,533)	(441,127)
Net Income	(\$128,568)	(\$352,677)	(\$206,154)

Less Capital

Net Income after Capital	(\$128,568)	(\$352,677)	(\$206,154)
--------------------------	-------------	-------------	-------------

EVENT INCOME

Event income fell below expected levels for the month. Two smaller banquets that were expected did not occur, and the concert that was originally budgeted in DeVos Performance Hall moved to August.

ANCILLARY INCOME

Ancillary income came in lower than expected. This was due to the two smaller banquets not hosted, and lower than expected spending on Food & Beverage for the events hosted during the month.

INDIRECT EXPENSES

Indirect expenses came in lower than expected. Most of the savings was realized in lower than budgeted utility expense, and lower part-time labor due to hosting fewer events

GRAND CENTER
FACILITY STATEMENT OF INCOME
PERIOD ENDING 09/30/02

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
EVENT INCOME						

DIRECT EVENT INCOME						
RENTAL INCOME	59,300	68,575	105,389	267,226	127,700	161,393
SERVICES INCOME	263	7,776	2,632	<1,007>	2,616	<2,726>
	-----	-----	-----	-----	-----	-----
TOTAL DIRECT EVENT INCOME	59,563	76,351	108,022	266,219	130,316	158,667
ANCILLARY INCOME						

FOOD & BEVERAGE	14,103	22,296	6,285	33,048	27,538	16,984
NOVELTY	0	1,250	664	7,336	1,550	3,645
ELECTRICAL	500	1,870	2,204	1,154	2,370	2,758
OTHER ANCILLARY	12,656	15,468	18,264	36,637	24,331	27,738
	-----	-----	-----	-----	-----	-----
TOTAL ANCILLARY INCOME	27,259	40,884	27,417	78,176	55,789	51,126
	-----	-----	-----	-----	-----	-----
TOTAL EVENT INCOME	86,822	117,235	135,439	344,395	186,105	209,793
OTHER OPERATING INCOME	6,040	16,917	15,180	17,558	50,751	25,181
	-----	-----	-----	-----	-----	-----
ADJUSTED GROSS INCOME	92,862	134,152	150,618	361,953	236,856	234,973
INDIRECT EXPENSES						
EXECUTIVE	6,902	7,172	6,324	20,969	21,516	13,779
FINANCE	11,028	11,904	10,639	35,052	35,712	26,284
MARKETING	2,690	12,236	2,360	9,271	36,708	7,939
OPERATIONS	41,018	40,083	45,238	100,616	120,249	142,568
EVENT MANAGEMENT	30,628	37,826	18,017	102,712	113,478	57,804
BOX OFFICE	4,240	4,785	3,895	16,642	14,355	10,019
OVERHEAD	68,147	82,505	68,551	205,259	247,515	182,735
	-----	-----	-----	-----	-----	-----
INDIRECT EXPENSES	164,653	196,511	155,024	490,521	589,533	441,127
	-----	-----	-----	-----	-----	-----
NET OPERATING INCOME	<71,791>	<62,359>	<4,406>	<128,568>	<352,677>	<206,154>
OTHER EXPENSES						
OTHER EXPENSE (INCOME)	0	0	18,948	0	0	63,339
	-----	-----	-----	-----	-----	-----
OTHER EXPENSES	0	0	18,948	0	0	63,339
	-----	-----	-----	-----	-----	-----
NET INCOME (LOSS)	<71,791>	<62,359>	<23,355>	<128,568>	<352,677>	<269,493>
	=====	=====	=====	=====	=====	=====

GRAND CENTER
STATEMENT OF SERVICES INCOME
PERIOD ENDING 09/30/02

	-----CURRENT-----			-----YEAR TO DATE-----		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Advertising Billed	0	0	0	6,217	0	13,028
Stagehands Billed	28,335	67,650	47,390	63,266	79,600	80,863
Security Billed	3,576	7,295	8,882	6,871	8,295	16,189
Ushers & Tix Takers Billed	10,360	11,655	11,919	15,911	12,455	17,971
Box Office Billed	1,700	1,800	2,000	2,850	1,900	2,600
Ticketing Service Billed	6,296	11,325	8,069	15,097	12,075	14,346
City Police Fire Billed	0	0	1,132	713	0	3,023
Traffic Control Billed	153	1,850	2,714	153	2,150	2,714
EMT Medical Billed	1,425	1,725	2,812	2,271	2,025	3,571
Cleaning Billed	0	0	1,430	0	0	1,430
Insurance Billed	0	0	445	655	0	581
Telephone Billed	900	650	520	4,890	780	1,320
Other Production Billed	852	0	1,692	5,717	0	14,358
TOTAL SERVICE INCOME	53,596	103,950	89,005	124,610	119,280	171,992
Advertising Expense	0	0	0	6,372	0	11,838
Stagehand Wages	27,090	65,621	46,000	60,602	77,213	79,208
Security Wages	0	0	0	0	0	7,722
Contracted Security Expense	3,576	7,295	8,761	6,888	8,295	8,761
Ushers & T/T Wages	7,252	8,159	8,343	11,138	8,719	12,580
Ticket Sellers Wages	1,373	1,050	1,817	2,207	1,175	2,246
Ticket Service Charge Expense	2,653	3,964	2,081	5,895	4,227	4,460
City Police Fire Expense	0	0	1,132	713	0	3,023
Traffic Control Expense	1,246	2,730	4,169	2,121	3,680	5,011
EMT Medical Expense	1,179	1,725	1,889	1,825	2,025	2,435
Cleaning Wages	8,432	5,630	10,985	21,981	11,330	25,240
Insurance Expense	0	0	361	505	0	475
Production Expense	532	0	835	5,370	0	11,721
TOTAL SERVICE EXPENSE	53,333	96,174	86,372	125,617	116,664	174,718
NET SERVICE INCOME	263	7,776	2,632	<1,007>	2,616	<2,726>
	=====	=====	=====	=====	=====	=====

GRAND CENTER
STATEMENT OF FINANCIAL POSITION
PERIOD ENDING 09/30/02

ASSETS

CURRENT ASSETS

CASH	1,495,104
ACCOUNTS RECEIVABLE	254,274
PREPAID EXPENSES	28,617

TOTAL CURRENT ASSETS	1,777,994
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FIXED ASSETS

TOTAL ASSETS	1,777,994
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	466,934
ACCRUED EXPENSES	140,983
ADVANCED TIX SALES & DEPOSITS	248,810

TOTAL CURRENT LIABILITIES	856,728
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EQUITY

FUNDING RECEIVED	96,985
RETAINED EARNINGS	952,849
NET INCOME (LOSS)	<128,568>

TOTAL EQUITY	921,266
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TOTAL LIABILITIES & EQUITY	1,777,994
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GRAND CENTER
INDIRECT EXPENSE SUMMARY
PERIOD ENDING 09/30/02

	CURRENT			YTD		
	ACTUAL	BUDGET	LAST YEAR	ACTUAL	BUDGET	LAST YEAR
Salaries Administration	40,862	46,990	40,585	129,529	140,970	97,574
Part-Time	8,951	11,275	7,074	20,111	33,825	18,081
Wages-Trade	46,054	95,565	62,582	124,371	286,695	148,551
Auto Allowance	0	615	0	0	1,845	0
Auto Expense	1,521	1,201	1,521	4,562	3,603	4,212
Taxes & Benefits	21,298	30,108	21,068	63,535	90,324	53,893
Less: Allocation/Reimbursement	<56,200>	<110,163>	<77,667>	<134,621>	<330,489>	<148,061>
TOTAL LABOR COSTS	62,487	75,591	55,162	207,487	226,773	174,251
Contracted Security	5,563	5,000	5,238	15,642	15,000	14,177
Other Contracted Services	186	183	152	558	549	448
Travel & Entertainment	302	792	175	1,655	2,376	279
Corporate Travel	0	333	0	0	999	0
Meetings & Conventions	0	1,613	85	3,030	4,839	3,201
Dues & Subscriptions	320	160	0	320	480	83
Employee Training	0	833	0	0	2,499	0
Miscellaneous Expense	0	0	0	0	0	66
Computer Expense	2,530	5,417	4,681	8,625	16,251	9,682
Professional Fees	2,421	1,730	1,229	5,845	5,190	3,479
Marketing & Advertising	1,078	1,094	33	2,293	3,282	2,033
Box Office Expenses	<14>	0	70	57	0	259
Small Equipment	108	0	0	2,498	0	0
Trash Removal	1,324	2,800	1,007	2,556	8,400	1,038
Equipment Rental	153	375	146	342	1,125	146
Landscaping	0	0	0	<69>	0	0
Exterminating	375	368	300	1,125	1,104	1,050
Cleaning	0	1,250	272	0	3,750	272
Construction Costs	2,511	0	0	2,511	0	777
Repairs & Maintenance	9,183	9,013	11,390	20,265	27,039	27,667
Supplies	10,612	13,098	11,292	22,230	39,294	29,342
Bank Service Charges	631	750	1,447	1,863	2,250	2,892
Insurance	7,929	8,380	7,323	20,713	25,140	24,246
Other Taxes	0	300	0	0	900	0
Printing & Stationary	0	731	0	0	2,193	703
Office Supplies	860	500	1,496	2,097	1,500	2,047
Postage	9	200	0	9	600	240
Parking Expense	1,831	1,500	1,555	4,640	4,500	4,913
Telephone Long Distance	2,996	2,000	2,286	8,875	6,000	4,759
Utilities	31,891	43,000	26,310	96,985	129,000	71,130
Base Fee	19,368	19,500	22,842	58,368	58,500	60,342
Incentive Fee	0	0	535	0	0	1,605
TOTAL MATERIAL AND SERVICES	102,166	120,920	99,862	283,034	362,760	266,877
TOTAL INDIRECT EXPENSES	164,653	196,511	155,024	490,521	589,533	441,127

SMG - Van Andel Arena & Grand Center
Grand Rapids - Kent County Convention/Arena Authority
Capital Expenditures & Management Fee Summary
Fiscal Year Ending June 30, 2003

CAPITAL IMPROVEMENTS

	Budget	Expended	Balance	Project Status
Arena				
Lobby Duct Painting	35,000		35,000	Open
Skywalk Ice Melt System	42,000		42,000	Open
Terazzo Floor Repair	38,000		38,000	Open
Banquet Room Refurbishment	25,000		25,000	Open
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Floor Maintenance Equipment	18,500		18,500	Open
Security Gate System	120,200		120,200	Open
Total Arena	368,700	16,750	351,950	
Grand Center				
Refinish DeVos Stage Floor	50,000		50,000	Open
Cyclorama for DeVos Stage House	12,000		12,000	Open
Total Grand Center	62,000	-	62,000	
Grand Total Capital Improvements	430,700	16,750	413,950	

MANAGEMENT FEE SUMMARY

	Arena Budget	Grand Center Budget	Total Budget	FY 2002 Act/Est
Net Revenue above Expenses	1,246,662	(226,486)	1,020,176	1,642,788
Benchmark	1,550,000	(359,972)	1,190,028	1,043,839
Excess	(303,338)	133,486	(169,852)	598,949
Incentive Fee Calculation (Only if above greater than zero)				
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Base Fee	227,475	227,475	454,950	450,000
Incentive Fee				
Revenue	4,335,219	2,104,060	6,439,279	6,993,519
Benchmark Revenue	4,367,910	1,991,859	6,359,769	5,969,444
Revenue Excess	-	-	-	1,024,075
Incentive Fee **				206,019
Total SMG Management Fee	227,475	227,475	454,950	656,019

** Incentive fee is 20% of the first \$1 million in excess, 25% of remaining capped at base fee amount.

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

INTERIM FINANCIAL STATEMENTS

Three Months Ended September 30, 2002



ACCOUNTANTS' REPORT

To the Board of Directors
Grand Rapids - Kent County Convention / Arena Authority
Grand Rapids, Michigan

We have compiled the accompanying statements of net assets and cash receipts and disbursements - budget to actual for the operating account and construction accounts of the Grand Rapids - Kent County Convention / Arena Authority for the three month ended September 30, 2002, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. These statements do not include the cash receipts and disbursements of the Van Andel Arena and Grand Center which are operated by the Authority. The financial statements presented have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's cash receipts and disbursements. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Beene Garter LLP

October 14, 2002
Grand Rapids, Michigan

BEENE GARTER LLP
50 MONROE NW
SUITE 600
GRAND RAPIDS
MICHIGAN
49503-2679

BUSINESS ADVISORS ► CPAs ► FINANCIAL SERVICES
INTERNATIONALLY KNOWN AS MOORE STEPHENS BEENE GARTER PLC

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INTERIM FINANCIAL STATEMENTS

Statement A

GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY

Statement of Net Assets

September 30, 2002

ASSETS	CONSTRUCTION	OPERATING	TOTAL
Current Assets:			
Cash and Equivalents - Authority	\$ 43,447,048	\$ 1,837,101	\$ 45,284,149
Cash and Equivalents - Facility	-	3,620,013	3,620,013
Receivables, Net	-	1,232,040	1,232,040
Prepaid Expenses	-	117,750	117,750
Contract Rights	-	5,737	5,737
Total Current Assets	43,447,048	6,812,641	50,259,689
Noncurrent Assets:			
Capital Assets:			
Construction in Progress	56,229,162	3,507	56,232,669
Total Noncurrent Assets	56,229,162	3,507	56,232,669
TOTAL ASSETS	99,676,210	6,816,148	106,492,358
LIABILITIES			
Current Liabilities:			
Accounts Payable	-	643,033	643,033
Accrued Expenses	-	418,296	418,296
Advance Ticket Sales	-	1,079,206	1,079,206
Advance Deposits	-	202,952	202,952
Deferred Facility Income	-	441,506	441,506
TOTAL LIABILITIES	-	2,784,993	2,784,993
NET ASSETS			
Invested in Capital Assets	56,229,162	3,507	56,232,669
Fund Balance	43,447,048	4,027,648	47,474,696
TOTAL NET ASSETS	\$ 99,676,210	\$ 4,031,155	\$ 103,707,365



BEENE GARTER LLP

See accountants' report

Statement B

GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY Statement of Cash Receipts and Disbursements - Budget to Actual (Operations) From July 1, 2002 to September 30, 2002

	OPERATING ACCOUNT			
	Facilities Operations		Capital Replacement	
	Budget	Actual	Budget	Actual
RECEIPTS				
Facility Operations	\$ 2,170,975	\$ 96,280	\$ -	\$ -
Parking Revenues	107,772	-	-	-
Interest on Investments	34,880	10,335	25,120	6,070
Capital Replacement Reserve Transfer	184,418	-	(184,418)	-
TOTAL RECEIPTS	2,498,045	106,615	(159,298)	6,070
DISBURSEMENTS				
Accounting / Auditing Services	25,635	7,505	-	-
Insurance - Property and Liability	33,050	3,999	-	-
Legal Services	33,550	2,477	-	-
Other Contractual Services	43,000	36,984	-	-
Meeting Expense	890	55	-	-
Supplies	1,350	61	-	-
Transfer to Construction Account	1,000,000	-	-	-
Sub-total Service Disbursements	1,137,475	51,080	-	-
Electricity	727,000	191,734	-	-
Steam	471,000	40,017	-	-
Water and Sewer	92,800	18,084	-	-
Sub-total Utility Disbursements	1,290,800	249,836	-	-
Building Additions and Improvements	-	-	380,200	-
Facility Equipment Acquisition	-	-	50,500	-
Sub-total Capital Disbursements	-	-	430,700	-
Employee Wages	52,240	12,000	-	-
Employee Benefits	17,530	4,683	-	-
Sub-total Payroll Disbursements	69,770	16,683	-	-
TOTAL DISBURSEMENTS	2,498,045	317,599	430,700	-
Excess / (Deficit) of Funds	\$ -	\$ (210,984)	\$ (589,998)	\$ 6,070
Total Net Assets - Beginning of Year	2,418,567	2,418,567	1,817,502	1,817,502
Total Net Assets - End of Period	\$ 2,418,567	\$ 2,207,583	\$ 1,227,504	\$ 1,823,572
	See Comments 1 and 2		See Comments 1 and 2	

Comment 1: Facilities Operations and Capital Replacement budgets were approved by the GR-KC Convention / Arena Authority at its regularly scheduled meeting on June 26, 2002.

Comment 2: Facilities Operations and Capital Replacement columns include receipts and disbursements processed by the C/AA. SMG receipts and disbursements are reported separately in the Van Andel Arena and Grand Center financial statements prepared by SMG.

Statement C

GRAND RAPIDS - KENT COUNTY CONVENTION / ARENA AUTHORITY Statement of Cash Receipts and Disbursements - Budget to Actual (Construction) From July 1, 2002 to September 30, 2002

	CONSTRUCTION ACCOUNT			
	Monroe Ave Relocation Budget	Actual	Convention Center Construction Budget	Actual
RECEIPTS				
State of Michigan	\$ -	\$ -	\$ 2,138,974	\$ -
City / County Bldg Authority Capital Contrib.	3,071,036	14,574	52,381,302	18,720,426
Transfer from Operating Fund	-	-	1,000,000	-
Interest on Investments	55,000	20,845	698,455	326,574
TOTAL RECEIPTS	3,126,036	35,419	56,218,731	19,047,000
DISBURSEMENTS				
Architectural and Engineering Services	1,744,046	-	4,000,000	1,098,653
Construction Material Testing	-	-	600,000	89,738
Construction - GMP Contractor	1,133,925	14,560	47,063,549	17,314,047
Sub-total Contractor Disbursements	2,877,971	14,560	51,663,549	18,502,437
Insurance - Property / Liability	-	-	53,338	77,660
Legal Services	10,000	202	10,000	1,177
Owner's Representatives	-	-	270,870	69,968
Other Contractual Services	238,065	-	4,215,724	49,718
Sub-total Service Disbursements	248,065	202	4,549,932	198,522
Advertising / Promotion / Publicity	-	-	2,500	-
Supplies	-	-	500	-
Postage / Express	-	-	150	-
Telephone	-	-	2,100	559
Sub-total Supplies Disbursements	-	-	5,250	559
TOTAL DISBURSEMENTS	3,126,036	14,762	56,218,731	18,701,519
Excess / (Deficit) of Funds	\$ -	\$ 20,657	\$ -	\$ 345,481
Total Net Assets - Beginning of Year	9,206,790	9,206,790	90,103,282	90,103,282
Total Net Assets - End of Period	\$ 9,206,790	\$ 9,227,447	\$ 90,103,282	\$ 90,448,763
	See Comment		See Comment	

Comment: Convention Center Construction budget was approved by the Grand Rapids - Kent County Convention / Arena Authority at its regularly scheduled meeting on June 26, 2002.

A CMS Energy Company

The Business Center
4000 Clay Ave., SW
P.O. Box 201
Grand Rapids, MI 49501-0201

Tel: 1 800 805 0490 (toll free)
Fax: 616 530 4105

September 27th, 2002

Mr. Jim Gray
DeVos Place Expansion
201 Monroe NW
Suite 100
Grand Rapids, MI 49503

Dear Jim,

It was a pleasure to meet with you and Dale Sommers on Wednesday. I am looking forward to the completion of DeVos Place and being able to enjoy events there in the future.

Per our discussions, I am enclosing 3 copies Contracts for Primary Rate D for each of the two electrical services that will provide power to DeVos Place. These contracts are for a 5 year term, and will be executed on or about April 1, 2003. I will monitor the electrical consumption when the new service comes on line, and will make a determination as to when to execute the contracts. This decision will be made based on when the usage characteristics make Rate D the most economical rate for the new account. The contract for the existing account addressed off of Lyon Street will also be executed on the same date to provide for uniformity for the facility.

Once the Rate D Contacts are signed, let me know and I will pick them up from you. We will then sign them and hold them until the usage warrants that they go into effect. At that point, I will date them and return your copy.

Consumers Energy has scheduled an in service date of April 1, 2003, for the new service to be available in a limited capacity. The capacity will be limited to 70 amps, at 12,470 volts (approximately 1.5 MVA) until completion of the permanent source. Full load capacity is scheduled to be completed June 1, 2003. At that point, DeVos Place will be able to utilize its full electrical load without restriction.

Thank you for your help on these matters. I look forward to working with you and your group on this project. If you have any questions, please contact me at 457-5742.

Sincerely,



Todd R Duncan
Corporate Account Manager



CONTRACT FOR ELECTRIC SERVICE

PART I

Effective Date of Agreement: _____
(Month/Day/Year)

Company:

Customer:

CONSUMERS ENERGY COMPANY

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

(Name)

a Michigan Corporation

- | | |
|---|--|
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Limited Liability Company | |
| <input checked="" type="checkbox"/> Other (Specify) Governmental Agency | |

212 W MICHIGAN AVENUE
JACKSON MI 49201-2277

300 MONROE AVE NW
(Street & Number)

GRAND RAPIDS MI 49503
(City, State & Zip Code)

Customer Facility: DeVos Place Convention Center

Service Location: 227 Lyon St NW, Grand Rapids MI 49503

Service Characteristics: Three (3) Phase: 60 Hertz; 7200 Delta Volts

Capacity Reserved: 2000 kW General Service Rate: D (018)

Initial Term: Five (5) year(s) beginning with the Effective Date of Agreement stated above.

PART II, TERMS AND CONDITIONS, is attached hereto and is a part of this Agreement. CUSTOMER ACKNOWLEDGES HAVING READ SAID TERMS AND CONDITIONS.

CONSUMERS ENERGY COMPANY

GRAND RAPIDS - KENT COUNTY CONVENTION
ARENA AUTHORITY

(Customer)

By: _____
(Signature)

By: _____
(Signature)

Todd Duncan
(Print or Type Name)

(Print or Type Name)

Title: Corporate Account Manager

Title: _____

**CONTRACT FOR ELECTRIC SERVICE
TERMS AND CONDITIONS**

PART II

1. The Company agrees to supply, and the Customer agrees to purchase hereunder, all of the electric energy for the operation of the Customer's Facility described in Part I, but not in excess of the capacity reserved amount identified in Part I. The Company will, at the written request of the Customer, made at least thirty days in advance, permit an increase in such reserved capacity if the Company has power available.
2. The electric energy to be supplied hereunder shall be alternating current and shall have the characteristics identified in Part I. Delivery shall be made at one mutually agreeable point upon the Customer's premises. It shall be metered by meters furnished, installed and maintained by the Company. A location for the metering equipment, suitable to the Company, shall be provided by the Customer and adequate protection afforded to avoid damage thereto, tampering or interference with such metering equipment. The Company shall make periodic tests of its meters and keep them within accepted standards of accuracy.
3. The Customer shall pay for such energy in accordance with Company's General Service Rate identified in Part I, a copy of which is attached hereto and made a part hereof, and in accordance with such amendments thereto as may be filed with and approved by the Michigan Public Service Commission during the term of this Agreement.
4. It is further agreed that:
 - (a) Such service is for the sole use of the Customer, for the purpose aforesaid, and shall not be transmitted elsewhere, or shared or resold, or used as auxiliary or standby as to any other source of power supply, except as may be herein provided.
 - (b) Such service shall be governed by the Company's Schedule of Rates Governing the Sale of Electric Service and such future revisions and amendments thereof, supplements thereto, or substitutions therefor as may be filed with and approved by the Michigan Public Service Commission during the term of this Agreement. A copy thereof will be furnished to the Customer upon request.
 - (c) Except as to the capacity and minimum charges payable by the Customer, prescribed in said rate, neither party shall be liable to the other for damages for any act, omission or circumstance occasioned by or in consequence of any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, or by any other cause or causes beyond such party's control, including any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or by the making of necessary repairs upon the property or equipment of either party hereto; provided, however, that the Company's responsibility for interruptions in service, phase failure or reversal, or variations in the service characteristics shall be as provided in said Schedule of Rates Governing the Sale of Electric Service.
 - (d) This Agreement will become effective on the date identified in Part I and will extend for an initial term as stated in Part I and from month to month thereafter until terminated by mutual consent, or by either party giving the other at least sixty days' written notice of its desire to terminate the same at the expiration of any monthly period, which notice may be given at any time.
 - (e) This Agreement inures to and binds the heirs, administrators, successors and assigns of the respective parties hereto. There are no understandings or agreements between them in relation to electric service at the location stated in Part I except as contained herein. This Agreement shall not be transferred by the Customer or otherwise alienated without the Company's written consent.
 - (f)

SECTION E RATE SCHEDULES

GENERAL TERMS AND CONDITIONS OF THE RATE SCHEDULES

- A. Bills for utility service are subject to Michigan State Sales Tax. Customers may file a request with the Company for partial or total exemption from the application of sales tax in accordance with the laws of the State of Michigan and the rules of the Michigan State Department of Treasury.
- B. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Company's property, or its operation, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other customers from being compelled to share such local increases.
- C. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority upon the Company's generation or sale of electrical energy.

Issued May 14, 1998 by
D. W. Joos,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective: May 14, 1998

Issued under authority of the
Michigan Public Service Commission
dated March 24, 1981
in Case No. U-6300

SURCHARGES

Rate Schedule	Nuclear Decommissioning Surcharge (Case No. U-11662)		Total Surcharges
	Palisades	Big Rock	
	Effective 1/1/00 through 12/31/2007	Effective 4/1/99*	
Residential Service Rates	\$.000158/kWh	\$.000930/kWh	\$.001088/kWh
Rate B	.000185	.001091	.001276
Rate B-1	.000134	.000791	.000925
Rate C	.000160	.000947	.001107
Rate D	.000143	.000845	.000988
Rate F	.000143	.000845	.000988
Rate F-1	.000143	.000845	.000988
Rate GH	.000189	.001117	.001306
Rate H	.000160	.000942	.001102
Rate I	.000143	.000845	.000988
Rate J	.000176	.001038	.001214
Rate J-1	.000176	.001038	.001214
Rate CG	.000143	.000845	.000988
Rate L-1	.000124	.000729	.000853
Rate L-2	.000124	.000729	.000853
Rate L-3	.000124	.000729	.000853
Rate L-4	.000124	.000729	.000853
Rate PA	NA	NA	NA
Rate PS-1	.000138	.000817	.000955
Rate PS-2	.000100	.000593	.000693
Rate PS-3	.000138	.000813	.000951
Rate R-1	.000185	.001091	.001276
Rate R-2	.000160	.000947	.001107
Rate R-3	.000143	.000845	.000988
Rate UR	.000117	.000691	.000808

Rates ROA-R, ROA-S, ROA-P and ROA-SB

Surcharges are included in the applicable rate schedule

*Even though the Big Rock Nuclear Decommissioning Surcharge terminates December 31, 2000, the total charges remain the same thereafter due to the rate freeze provisions of 2000 PA 141.

Issued January 18, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after January 1, 2002

Issued under authority of the
Michigan Public Service Commission
dated December 20, 2001
in Case No. U-12488

(To reduce Base Rate Adjustment for residential customers
and freeze the Base Rate Adjustment)

BASE RATE ADJUSTMENT

The actual Base Rate Adjustment applied to customers' bills is as follows:

<u>Billing Month</u>	<u>\$/kWh</u>
<u>Year 1999</u>	
January 1999-September 1999	\$.00270
October 1999	
Residential	\$.00844
Commercial and Industrial	\$.00726
November 1999	\$.00902
December 1999	\$.00270

Year 2000

Residential Customers

January-June 4, 2000 \$.00270

Effective June 5, 2000, the Base Rate Adjustment is \$.00257 per kWh.

Commercial and Industrial Customers

The Base Rate Adjustment is \$.00270 per kWh.

Issued June 12, 2000 (Revised) by
D. W. Joos,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for bills rendered on
and after June 5, 2000

Issued under authority of the
Michigan Public Service Commission
dated June 5, 2000 and August 4, 2000
in Case No. U-12464

SECURITIZATION AND SECURITIZATION TAX CHARGES

The actual Securitization Charge and Securitization Tax Charge are authorized pursuant to Rule No. B18., Securitization Charges, Tax Charges, Initial Implementation and True-up Methodology.

Effective with the December 2001 billing month, the monthly securitization charge shall be \$.001427 per kWh and the securitization tax charge shall be \$.000250.

Issued November 14, 2001 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for bills rendered on
and after November 30, 2001

Issued under authority of the
Michigan Public Service Commission
dated October 24, 2000 and January 4, 2001
in Case No. U-12505

SECTION D - PART II GENERAL RULES AND REGULATIONS (Nonresidential Customers)

These General Rules and Regulations for nonresidential customers are not to supersede but are in addition to Rule D1., Part 9. Commercial and Industrial Standards and Billing Practices.

D2. CUSTOMER DEPOSITS

The Company may require a cash deposit from the transferor or transferee upon receipt of a bulk transfer notice. The Company shall pay interest on such deposits in accordance with Rule D1.1., Customer Deposits.

D3. PROVISIONS GOVERNING THE APPLICATION OF ON-PEAK AND OFF-PEAK RATES

- A. Energy consumed under the following rate schedules shall be subject to the on-peak and off-peak charges as set forth in these rate schedules and as defined in the Schedule of On-Peak and Off-Peak Hours.

General Service Primary Rate D
General Service Primary High Load Factor Rate F
General Service Primary Interruptible Rate I
General Service Primary Electric Furnace Rate J
General Service Optional Primary Public Pumping Rate PS-3
General Service Primary Resale Rate R-3

Demands created under the following rate schedules shall be subject to the on-peak and off-peak charges as set forth in these rate schedules and as defined in the Schedule of On-Peak and Off-Peak Hours.

General Service Secondary Rate C (Over 100 kW Minimum Guarantee)
General Service Primary Rate D
General Service Primary High Load Factor Rate F
General Service Primary Interruptible Rate I
General Service Primary Electric Furnace Rate J
General Service Optional Primary Public Pumping Rate PS-3
General Service Secondary Resale Rate R-2 (Over 100 kW Minimum Guarantee)
General Service Primary Resale Rate R-3

- B. Schedule of On-Peak and Off-Peak Hours

Except where otherwise provided, the following schedule shall apply Monday through Friday (except holidays designated by the Company). Weekends and holidays are off-peak.

- (1) On-Peak Hours: 11:00 AM to 7:00 PM
(2) Off-Peak Hours: 7:00 PM to 11:00 AM

(Continued on Sheet No. D-5.00)

Issued May 14, 1998 by
D. W. Joos,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective: May 14, 1998

Issued under authority of the
Michigan Public Service Commission
dated March 24, 1981
in Case No. U-6300

(Continued From Sheet No. D-4.00)

D3. PROVISIONS GOVERNING THE APPLICATION OF ON-PEAK AND OFF-PEAK RATES (Contd)

C. Holidays Designated by the Company

The following are designated as holidays by the Company

- New Year's Day - January 1
- Memorial Day - Last Monday in May
- Independence Day - July 4
- Labor Day - First Monday in September
- Thanksgiving Day - Fourth Thursday of November
- Christmas Day - December 25

Whenever January 1, July 4 or December 25 falls on Sunday, extended holiday periods such as Monday, January 2; Monday, July 5 and Monday, December 26 shall not be considered as holidays for application of off-peak hours.

D4. SPECIAL MINIMUM CHARGES

Where the customer is billed on General Service Secondary Rate B or General Service Secondary Resale Rate R-1 and the use of service is seasonal or occasional, or where equipment which creates high demands of momentary duration is used, and the Company continuously maintains distribution facilities (including transformers) primarily for the customer's individual use, the sum of the net monthly bills, excluding the customer charge included in the rate, shall not be less than the following minimum charge for each contract year or any part thereof.

For customers with transformer capacity greater than 25 kVA:

\$130.00, plus \$3.50 per kVA of installed transformer capacity in excess of 25 kVA

When, in any contract year, the customer's net monthly bills, excluding the customer charge included in the rate, total less than the annual minimum charge, the difference will be billed and paid for at the end of such contract year. Customers subject to the above Special Minimum Charges shall sign a contract providing for such minimum charges for a term of at least one year. The Company may cancel the contract for Special Minimum Charges for any customer whose net monthly bills, excluding the customer charge included in the rate, have exceeded the Special Minimum Charge for three consecutive years.

(Continued on Sheet No. D-6.00)

Issued May 14, 1998 by
D. W. Joos,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective: May 14, 1998

Issued under authority of the
Michigan Public Service Commission
dated March 24, 1981
in Case No. U-6300

GENERAL SERVICE PRIMARY RATE D

Availability:

Subject to any restrictions, this rate is available to any customer desiring primary voltage service for general use where the billing demand is 25 kW or more. This rate is not available for streetlighting service or for resale purposes.

Nature of Service:

Alternating current, 60-hertz, single-phase or three-phase, the particular nature of the voltage in each case to be determined by the Company.

Where service is supplied at a nominal voltage of 25,000 volts or less, the customer shall furnish, install and maintain all necessary transforming, controlling and protective equipment.

Where the Company elects to measure the service at a nominal voltage above 25,000 volts, 1% shall be deducted, for billing purposes, from the demand and energy measurements thus made.

Where the Company elects to measure the service at a nominal voltage of less than 2,400 volts, 3% shall be added, for billing purposes, to the demand and energy measurements thus made.

Monthly Rate:

Customer Charge:

\$100.00 per customer per month, plus

Capacity Kilowatt Charge for Transmission Service:

On-Peak Billing Demand Charge:

Generation Charge:

\$6.88 per kW of On-Peak Billing Demand

Transmission Charge:

\$.60 per kW of On-Peak Billing Demand

Total On-Peak Billing Demand Charge

\$7.48 per kW of On-Peak Billing Demand, plus

Maximum Demand Charge:

Distribution Charge:

\$.52 per kW of Maximum Demand

Kilowatt-hour Charge for Transmission Service:

	On-Peak Period	Off-Peak Period
Generation Charge (Excludes Base Rate Adjustment):	\$.023323 per kWh for all kWh	\$.017323 per kWh for all kWh
Distribution Charge:	\$.002800 per kWh for all kWh	\$.002800 per kWh for all kWh
Customer Related Charge:	\$.000100 per kWh for all kWh	\$.000100 per kWh for all kWh
Regulatory Adjustment Charge:	\$.008200 per kWh for all kWh	\$.008200 per kWh for all kWh
Total Kilowatt-hour Charge:	\$.034423 per kWh for all kWh	\$.028423 per kWh for all kWh

(Continued on Sheet No. E-26.10)

Issued June 4, 2002 by

J. G. Russell,

President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after May 17, 2002

Issued under authority of the
Michigan Public Service Commission
dated May 16, 2002
in Case No. U-12970

GENERAL SERVICE PRIMARY RATE D

(Continued From Sheet No. E-26.00)

Monthly Rate: (Contd)

Capacity Kilowatt Charge for Subtransmission Service:

On-Peak Billing Demand Charge:

Generation Charge: \$6.85 per kW of On-Peak Billing Demand
Transmission Charge: \$.63 per kW of On-Peak Billing Demand

Total On-Peak Billing Demand Charge \$7.48 per kW of On-Peak Billing Demand, plus

Maximum Demand Charge:

Distribution Charge: \$.97 per kW of Maximum Demand

Kilowatt-hour Charge for Subtransmission Service:

	On-Peak Period	Off-Peak Period
Generation Charge (Excludes Base Rate Adjustment):	\$.023423 per kWh for all kWh	\$.017423 per kWh for all kWh
Distribution Charge:	\$.000200 per kWh for all kWh	\$.000200 per kWh for all kWh
Customer Related Charge:	\$.000100 per kWh for all kWh	\$.000100 per kWh for all kWh
Regulatory Adjustment Charge:	\$.010700 per kWh for all kWh	\$.010700 per kWh for all kWh
Total Kilowatt-hour Charge:	\$.034423 per kWh for all kWh	\$.028423 per kWh for all kWh

Capacity Kilowatt Charge for Primary Service:

On-Peak Billing Demand Charge:

Generation Charge: \$6.68 per kW of On-Peak Billing Demand
Transmission Charge: \$.80 per kW of On-Peak Billing Demand

Total On-Peak Billing Demand Charge \$7.48 per kW of On-Peak Billing Demand, plus

Maximum Demand Charge:

Distribution Charge: \$1.85 per kW of Maximum Demand

Kilowatt-hour Charge for Primary Service:

	On-Peak Period	Off-Peak Period
Generation Charge (Excludes Base Rate Adjustment):	\$.031123 per kWh for all kWh	\$.025123 per kWh for all kWh
Customer Related Charge:	\$.000100 per kWh for all kWh	\$.000100 per kWh for all kWh
Regulatory Adjustment Charge:	\$.003200 per kWh for all kWh	\$.003200 per kWh for all kWh
Total Kilowatt-hour Charge:	\$.034423 per kWh for all kWh	\$.028423 per kWh for all kWh

Securitization Charges:

\$.001427 per kWh Securitization Charge
\$.000250 per kWh Securitization Tax Charge

(Continued on Sheet No. E-27.00)

Issued June 4, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after May 17, 2002

Issued under authority of the
Michigan Public Service Commission
dated May 16, 2002
in Case No. U-12970

GENERAL SERVICE PRIMARY RATE D
(Continued From Sheet No. E-26.10)

Monthly Rate: (Contd)

General Terms and Surcharges:

This rate is subject to all general terms and conditions shown on Sheet No. E-1.00, and surcharges shown on Sheet No. E-2.00.

Adjustment for Power Factor:

This rate requires a determination of the average power factor maintained by the customer during the billing period. Such average power factor shall be determined through metering of lagging kilovar-hours and kilowatt-hours during the billing period. The calculated ratio of lagging kilovar-hours to kilowatt-hours shall then be converted to the average power factor for the billing period by using the appropriate conversion factor. Whenever the average power factor during the billing period is above .899 or below .800, the capacity *kilowatt* charge shall be adjusted as follows:

- (a) If the average power factor during the billing period is .900 or higher, the capacity *kilowatt* charge shall be reduced by 2%. This credit shall not in any case be used to reduce the prescribed minimum charge or the capacity *kilowatt* charge when based upon 60% of the highest on-peak billing demand of the preceding billing months of June through September.
- (b) If the average power factor during the billing period is less than .800, the capacity *kilowatt* charge shall be increased by the ratio that .800 bears to the customer's average power factor during the billing period. The capacity *kilowatt* charge shall not be increased when the On-Peak Billing Demand is based on 60% of the highest on-peak billing demand of the preceding billing months of June through September or on a minimum billing demand.

Maximum Demand:

The maximum demand shall be the highest 15-minute demand created during the current month or previous 11 months.

(Continued on Sheet No. E-28.00)

Issued June 4, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after May 17, 2002

Issued under authority of the
Michigan Public Service Commission
dated May 16, 2002
in Case No. U-12970

GENERAL SERVICE PRIMARY RATE D
(Continued From Sheet No. E-27.00)

Monthly Rate: (Contd)

On-Peak Billing Demand:

The on-peak billing demand shall be based on the highest on-peak demand created during the billing month, but never less than 60% of the highest on-peak billing demand of the preceding billing months of June through September, nor less than 25 kW.

The on-peak demand shall be the kilowatts (kW) supplied during the 15-minute period of maximum use during on-peak hours, as described in Rule D3., Provisions Governing the Application of On-Peak and Off-Peak Rates.

Substation Ownership Credit:

Where service is supplied at more than 25,000 volts through customer-owned equipment, a substation ownership credit may be applicable in accordance with Rule D5., Substation Ownership Credit.

Green Power Pilot Program:

This program is available to any customer currently taking service under this rate schedule who desires to purchase electricity generated by new, zero-emission, Michigan-based, renewable resources. In addition to the charges under this tariff, there will be a combined Green Surcharge and Administrative Fee per kWh based on the level of participation selected by the customer as follows:

100% of total monthly energy purchased from new, zero-emission, Michigan-based, renewable resources	\$.032 per kWh
50% of total monthly energy purchased from new, zero-emission, Michigan-based, renewable resources	\$.016 per kWh
10% of total monthly energy purchased from new, zero-emission, Michigan-based, renewable resources	\$.0032 per kWh
100% of monthly energy nominated by the customer purchased from new, zero-emission, Michigan-based, renewable resources	\$.032 per kWh

The above charges apply to all of the energy used during the billing period.

Any customer who participates in this program is subject to the provisions contained in Rule D7.1., Green Power Pilot Program Availability and Terms of Service. Service under this program shall require a written contract with a minimum term of one year.

Base Rate Adjustment:

This rate is subject to the Base Rate Adjustment shown on Sheet No. E-3.00.

Minimum Charge:

The capacity *kilowatt* charge plus the customer charge included in the rate.

Due Date and Late Payment Charge:

The due date of the customer bill shall be 21 days from the date of mailing. A late payment charge of 2% of the unpaid balance, net of taxes, shall be assessed to any bill which is not paid on or before the due date shown thereon.

(Continued on Sheet No. E-29.00)

Issued June 4, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after May 17, 2002

Issued under authority of the
Michigan Public Service Commission
dated May 16, 2002
in Case No. U-12970

GENERAL SERVICE PRIMARY RATE D

(Continued From Sheet No. E-28.00)

Term and Form of Contract:

For customers with monthly demands of 300 kW or more, all service under this rate shall require a written contract with a minimum term of one year.

For customers with monthly demands of less than 300 kW, service under this rate may, at the Company's option, require a written contract with a minimum term of one year.

A new contract will not be required for existing customers who increase their demand requirements after initiating service unless new or additional facilities are required.

The Company may offer individual contract service pursuant to the provisions of this rate schedule at rates less than those provided above but not less than variable cost plus all mandatory charges imposed under *the applicable Retail Open Access Service rate* for those customers who have a maximum demand of 2,000 kW or more and are served at the transmission or subtransmission voltage level. An existing or future customer of another Michigan electric utility is not eligible to receive individual contract service. Any existing or future customer of another Michigan utility who switches service to Consumers Energy shall not be eligible to receive individual contract service for a period of three years from the date such customer switches service to Consumers Energy. The contracts shall be filed with the Commission for review and approval.

Definition of Customer Voltage Level:

Transmission Service:

Transmission service is that service either supplied directly from the transmission system or from the transmission system through a Company-owned substation where, from the exits of the substation, the distribution equipment for supplying service is owned and maintained by the customer.

Subtransmission Service:

Subtransmission service is that service either supplied directly from the subtransmission system or from the subtransmission system through a Company-owned substation where, from the exits of the substation, the distribution equipment for supplying service is owned and maintained by the customer.

Primary Service:

A primary service is that service supplied from the primary distribution system and that does not qualify as either a transmission service or a subtransmission service.

Issued January 18, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after January 1, 2002

Issued under authority of the
Michigan Public Service Commission
dated December 20, 2001
in Case No. U-12488

PART IEffective Date of Agreement: _____
(Month/Day/Year)

Company:

CONSUMERS ENERGY COMPANY

a Michigan Corporation

Customer:

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

(Name)

- | | |
|---|--|
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Limited Liability Company | |
| <input checked="" type="checkbox"/> Other (Specify) Governmental Agency | |

212 W MICHIGAN AVENUE
JACKSON MI 49201-2277300 MONROE AVE NW

(Street & Number)

GRAND RAPIDS MI 49503

(City, State & Zip Code)

Customer Facility: DeVos Place Convention CenterService Location: 303 Monroe Ave NW, Grand Rapids MI 49503Service Characteristics: Three (3) Phase: 60 Hertz; 12470 / 7200 Wye VoltsCapacity Reserved: 6000 kW General Service Rate: D (018)Initial Term: Five (5) year(s) beginning with the Effective Date of Agreement stated above.**PART II, TERMS AND CONDITIONS, is attached hereto and is a part of this Agreement. CUSTOMER
ACKNOWLEDGES HAVING READ SAID TERMS AND CONDITIONS.**

CONSUMERS ENERGY COMPANY

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

(Customer)

By: _____
(Signature)By: _____
(Signature)Todd Duncan
(Print or Type Name)_____
(Print or Type Name)Title: Corporate Account Manager

Title: _____

**CONTRACT FOR ELECTRIC SERVICE
TERMS AND CONDITIONS**

PART II

1. The Company agrees to supply, and the Customer agrees to purchase hereunder, all of the electric energy for the operation of the Customer's Facility described in Part I, but not in excess of the capacity reserved amount identified in Part I. The Company will, at the written request of the Customer, made at least thirty days in advance, permit an increase in such reserved capacity if the Company has power available.
2. The electric energy to be supplied hereunder shall be alternating current and shall have the characteristics identified in Part I. Delivery shall be made at one mutually agreeable point upon the Customer's premises. It shall be metered by meters furnished, installed and maintained by the Company. A location for the metering equipment, suitable to the Company, shall be provided by the Customer and adequate protection afforded to avoid damage thereto, tampering or interference with such metering equipment. The Company shall make periodic tests of its meters and keep them within accepted standards of accuracy.
3. The Customer shall pay for such energy in accordance with Company's General Service Rate identified in Part I, a copy of which is attached hereto and made a part hereof, and in accordance with such amendments thereto as may be filed with and approved by the Michigan Public Service Commission during the term of this Agreement.
4. It is further agreed that:
 - (a) Such service is for the sole use of the Customer, for the purpose aforesaid, and shall not be transmitted elsewhere, or shared or resold, or used as auxiliary or standby as to any other source of power supply, except as may be herein provided.
 - (b) Such service shall be governed by the Company's Schedule of Rates Governing the Sale of Electric Service and such future revisions and amendments thereof, supplements thereto, or substitutions therefor as may be filed with and approved by the Michigan Public Service Commission during the term of this Agreement. A copy thereof will be furnished to the Customer upon request.
 - (c) Except as to the capacity and minimum charges payable by the Customer, prescribed in said rate, neither party shall be liable to the other for damages for any act, omission or circumstance occasioned by or in consequence of any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, or by any other cause or causes beyond such party's control, including any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or by the making of necessary repairs upon the property or equipment of either party hereto; provided, however, that the Company's responsibility for interruptions in service, phase failure or reversal, or variations in the service characteristics shall be as provided in said Schedule of Rates Governing the Sale of Electric Service.
 - (d) This Agreement will become effective on the date identified in Part I and will extend for an initial term as stated in Part I and from month to month thereafter until terminated by mutual consent, or by either party giving the other at least sixty days' written notice of its desire to terminate the same at the expiration of any monthly period, which notice may be given at any time.
 - (e) This Agreement inures to and binds the heirs, administrators, successors and assigns of the respective parties hereto. There are no understandings or agreements between them in relation to electric service at the location stated in Part I except as contained herein. This Agreement shall not be transferred by the Customer or otherwise alienated without the Company's written consent.
 - (f)

SURCHARGES

Rate Schedule	Nuclear Decommissioning Surcharge (Case No. U-11662)		Total Surcharges
	Palisades	Big Rock	
	Effective 1/1/00 through 12/31/2007	Effective 4/1/99*	
Residential Service Rates	\$.000158/kWh	\$.000930/kWh	\$.001088/kWh
Rate B	.000185	.001091	.001276
Rate B-1	.000134	.000791	.000925
Rate C	.000160	.000947	.001107
Rate D	.000143	.000845	.000988
Rate F	.000143	.000845	.000988
Rate F-1	.000143	.000845	.000988
Rate GH	.000189	.001117	.001306
Rate H	.000160	.000942	.001102
Rate I	.000143	.000845	.000988
Rate J	.000176	.001038	.001214
Rate J-1	.000176	.001038	.001214
Rate CG	.000143	.000845	.000988
Rate L-1	.000124	.000729	.000853
Rate L-2	.000124	.000729	.000853
Rate L-3	.000124	.000729	.000853
Rate L-4	.000124	.000729	.000853
Rate PA	NA	NA	NA
Rate PS-1	.000138	.000817	.000955
Rate PS-2	.000100	.000593	.000693
Rate PS-3	.000138	.000813	.000951
Rate R-1	.000185	.001091	.001276
Rate R-2	.000160	.000947	.001107
Rate R-3	.000143	.000845	.000988
Rate UR	.000117	.000691	.000808

Rates ROA-R, ROA-S, ROA-P and ROA-SB

Surcharges are included in the applicable rate schedule

*Even though the Big Rock Nuclear Decommissioning Surcharge terminates December 31, 2000, the total charges remain the same thereafter due to the rate freeze provisions of 2000 PA 141.

Issued January 18, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after January 1, 2002

Issued under authority of the
Michigan Public Service Commission
dated December 20, 2001
in Case No. U-12488

(To reduce Base Rate Adjustment for residential customers
and freeze the Base Rate Adjustment)

BASE RATE ADJUSTMENT

The actual Base Rate Adjustment applied to customers' bills is as follows:

<u>Billing Month</u>	<u>\$/kWh</u>
<u>Year 1999</u>	
January 1999-September 1999	\$.00270
October 1999	
Residential	\$.00844
Commercial and Industrial	\$.00726
November 1999	\$.00902
December 1999	\$.00270

Year 2000

Residential Customers

January-June 4, 2000 \$.00270

Effective June 5, 2000, the Base Rate Adjustment is \$.00257 per kWh.

Commercial and Industrial Customers

The Base Rate Adjustment is \$.00270 per kWh.

Issued June 12, 2000 (Revised) by
D. W. Joos,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for bills rendered on
and after June 5, 2000

Issued under authority of the
Michigan Public Service Commission
dated June 5, 2000 and August 4, 2000
in Case No. U-12464

SECURITIZATION AND SECURITIZATION TAX CHARGES

The actual Securitization Charge and Securitization Tax Charge are authorized pursuant to Rule No. B18., Securitization Charges, Tax Charges, Initial Implementation and True-up Methodology.

Effective with the December 2001 billing month, the monthly securitization charge shall be \$.001427 per kWh and the securitization tax charge shall be \$.000250.

Issued November 14, 2001 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for bills rendered on
and after November 30, 2001

Issued under authority of the
Michigan Public Service Commission
dated October 24, 2000 and January 4, 2001
in Case No. U-12505

SECTION D - PART II GENERAL RULES AND REGULATIONS (Nonresidential Customers)

These General Rules and Regulations for nonresidential customers are not to supersede but are in addition to Rule D1., Part 9. Commercial and Industrial Standards and Billing Practices.

D2. CUSTOMER DEPOSITS

The Company may require a cash deposit from the transferor or transferee upon receipt of a bulk transfer notice. The Company shall pay interest on such deposits in accordance with Rule D1.1., Customer Deposits.

D3. PROVISIONS GOVERNING THE APPLICATION OF ON-PEAK AND OFF-PEAK RATES

- A. Energy consumed under the following rate schedules shall be subject to the on-peak and off-peak charges as set forth in these rate schedules and as defined in the Schedule of On-Peak and Off-Peak Hours.

General Service Primary Rate D
General Service Primary High Load Factor Rate F
General Service Primary Interruptible Rate I
General Service Primary Electric Furnace Rate J
General Service Optional Primary Public Pumping Rate PS-3
General Service Primary Resale Rate R-3

Demands created under the following rate schedules shall be subject to the on-peak and off-peak charges as set forth in these rate schedules and as defined in the Schedule of On-Peak and Off-Peak Hours.

General Service Secondary Rate C (Over 100 kW Minimum Guarantee)
General Service Primary Rate D
General Service Primary High Load Factor Rate F
General Service Primary Interruptible Rate I
General Service Primary Electric Furnace Rate J
General Service Optional Primary Public Pumping Rate PS-3
General Service Secondary Resale Rate R-2 (Over 100 kW Minimum Guarantee)
General Service Primary Resale Rate R-3

- B. Schedule of On-Peak and Off-Peak Hours

Except where otherwise provided, the following schedule shall apply Monday through Friday (except holidays designated by the Company). Weekends and holidays are off-peak.

- (1) On-Peak Hours: 11:00 AM to 7:00 PM
(2) Off-Peak Hours: 7:00 PM to 11:00 AM

(Continued on Sheet No. D-5.00)

Issued May 14, 1998 by
D. W. Joos,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective: May 14, 1998

Issued under authority of the
Michigan Public Service Commission
dated March 24, 1981
in Case No. U-6300

(Continued From Sheet No. D-4.00)

D3. PROVISIONS GOVERNING THE APPLICATION OF ON-PEAK AND OFF-PEAK RATES (Contd)

C. Holidays Designated by the Company

The following are designated as holidays by the Company

- New Year's Day - January 1
- Memorial Day - Last Monday in May
- Independence Day - July 4
- Labor Day - First Monday in September
- Thanksgiving Day - Fourth Thursday of November
- Christmas Day - December 25

Whenever January 1, July 4 or December 25 falls on Sunday, extended holiday periods such as Monday, January 2; Monday, July 5 and Monday, December 26 shall not be considered as holidays for application of off-peak hours.

D4. SPECIAL MINIMUM CHARGES

Where the customer is billed on General Service Secondary Rate B or General Service Secondary Resale Rate R-1 and the use of service is seasonal or occasional, or where equipment which creates high demands of momentary duration is used, and the Company continuously maintains distribution facilities (including transformers) primarily for the customer's individual use, the sum of the net monthly bills, excluding the customer charge included in the rate, shall not be less than the following minimum charge for each contract year or any part thereof.

For customers with transformer capacity greater than 25 kVA:

\$130.00, plus \$3.50 per kVA of installed transformer capacity in excess of 25 kVA

When, in any contract year, the customer's net monthly bills, excluding the customer charge included in the rate, total less than the annual minimum charge, the difference will be billed and paid for at the end of such contract year. Customers subject to the above Special Minimum Charges shall sign a contract providing for such minimum charges for a term of at least one year. The Company may cancel the contract for Special Minimum Charges for any customer whose net monthly bills, excluding the customer charge included in the rate, have exceeded the Special Minimum Charge for three consecutive years.

(Continued on Sheet No. D-6.00)

Issued May 14, 1998 by
D. W. Joos,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective: May 14, 1998

Issued under authority of the
Michigan Public Service Commission
dated March 24, 1981
in Case No. U-6300

GENERAL SERVICE PRIMARY RATE D

Availability:

Subject to any restrictions, this rate is available to any customer desiring primary voltage service for general use where the billing demand is 25 kW or more. This rate is not available for streetlighting service or for resale purposes.

Nature of Service:

Alternating current, 60-hertz, single-phase or three-phase, the particular nature of the voltage in each case to be determined by the Company.

Where service is supplied at a nominal voltage of 25,000 volts or less, the customer shall furnish, install and maintain all necessary transforming, controlling and protective equipment.

Where the Company elects to measure the service at a nominal voltage above 25,000 volts, 1% shall be deducted, for billing purposes, from the demand and energy measurements thus made.

Where the Company elects to measure the service at a nominal voltage of less than 2,400 volts, 3% shall be added, for billing purposes, to the demand and energy measurements thus made.

Monthly Rate:

Customer Charge:

\$100.00 per customer per month, plus

Capacity Kilowatt Charge for Transmission Service:

On-Peak Billing Demand Charge:

Generation Charge:

\$6.88 per kW of On-Peak Billing Demand

Transmission Charge:

\$.60 per kW of On-Peak Billing Demand

Total On-Peak Billing Demand Charge

\$7.48 per kW of On-Peak Billing Demand, plus

Maximum Demand Charge:

Distribution Charge:

\$.52 per kW of Maximum Demand

Kilowatt-hour Charge for Transmission Service:

	On-Peak Period	Off-Peak Period
Generation Charge (Excludes Base Rate Adjustment):	\$.023323 per kWh for all kWh	\$.017323 per kWh for all kWh
Distribution Charge:	\$.002800 per kWh for all kWh	\$.002800 per kWh for all kWh
Customer Related Charge:	\$.000100 per kWh for all kWh	\$.000100 per kWh for all kWh
Regulatory Adjustment Charge:	\$.008200 per kWh for all kWh	\$.008200 per kWh for all kWh
Total Kilowatt-hour Charge:	\$.034423 per kWh for all kWh	\$.028423 per kWh for all kWh

(Continued on Sheet No. E-26.10)

Issued June 4, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after May 17, 2002

Issued under authority of the
Michigan Public Service Commission
dated May 16, 2002
in Case No. U-12970

GENERAL SERVICE PRIMARY RATE D
(Continued From Sheet No. E-26.00)

Monthly Rate: (Contd)

Capacity Kilowatt Charge for Subtransmission Service:

On-Peak Billing Demand Charge:

Generation Charge: \$6.85 per kW of On-Peak Billing Demand

Transmission Charge: \$.63 per kW of On-Peak Billing Demand

Total On-Peak Billing Demand Charge \$7.48 per kW of On-Peak Billing Demand, plus

Maximum Demand Charge:

Distribution Charge: \$.97 per kW of Maximum Demand

Kilowatt-hour Charge for Subtransmission Service:

	On-Peak Period	Off-Peak Period
Generation Charge (Excludes Base Rate Adjustment):	\$.023423 per kWh for all kWh	\$.017423 per kWh for all kWh
Distribution Charge:	\$.000200 per kWh for all kWh	\$.000200 per kWh for all kWh
Customer Related Charge:	\$.000100 per kWh for all kWh	\$.000100 per kWh for all kWh
Regulatory Adjustment Charge:	\$.010700 per kWh for all kWh	\$.010700 per kWh for all kWh

Total Kilowatt-hour Charge: \$.034423 per kWh for all kWh \$.028423 per kWh for all kWh

Capacity Kilowatt Charge for Primary Service:

On-Peak Billing Demand Charge:

Generation Charge: \$6.68 per kW of On-Peak Billing Demand

Transmission Charge: \$.80 per kW of On-Peak Billing Demand

Total On-Peak Billing Demand Charge \$7.48 per kW of On-Peak Billing Demand, plus

Maximum Demand Charge:

Distribution Charge: \$1.85 per kW of Maximum Demand

Kilowatt-hour Charge for Primary Service:

	On-Peak Period	Off-Peak Period
Generation Charge (Excludes Base Rate Adjustment):	\$.031123 per kWh for all kWh	\$.025123 per kWh for all kWh
Customer Related Charge:	\$.000100 per kWh for all kWh	\$.000100 per kWh for all kWh
Regulatory Adjustment Charge:	\$.003200 per kWh for all kWh	\$.003200 per kWh for all kWh

Total Kilowatt-hour Charge: \$.034423 per kWh for all kWh \$.028423 per kWh for all kWh

Securitization Charges:

\$.001427 per kWh Securitization Charge

\$.000250 per kWh Securitization Tax Charge

(Continued on Sheet No. E-27.00)

Issued June 4, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
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in Case No. U-12970

GENERAL SERVICE PRIMARY RATE D

(Continued From Sheet No. E-26.10)

Monthly Rate: (Contd)

General Terms and Surcharges:

This rate is subject to all general terms and conditions shown on Sheet No. E-1.00, and surcharges shown on Sheet No. E-2.00.

Adjustment for Power Factor:

This rate requires a determination of the average power factor maintained by the customer during the billing period. Such average power factor shall be determined through metering of lagging kilovar-hours and kilowatt-hours during the billing period. The calculated ratio of lagging kilovar-hours to kilowatt-hours shall then be converted to the average power factor for the billing period by using the appropriate conversion factor. Whenever the average power factor during the billing period is above .899 or below .800, the capacity *kilowatt* charge shall be adjusted as follows:

- (a) If the average power factor during the billing period is .900 or higher, the capacity *kilowatt* charge shall be reduced by 2%. This credit shall not in any case be used to reduce the prescribed minimum charge or the capacity *kilowatt* charge when based upon 60% of the highest on-peak billing demand of the preceding billing months of June through September.
- (b) If the average power factor during the billing period is less than .800, the capacity *kilowatt* charge shall be increased by the ratio that .800 bears to the customer's average power factor during the billing period. The capacity *kilowatt* charge shall not be increased when the On-Peak Billing Demand is based on 60% of the highest on-peak billing demand of the preceding billing months of June through September or on a minimum billing demand.

Maximum Demand:

The maximum demand shall be the highest 15-minute demand created during the current month or previous 11 months.

(Continued on Sheet No. E-28.00)

Issued June 4, 2002 by
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GENERAL SERVICE PRIMARY RATE D (Continued From Sheet No. E-27.00)

Monthly Rate: (Contd)

On-Peak Billing Demand:

The on-peak billing demand shall be based on the highest on-peak demand created during the billing month, but never less than 60% of the highest on-peak billing demand of the preceding billing months of June through September, nor less than 25 kW.

The on-peak demand shall be the kilowatts (kW) supplied during the 15-minute period of maximum use during on-peak hours, as described in Rule D3., Provisions Governing the Application of On-Peak and Off-Peak Rates.

Substation Ownership Credit:

Where service is supplied at more than 25,000 volts through customer-owned equipment, a substation ownership credit may be applicable in accordance with Rule D5., Substation Ownership Credit.

Green Power Pilot Program:

This program is available to any customer currently taking service under this rate schedule who desires to purchase electricity generated by new, zero-emission, Michigan-based, renewable resources. In addition to the charges under this tariff, there will be a combined Green Surcharge and Administrative Fee per kWh based on the level of participation selected by the customer as follows:

100% of total monthly energy purchased from new, zero-emission, Michigan-based, renewable resources	\$.032 per kWh
50% of total monthly energy purchased from new, zero-emission, Michigan-based, renewable resources	\$.016 per kWh
10% of total monthly energy purchased from new, zero-emission, Michigan-based, renewable resources	\$.0032 per kWh
100% of monthly energy nominated by the customer purchased from new, zero-emission, Michigan-based, renewable resources	\$.032 per kWh

The above charges apply to all of the energy used during the billing period.

Any customer who participates in this program is subject to the provisions contained in Rule D7.1., Green Power Pilot Program Availability and Terms of Service. Service under this program shall require a written contract with a minimum term of one year.

Base Rate Adjustment:

This rate is subject to the Base Rate Adjustment shown on Sheet No. E-3.00.

Minimum Charge:

The capacity *kilowatt* charge plus the customer charge included in the rate.

Due Date and Late Payment Charge:

The due date of the customer bill shall be 21 days from the date of mailing. A late payment charge of 2% of the unpaid balance, net of taxes, shall be assessed to any bill which is not paid on or before the due date shown thereon.

(Continued on Sheet No. E-29.00)

Issued June 4, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
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Effective for service rendered on
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Michigan Public Service Commission
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in Case No. U-12970

GENERAL SERVICE PRIMARY RATE D

(Continued From Sheet No. E-28.00)

Term and Form of Contract:

For customers with monthly demands of 300 kW or more, all service under this rate shall require a written contract with a minimum term of one year.

For customers with monthly demands of less than 300 kW, service under this rate may, at the Company's option, require a written contract with a minimum term of one year.

A new contract will not be required for existing customers who increase their demand requirements after initiating service unless new or additional facilities are required.

The Company may offer individual contract service pursuant to the provisions of this rate schedule at rates less than those provided above but not less than variable cost plus all mandatory charges imposed under *the applicable Retail Open Access Service rate* for those customers who have a maximum demand of 2,000 kW or more and are served at the transmission or subtransmission voltage level. An existing or future customer of another Michigan electric utility is not eligible to receive individual contract service. Any existing or future customer of another Michigan utility who switches service to Consumers Energy shall not be eligible to receive individual contract service for a period of three years from the date such customer switches service to Consumers Energy. The contracts shall be filed with the Commission for review and approval.

Definition of Customer Voltage Level:

Transmission Service:

Transmission service is that service either supplied directly from the transmission system or from the transmission system through a Company-owned substation where, from the exits of the substation, the distribution equipment for supplying service is owned and maintained by the customer.

Subtransmission Service:

Subtransmission service is that service either supplied directly from the subtransmission system or from the subtransmission system through a Company-owned substation where, from the exits of the substation, the distribution equipment for supplying service is owned and maintained by the customer.

Primary Service:

A primary service is that service supplied from the primary distribution system and that does not qualify as either a transmission service or a subtransmission service.

Issued January 18, 2002 by
J. G. Russell,
President and Chief Executive Officer - Electric,
Jackson, Michigan

Effective for service rendered on
and after January 1, 2002

Issued under authority of the
Michigan Public Service Commission
dated December 20, 2001
in Case No. U-12488

VAN ANDEL ARENA WEEKLY

Item VII

DATE	EVENT	EC	ROOM	TIME	FUNCTION
Wed, Oct 16	Available				
Thur, Oct 17	Rotary Club	JS	Banquet A	9:30 AM 11:30A-1:30P	Set-up Luncheon
Fri, Oct 18	Griffins vs Houston	MS	Arena	10A-12:30P 6:30 PM 7:30P-10:00P 10:00P-10:30P	Team practice Doors Hockey game Post-game skate
	Griffins	JS	Banquet A/B	6:30P-7:30P	Hockey hangout
	Houston Aeros	JS	Banquet D	10P-11P	Team dinner
Sat, Oct 19	Griffins vs Chicago	AH	Arena	6:30 PM 7:30P-10:00P	Doors Hockey game
	Griffins	JS	Banquet A/B	6:30P-7:30P	Hockey hangout
Sun, Oct 20	Available				
Mon, Oct 21	Available				
Tue, Oct 22	Available				
Wed, Oct 23	Available				
Thur, Oct 24	Griffins vs Houston	AH	Arena	10A-12:30P 6:00 PM 7:00P-9:30P	Team practice Doors Hockey game
Fri, Oct 25	Available				
Sat, Oct 26	Available				
Sun, Oct 27	Available				
Mon, Oct 28	Available				
Tue, Oct 29	WWE	MS	Arena	7:30 PM	Performance
Wed, Oct 30	Available				
Thur, Oct 31	Rotary Club	JS	Banquet A	11:30A-1:30P	Luncheon
Fri, Nov 1	Griffins vs Houston	MS	Arena	10A-12:30P 6:30 PM 7:30P-10:00P 10:00P-10:30P	Team practice Doors Hockey game Post-game skate
Sat, Nov 2	Griffins vs Milwaukee	AH	Arena	10A-12:30P 6:30 PM 7:30P-10:00P 10:00P-10:30P	Team practice Doors Hockey game Post-game skate
Sun, Nov 3	Available				
Mon, Nov 4	Available				
Tue, Nov 5	Available				
Wed, Nov 6	Dragon Tales	AH	Arena	8A-5P	Load-in
Thur, Nov 7	Dragon Tales	AH	Arena	7:00 PM	Performance
Fri, Nov 8	Dragon Tales	MS	Arena	10:30 AM	Performance
		AH		7:00 PM	Performance
Sat, Nov 9	Dragon Tales	MS	Arena	10:30 AM	Performance
				2:00 PM	Performance
Sun, Nov 10	Dragon Tales	AH	Arena	1:00 PM	Performance
				4:30 PM	Performance
Mon, Nov 11	Creed	MS	Arena	7:15 PM	Performance
Tue, Nov 12	Griffins vs Manitoba	AH	Arena	10:00 AM 12P-2:30P	Doors Hockey game
Wed, Nov 13	Available				
Thur, Nov 14	Available				

Fri, Nov 15	Griffins vs Houston	MS	Arena	10A-12:30P 6:30 PM 7:30P-10:00P 10:00P-10:30P	Team practice Doors Hockey game Post-game skate
Sat, Nov 16	Griffins vs Milwaukee	AH	Arena	10A-12P 12:00 PM 1P-3P 3:30P-6:30P 6:30 PM 7:30P-10:00P	Team practice Doors Youth hockey game/view Stanley Cup Season ticket holders view Stanley Cup Doors Hockey game
Sun, Nov 17	Available				

GRAND CENTER WEEKLY - YEAR 2002

DATE	EVENT	ROOM	TIME	FUNCTION	EC	OPERATIONS/CONSTRUCTION
WED. OCT 16	ASSOCIATION OF COLLEGE STORES	GH/	8A-1P	MOVE OUT	MF	AC TEAR DOWN COLLEGE STORES.
	VIVA 35 - OPERA	DV/	10A-2P 2P-5P 7:30P-10P	MOVE IN REHEARSAL FULL ORCH. REHEARSAL	ST	
THURS. OCT 17	BENEATH THE WREATH	GH/	7A-5P	MOVE IN	MF	
	RMS	WA/	9A-6P	MOVE IN	RS	
	VIVA 35 - OPERA	DV/	9A-2P 2P-5P 7:30P-10:30P	POSSIBLE WORK CALL REHEARSAL OPEN REHEARSAL	ST	
FRI. OCT 18	BENEATH THE WREATH	GH/	9A 10A-6P	VENDORS ARRIVE SHOW	MF	
	RMS	WA/	10A-5P 7:30P-11:30P	MOVE IN SESSION	RS	
	VIVA 35 - OPERA	DV/	6:30P-7P 7:30P-10P	UPBEAT PERFORMANCE	ST	
SAT. OCT 19	BENEATH THE WREATH	GH/	9A 10A-6P	VENDORS ARRIVE SHOW	MF	
	RMS	WH/	8:30A-9:30A 10A-1P 7P-11:30P	BREAKFAST(650) SESSION	RS	
	VIVA 35 - OPERA	DV/	6:30P-7P 7:30P-10:30P 10:30P-12:30A	UPBEAT PERFORMANCE MOVE OUT	ST	
SUN. OCT 20	BENEATH THE WREATH	GH/	10A 11A-4P 4P-7P	VENDORS ARRIVE SHOW MOVE OUT	MF	AC TEAR DOWN BENEATH THE WREATH.
	WORLDWIDE CHRISTIAN SCHOOLS	DV/	7A-3P 1P-9P 3P-5P 3P-9P 5P 5:40P-6P 6P-8P 8P-MID	MOVE IN W/WCS CATERING WALKTHRU/SOUND CK CATERING DOORS OPEN WORSHIP SERVICE CONCERT MOVE OUT	ST	
	RMS	WA/	9A-10:30A 10:30A-5P 7P	WORSHIP SERVICE MOVE OUT DROP OFF MATERIAL	RS SM	AC SET CARPENTER MILL WORK.
MON. OCT 21	2002 STATE OF MI CARPENTER MILLWORK APPRENTICESHIP CONTEST	WA/	7A-5P	MOVE IN	SM	AC SET GH 5/3 BANQUET.
TUES. OCT 22	2002 STATE OF MI CARPENTER MILLWORK APPRENTICESHIP CONTEST	WA/	8A-10A 10A-10:15A 10A-2:30P 10:15A-12:15P 10:30A-2:30P 12:15P-12:45P 12:45P-2:45P 2:45P-3P 3P-5P 5P-8P	CONTEST BREAK CAREER FAIR OPEN CONTEST MILLRIGHTS COMPETITION LUNCH CONTEST BREAK CONTEST CONTEST MOVE OUT	SM	AC TEAR DOWN CARPENTERS.
	FIFTH THIRD BUSINESS OUTLOOK LUNCHEON	2/3 GH/	9A-11:30A 11:30A-NOON NOON-2P	MOVE IN REGISTRATION LUNCH	JE	AC START BASKETMAKERS SET.

DATE	EVENT	ROOM	TIME	FUNCTION	EC	OPERATIONS/COUNCIL MEETING
			2P-6P	MOVE OUT		
WED. OCT 23						AC SET BASKET MAKERS.
THURS. OCT 24	EXAMINERS FOR ENGINEERING & SURVEYING	WH/	1:30P-4P	MOVE IN	EJ	
	ASSOCIATION OF MI BASKETMAKERS	2/3 GH/	6A-6P 6P-10P	MOVE IN SHO		
FRI. OCT 25	ASSOCIATION OF MI BASKETMAKERS	2/3 GH/	10A-2P 4P-6:30P 8P-10P 6A-8A 8A-5P 8P-9:30P 9:30P-11P	SHOW SHOW SHOW MOVE IN CLASSES MARKET MOVE IN MARKET PLACE	MF	
	EXAMINERS FOR ENGINEERING & SURVEYING	WH/	6:15A-7:15A 7:15A-8A 8A-5P 5P-6:30P	MOVE IN CANDIDATES ARRIVE EXAM FINISH UP FOR PROCTORS	JE	
SAT. OCT 26	ASSOCIATION OF MI BASKETMAKERS	2/3 GH/	9A-5:45P 8:30P-10P 8A-5P	SHOW SHOW CLASSES	MF	
	EXAMINERS FOR ENGINEERING & SURVEYING	WH/	6:15A-7:15A 7:15A-8A 8A-5P 5P-6:30P	MOVE IN CANDIDATES ARRIVE EXAM FINISH UP	JE	
	TEMPTATIONS - GRSO	DV/	8A-1P 3P-6P 7:30P 8P-10:15P 10P-MID	MOVE IN REHEARSAL DOORS TO SEATING PERFORMANCE MOVE OUT	ST	
	ANGEL VISIONS	BL/	8A-11A 11A-7P 7P-9P	MOVE IN CONFERENCE MOVE OUT	RS	
SUN. OCT 27	ASSOCIATION OF MI BASKETMAKERS	2/3 GH/	7:30A-11A 11A-10P 8A-NOON	SHOW MOVE OUT CLASSES	MF	
	THE GEORGIAN STATE DANCE COMPANY	DV/	8:30A-12:30A 2:30P 3P-5P 5P-9P	MOVE IN DOORS PERFORMANCE MOVE OUT	ST	
MON. OCT 28	ECONOMIC CLUB LUNCHEON	WA/	8A-11A 11:30A-NOON NOON-1:30P 1:30P-3:30P	MOVE IN REGISTRATION BANQUET MOVE OUT	JE	AC SET MI LIBRARY AND ECONOMIC BANQUET.
TUES. OCT 29	MI LIBRARY ASSOC.	WA/		MOVE IN	MF	
	GRSO - CLASSICAL III WILLIAM TELL OVERTURE	DV/	8A-1P 3:30P-6P 7:30P-10P	MOVE IN REHEARSAL REHEARSAL	ST	AC SET CAMPUS ACTIVITIES.
WED. OCT 30	NATIONAL ASSOC. OF CAMPUS ACTIVITIES MI LIBRARY ASSOC.	GH, EH/ WA/ BL, MR/		MOVE IN CONVENTION	SM MF	
	GRSO - CLASSICAL III WILLIAM TELL OVERTURE	DV/	3:30P-6P 7:30P-10:30P	REHEARSAL REHEARSAL	ST	
THURS. OCT 31	NATIONAL ASSOC. OF CAMPUS ACTIVITIES MI LIBRARY ASSOC.	GH, EH/ WA/		CONVENTION	SM MF	

DATE	EVENT	ROOM	TIME	FUNCTION	EC	OFFICIALS/COUSIL/STAFF
		BL,MR/		MOVE OUT		
	GRSO - CLASSICAL III	DV/	4P-7P	MIC HANG	ST	
	WILLIAM TELL OVERTURE		7:30P-10:30P	REHEARSAL		
FRI. NOV 1	NATIONAL ASSOC. OF CAMPUS ACTIVITIES	GH,EH,KR,MR/	1P-11:30P	CONVENTION	SM	
	GRSO - CLASSICAL III	BL/	NOON-5P	EQUIP. SET-UP	ST	
	WILLIAM TELL OVERTURE	DV/	7P-7:30P 8P-10:15P	UPBEAT PERFORMANCE		
	FIRE TEST #2	W/A/		MOVE IN TEST	RS	
				MOVE OUT		
SAT. NOV 2	NATIONAL ASSOC. OF CAMPUS ACTIVITIES	GH,W,A,EH/	5P-11:30P 11:30P-12:30A	CONVENTION MOVE OUT	SM	
	GRSO - CLASSICAL III	BL, DV/	7P-7:30P 8P-10:15P 10P-1A	UPBEAT PERFORMANCE MOVE OUT	ST	
SUN. NOV 3	NATIONAL ASSOC. OF CAMPUS ACTIVITIES	GH,WH	8A-NOON	MOVE OUT	SM	
	GRSO - CLASSICAL III	BL/	ALL DAY	STORAGE/SECURED ROOM	ST	
	WILLIAM TELL OVERTURE	DV/	6A-2:30P 2:30P 3P-5P 5P-7P	MOVE IN DOORS PERFORMANCE MOVE OUT	ST	
	MOSCOW BALLET					
MON. NOV 4	CHRISTMAS CAROL	DV/	NOON-5P 6P 7P - 9P 9P-11P	MOVE IN DOORS PERFORMANCE MOVE OUT	ST	
	GRSO - CLASSICAL III	BL/	ALL DAY	STORAGE/SECURED ROOM	ST	
	WILLIAM TELL OVERTURE	KR/	3P-10P	MOVE IN	JE	
	AMERICAN POWER CONVERSION	W/A/	NOON-MID	MOVE IN	JE	
TUES. NOV 5	CPA EXAMINATIONS	GH/		MOVE IN	MF	
	GRSO - RECORDING SESSION	BL, DV/	8A- 5P	RECORDING	ST	
	STEPHEN COVEY SEMINAR	W/A/	8A 9A-NOON NOON-1P 1P-3:30P	DOORS SEMINAR LUNCH SEMINAR	JE	
			3:30P-2	MOVE OUT		
	AMERICAN POWER CONVERSION	KR/	6:30A-7:30A 7:30A-8A 8A-8:30A 8:30A-NOON NOON-1P 1P-5P	MOVE IN CONT. BREAKFAST REGISTRATION SEMINAR LUNCH IN FOYER SEMINAR	JE	
WED. NOV 6	CPA EXAMINATIONS	GH/		EXAMS	MF	
	AMERICAN POWER CONVERSION	KR/	6:30A-7A 7A-7:30A 7:30A-8A 8A-NOON NOON-1:30P 2P-2:30P 2:30P-3P 3P-4:30P 4:30P-5P 5P-6P	MEETING CONT. BREAKFAST REGISTRATION SEMINAR OPS.-REFRESH ROOM BEV. IN FOYER REGISTRATION SEMINAR APPETIZER IN FOYER SEMINAR	JE	

DATE	EVENTS	ROOM	TIME	LOCATION	STATUS	REMARKS
THURS. NOV 7	ERHARDT HUNT - SAFETY MEETING	BR/	7A-1P	MEETING	RS	
	CPA EXAMINATIONS	GH/		EXAMS MOVE OUT	MF	
	GRSO - POPS II - BILLY & THE HILLBILLIES	DV/	8A-1P 7P-10P	MOVE IN REHEARSAL	ST	
	AMERICAN POWER CONVERSION	KR/	6:30A-7:30A 7:30A-8A 8A-8:30A 8:30A-11:30A	MOVE IN CONT. BREAKFAST REGISTRATION MEETING	JE	
	ERHARDT HUNT - SAFETY MEETING	BR/	7A-1P	MEETING	RS	
FRI. NOV 8	MALY'S FORUM	WA,GH/	7A-6P	MOVE IN	MF	
	GRSO - POPS II	DV/	8P-10P	PERFORMANCE	ST	
	BILLY & THE HILLBILLIES	KR/	6:30A-7:30A 7:30A-8A 8A-8:30A 8:30A-10A 10A-2P	MOVE IN CONT. BREAKFAST REGISTRATION MEETING MOVE OUT	JE	
	AMERICAN POWER CONVERSION					
	CITY MEETING	BR/	8A-NOON	MEETING	RS	
SAT. NOV 9	MALY'S FORUM	WA,GH/	8A-NOON 6P-10P	MOVE IN FORUM PANEL	MF	
	GRSO - POPS II	DV/	8P-10P	PERFORMANCE	ST	
	BILLY & THE HILLBILLIES	WA,GH/ KR,BL/	9:30A-6:30P 6:30P-12:30A	CONVENTION PARTY	MF	
SUN. NOV 10	MALY'S FORUM					
	GRSO - POPS II	DV/	3P-5P 5P-8P	PERFORMANCE MOVE OUT	ST	
	BILLY & THE HILLBILLIES	WA,GH/ KR,BL/	8A-3P 3P-10P	CONVENTION MOVE OUT	MF	
MON. NOV 11	MALY'S FORUM	WA,GH/ KR,BL/	NOON-4P	HOUSE STRIP	ST	
	SATURDAY NIGHT FEVER - BTG	DV/	6P-11P	MOVE IN	ST	
TUES. NOV 12	SATURDAY NIGHT FEVER - BTG	DV/	8A-5P 7:30P-10P	MOVE IN PERFORMANCE	ST	
WED. NOV 13	SATURDAY NIGHT FEVER - BTG	DV/	7:30P-10P	PERFORMANCE	ST	
THURS. NOV 14	SATURDAY NIGHT FEVER - BTG	DV/	2P-4:30P 7:30P-10P	PERFORMANCE PERFORMANCE	ST	
FRI. NOV 15	SATURDAY NIGHT FEVER - BTG	DV/	8P-10:30P	PERFORMANCE	ST	
SAT. NOV 16	SATURDAY NIGHT FEVER - BTG	DV/	2P-4:30P 8P-10:30P	PERFORMANCE PERFORMANCE	ST	
SUN. NOV 17	SATURDAY NIGHT FEVER - BTG	DV/	3P-5:30P 5:30P-9:30P	PERFORMANCE MOVE OUT	ST	
MON. NOV 18	SATURDAY NIGHT FEVER - BTG	DV/	8A-NOON	HOUSE RESTORE	ST	
TUES. NOV 19	GRSO - CLASSICAL IV ORGAN SYMPHONY	DV/	8A-1P 7:30P-10P	MOVE IN REHEARSAL	ST	
WED. NOV 20	MI INSTITUTE FOR ED MANAGEMENT	GH/		MOVE IN		
	GRSO - CLASSICAL IV ORGAN SYMPHONY	DV/	3:30P-6P 7:30P-10:30P	REHEARSAL REHEARSAL	ST	
THURS. NOV 21	MI INSTITUTE FOR ED MANAGEMENT	GH/		EXHIBITS MOVE OUT		
	GRSO - CLASSICAL IV ORGAN SYMPHONY	DV/	4P-7P 7:30P-10:30P	MIC HANG REHEARSAL	ST	
FRI. NOV 22	GRSO - CLASSICAL IV ORGAN SYMPHONY	DV/	7P-7:30P 8P-10:15P	UPBEAT PERFORMANCE	ST	
SAT. NOV 23	GRSO - CLASSICAL IV	DV/	7P-7:30P	UPBEAT	ST	

DATE	EVENT	ROOM	TIME	FUNCTION	EC	OPERATIONS/COMMENTS
	ORGAN SYMPHONY		8P-10:15P 10P-1A	PERFORMANCE MOVE OUT		
	RICKY SMILEY	WA/	NOON-5P 7P 8P-10:30P 10:30P-12:30A	MOVE IN DOORS PERFORMANCE MOVE OUT	ST	
SUN. NOV 24	COASTERS, DRIFTERS, PLATTERS	DV/		MOVE IN DOORS PERFORMANCE MOVE OUT	ST	
MON. NOV 25	MISS SAIGON - BTG	DV/	NOON-4P 6P-10P	HOUSE STRIP POSSIBLE PRE-HANG	ST	
TUES. NOV 26	MISS SAIGON - BTG	DV/	8A-5P 7:30P-10P	MOVE IN PERFORMANCE	ST	
WED. NOV 27	MISS SAIGON - BTG	DV/	7:30P-10P	PERFORMANCE	ST	
	MEL TROTTER MINISTRIES BANQUET	GH/		MOVE IN		
THURS. NOV 28	MISS SAIGON - BTG	DV/	7:30P-10P	PERFORMANCE	ST	
	MEL TROTTER MINISTRIES BANQUET	GH/		BANQUET MOVE OUT		
FRI. NOV 29	MISS SAIGON - BTG	DV/	8P-10:30P	PERFORMANCE	ST	
	NUBIAN EXPRESSIONS 3	GH/		MOVE IN DOORS PERFORMANCE MOVE OUT		
		KR/		AFTER PARTY		
SAT. NOV 30	MISS SAIGON - BTG	DV/	2P-4:30P 8P-10:30P	PERFORMANCE PERFORMANCE	ST	



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VAN ANDEL ARENA NAMED #16 ARENA VENUE FOR TICKET SALES

DEVOS PERFORMANCE HALL MAKES THEATRE LIST AT #27

Grand Rapids, MI - The Van Andel Arena was ranked sixteenth in the world in the October 21, 2002 edition of Pollstar Magazine's listing of the Top 50 Arena Venues based on third quarter ticket sales, coming in behind such arenas as Madison Square Garden, the First Union Center in Philadelphia and the Palace of Auburn Hills, all larger venues. The Van Andel Arena and DeVos Performance Hall placed ahead of many venues in considerably larger markets (see attached for complete listing). "The venues' rankings speak highly of this market and our ability to keep clients happy. Many venues on this list are considerably larger than ours, so this is a significant point of pride which we hope continues to position Grand Rapids as a must play market," said Richard MacKeigan, SMG's General Manager for Van Andel Arena and Grand Center.

The Van Andel Arena's third quarter achievement can be attributed to the variety of successful events hosted in the first nine months of 2002. February highlighted this time frame with ticket sales being the highest of any month in the history of the six-year-old arena. February events included U.S. Hot Rod Thunder Nationals, Creed, Crosby, Stills, Nash & Young, Aaron Carter, Barry Manilow and Alan Jackson. June ticket sales made it the most successful June ever for the arena, featuring Brooks & Dunn, Green Day and Blink 182, The Eagles and Tom Petty and The Heartbreakers. The Eagles, who made a stop in Grand Rapids on June 21, 2002, was the highest grossing one night show the arena has ever seen with total ticket sales of \$1,327,963.

According to Mayor John Logie, Chairman of the Grand Rapids-Kent County Convention/Arena Authority, "Grand Rapids is roughly the 75th largest city in the United States. To rank 16th in the world for entertainment events, and 27th at DeVos Performance Hall means these are outstanding facilities, with great acoustics, good sight lines, and real comfort. The audiences are fantastic - both in numbers and enthusiasm. Entertainers like coming here - many tell their promoters not to bypass Grand Rapids. And we love having them come."

The Van Andel Arena looks to continue its success with upcoming shows including WWE Smackdown on October 29, Dragon Tales Live November 7-10, Creed on November 11, John Mellencamp on November 19 and Trans-Siberian Orchestra on November 27. Upcoming shows at DeVos Performance Hall include Moscow Ballet's Great Russian Nutcracker on November 4, The Broadway Theatre Guild's Saturday Night Fever November 12-17 and The Coasters, Drifters and Platters on November 24.



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DeVos Performance Hall ranked twenty-seventh in Pollstar's Top 50 Theatre Venues, owing its success to events such as the Broadway Theatre Guild's *Beauty and the Beast*, *Buddy: The Buddy Holly Story* and *Blast!*, as well as Luther Vandross, David Copperfield, Diana Krall, *Bear in the Big Blue House Live*, Gallagher, Harry Connick, Jr., The Statler Brothers and The Wiggles.

Figures compiled for this chart came from non-sport tenant ticket sales worldwide as reported to Pollstar for shows played between January 1st and September 30th of 2002. A complete listing of events for both buildings is attached.

Thirteen other SMG-managed facilities also ranked on the lists, including Manchester Evening News Arena, Nassau Veterans Memorial Coliseum, St. Pete Times Forum, Oakland Arena, Verizon Wireless Arena, Alltel Arena, Office Depot Center, Worcester's Centrum Centre, Nationwide Arena, Veteran's Memorial Coliseum, CenturyTel Center, Long Beach Arena and Terrace Theatre.

The Van Andel Arena and DeVos Performance Hall are managed by SMG. Headquartered in Philadelphia, SMG is the leading private facility management company. With 156 venues, SMG controls over 1.3 million entertainment seats worldwide, and over nine million square feet of exhibit space. SMG has managed the Van Andel Arena since 1996 and the Grand Center since 1994. For additional company information, visit smgworld.com.

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2002 THIRD QUARTER TICKET SALES

TOP 50 ARENA VENUES		Location	Total Tickets
1	Madison Square Garden	New York, NY	768,997
2	Manchester Evening News Arena	Manchester, ENG	566,281
3	Phillips Arena	Atlanta, GA	443,747
4	First Union Center	Philadelphia, PA	387,175
5	Palace Of Auburn Hills	Auburn Hills, MI	371,106
6	Nassau Veterans Mem. Coliseum	Uniondale, NY	351,991
7	First Union Spectrum	Philadelphia, PA	340,871
8	FleetCenter	Boston, MA	282,367
9	MCI Center	Washington, DC	280,191
10	NEC Arena	Birmingham, ENG	271,755
11	Air Canada Centre	Toronto, ON	257,379
12	St. Pete Times Forum	Tampa, FL	251,650
13	Bell Centre	Montreal, QUE	218,116
14	Oakland Arena	Oakland, CA	211,903
15	Wembley Arena	London, ENG	208,443
16	Van Andel Arena	Grand Rapids, MI	206,547
17	Verizon Wireless Arena	Manchester, NH	198,219
18	Scottish Exhibition & Conf. Ctr.	Glasgow, SCO	194,940
19	Sovereign Bank Arena	Trenton, NJ	192,467
20	Alltel Arena	North Little Rock, AR	191,557
21	Allstate Arena	Rosemont, IL	190,041
22	Office Depot Center	Sunrise, FL	188,995
23	Continental Airlines Arena	East Rutherford, NJ	187,244
24	Rose Garden Arena	Portland, OR	184,929
25	KeyArena At Seattle Center	Seattle, WA	182,384
26	Pepsi Center	Denver, CO	178,525
27	Arrowhead Pond Of Anaheim	Anaheim, CA	171,679
28	Mark Of The Quad Cities	Moline, IL	168,106
29	United Center	Chicago, IL	159,895
30	Worcester's Centrum Centre	Worcester, MA	148,847
31	Nationwide Arena	Columbus, OH	147,525
32	Tacoma Dome	Tacoma, WA	146,374
33	Bryce Jordan Center	University Park, PA	144,904
34	Bi-Lo Center	Greenville, SC	143,468
35	Sheffield Arena	Sheffield, ENG	140,353
36	Mandalay Bay Resort	Las Vegas, NV	139,916
37	Target Center	Minneapolis, MN	138,766
38	Hartford Civic Center	Hartford, CT	136,961
39	The Forum	Inglewood, CA	136,095
40	Freedom Hall	Louisville, KY	127,424
41	Gund Arena	Cleveland, OH	125,865
42	Xcel Energy Center	St. Paul, MN	123,563
43	T.D. Waterhouse Centre	Orlando, FL	121,027
44	HP Pavilion At San Jose	San Jose, CA	120,365
45	Veteran's Memorial Coliseum	Jacksonville, FL	118,634
46	CenturyTel Center	Bossier City, LA	112,386
47	America West Arena	Phoenix, AZ	111,735
48	MGM Grand Garden Arena	Las Vegas, NV	111,530
49	Long Beach Arena	Long Beach, CA	111,197
50	Staples Center	Los Angeles, CA	110,461

TOP 50 THEATRE VENUES		Location	Total Tickets
1	Fox Theatre	Atlanta, GA	456,354
2	Fox Theatre	Detroit, MI	411,733
3	Radio City Music Hall	New York, NY	322,673
4	Auditorio Nacional	Mexico City, MEX	263,245
5	Universal Amphitheatre	Universal City, CA	254,470
6	Careerbuilder.com Oakdale Theatre	Wallingford, CT	230,330
7	Westbury Music Fair	Westbury, NY	198,571
8	Rosemont Theatre	Rosemont, IL	188,575
9	The Bushnell	Hartford, CT	188,297
10	Carol Morsani Hall	Tampa, FL	157,803
11	Ruth Eckerd Hall	Clearwater, FL	146,734
12	Beacon Theatre	New York, NY	128,141
13	Weidner Center	Green Bay, WI	122,078
14	Civic Ctr. Of Greater Des Moines	Des Moines, IA	119,250
15	Murat Theatre	Indianapolis, IN	100,064
16	Paramount Theatre	Seattle, WA	97,683
17	Verizon Wireless Theatre	Houston, TX	94,892
18	Star Plaza Theatre	Merrillville, IN	94,372
19	The Thtr. At Madison Sq. Garden	New York, NY	92,188
20	Dodge Theatre	Phoenix, AZ	89,545
21	Cerritos Center	Cerritos, CA	84,187
22	Tower Theatre	Upper Darby, PA	76,354
23	Cape Cod Melody Tent	Hyannis, MA	74,338
24	Chicago Theatre	Chicago, IL	72,915
25	Morris Performing Arts Center	South Bend, IN	69,120
26	The Palladium	Worcester, MA	68,815
27	DeVos Hall	Grand Rapids, MI	68,537
28	State Theatre	Detroit, MI	67,830
29	Terrace Theatre	Long Beach, CA	64,713
30	Roseland Theatre	Portland, OR	63,263
31	Playhouse Square Center	Cleveland, OH	60,329
32	Riverside Theatre	Milwaukee, WI	58,487
33	Riviera Theatre	Chicago, IL	57,593
34	Taft Theatre	Cincinnati, OH	57,428
35	Celebrity Theatre	Phoenix, AZ	57,272
36	Keswick Theatre	Glenside, PA	56,026
37	Shea's Performing Arts Center	Buffalo, NY	54,810
38	Orpheum Theatre	Boston, MA	54,583
39	South Shore Music Circus	Cohasset, MA	53,808
40	Massey Hall	Toronto, ON	52,357
41	Wiltern Theatre	Los Angeles, CA	52,095
42	Luther Burbank Center	Santa Rosa, CA	47,866
43	Sunrise Musical Theatre	Sunrise, FL	46,613
44	DAR Constitution Hall	Washington, DC	43,597
45	Ogden Theatre	Denver, CO	42,261
46	Hummingbird Centre	Toronto, ON	40,944
47	Vic Theatre	Chicago, IL	40,489
48	Ancienne Belgique	Brussels, BEL	39,572
49	NextStage At Grand Prairie	Grand Prairie, TX	39,572
50	Northrop Auditorium	Minneapolis, MN	36,505

All figures are for tickets sold worldwide as reported to POLLSTAR for shows played between 01/01/02 and 09/30/02.

VAN ANDEL ARENA

THIRD QUARTER 2002

EVENT LIST

EVENT	DATE
Harlem Globetrotters	January 2
National Arenacross Series	January 4-6
Champions on Ice	January 20
Disney on Ice Jungle Adventures	January 23-27
Janet Jackson	January 30
U.S. Hot Rod Thunder Nationals	February 1-2
Creed	February 5
Crosby, Stills, Nash & Young	February 10
Aaron Carter	February 12
Barry Manilow	February 14
Alan Jackson	February 23
Freestyle Motocross	March 8-9
Kid Rock	March 14
World's Toughest Rodeo	March 15-16
Kenny Chesney	March 22
Target Stars on Ice	March 29
*N Sync	April 2
USA Women's National Volleyball Team vs. Tianjin of China	April 18
Professional Bull Riders	May 17-18, 2002
Incubus	May 31
Brooks & Dunn	June 2
Blink 182 and Green Day	June 8
The Eagles	June 21
Tom Petty and The Heartbreakers	June 27
Korn with Puddle of Mudd	July 2
Cher with Cyndi Lauper	July 12
WWE Raw	July 22
Mary J. Blige	July 25
Santana with Rusted Root	August 21
Great Lakes Irish Music Festival	August 24
The Who with Robert Plant	August 27
REO Speedwagon and Styx	August 28
Gaither Homecoming	September 14
Ringling Bros. and Barnum & Bailey Circus	September 25-29



DEVOS PERFORMANCE HALL

THIRD QUARTER 2002

EVENT LIST

EVENT	DATE
Sesame Street Live Big Bird's Sunny Day Camp Out	January 3-6
Broadway Theatre Guild's Beauty and the Beast	January 15-20
Luther Vandross	February 5
I Have A Dream	February 7
14 th Annual Hope College Musical Showcase	March 4
David Copperfield	March 5-6
Diana Krall	March 24
Broadway Theatre Guild's Buddy: The Buddy Holly Story	March 26-31
Bear in the Big Blue House Live	April 4-7
The Canadian Brass	April 9
Gallagher	April 26
Harry Connick, Jr.	May 6
Mother's Day Comedy Explosion	May 12
Spirit of Ireland	May 14
Broadway Theatre Guild's Blast!	May 28-June 2
The Statler Brothers	August 8
The Wiggles Live	August 20 (Two performances)
Gerald Levert	August 22
It's Just Comedy Tour	August 24
Broadway Theatre Guild's Rob Becker's Defending the Caveman	September 24-29





Memorandum

To: CAA Board Members

From: Susan Waddell, Administrative Manager

Date: October 17, 2002

Re: November and December 2002 Meeting Dates

Convention
Arena
Authority

John Logie,
Chairman
Lew Chamberlin
Clif Charles
David Frey
Steven Heacock
Birgit Klohs
Joseph Tomaselli

This year the November CAA Board meeting falls on the day before Thanksgiving and the December meeting falls on Christmas Day. Chairman Logie asks that you consider combining the two meetings in early December. Mayor Logie has suggested Wednesday, December 4, 2002.

As you may recall, last year the November meeting was held on its regularly scheduled date of November 19, 2001. Because of the holiday schedule, the December meeting was held on December 5, 2001.

Action requested: Combine November/December meetings on December 4, 2002.



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130 Fulton West
Grand Rapids, MI 49503
616.742.6600
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