

# Agenda

# **Board of Directors**

Remote Virtual Meeting Friday, October 2, 2020 Following CAA Operations Committee Meeting

| 1. | Call to (          | Call to Order  |                       |  |  |  |
|----|--------------------|--|-----------------------|--|--|--|
| 2. | Minutes            | s of August 7, 2020  | Action                |  |  |  |
| 3. | Committee Reports  |  |                       |  |  |  |
|    | A.                 | Operations Committee   |                       |  |  |  |
|    |                    | <ul> <li>Finance Committee</li> <li>i. Consolidated Financial Statement for Period Ending<br/>August 31, 2020</li> <li>ii. SMG August 31, 2020 Financial Statements –<br/>DeVos Place<sup>®</sup> and Van Andel Arena<sup>®</sup></li> </ul> | Action<br>Information |  |  |  |
| 4. | SMG U <sub>l</sub> | odate  |                       |  |  |  |
| 5. | Public Comment     |  |                       |  |  |  |

- A. Downtown Information Booth
- 6. Board Member Comments
- 7. Adjournment

#### MINUTES OF THE GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY MEETING OF BOARD OF DIRECTORS REMOTE VIRTUAL MEETING Friday, August 7, 2020

Attendance

| Members Present: | Steve Heacock, Chairperson<br>Birgit Klohs<br>Floyd Wilson, Jr.<br>Richard Winn  |  |
|------------------|--|--|
| Members Absent:  | Rosalynn Bliss<br>Lew Chamberlin<br>Charlie Secchia  |  |
| Staff/Others:    | Mercedes Barragan<br>Kathy Bart<br>Lauren Callahan<br>Hilarie Carpenter<br>James Conner<br>Omar Cuevas<br>Jeff Dubin<br>Alison Goodyke<br>Scott Gorsline<br>Tim Gortsema<br>Braden Graham<br>Jen Henkel<br>Jennifer Kasper<br>Andy Kursch<br>Michael Lozon<br>Chris Machuta<br>Rich MacKeigan<br>Mary Manier<br>Brian McVicar<br>Angela Nelson<br>Tim Nelson<br>Hannah Piggot<br>Evette Pittman<br>Darel Ross<br>Torrance Richardson<br>Doug Small<br>Brett Smith<br>Monica Sparks-Polk<br>Emilee Syrewicze<br>Eddie Tadlock<br>Aaron Terpstra<br>John Van Houten<br>Susan Waddell<br>Mark Washington<br>Richard Wendt<br>Robert White<br>Robert White | Spectrum Health/CIG<br>ASM<br>ASM<br>ASM<br>ASM<br>Triangle, Inc.<br>Grand Rapids Chamber/CIG<br>SAVOR<br>ASM<br>DP Fox<br>Grand Rapids Griffins<br>Bluewater Technologies<br>ASM<br>Grand Rapids Parking Services<br>ASM<br>Bluewater Technologies<br>ASM<br>Experience Grand Rapids<br><i>MLive/The Grand Rapids</i> Press<br>Experience Grand Rapids/CIG<br>Experience Grand Rapids/CIG<br>Experience Grand Rapids/CIG<br>Start Garden/CIG<br>Gerald R. Ford International Airport<br>Experience Grand Rapids<br>Bluewater Technologies<br>Kent County<br>Opera Grand Rapids<br>ASM<br>City of Grand Rapids<br>Bluewater Technologies<br>Kent County<br>Opera Grand Rapids<br>ASM<br>City of Grand Rapids<br>ASM<br>City of Grand Rapids<br>Dickinson Wright<br>CAA<br>Bluewater Technologies |

#### 1. Call to Order

Steve Heacock, chairperson, called the remote virtual meeting to order at 8:37 a.m. Secretary/Treasurer, Richard Winn, recorded the meeting minutes.

#### 2. Minutes of Prior Meeting

Motion by Mr. Winn, support by Mr. Wilson, to approve the July 10, 2020, Minutes. Motion carried.

#### **3.** Committee Reports

#### A. **Operations Committee**

i. Experience Grand Rapids Report

Mr. Doug Small reiterated the necessity to build future business for the convention center now. Two more sales staff members have been added to the team. The Traverse City convention bureau is getting out of the meeting business and focusing strictly on the leisure business, and that provides a lot of opportunity. The Detroit convention bureau lost about 60% of its staff and that includes a statewide sales staff member and that provides us with another opportunity to bring convention business that went to these two cities. Staff is working hard to rebook cancelled conventions for years 2021, 2022, and 2023. The airport has asked ExGR to re-engage its visitor service staff. Mary Manier reported on two new bookings for the convention center, working with Kathy Bart's staff and Chris Machuta for an event for the fall of 2021 at the Arena. Staff is attending virtual meetings to talk with clients and meeting planners about Grand Rapids and what we offer. The services team put together a website for meeting planners called Meet Confidently in Grand Rapids. Meeting planners want to know what phases we are in, what the phases mean, and what are the rules and regulations. A couple of clients came to town for site visits and staff is working on protocols to meet safely. Mr. Small stated that his staff is thoroughly impressed with the convention center upgrades and put together a video of virtual site inspections.

#### B. <u>Finance Committee</u>

i. Acceptance of June 2020 Consolidated Financial Statements

Motion by Mr. Winn, support by Ms. Klohs, to accept the June 2020 Consolidated Financial Statements and to re-appropriate \$1,124,625 million for capital projects that were carried over from FY 2020. Motion carried.

ii. SMG June 2020 DeVos Place® and Van Andel Arena® Financial Statements

The SMG financial statements were included in the agenda packet as information items.

iii. Auto Parking System Periodic Reporting

The quarterly report regarding the City/County utilization of discounted DeVos Place® monthly parking passes was included as an information item.

#### 4. Public Comment

Rich MacKeigan, ASM Regional General Manager, stated that the American Hockey League has postponed its season and will not start prior to December 4, 2020.

#### 5. Board Member Comments

Ms. Klohs reported that the Right Place is still engaged in business and is working on several key projects. A prospect visited town this past Monday and the Right Place continues to get leads, both self-generated and from the MEDC. The Right Place received \$9+ million in CARES funding from the State. They received over 2,000 applications from 11 counites and will be making grants to small businesses.

Floyd Wilson appreciated all the years of fellowship with Ms. Klohs, even more so than all her accomplishments. Floyd wished Birgit all the best this world has to offer.

Mr. Winn reiterated the optimism, especially with what some businesses had to go through with staffing.

Mr. Mark Washington added congratulations to Birgit and concurred it was well deserved. Birgit left a mark on our community and has been a trail blazer in so many ways. Personally, Birgit has been absolutely encouraging and a great partner with the City. The City is working to reactivate the retail community. The City looks forward to meeting safely in public. There are planned efforts for the fall Be the Bridge event beginning in late August through September. There will be a lot of special events, including arts and activities. Public safety continues to be at the forefront of local and national concerns. The police chief will be unveiling his strategic plan on Tuesday, August 11, at 10:30 a.m.

Chair Heacock shared that Grand Rapids Whitewater's partnership with the City to restore the Grand River is proceeding well and hope to apply for the permit in September. The biological assessment has been sent in and they are working on the environmental assessment and will submit that by next week. The group is optimistic they can be in the river next year and the river will be under construction for a two-year period. Chair Heacock may provide a project report regarding its importance to the city and the convention center.

#### 6. Adjournment

The meeting adjourned at 8:56 a.m.

Richard A. Winn, Recording Secretary

## Grand Rapids-Kent County Convention/Arena Authority Consolidated Financial Report August 31, 2020

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## Financial Dashboard Year-To-Date (2 Months) August 31, 2020

|               |     |                                 |           | Van  | Andel Are  | na® |                  |                        |            |                     |        |                    |
|---------------|-----|---------------------------------|-----------|------|------------|-----|------------------|------------------------|------------|---------------------|--------|--------------------|
|               |     |                                 | All Eve   | ents |            |     | Concert          |                        |            |                     |        |                    |
|               | Pr  | rior Year                       | Budg      | jet  | Act        | ual | Р                | rior Year              | ear Budget |                     | Actual |                    |
| Events        |     | 5                               |           | -    |            | -   |                  | 5                      |            | -                   |        | •                  |
| Attendance    |     | 39,765                          |           | -    |            | -   |                  | 39,765                 |            | -                   |        | -                  |
| Event Income  | \$  | 368,580                         | \$        | -    | \$         | -   | \$               | 368,580                | \$         | -                   | \$     | (167               |
|               |     |                                 |           |      |            |     |                  |                        |            |                     |        |                    |
|               |     |                                 |           |      |            |     |                  |                        |            |                     |        |                    |
|               |     |                                 |           |      | eVos Place | R   |                  |                        |            |                     |        |                    |
|               |     |                                 | All Eve   |      |            |     | Convention/Trade |                        |            |                     |        |                    |
|               | Pri | ior Year                        | Budg      | jet  | Act        | ual | P                | rior Year              |            | Budget              |        | Actual             |
| Events        |     | 69                              |           | -    |            | -   |                  | 26                     |            | -                   |        | -                  |
| Attendance    |     | 35,170                          |           | -    |            | -   |                  | 22,645                 |            | -                   |        |                    |
| Europh Income | \$  | 556,897                         | \$        | -    | \$         | -   | \$               | 341,875                | \$         | -                   | \$     | (1,361             |
| Event Income  |     |                                 |           |      |            |     |                  |                        |            |                     |        |                    |
| Event income  |     |                                 |           |      |            |     |                  |                        |            |                     |        |                    |
| Event income  |     |                                 |           |      |            |     |                  |                        |            |                     |        |                    |
| Event income  |     |                                 |           |      |            |     | P                | rior Year              |            | Budget              |        | Actual             |
| Event income  | Оре | erating Incor                   | ne (Loss) |      |            |     | P<br>\$          | rior Year<br>(407,312) | \$         | Budget<br>(883,066) | \$     | Actual<br>(634,755 |
| Event income  | •   | erating Incor<br>bital/Repair/F | . ,       | nt   |            |     | \$               |                        |            |                     | \$     |                    |

Unrestricted Fund Balance (unaudited) @ June 30, 2020

\$21.608M

#### Grand Rapids-Kent County Convention/Arena Authority Summary by Facility/Other Fiscal Year Ending June 30, 2021

|  |                |      | FY 2020                 |                 |                     |
|--|----------------|------|-------------------------|-----------------|---------------------|
|  | 7/1 - 8/31     |      |                         |                 |                     |
|  | Year-to-Date   | Roll | Estimate <sup>(1)</sup> | Budget          | <b>Prior Year</b>   |
| Van Andel Arena                            |                |      |                         |                 |                     |
| Operating - Revenues                       | \$ 294,833     |      |                         | \$ 855,248      | \$ 5,882,796        |
| - Expenses - Facilities                    | (358,892)      |      |                         | (3,161,016)     | (3,918,222)         |
| - Base Management Fees<br>- Incentive Fee  | (29,877)       |      |                         | (182,848)       | (179,263)           |
| Net Operating Income (Loss)                | (93,936)       |      |                         | (2,488,616)     | 1,785,311           |
| Parking                                    | 22,317         |      |                         | 234,000         | 286,064             |
| Pedestrian Safety                          | -              |      |                         | (13,700)        | (82,159)            |
| Net Proceeds (Cost) of VAA                 | (71,619)       |      |                         | (2,268,316)     | 1,989,216           |
| <b>DeVos Place Convention Center</b>       |                |      |                         |                 |                     |
| Operating - Revenues                       | 1,652          |      |                         | 975,759         | 4,962,437           |
| - Expenses - Facilities                    | (551,602)      |      |                         | (4,606,032)     | (6,305,298)         |
| - Base Management Fees<br>- Incentive Fee  | (29,877)       |      |                         | (182,848)       | (179,263)           |
| Net Operating Income (Loss)                | (579,827)      |      |                         | (3,813,121)     | (1,522,124)         |
| Parking                                    | 79,667         |      |                         | 395,000         | 731,160             |
| Pedestrian Safety                          | -              |      |                         | (8,300)         | (42,382)            |
| Net Proceeds (Cost) of DVP                 | (500,160)      |      |                         | (3,426,421)     | (833,346)           |
| Other                                      |                |      |                         |                 |                     |
| Revenues                                   | 46,158         |      |                         | 198,022         | 665,537             |
| Expenses                                   | (109,134)      |      |                         | (1,160,106)     | (1,246,943)         |
| Net Other                                  | (62,976)       |      |                         | (962,084)       | (581,406)           |
| Total Net Proceeds/Operating               | (634,755)      |      |                         | (6,656,821)     | 574,464             |
| Capital/Repair Expenditures                | (887,120)      |      |                         | (4,420,427)     | $^{2)}$ (3,234,739) |
| Results Net of Capital/Repair Expenditures | \$ (1,521,875) |      |                         | \$ (11,077,248) | \$ (2,660,275)      |
|  |                |      |                         |                 |                     |

Notes:

(1) Roll and year-end estimate will be updated on a quarterly basis beginning with the Board meeting of Nov. 6th.

(2) Includes budget amendment to provide for several capital project balances carried over from FY20. See June 2020 consolidated financial report for details.

#### Grand Rapids-Kent County Convention/Arena Authority Budget Summary by Facility/Other Financial Trends for the Month of August 2020

|  | August Monthly |                |                                  |  |
|--|----------------|----------------|----------------------------------|--|
| Van Andel Arena                        | FY 2020        | FY 2021        | Change<br>Positive<br>(Negative) |  |
| Operating - Revenues                   | \$ 479,786     | \$ 146,760     | (69.4)                           |  |
| - Expenses - Facilities <sup>(1)</sup> | (423,395)      | (197,798)      | 53.3                             |  |
| - Base Management Fees                 | (123,353)      | (14,939)       | (1.6)                            |  |
| - Incentive Fee                        | (11,703)       | (11,757)       | (1.0)                            |  |
| Net Operating Income (Loss)            | 41,688         | (65,977)       | (258.3)                          |  |
| Parking                                | 32,583         | -              | (100.0)                          |  |
| Pedestrian Safety                      | (2,809)        | -              | 100.0                            |  |
| Net Proceeds (Cost) of VAA             | 71,462         | (65,977)       | (192.3)                          |  |
| DeVos Place Convention Center          |                |                |                                  |  |
| Operating - Revenues                   | 329,598        | 861            | (99.7)                           |  |
| - Expenses - Facilities <sup>(1)</sup> | (618,498)      | (296,525)      | 52.1                             |  |
| - Base Management Fees                 | (14,703)       | (14,939)       | (1.6)                            |  |
| - Incentive Fee                        | <u> </u>       | -              | -                                |  |
| Net Operating Income (Loss)            | (303,603)      | (310,603)      | (2.3)                            |  |
| Parking                                | 52,790         | -              | (100.0)                          |  |
| Pedestrian Safety                      | (16,734)       | -              | 100.0                            |  |
| Net Proceeds (Cost) of DVP             | (267,547)      | (310,603)      | (16.1)                           |  |
| Other                                  |                |                |                                  |  |
| Revenues                               | 53,316         | 21,784         | (59.1)                           |  |
| Expenses                               | (188,692)      | (101,717)      | 46.1                             |  |
| Net Other                              | (135,376)      | (79,933)       | 41.0                             |  |
| Total Net Proceeds/Operating           | (331,461)      | (456,513)      | (37.7)                           |  |
| Capital/Repair Expenditures            | (174,539)      | (797,509)      | (356.9)                          |  |
| Results Net of Capital Expenditures    | \$ (506,000)   | \$ (1,254,022) | (147.8)                          |  |

Notes:

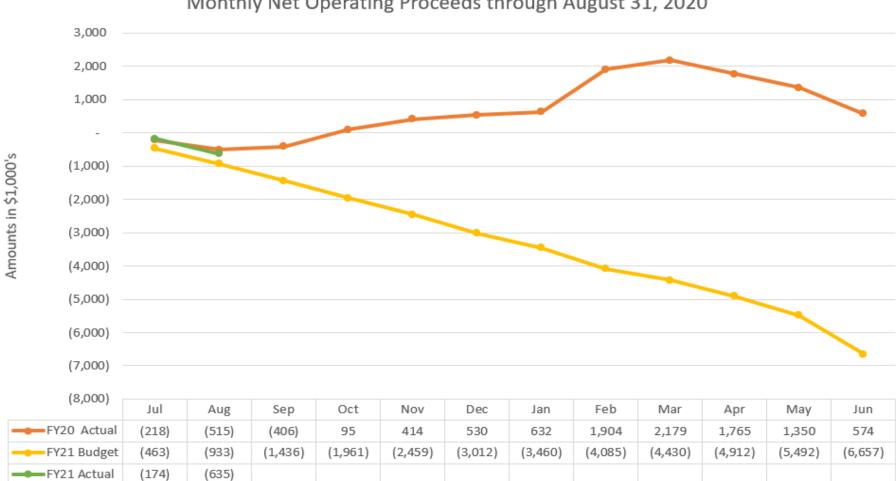
(1) Includes ASM line item - "Net Salaries and Benefits": August 2019 (Actual) \$471K, August 2020 (Budget) \$217K, and August 2020 (Actual) \$214K, [a 54.6% reduction from August 2019 (Actual)].

#### Grand Rapids-Kent County Convention/Arena Authority Administrative - Operating / Capital Replacement Budget FY 2021 Budget

| FV 2021 | Eligible Projects:                        | Budget       | Actual<br>7/1-8/31 |
|---------|---|--------------|--------------------|
| 11 2021 | Englishe i rojectis.                      | Duuget       | //1-0/51           |
| Van An  | del Arena®                                |              |                    |
|         | Upper Bowl Seating                        | \$ 750,000   | -                  |
| Total V |   | 750,000      | -                  |
| DeVos I | Place®                                    |              |                    |
|         | Building Management Software-HVAC         | 150,000      | -                  |
|         | Exterior Welsh Granite & Steps            | 300,000      | 43,023             |
|         | Fly Rail System                           | 1,450,000    | 500,106            |
| Total D | VP  | 1,900,000    | 543,129            |
| Both Ve | nues                                      |              |                    |
|         | Box Office Speakers                       | 60,000       | -                  |
| Carryo  | ver (FY20) Projects                       |              |                    |
| DVP     | Projection Theater Updates                | 200,000      | -                  |
| DVP     | Fly Rail System                           | 114,604      | 92,030             |
| DVP     | Additional Furniture                      | 33,000       | -                  |
| DVP     | Carpet: Keeler Lobby/Performance Hall     | 323,619      | 188,039            |
| DVP     | Airwall Fabric Replacement                | 42,015       | 42,015             |
| DVP     | OSHA Safety Changes                       | 7,381        | -                  |
| DVP     | Lyon Street Landscaping                   | 400,000      | -                  |
| DVP     | New Soft Start for Chiller                | 39,885       | -                  |
| VAA     | Suite Refresher                           | 372,803      | 21,907             |
| VAA     | Security Upgrades                         | 25,135       | -                  |
| BOTH    | Elevator Modernization                    | 10,985       | -                  |
| BOTH    | New Computers                             | 4,000        | -                  |
| BOTH    | New Phone System                          | 137,000      | -                  |
| Total C | arryover                                  | 1,710,427    | 343,991            |
| Total U | nrestricted Accounts                      | 4,420,427    | 887,120            |
| Amphit  | heater - State Grant (Restricted Account) | 4,739,485    |                    |
| Total F | Y 2021 Capital Budget                     | \$ 9,159,912 |                    |

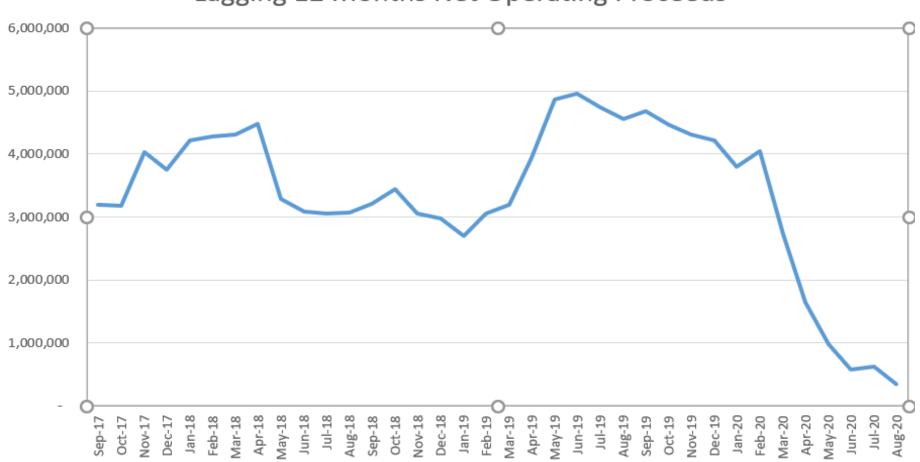
#### Grand Rapids-Kent County Convention/Arena Authority Budget Summary by Facility/Other Financial Trends for Year Ending June 30, 2021

|                                       | Annual                               |                   |                                  | Year-To-Date          |                       |                                  |  |
|---------------------------------------|--------------------------------------|-------------------|----------------------------------|-----------------------|-----------------------|----------------------------------|--|
| Van Andel Arena                       | FY 2020<br>Final                     | FY 2021<br>Budget | Change<br>Positive<br>(Negative) | FY 2020<br>7/1-8/31   | FY 2021<br>7/1 - 8/31 | Change<br>Positive<br>(Negative) |  |
| Operating - Revenues                  | \$ 5,882,796                         | \$ 855,248        | (85.5)                           | \$ 727,452            | \$ 294,833            | (59.5)                           |  |
| - Expenses - Facilities               | (3,918,222)                          | (3,161,016)       | 19.3                             | (737,147)             | (358,892)             | 51.3                             |  |
| - Base Management Fees                | (179,263)                            | (182,848)         | (2.0)                            | (29,407)              | (29,877)              | (1.6)                            |  |
| - Incentive Fee                       | -                                    | -                 | -                                | -                     | -                     | -                                |  |
| Net Operating Income (Loss)           | 1,785,311                            | (2,488,616)       | (239.4)                          | (39,102)              | (93,936)              | (140.2)                          |  |
| Parking                               | 286,064                              | 234,000           | (18.2)                           | 79,549                | 22,317                | (71.9)                           |  |
| Pedestrian Safety                     | (82,159)                             | (13,700)          | 83.3                             | (2,809)               | -                     | 100.0                            |  |
| Net Proceeds (Cost) of VAA            | 1,989,216                            | (2,268,316)       | (214.0)                          | 37,638                | (71,619)              | (290.3)                          |  |
| DeVos Place Convention Center         |                                      |                   |                                  |                       |                       |                                  |  |
| Operating - Revenues                  | 4,962,437                            | 975,759           | (80.3)                           | 566,284               | 1,652                 | (99.7)                           |  |
| - Expenses - Facilities               | (6,305,298)                          | (4,606,032)       | 26.9                             | (1,141,769)           | (551,602)             | 51.7                             |  |
| - Base Management Fees                | (179,263)                            | (182,848)         | 2.0                              | (29,407)              | (29,877)              | (1.6)                            |  |
| - Incentive Fee                       | -                                    | -                 | -                                | -                     | -                     | -                                |  |
| Net Operating Income (Loss)           | (1,522,124)                          | (3,813,121)       | (150.5)                          | (604,892)             | (579,827)             | 4.1                              |  |
| Parking                               | 731,160                              | 395,000           | (45.0)                           | 198,025               | 79,667                | (59.8)                           |  |
| Pedestrian Safety                     | (42,382)                             | (8,300)           | 80.4                             | (722)                 | -                     | 100.0                            |  |
| Net Proceeds (Cost) of DVP            | (833,346)                            | (3,426,421)       | (311.2)                          | (407,589)             | (500,160)             | (22.7)                           |  |
| Other                                 |                                      |                   |                                  |                       |                       |                                  |  |
| Revenues                              | 665,537                              | 198,022           | (70.2)                           | 109,932               | 46,158                | (58.0)                           |  |
| Expenses                              | (1,246,943)                          | (1,160,106)       | 7.0                              | (147,293)             | (109,134)             | 25.9                             |  |
| Net Other                             | (581,406)                            | (962,084)         | (65.5)                           | (37,361)              | (62,976)              | (68.6)                           |  |
| Total Net Proceeds/Operating          | 574,464                              | (6,656,821)       | (1,158.8)                        | (407,312)             | (634,755)             | (55.8)                           |  |
| Capital/Repair Expenditures           | (3,234,739)                          | (4,420,427)       | (36.7)                           | (1,105,291)           | (887,120)             | 19.7                             |  |
| Results Net of Capital Expenditures   | (3,234,739)<br><b>\$ (2,660,275)</b> | \$ (11,077,248)   | (316.4)                          | <b>\$ (1,512,603)</b> | \$ (1,521,875)        | (0.6)                            |  |
| Results net of Capital Experiorunites | \$ (2,000,275)                       | φ (11,077,240)    | (310.4)                          | J (1,512,005)         | φ (1,321,075)         | (0.0)                            |  |



CAA Trends Monthly Net Operating Proceeds through August 31, 2020

Accumulative Net Proceeds by Month



Lagging 12 Months Net Operating Proceeds

# Significant Notes

Van Andel Arena®

- Page 1 Zero concerts generated \$0.00 in event revenue, a decrease of (100.0%) from prior year (5 concerts) of \$368,580.
- Page 4 Net proceeds of (\$71,619) decreased by (290.3%) from prior year of +\$37,608.

DeVos Place®

- Page 1 Convention/trade show business generated \$0.00 in event revenue, a decrease of (100.0%) from prior year (attendance decreased from 22,645 to zero) of \$341,875.
- Page 4 Net "proceeds" of (\$500,160) decreased by (22.7%) from prior year Net Proceeds of (\$407,589).

## Grand Rapids-Kent County Convention/Arena Authority Administrative Accounts Net Other Detail August 31, 2020

|                            |                  | Annual            |                                  |                     | Actual               |                                  |
|----------------------------|------------------|-------------------|----------------------------------|---------------------|----------------------|----------------------------------|
|                            | FY 2020<br>Final | FY 2021<br>Budget | Change<br>Positive<br>(Negative) | FY 2020<br>7/1-8/31 | FY 2021<br>7/1/-8/31 | Change<br>Positive<br>(Negative) |
| Other                      |                  |                   |                                  |                     |                      |                                  |
| Revenues                   |                  |                   |                                  |                     |                      |                                  |
| Interest/Capital Contr.    | \$ 597,468       | \$ 190,000        | (68.2)                           | \$ 109,932          | \$ 46,158            | (58.0)                           |
| Miscellaneous              | 68,069           | 8,022             | (88.2)                           | -                   | -                    |                                  |
|                            | 665,537          | 198,022           | (70.2)                           | 109,932             | 46,158               | (58.0)                           |
| Expenses                   |                  |                   |                                  |                     |                      |                                  |
| COVID-19 Preparedness Plan | -                | 300,000           | 100.0 +                          | -                   | -                    | -                                |
| Marketing (CVB/Sports)     | 200,000          | 200,000           | -                                | -                   | -                    | -                                |
| Diversity Initiative       | 140,468          | 100,000           | (28.8)                           | 19,413              | -                    | 100.0                            |
| Wages/Benefits             | 146,456          | 141,106           | (3.7)                            | 16,830              | 19,430               | (15.4)                           |
| Professional Services      | 67,966           | 85,000            | 25.1                             | 642                 | 250                  | 61.1                             |
| DID Assessment             | 65,284           | 33,000            | (49.5)                           | 43,569              | -                    | 100.0                            |
| Food & Beverage Repairs    | -                | 40,000            | 100.0 +                          | -                   | -                    | -                                |
| Consulting Services        | 552,628          | 200,000 (1)       | (63.8)                           | 53,013              | 88,344               | (66.6)                           |
| Landscaping                | 24,723           | 25,000            | 1.1                              | -                   | -                    | -                                |
| Procurement of Art         | 2,105            | -                 | (100.0)                          | -                   | -                    | -                                |
| Insurance                  | 23,676           | 26,000            | 9.8                              | 12,065              | -                    | 100.0                            |
| Supplies/Other             | 23,637           | 10,000            | (57.7)                           | 1,761               | 1,110                | 37.0                             |
|                            | 1,246,943        | 1,160,106         | (7.0)                            | 147,293             | 109,134              | 25.9                             |
| Net Proceeds - Operating   | \$ (581,406)     | \$ (962,084)      | (65.5)                           | \$ (37,361)         | \$ (62,976)          | (68.6)                           |

#### Notes:

 $^{(1)}$  SMG-\$55,159 and \$144,891 proof of concept and general engineering.

## Grand Rapids-Kent County Convention/Arena Authority Special Accounts Amphitheater Project Revenues/Expenses 4/4/19 to 8/31/20

| Revenues:               |              |
|-------------------------|--------------|
| State of Michigan Grant | \$ 5,000,000 |
|                         |              |
| Expenses:               | (260,515)    |
|                         |              |
| Net Balance             | \$ 4,739,485 |

#### NOTES:

- MEDC Grant West Michigan Amphitheater
- -Grant Period: 1/1/19- 1/31/21
- Grant Activities: "Park/Playground Improvements"
- -Interest credited to the operating account

# DEVOSPLACE

# **DE VOS PLACE**

#### FINANCIAL STATEMENT FOR THE MONTH ENDED AUGUST 31, 2020

Distribution:

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



#### DE VOS PLACE ROLLING FORECAST FISCAL YEAR ENDING JUNE 30, 2021

|  | YTD Actual | Roll        | TOTAL<br>FYE | BUDGET<br>FYE | VARIANCE |
|--|------------|-------------|--------------|---------------|----------|
| NO. EVENTS                                       | -          | _           | 0            | 0             |          |
| ATTENDANCE                                       | 0          | -           | 0            | 0             | -        |
| DIRECT EVENT INCOME                              | 2,200      | 520,160     | 522,360      | 520,660       | 1,700    |
| ANCILLARY INCOME                                 | (3,561)    | 371,260     | 367,699      | 369,479       | (1,780)  |
| OTHER EVENT INCOME                               | 0          | 37,620      | 37,620       | 37,620        | -        |
| TOTAL EVENT REVENUE                              | (1,361)    | 929,040     | 927,679      | 927,759       | (80)     |
| TOTAL OTHER REVENUE                              | 3,013      | 45,929      | 48,942       | 48,000        | 942      |
| TOTAL OPERATING REVENUE                          | 1,652      | 974,969     | 976,621      | 975,759       | 862      |
| INDIRECT EXPENSES                                |            |             |              |               |          |
| EXECUTIVE  | 13,046     | 158,242     | 171,288      | 171,288       |          |
| FINANCE  | 26,633     | 175,842     | 202,475      | 202,475       | -        |
| MARKETING  | 14,840     | 111,100     | 125,940      | 125,940       | -        |
| OPERATIONS                                       | 74,630     | 584,471     | 659,101      | 659,101       | _        |
| EVENT SERVICES                                   | 135,916    | 1,242,182   | 1,378,098    | 1,378,098     | -        |
| BOX OFFICE                                       | 20,585     | 69,703      | 90,288       | 90,288        |          |
| SALES  | 49,611     | 356,049     | 405,660      | 405,660       | -        |
| OVERHEAD   | 246,219    | 1,509,811   | 1,756,030    | 1,756,030     | -        |
| TOTAL OPERATING EXP.                             | 581,479    | 4,207,400   | 4,788,880    | 4,788,880     |          |
| NET REVENUE ABOVE EXPENSES                       | (579,827)  | (3,232,431) | (3,812,259)  | (3,813,121)   | 862      |
| INCENTIVE FEE                                    |            | -           | 0            | 0             | *        |
| NET OPERATING REVENUE OVER<br>OPERATING EXPENSES | (579,827)  | (3,232,431) | (3,812,259)  | (3,813,121)   | 862      |

Comments:

DeVos Place continues to be dark and not hosting any events.

cuSigned by: UN MY

General Manager

Assistant General Manager

#### DE VOS PLACE FINANCIAL STATEMENT HIGHLIGHTS FISCAL YEAR ENDING JUNE 30, 2021

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

| MONTH                  | August<br>Actual   | August<br>Budget   | August<br>FY 2020      |
|------------------------|--------------------|--------------------|------------------------|
| Number of Events       |                    |                    | 45                     |
| Attendance             |                    |                    | 26,136                 |
| Direct Event Income    | \$1,700            | \$0                | \$143,742              |
| Ancillary Income       | (1,781)            | 0                  | 164,335                |
| Other Event Income     | 0                  | 0                  | 13,943                 |
| Other Operating Income | 942                | 4,000              | 7,578                  |
| Indirect Expenses      | (311,464)          | (340,923)          | (633,200)              |
| Net Income             | (\$310,603)        | (\$336,923)        | (\$303,602)            |
| YTD                    | YTD 2021<br>Actual | YTD 2021<br>Budget | YTD 2020<br>Prior Year |
| Number of Events       |                    |                    | 70                     |
| Attendance             |                    |                    | 32,295                 |
| Direct Event Income    | \$2,200            | \$0                | \$253,492              |
| Ancillary Income       | (3,561)            | 0                  | 244,181                |
| Other Event Income     | 0                  | 0                  | 59,224                 |
| Other Operating Income | 3,013              | 8,000              | 9,386                  |
| Indirect Expenses      | (581,479)          | (681,846)          | (1,171,176)            |
| Net Income             | (\$579,827)        | (\$673,846)        | (\$604,892)            |

#### EVENT INCOME

No events were hosted during the month.

#### ANCILLARY INCOME

No events were hosted during the month.

#### **INDIRECT EXPENSES**

Indirect expenses came in ahead of budget.

#### DeVos Place Income Statement For the Two Months Ended August 31, 2020

|   | Current Month | Current Month<br>Budget | Variance | Current Month<br>Prior Year | Year to Date<br>Actual | Year to Date<br>Budget | Variance             | Year to Date<br>Prior Year |
|---|---------------|-------------------------|----------|-----------------------------|------------------------|------------------------|----------------------|----------------------------|
|   |               |                         |          |                             |                        |                        |                      |                            |
| Event Income                                    |               |                         |          |                             |                        |                        |                      |                            |
| Direct Event Income                             |               |                         |          |                             |                        |                        |                      |                            |
| Rental Income<br>Service Revenue                | \$1,700       | \$0                     | \$ 1,700 | \$191,186                   | \$2,200                | \$0                    | \$ 2,200             | \$307,07                   |
| Service Expenses                                | 0             | -                       | -        | 155,186                     | 0                      | -                      | -                    | 304,09                     |
| Gervice Expenses                                | 0             | -                       | -        | (202,630)                   | 0                      | -                      | -                    | (357,675                   |
| Total Direct Event Income                       | 1,700         | 0                       | 1,700    | 143,742                     | 2,200                  | 0                      | 2,200                | 253,49                     |
| Ancillary Income                                |               |                         |          |                             |                        |                        |                      |                            |
| F&B Concession                                  | 0             | -                       |          | 5,302                       | 0                      |                        |                      | 13 64                      |
| F&B Catering                                    | Ō             | -                       | -        | 43,342                      | 0                      | -                      | -                    | 13,61<br>83,72             |
| Novelty Sales                                   | Ō             | -                       | -        | 8,261                       | ő                      |                        | -                    | 9,58                       |
| Booth Cleaning                                  | 0             | -                       | -        | 31,542                      | ő                      |                        | -                    | 35,84                      |
| Telephone/Long Distance                         | Ō             | -                       | -        | 01,042                      | 0                      | -                      | -                    | 30,04                      |
| Electrical Services                             | ō             | -                       | -        | 30,114                      | ő                      | -                      | -                    | 37,81                      |
| Audio Visual                                    | 0             |                         | -        | 26,938                      | ő                      |                        |                      | 37,88                      |
| Internet Services                               | (1,781)       | -                       | (1,781)  | 10,346                      | (3,561)                | _                      | (3,561)              | 11,75                      |
| Equipment Rental                                | 0             | -                       | -        | 8,490                       | 0                      | -                      | -                    | 13,95                      |
| Total Ancillary Income                          | (1,781)       | 0                       | (1,781)  | 164,335                     | (3,561)                | 0                      | (3,561)              | 244,18                     |
|   |               |                         |          |                             |                        | *****                  |                      |                            |
| Other Event Income<br>Ticket Rebates(Per Event) | -             | -                       | _        | 13,943                      |                        |                        |                      | 50.00                      |
| Total Other Event Income                        |               |                         | ······   |                             | ·····                  |                        | -                    | 59,224                     |
|   |               | 0                       | 0        | 13,943                      |                        | 0                      | 0                    | 59,224                     |
| Total Event Income                              | (81)          | 0                       | (81)     | 322,020                     | (1,361)                | 0                      | (1,361)              | 556,897                    |
| Other Operating Income                          |               |                         |          |                             |                        |                        |                      |                            |
| Luxury Box Agreements                           | 775           | 0                       | 775      | 942                         | 1,550                  | 0                      | 1,550                | 1,883                      |
| Other Income                                    | 167           | 4,000                   | (3,833)  | 6,636                       | 1,463                  | 8,000                  | (6,537)              | 7,503                      |
| Total Other Operating Income                    | 942           | 4,000                   | (3,058)  | 7,578                       | 3,013                  | 8,000                  | (4,987)              | 9,386                      |
| Adjusted Gross Income                           | 861           | 4,000                   | (3,139)  | 329,598                     | 1,652                  | 8,000                  | (6,348)              | 566,284                    |
| -<br>-  |               |                         |          |                             |                        |                        |                      |                            |
| Operating Expenses                              |               |                         |          |                             |                        |                        |                      |                            |
| Salaries and Wages                              | 155,495       | 132,530                 | 22,965   | 418,336                     | 357,392                | 265,060                | 92,332               | 715,752                    |
| Payroll Taxes and Benefits                      | 68,631        | 33,786                  | 34,845   | 55,289                      | 141,917                | 67,572                 | 74,345               | 97,356                     |
| Labor Allocations to Events                     | (85,015)      | (38,596)                | (46,419) | (202,485)                   | (232,859)              | (77,192)               | (155,667)            | (355,958)                  |
| Net Salaries and Benefits<br>-                  | 139,111       | 127,720                 | 11,391   | 271,140                     | 266,450                | 255,440                | 11,010               | 457,151                    |
| Contracted Services                             | 1,668         | 0                       | 1,668    | 43,571                      | 3.676                  |                        | 0 670                | 04 040                     |
| General and Administrative                      | 15,954        | 21,375                  | (5,421)  | 78,927                      | 30,169                 | 0<br>42,750            | 3,676<br>(12,581)    | 81,246                     |
| Operations                                      | 3,726         | 11,946                  | (8,220)  | 31,587                      | 7,428                  | 23,892                 | • • •                | 130,100                    |
| Repair and Maintenance                          | 30,950        | 47,100                  | (16,150) | 40,099                      | 43,348                 | 23,692<br>94,200       | (16,464)<br>(50,852) | 40,564<br>121,034          |
| Operational Supplies                            | 10,880        | 15,676                  | (4,796)  | 11,826                      | 11,781                 | 31,352                 | (19,571)             | 29,608                     |
| Insurance                                       | 12,639        | 18,969                  | (6,330)  | 14,726                      | 25,277                 | 37,938                 | (12,661)             | 25,377                     |
| Utilities                                       | 81,596        | 82,900                  | (1,304)  | 126,622                     | 163,473                | 165,800                | (2,327)              | 256,689                    |
| SMG Management Fees                             | 14,939        | 15,237                  | (298)    | 14,703                      | 29,877                 | 30,474                 | (597)                | 29,407                     |
| Fotal Operating Expenses                        | 311,464       | 340,923                 | (29,459) | 633,200                     | 581,479                | 681,846                | (100,367)            | 1,171,176                  |
| ۔<br>Net Income(Loss) From Operatic             | (310,603)     | (336,923)               | 26,320   | (303,602)                   | (579,827)              | (673,846)              | 94,019               | (604,892)                  |
| =<br>Other Non-Operating Expenses               |               |                         |          |                             |                        | #22028999 =            | ======== :           | 320022555                  |
|   |               |                         |          |                             |                        |                        |                      |                            |
|   |               |                         |          |                             |                        |                        |                      |                            |

|                        |        | s/Days | Atten  | dance  | Total Event | Total Event Income |  |
|------------------------|--------|--------|--------|--------|-------------|--------------------|--|
| Event Type             | Actual | Budget | Actual | Budget | Actual      | Budget             |  |
| Convention/Trade Shows | -      |        | *      | -      | (3,561)     |                    |  |
| Consumer/Gated Shows   | -      | -      | -      | -      | -           |                    |  |
| DeVos Performance Hall | -      | -      | -      | -      | -           |                    |  |
| Banquets               | -      | -      | -      | -      | -           |                    |  |
| Meetings               | -      | -      | -      | -      | 2,200       |                    |  |
| Other                  | -      | -      | -      | -      | -           |                    |  |
| GRAND TOTALS           | -      | -      | -      | -      | (1,361)     |                    |  |

#### SMG DeVos Place Grand Rapids - Kent County Convention/Arena Authority Year to Date Event Summary Report For the Two Months Ended August 31, 2020

As Percentage of Overall

| Convention/Trade Shows | #DIV/0! #DIV/0! | #DIV/0! | #DIV/0! | 261.65%  | #DIV/0! |
|------------------------|-----------------|---------|---------|----------|---------|
| Consumer/Gated Shows   | #DIV/0! #DIV/0! | #DIV/0! | #DIV/0! | 0.00%    | #DIV/0! |
| Devos Performance Hall | #DIV/0! #DIV/0! | #DIV/0! | #DIV/0! | 0.00%    | #DIV/0! |
| Ballroom Exclusive     | #DIV/0! #DIV/0! | #DIV/0! | #DIV/0! | 0.00%    | #DIV/0! |
| Meetings               | #DIV/0! #DIV/0! | #DIV/0! | #DIV/0! | -161.65% | #DIV/0! |
| Other                  | #DIV/0! #DIV/0! | #DIV/0! | #DIV/0! | 0.00%    | #DIV/0! |

#### DeVos Place Balance Sheet As of August 31, 2020

#### ASSETS

| Current Assets<br>Cash<br>Account Receivable<br>Prepaid Expenses | 1,071,579<br>338,672 |             |
|--|----------------------|-------------|
| Total Current Assets   | 108,535              | \$1,518,785 |

| Total | Assets |
|-------|--------|
|-------|--------|

\$1,518,785

#### LIABILITIES AND EQUITY

| Current Liabilities<br>Accounts Payable<br>Accrued Expenses<br>Deferred Income<br>Advanced Ticket Sales & Deposits                         | 224,333<br>98,711<br>111,218<br>1,415,723 |             |
|--|---|-------------|
| Total Current Liabilities  |   | \$1,849,985 |
| Other Liabilities  |   |             |
| Equity<br>Funds Remitted to CAA<br>Funds Received by CAA<br>Expenses Paid Direct by CAA<br>Beginning Balance Equity<br>Current Year Equity | -<br>-<br>143,979<br>154,402<br>(629,580) |             |
| Total Equity   |   | (\$331,199) |
| Total Liabilities and Equity   |   | \$1,518,785 |

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#### SMG - DeVos Place Grand Rapids - Kent County Convention/Arena Authority Summary of Accounts Receivable As of August 31, 2020

| Current - Under 30 Days      |         |
|------------------------------|---------|
| Food & Beverage              | -       |
| Ticketing                    | -       |
| Merchandise                  | 12,529  |
| Decorating                   | -       |
| Audio/Visual                 | -       |
| Van Andel Arena              | 245,259 |
| Operating                    |         |
| Over 30 Days                 |         |
|                              | 80,884  |
| Over 60 Days                 | .,      |
| Over 60 Days<br>Over 90 Days |         |

#### SMG - Van Andel Arena & DeVos Place Grand Rapids - Kent County Convention/Arena Authority Management Fee Summary Fiscal Year Ending June 30, 2021

#### MANAGEMENT FEE SUMMARY

|                            | Arena       | DeVos Place | Total       | FY 2020   |
|----------------------------|-------------|-------------|-------------|-----------|
|                            | Estimate    | Estimate    | Estimate    | Audited   |
| Net Revenue above Expenses | (2,211,650) | (3,812,259) | (6,023,909) | 152,577   |
| Benchmark++                |             |             | 1,050,000   | 1,050,000 |
| Excess                     | (2,211,650) | (3,812,259) | (7,073,909) | (897,423) |

Incentive Fee Calculation (Only if above greater than zero)

|             |                                    | Arena<br>Estimate | DeVos Place<br>Estimate | Total<br>Estimate | Total<br>Estimate |
|-------------|------------------------------------|-------------------|-------------------------|-------------------|-------------------|
| Base Fee    |                                    | 180,338           | 180,338                 | 360,676           | 358,526           |
| Incentive F | ee                                 |                   |                         |                   |                   |
|             | Revenue                            | 1,132,214         | 976,621                 | 2,108,835         | 10,799,359        |
|             | Benchmark Revenue                  | 5,263,794         | 4,650,537               | 9,914,331         | 9,855,200         |
|             | Revenue Excess<br>Incentive Fee ** | (4,131,580)       | (3,673,916)             | (7,805,496)       | 990,033           |
| Total SMG   | Management Fee                     | 180,338           | 180,338                 | 360,676           | 358,526           |

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

++ SMG will be eligible for an Incentive fee if Net Revenues exceed Expenses by the following amounts: Equal to \$850,000 and less than \$950,000 shall be paid at 50% of calculated fee. Equal to \$950,000 and less than \$1,050,000 shall be paid at 75% of calculated fee. Equal to \$1,050,000 and above shall be paid at 100% of calculated fee.



# VAN ANDEL ARENA

#### FINANCIAL STATEMENT FOR THE MONTH YEAR ENDED AUGUST 31, 2020

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



Distribution:

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



#### VAN ANDEL ARENA ROLLING FORECAST FISCAL YEAR ENDING JUNE 30, 2021

|  | YTD      | ROLL        | TOTAL<br>FYE | BUDGET<br>FYE | VARIANCE |
|--|----------|-------------|--------------|---------------|----------|
| NO. EVENTS                                 | -        |             | 0            | 0             | -        |
| ATTENDANCE                                 | -        |             | 0            | 0             | -        |
| DIRECT EVENT INCOME                        | 0        | 166.258     | 166,258      | 166,258       | _        |
| ANCILLARY INCOME                           | 0        | 228,632     | 228,632      | 228,632       | _        |
| OTHER EVENT INCOME                         | (167)    | 112,268     | 112,101      | 112,125       | (24)     |
| TOTAL EVENT INCOME                         | (167)    | 507,158     | 506,991      | 507,015       | (24)     |
| TOTAL OTHER INCOME                         | 295,000  | 330,223     | 625,223      | 348,233       | 276,990  |
| TOTAL INCOME                               | 294,833  | 837,381     | 1,132,214    | 855,248       | 276,966  |
| INDIRECT EXPENSES                          |          |             |              |               |          |
| EXECUTIVE                                  | 26,664   | 172,344     | 199,008      | 199,008       | -        |
| FINANCE                                    | 20,938   | 156,986     | 177,924      | 177,924       | -        |
| MARKETING                                  | 16,449   | 153,191     | 169,640      | 169,640       | _        |
| OPERATIONS                                 | 146,381  | 1,295,370   | 1,441,751    | 1,441,751     | -        |
| BOX OFFICE                                 | 17,477   | 148,385     | 165,862      | 165,862       | -        |
| LUXURY SEATING                             | -        | -           |              | -             | -        |
| SKYWALK ADMIN                              | 6,695    | 47,401      | 54,096       | 54,096        | -        |
| OVERHEAD                                   | 154,167  | 981,416     | 1,135,583    | 1,135,583     | -        |
| TOTAL INDIRECT EXP.                        | 388,769  | 2,955,093   | 3,343,864    | 3,343,864     |          |
| NET REVENUE ABOVE EXPENSES                 | (93,936) | (2,117,712) | (2,211,650)  | (2,488,616)   | 276,966  |
| LESS INCENTIVE FEE                         |          |             | -            | -             | -        |
| NET REVENUE ABOVE EXPENSES AFTER INCENTIVE | (93,936) | (2,117,712) | (2,211,650)  | (2,488,616)   | 276,966  |
|  |          |             |              |               |          |

Comments:

The arena continues to be dark and not hosting events.

Overall expenses through 2 months have been favorable to budget.

cuSigned by: UN MA 7ECB840AF99F405

General Manager

Assistant General Manager

#### VAN ANDEL ARENA FINANCIAL STATEMENT HIGHLIGHTS FOR FISCAL YEAR ENDING JUNE 30, 2021

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

| MONTH                  | August<br>Actual | August<br>Budget | August<br>FY 2020 |
|------------------------|------------------|------------------|-------------------|
| Number of Events       |                  | -                | 2                 |
| Attendance             | -                | -                | 14,564            |
| Direct Event Income    | \$0              | \$0              | \$83,994          |
| Ancillary Income       | 0                | 0                | 128,134           |
| Other Event Income     | (25)             | 0                | 81,264            |
| Other Operating Income | 146,784          | 6,000            | 186,397           |
| Indirect Expenses      | (212,737)        | (234,994)        | (438,098)         |
| Net Income             | (\$65,977)       | (\$228,994)      | \$41,690          |

| YTD                    | YTD 2021<br>Actual | YTD 2021<br>Budget | YTD 2020<br>Prior Year |
|------------------------|--------------------|--------------------|------------------------|
| Number of Events       | -                  |                    | 5                      |
| Attendance             | -                  | -                  | 39,765                 |
| Direct Event Income    | \$O                | \$0                | \$53,006               |
| Ancillary Income       | 0                  | 0                  | 177,990                |
| Other Event Income     | (167)              | 0                  | 137,584                |
| Other Operating Income | 295,000            | 12,000             | 358,871                |
| Indirect Expenses      | (388,769)          | (469,988)          | (766,554)              |
| Net Income             | (\$93,936)         | (\$457,988)        | (\$39,101)             |

#### EVENT INCOME

No events were hosted during the month.

#### ANCILLARY INCOME

No Ancillary income due to no events.

#### INDIRECT EXPENSES

Indirect expenses came in ahead of budget overall.

#### Van Andel Arena Income Statement For the Two Months Ended August 31, 2020

|                                  | Current Month<br>Actual | Current Month<br>Budget | Variance                               | Current Month<br>Prior Year | Year to Date<br>Actual | Year to Date<br>Budget | Variance           | Year to Date<br>Prior Year |
|----------------------------------|-------------------------|-------------------------|--|-----------------------------|------------------------|------------------------|--------------------|----------------------------|
|                                  |                         |                         |  |                             |                        |                        |                    |                            |
| Event Income                     |                         |                         |  |                             |                        |                        |                    |                            |
| Direct Event Income              |                         |                         |  |                             |                        |                        |                    |                            |
| Rental Income                    | \$-                     | \$-                     | \$-                                    | \$ 101,012                  | \$-                    | \$-                    | \$-                | \$ 60,346                  |
| Service Revenue                  | -                       | -                       | -                                      | 202,296                     | -                      | -                      | -                  | 342,948                    |
| Service Expenses                 |                         | -                       |  | (219,314)                   |                        | -                      | -                  | (350,288)                  |
| Total Direct Event Income        | 0                       | 0                       | 0                                      | 83,994                      | 0                      | 0                      | 0                  | 53,006                     |
| Ancillary Income                 |                         |                         |  |                             |                        |                        |                    |                            |
| F&B Concession                   | -                       | -                       | -                                      | 97,343                      | -                      | -                      | -                  | 136,460                    |
| F&B Catering                     | -                       | -                       | -                                      | 9,212                       | -                      | -                      | -                  | 14,419                     |
| Novelty Sales                    | -                       | -                       | -                                      | 21,579                      | -                      | -                      | -                  | 27,111                     |
| Booth Cleaning                   | -                       | -                       | -                                      |                             | _                      | -                      | _                  | 27,111                     |
| Audio Visual                     | -                       | -                       | -                                      | _                           | _                      | -                      |                    | -                          |
| Other Ancillary                  | -                       | -                       | -                                      | -                           | -                      | -                      | -                  | -                          |
| Total Ancillary Income           | 0                       | 0                       | 0                                      | 128,134                     | 0                      | 0                      | 0                  | 177,990                    |
| Other Event Income               |                         |                         |  |                             |                        |                        |                    |                            |
| Ticket Rebates(Per Event)        | (25)                    | 0                       | (25)                                   | 81,264                      | (167)                  | 0                      | (167)              | 137,584                    |
| Total Other Event Income         | (25)                    | 0                       | (25)                                   | 81,264                      |                        | 0                      | (167)              | 137,584                    |
|                                  |                         |                         |  |                             |                        |                        |                    |                            |
| Total Event Income               | (25)                    | 0                       | (25)                                   | 293,392                     | (167)                  | 0                      | (167)              | 368,580                    |
| Other Operating Income           |                         |                         |  |                             |                        |                        |                    |                            |
| Luxury Box Agreements            | 97,993                  | 0                       | 07 000                                 | 100 000                     | 405 007                |                        |                    |                            |
| Advertising                      | 48,155                  | 0                       | 97,993                                 | 129,083                     | 195,987                | 0                      | 195,987            | 244,826                    |
| Other Income                     | 46,100                  | 6,000                   | 48,155<br>(5,364)                      | 51,243<br>6,071             | 96,310<br>2,703        | 0<br>12,000            | 96,310<br>(9,297)  | 102,485<br>11,560          |
| Total Other Operating Income     | 146,784                 | 6,000                   | 140,784                                | 186,397                     | 295,000                | 12,000                 | 283,000            | 358,871                    |
|                                  | <u> </u>                |                         |  |                             |                        |                        |                    |                            |
| Adjusted Gross Income            | 146,760                 | 6,000                   | 140,760                                | 479,788                     | 294,833                | 12,000                 | 282,833            | 727,452                    |
| Operating Expenses               |                         |                         |  |                             |                        |                        |                    |                            |
| Salaries and Wages               | 50,229                  | 72,550                  | (22,321)                               | 246,520                     | 104,661                | 145,100                | (40,439)           | 434,418                    |
| Payroll Taxes and Benefits       | 24,980                  | 16,613                  | 8,367                                  | 22,205                      | 52,732                 | 33,226                 | 19,506             | 36 248                     |
| Labor Allocations to Events      | -                       | -                       | -                                      | (68,577)                    | -                      | 0                      | -                  | (122,294)                  |
| Net Salaries and Benefits        | 75,209                  | 89,163                  | (13,954)                               | 200,148                     | 157,393                | 178,326                | (20,933)           | 348,372                    |
|                                  |                         |                         |  |                             |                        |                        |                    |                            |
| Contracted Services              | 1,660                   | -                       | 1,660                                  | 29,543                      | 3,668                  | 0                      | 3,668              | 47,923                     |
| General and Administrative       | 19,473                  | 22,768                  | (3,295)                                | 65,926                      | 33,599                 | 45,536                 | (11,937)           | 106,996                    |
| Operations                       | 786                     | 7,232                   | (6,446)                                | 2,928                       | 2,816                  | 14,464                 | (11,648)           | 5,559                      |
| Repair and Maintenance           | 30,562                  | 27,375                  | 3,187                                  | 16,445                      | 42,374                 | 54,750                 | (12,376)           | 27,933                     |
| Operational Supplies             | 17,625                  | 15,558                  | 2,067                                  | 32,787                      | 17,624                 | 31,116                 | (13,492)           | 51,030                     |
| Insurance                        | 5,469                   | 11,036                  | (5,567)                                | 12,035                      | 10,938                 | 22,072                 | (11,134)           | 18,639                     |
| Utilities                        | 47,014                  | 46,625                  | 389                                    | 63,583                      | 90,480                 | 93,250                 | (2,770)            | 130,695                    |
| SMG Management Fees              | 14,939                  | 15,237                  | (298)                                  | 14,703                      | 29,877                 | 30,474                 | (597)              | 29,407                     |
| Total Operating Expenses         | 212,737                 | 234,994                 | (22,257)                               | 438,098                     | 388,769                | 469,988                | (81,219)           | 766,554                    |
| Net Income(Loss) From Operations | (65,977)                | (228,994)               | 163,017                                | 41,690                      | (93,936)               | (457,988)              | 364,052            | (39,101)                   |
| Other Non-Operating Expenses     |                         |                         | <b>₩₩₩₩₩₩₩₩</b> ₩₩                     |                             |                        |                        |                    |                            |
|                                  |                         |                         | ······································ | •                           |                        |                        |                    |                            |
| Adjusted Net Income(Loss)        | (65,977)                | (228,994)               | 163,017                                | 41,690                      | (93,936)               | (457,988)              | 364,052            | (39,101)                   |
| :                                |                         |                         | =============                          |                             |                        | **********             | ================== | 2222222222                 |

#### SMG - Van Andel Arena Grand Rapids - Kent County Convention/Arena Authority Event Summary For the Two Months Ended August 31, 2020

| Event Type               |         | s/Days  | Attendance |         | Total Event |         |
|--------------------------|---------|---------|------------|---------|-------------|---------|
| Event Type               | Actual  | Budget  | Actual     | Budget  | Actual      | Budget  |
| Family Show              | -       | -       | -          | -       | -           | -       |
| Sporting Event           | -       | -       | -          | -       | -           | -       |
| Concert                  | -       | -       | -          | <u></u> | (167)       | -       |
| Team Home Games          | -       | -       | -          | ve      | -           | -       |
| Other                    | -       | -       | -          | -       | -           | -       |
| GRAND TOTALS             | -       | -       | -          | -       | (167)       | -       |
| As Percentage of Overall |         |         |            |         |             |         |
| Family Show              | #DIV/0! | #DIV/0! | #DIV/0!    | #DIV/0! | 0.00%       | #DIV/0! |
| Sporting Event           | #DIV/0! | #DIV/0! | #DIV/0!    | #DIV/0! | 0.00%       | #DIV/0! |
| Concert                  | #DIV/0! | #DIV/0! | #DIV/0!    | #DIV/0! | 100.00%     | #DIV/0! |
| Team Home Games          | #DIV/0! | #DIV/0! | #DIV/0!    | #DIV/0! | 0.00%       | #DIV/0! |
| Other                    | #DIV/0! | #DIV/0! | #D1V/0!    | #DIV/0! | 0.00%       | #DIV/0! |

#### Van Andel Arena Balance Sheet As of August 31, 2020

#### ASSETS

| Current Assets       |           |
|----------------------|-----------|
| Cash                 | 5,726,175 |
| Account Receivable   | 690,414   |
| Prepaid Expenses     | 134,810   |
| Total Current Assets |           |

\$6,551,399

---

| Total Assets |  |  |  |
|--------------|--|--|--|
|              |  |  |  |

\$6,551,399 ==========

#### LIABILITIES AND EQUITY

| Current Liabilities              |           |
|----------------------------------|-----------|
| Accounts Payable                 | (86,262)  |
| Accrued Expenses                 | 84,356    |
| Deferred Income                  | 971,289   |
| Advanced Ticket Sales & Deposits | 6,540,365 |
| Total Current Liabilities        |           |

#### **Other Liabilities**

| Equity                       |           |
|------------------------------|-----------|
| Funds Remitted to CAA        | 0         |
| Funds Received by CAA        | 0         |
| Expenses Paid Direct by CAA  | 76,500    |
| Beginning Balance Equity     | (905,167) |
| Current Year Equity          | (129,683) |
| Total Equity                 | *         |
| Total Liabilities and Equity |           |

\$7,509,748

#### (\$958,349)

\$6,551,399

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#### SMG - Van Andel Arena Grand Rapids - Kent County Convention/Arena Authority Summary of Accounts Receivable As of August 31, 2020

| Current - Under 30 Days<br>Food & Beverage | _         |
|--|-----------|
| Ticketing                                  | 322,440   |
| Merchandise                                | -         |
| Permanent Advertising                      | 593,484   |
| DeVos Place                                | (245,259) |
| Operating                                  |           |
| Over 30 Days<br>Over 60 Days               | 19,749    |
| Over 90 Days                               |           |
| Total Accounts Receivable                  | 690,414   |

#### SMG - Van Andel Arena & DeVos Place Grand Rapids - Kent County Convention/Arena Authority Management Fee Summary Fiscal Year Ending June 30, 2021

#### MANAGEMENT FEE SUMMARY

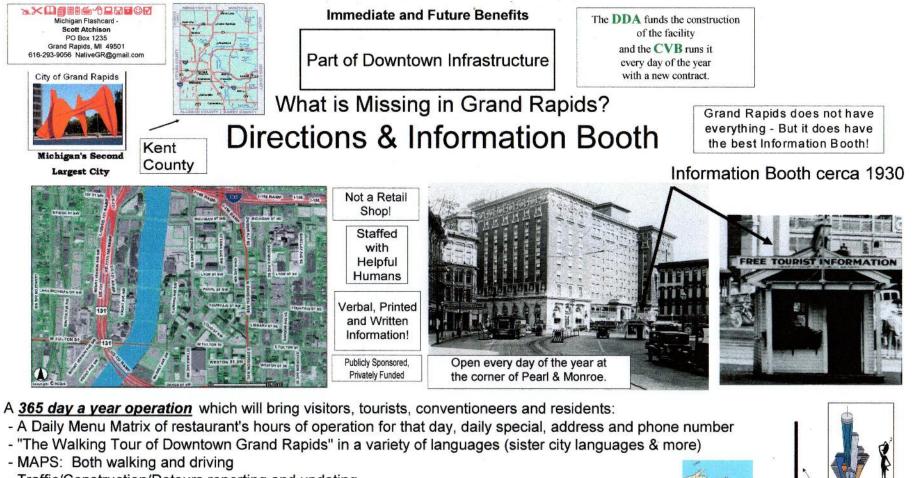
|                            | Arena       | DeVos Place | Total       | FY 2020   |
|----------------------------|-------------|-------------|-------------|-----------|
|                            | Estimate    | Estimate    | Estimate    | Audited   |
| Net Revenue above Expenses | (2,211,650) | (3,812,259) | (6,023,909) | 152,577   |
| Benchmark++                |             |             | 1,050,000   | 1,050,000 |
| Excess                     | (2,211,650) | (3,812,259) | (7,073,909) | (897,423) |

Incentive Fee Calculation (Only if above greater than zero)

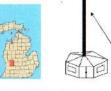
|              |                                    | Arena<br>Estimate | DeVos Place<br>Estimate | Total<br>Estimate | Total<br>Estimate |
|--------------|------------------------------------|-------------------|-------------------------|-------------------|-------------------|
| Base Fee     |                                    | 180,338           | 180,338                 | 360,676           | 358,526           |
| Incentive Fe | e                                  |                   |                         |                   |                   |
|              | Revenue                            | 1,132,214         | 976,621                 | 2,108,835         | 10,799,359        |
|              | Benchmark Revenue                  | 5,263,794         | 4,650,537               | 9,914,331         | 9,855,200         |
|              | Revenue Excess<br>Incentive Fee ** | (4,131,580)       | (3,673,916)             | (7,805,496)       | 990,033           |
|              |                                    |                   |                         |                   | <u>.</u>          |
| Total SMG    | Management Fee                     | 180,338           | 180,338                 | 360,676           | 358,526           |

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

++ SMG will be eligible for an Incentive fee if Net Revenues exceed Expenses by the following amounts: Equal to \$850,000 and less than \$950,000 shall be paid at 50% of calculated fee. Equal to \$950,000 and less than \$1,050,000 shall be paid at 75% of calculated fee. Equal to \$1,050,000 and above shall be paid at 100% of calculated fee.



- Traffic/Construction/Detours reporting and updating
- and many, many other useful tools that tourists, visitors, conventioneers and residents will find most interesting and useful!



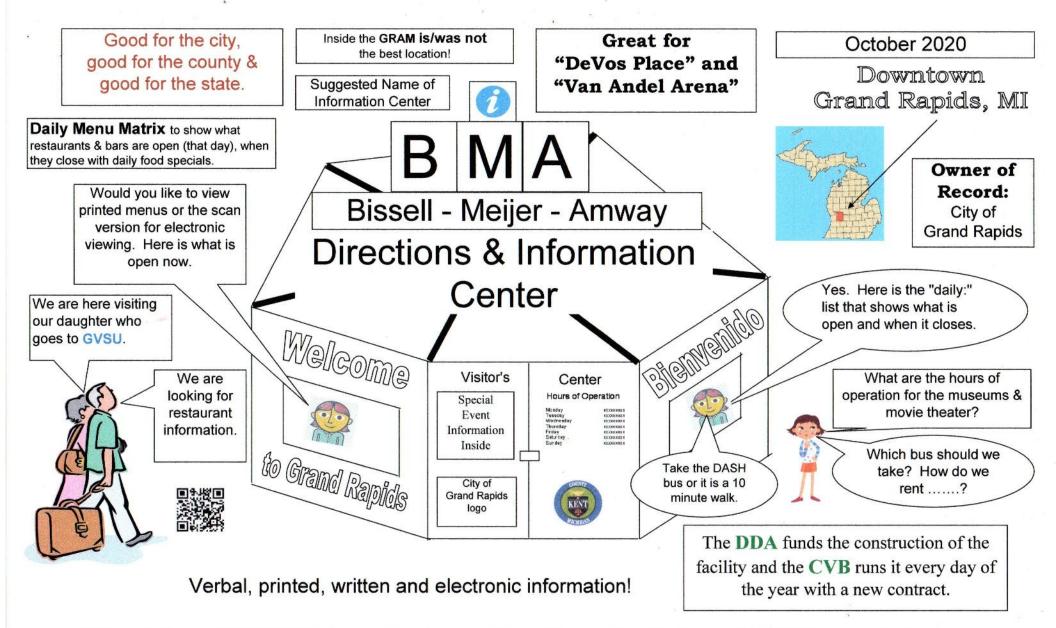
eather Beam BLUE GREEN

DEC

# Better LOCAL information than the Internet/GPS/smartphone

| October 2020  | Forward to: Community Leaders             |                        | Good for the city,                              | Sue Waddell:   |
|---------------|---|------------------------|---|--|
|               |   | Page 1 of 2            | good for the county<br>&<br>good for the state. | Please Forward to:<br>Convention & Arena Authority<br>Operations Committee |
| cc: DDA - CVB | - City of Grand Rapids - Kent Co          | ounty                  |   |  |
| Notos: Immedi | ata 8 Euturo Donofital - Dublicu Snoncoro | d 9 Drivetaly Fundad N | Jamina Diabta                                   | & Convention & Arena Authority<br>Board - 10/02/20 Meeting(s)              |

Notes: Immediate & Future Benefits! - Publicy Sponsored & Privately Funded - Naming Rights



# Providing BETTER local information than the internet/GPS/smartphone.

Scott Atchison 616-293-9056 NativeGR@aol.com Web pages are not enough!

Open everyday of the year at the corner of Pearl & Monroe.

