

Agenda

Board of Directors

Friday, October 1, 2021
Following CAA Operations Committee Meeting
Kent County Administration Building
300 Monroe, NW • Grand Rapids, MI 49503

- | | | |
|----|--|----------------|
| 1. | Call to Order | Richard Winn |
| 2. | Welcome New CAA Board Member Mandy Bolter and
New County Administrator Al Vanderberg | Richard Winn |
| 3. | Minutes of September 9, 2021 | Action |
| 4. | Committee Reports | |
| | A. Operations Committee | |
| | B. Finance Committee | |
| | i. Consolidated Financial Statement for Period Ending 8/31/21 | Action |
| | ii. August 31, 2021, Financial Statements – DeVos Place® and
Van Andel Arena® - SMG, a Division of ASM Global | Information |
| 5. | Calendar Update from ASM Global | Rich MacKeigan |
| 6. | Public Comment | |
| 7. | Board Member Comments | |
| 8. | Adjournment | |

Next Meeting Date: Friday, November 5, 2021

RESOLUTION BY COMMISSIONER STEK

WHEREAS, The Kent County Board of Commissioners appoints two members of the Convention/Arena Authority Board to fill four-year terms that begin on January 1 and end on December 31; and

WHEREAS, One of the two county-appointed positions will be vacant as of July 1, 2021; and

WHEREAS, this item has been reviewed and recommended by the Legislative and Human Resources Committee for approval by the Board of Commissioners; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby approves the appointment of Kent County Board of Commissioners Chair Mandy Bolter to the Grand Rapids-Kent County Convention/Arena Authority Board to fill an unexpired four-year term ending December 31, 2022.

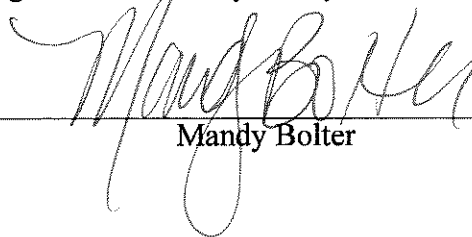
Commissioner Stek moved adoption of the resolution.

STATE OF MICHIGAN } ss
County of Kent

I do solemnly swear (or affirm) that I will support the Constitution of the United States, and the Constitution of this State, and that I will faithfully perform the duties of the office of

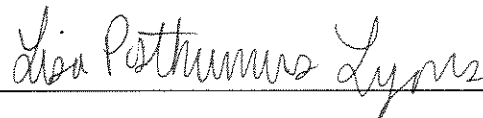
Board Member, Grand Rapids - Kent County Convention Arena Authority

in and for the County of Kent, State of Michigan, according to the best of my ability.



Mandy Bolter

Subscribed and Sworn to before me, this July 22, 2021



Lisa Posthumus Lyons, County Clerk/Register
Kent County, Michigan

My Commission Expires _____

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
COMBINED MEETING OF FINANCE COMMITTEE
AND BOARD OF DIRECTORS
303 MONROE AVENUE, NW | GRAND RAPIDS, MI
Thursday, September 9, 2021**

Attendance:

Members Present: Richard Winn, Chairperson
Rosalynn Bliss
Lew Chamberlin
Joe Jones
Birgit Klohs
Jay Preston
Charlie Secchia
Jana Wallace
Floyd Wilson, Jr.

Members Absent: Mandy Bolter
Jeff Dood
Jill Ferris
Robert Herr
Marvin Van Nortwick

Staff/Others:	Andrea Anderson	Mobile GR
	Chris Anderson	ASM Global
	Kathy Bart	ASM Global
	Lauren Callahan	ASM Global
	Kate Carlson	<i>MiBiz</i>
	Megan Distel	Broadway Grand Rapids
	Aaron Doty	Grand Rapids Symphony
	Alison Goodyke	ASM Global
	Chris Machuta	ASM Global
	Jennifer Kasper	Mobile GR
	Andy Kursch	ASM Global
	JJ Loew	Vicinity Energy
	Rich MacKeigan	ASM Global
	Mary Manier	Experience Grand Rapids
	Cheri McConomy	McConomy Properties, LLC
	Doug Small	Experience Grand Rapids
	Eddie Tadlock	ASM Global
	Brad Thomas	Progressive AE
	John Van Houten	Progressive AE
	Susan Waddell	CAA
	Mark Washington	City of Grand Rapids
	Richard Wendt	Dickinson Wright
	Jessica Wood	Dickinson Wright

1. Call to Order

Chairperson, Richard Winn, called the meeting to order at 9:05 a.m. Staff recorded the meeting minutes.

2. Minutes of Prior Meetings

Motion by Ms. Klohs, support by Mr. Jones, to approve the May 7, 2021, Finance Committee Minutes and the June 4, 2021, Board Minutes. Motion carried.

3. Application to Liquor Control Commission for Special License

Mr. MacKeigan requested approval to apply to the Michigan Liquor Control Commission for special liquor licenses in conjunction with the International Wine, Beer & Food Festival that will be held November 18-20, 2021.

Motion by Ms. Bliss, support by Ms. Klohs, to approve an application to the Michigan Liquor Control Commission for special liquor licenses in conjunction with the International Wine, Beer & Food Festival. Motion carried.

4. Director and Officer Insurance Renewal

Motion by Mr. Chamberlin, support by Mr. Secchia, to approve the annual renewal of the directors' and officers' liability insurance. The motion carried unanimously.

5. Consolidated Financial Statement for the Period Ending June 30, 2021

Chairperson Winn reported that the adopted FY 2021 budget forecasted a draw on fund balance of \$10.9 million. Additional spending reductions and unanticipated new revenue sources combined to reduce the budgeted deficit by \$3.1 million, resulting in a preliminary unrestricted fund balance of \$13.8 million.

Motion by Mr. Jones, support by Ms. Wallace, to accept the June 2021 Consolidated Financial Statements. Motion carried.

6. Consolidated Financial Statement for the Period Ending July 31, 2021

Chairperson Winn reported that the FY 2022 budget that was adopted in June forecasted a draw on fund balance of \$2.2 million. Since that date, there have been a couple of significant changes, namely notification of a federal grant award in the amount of \$8.2 million and a request to carry over additional capital in the amount of \$86,455 to provide for three projects that had not been completed by June 30, 2021.

Motion by Ms. Klohs, support by Mr. Wilson, to (i) accept the July 2021 Consolidated Financial Statements; (ii) recognize receipt of federal grant funds in the amount \$8.2 million; and (iii) authorize an increase of \$86,455 in the FY 2022 capital appropriation to provide for three projects that had not been completed by June 30, 2021. Motion carried.

7. ASM Global Financial Statements – DeVos Place® and Van Andel Arena® - June 30, 2021

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

8 ASM Global Financial Statements – DeVos Place® and Van Andel Arena® - July 31, 2021

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

9. Experience Grand Rapids Report

Ms. Manier provided an overview of the CVB's recent bookings, sales activities, marketing efforts, site visits, and major bid presentations. Ms. Manier presented a promotional video Experience Grand Rapids and Travel Michigan used for U.S. Travel ESTO conference that will be hosted in 2022.

10. 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.

11. Shuttered Venue Operator Grant (SVOG) Update

Staff reported that the SBA approved the CAA's SVO grant application, in the amount of \$8.2 million. The CAA received the funds in a single disbursement on July 21, 2021, and these funds may be used to pay allowable items of cost incurred between March 1, 2020, and December 31, 2021. The CAA is eligible for a supplemental grant of \$1.7 and amended performance period. The amended performance period will allow the CAA to use the grant funds for expenses through June 30, 2022.

12. ASM Global Report and Facilities Calendars

Mr. MacKeigan provided an event update through the end of the calendar year. The Griffins home opener is scheduled for October 15, 2021. ArtPrize begins September 16, and both DeVos Place® and the Van Andel Arena® will exhibit artist installations.

13. Public Comment

None.

14. Adjournment

The meeting adjourned at 9:35 a.m. The next CAA Board meeting is Friday, October 1, 2021.

Susan M. Waddell, Recording Secretary



Consolidated Financial Report
31-Aug-21

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Financial Dashboard
Year-To-Date (2Month)
31-Aug-21

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events			1			
Attendance			2,849			
Event Income	\$ (167)		\$ 60,899			
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events		45	33		40	10
Attendance		55,910	12,326		48,710	4,250
Event Income	\$ (1,381)	\$ 419,675	\$ 304,462	\$ 350,135	\$ 154,837	
				Prior Year	Budget	Actual
Operating Income (Loss)				\$ (765,561)	\$ (778,363)	\$ 7,339,112
Capital/Repair/Replacement				(722,085)	(10,754)	(10,754)
Net - To/(From) on Fund Balance				\$ (1,487,646)	\$ (789,117)	\$ 7,328,358 ⁽¹⁾

*NOTES: (1):

Unrestricted Fund Balance (June 30, 2021(Preliminary Subject to Audit) **\$13.8M**

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

	FY 2022			
	7/1 - 08/31			
	Year-to-Date	Roll	Estimate ^{(1) (3)}	Budget
Van Andel Arena				
Operating - Revenues	\$ 63,937			\$ 4,746,644
- Expenses - Facilities	(496,867)			(4,330,348)
- Base Management Fees	(30,056)			(183,945)
- Incentive Fee	-		-	-
Net Operating Income (Loss)	(462,986)		-	232,351
Parking	45,665			278,989
Pedestrian Safety	-		-	(65,000)
Net Proceeds (Cost) of VAA	(417,321)		-	446,340
DeVos Place Convention Center				
Operating - Revenues	315,956			4,143,265
- Expenses - Facilities	(787,863)			(5,725,206)
- Base Management Fees	(30,056)			(183,945)
- Incentive Fee	-			-
Net Operating Income (Loss)	(501,963)			(1,765,886)
Parking	127,168			763,011
Pedestrian Safety				(36,000)
Net Proceeds (Cost) of DVP	(374,795)			(1,038,875)
Other				
Revenues	8,202,802			273,000
Expenses	(71,574)			(878,500)
Net Other	8,131,228		-	(605,500)
Total Net Proceeds/Operating	7,339,112			(1,198,035)
Capital/Repair Expenditures	(10,754)			(1,056,567)
Results Net of Capital/Repair Expenditures	\$ 7,328,358			\$ (2,254,602)

Notes:

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

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

FY 2022 Eligible Projects:		Budget	Actual 7/1-08/31	Roll	Appropriation Lapse
Van Andel Arena®					
Total VAA		-	-	\$ -	-
DeVos Place®					
	Lyon Street Landscape	200,000	-	-	-
Total DVP		200,000	-	-	-
Both Venues				-	
Carryover (FY20) Projects					
DVP	Building Maintenance Software-HVAC	43,740	-	-	-
DVP	Additional Furniture	30,580	-	-	-
VAA	Security Upgrades	12,135	10,754	-	-
VAA	Suite Refresher	370,112	-	-	-
DVP	Lyon Street Landscaping	400,000	-	-	-
Total Carryover		856,567	10,754	-	-
Total Unrestricted Accounts		1,056,567	10,754	-	-
COVID-19 County Grant (Restricted Account)		48,620	1,980	-	-
Total FY 2021 Capital Budget		\$1,105,187	\$ 12,734	\$ -	\$ -

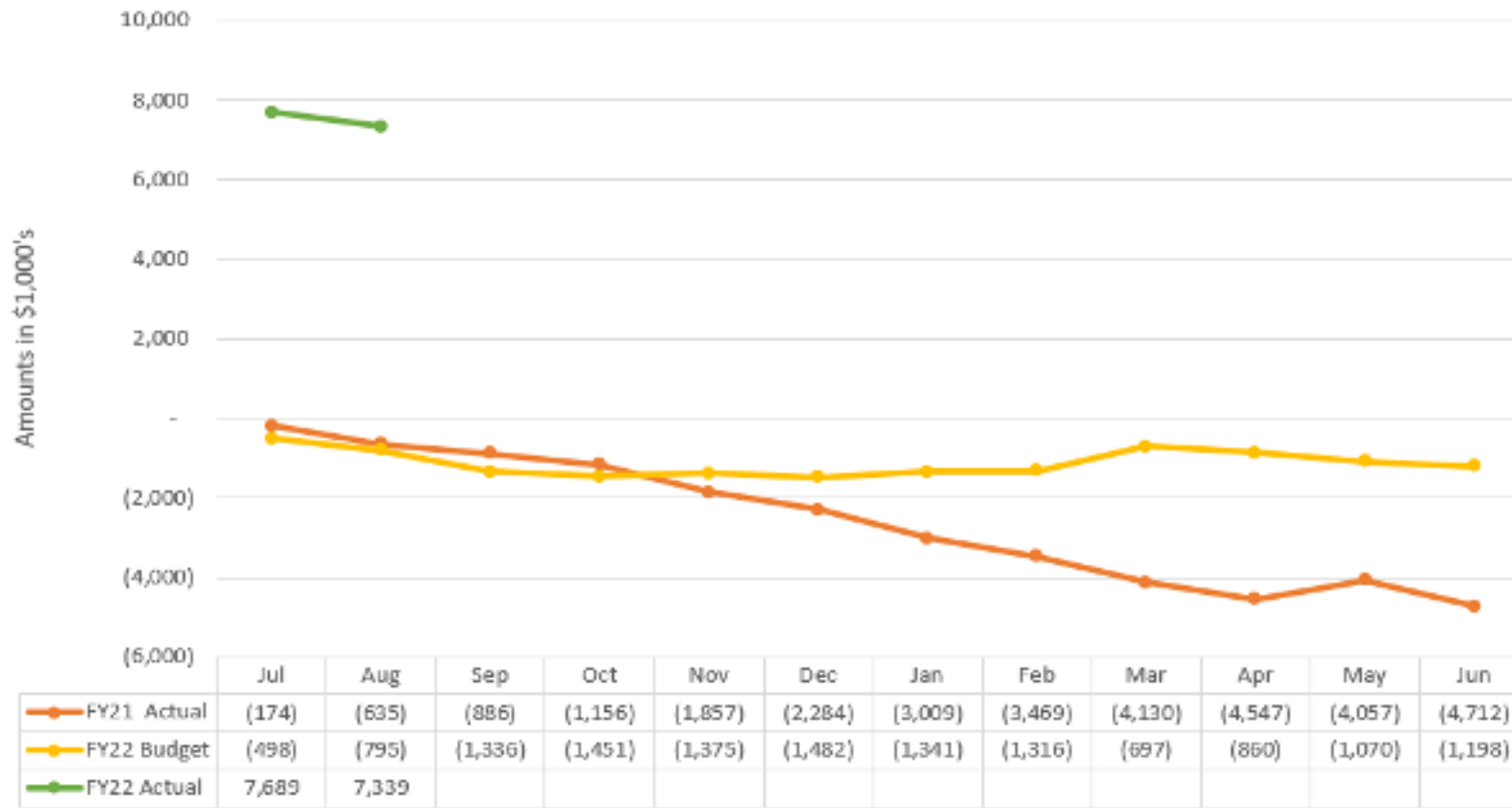
Notes: The FY2022 budget, as adopted, included - \$400,000 for Lyon Street Landscape and \$370,112 for Suite Refresher.
The July monthly financial report will include a request to re-appropriate a total of \$86,455 for Unrestricted Projects

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

	Annual			Year-To-Date		
	FY 2021 Final	FY 2022 Budget	Change Positive (Negative)	FY 2021 7/1-08/31	FY 2022 7/1 - 08/31	Change Positive (Negative)
Van Andel Arena						
Operating - Revenues	\$ 634,175	\$ 4,746,644	648.4	\$ 294,893	\$ 63,937	(78.3)
- Expenses - Facilities	(2,278,844)	(4,330,348)	(90.0)	(358,893)	(496,867)	(38.4)
- Base Management Fees	(180,339)	(183,945)	(2.0)	(29,877)	(30,056)	(0.6)
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	(1,825,008)	232,351	112.7	(93,877)	(462,986)	(393.2)
Parking	263,244	278,989	6.0	22,317	45,665	104.6
Pedestrian Safety		(65,000)	(100.0)			
Net Proceeds (Cost) of VAA	(1,561,764)	446,340	128.6	(71,560)	(417,321)	(483.2)
DeVos Place Convention Center						
Operating - Revenues	175,842	4,143,265	2,256.2	1,632	315,956	100.0+
- Expenses - Facilities	(4,043,012)	(5,725,206)	(41.6)	(601,355)	(787,863)	(31.0)
- Base Management Fees	(180,339)	(183,945)	(2.0)	(29,877)	(30,056)	(0.6)
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	(4,047,509)	(1,765,886)	56.4	(629,600)	(501,963)	20.3
Parking	272,113	763,011	180.4	(1,956)	127,168	100.0+
Pedestrian Safety	(71,120)	(36,000)	(49.4)			
Net Proceeds (Cost) of DVP	(3,846,516)	(1,038,875)	73.0	(631,556)	(374,795)	40.7
Other						
Revenues	1,334,864	273,000	(79.5)	46,156	8,202,802	100.0+
Expenses	(638,282)	(878,500)	(37.6)	(108,601)	(71,574)	34.1
Net Other	696,582	(605,500)	(186.9)	(62,445)	8,131,228	100.0+
Total Net Proceeds/Operating	(4,711,698)	(1,198,035)	74.6	(765,561)	7,339,112	958.7
Capital/Repair Expenditures	(3,070,138)	(1,056,567)	65.6	(722,085)	(10,754)	98.2
Results Net of Capital Expenditures	\$ (7,781,836)	\$ (2,254,602)	71.0	\$ (1,487,646)	\$ 7,328,358	492.6

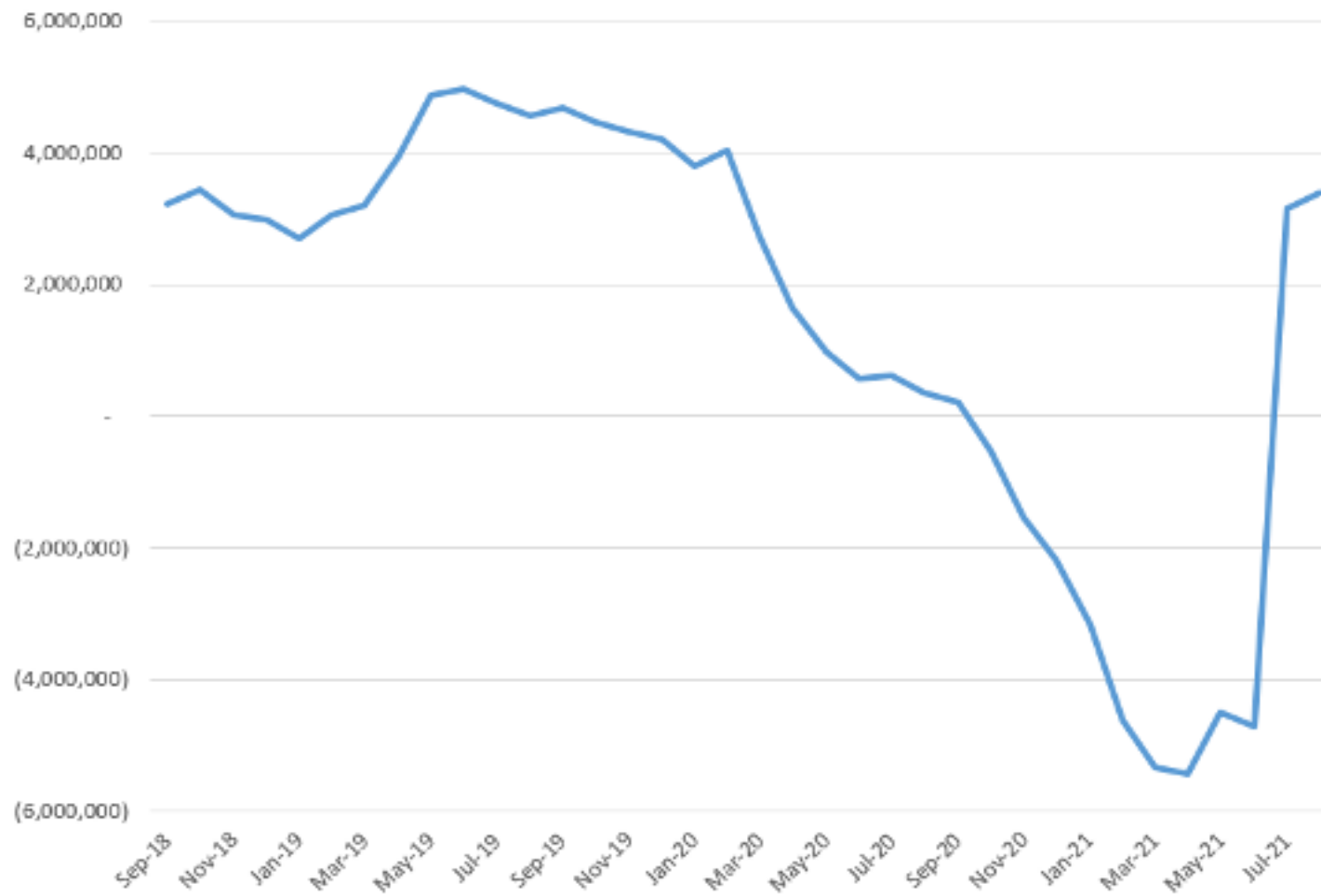
CAA Trends

Monthly Net Operating Proceeds through August 31, 2021



Accumulative Net Proceeds by Month

Lagging 12 Months Net Operating Proceeds



Significant Notes

Van Andel Arena®

- Page 1 - Zero concerts
- Page 5 - Net proceeds of (\$417,321) decreased by (483.2%) from prior year of (\$71,560).

DeVos Place®

- Page 1 - Convention/trade show business generated \$154,837 in event revenue.
- Page 5 - Net "proceeds" of (\$374,795) increased by 40.7% from prior year Net Proceeds of (\$631,556).

Grand Rapids-Kent County Convention/Arena Authority
Administrative Accounts
Net Other Detail
31-Aug-21

	Annual			Actual		
	FY 2021 Final	FY 2022 Budget	Change Positive (Negative)	FY 2021 7/1-8/31	FY 2022 7/1/-8/31	Change Positive (Negative)
Other						
Revenues						
Interest/Capital Contr.	\$ 205,007	\$ 215,000	4.9	\$ 46,156	\$ 537	(98.8)
Miscellaneous	1,129,857	58,000	(94.9)		8,202,265	100.0+
	1,334,864	273,000	(79.6)	46,156	8,202,802	100.0+
Expenses						
Arena 25-Year Recognition	-	100,000	(100.0)	-		
Marketing (CVB/Sports)	200,000	200,000	-			
Diversity Initiative	3,000	100,000	(3,233.3)			
Wages/Benefits	135,838	139,000	(2.3)	13,838	26,457	(91.2)
Professional Services	87,233	87,000	0.3	(1,143)	1,824	(159.6)
DID Assessment	32,110	33,000	(2.8)			
Food & Beverage Repairs	-	40,000	(100.0)			
Consulting Services	118,099	91,500 ⁽¹⁾	22.5	88,344	42,705	51.7
Landscaping	25,151	27,000	(7.4)			
Procurement of Art		25,000	(100.0)			
Insurance	24,836	26,000	(4.7)	6,247		100.0
Supplies/Other	12,015	10,000	16.8	1,315	588	55.3
	638,282	878,500	(37.6)	108,601	71,574	34.1
Net Proceeds - Operating	<u>\$ 696,582</u>	<u>\$ (605,500)</u>	<u>(186.9)</u>	<u>\$ (62,445)</u>	<u>\$ 8,131,228</u>	<u>100.0+</u>

Notes:

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

Grand Rapids-Kent County Convention/Arena Authority
Special Accounts
Federal CARES Allotment (County)
Grant Period: 10/8/20 to 12/30/20
Revenues/Expenses
31-Aug-21

	<u>Budget</u>	<u>Actual</u>
Revenues:		
County Grant	\$ 48,620	\$ 1,980
Expenses:	<u>(48,620)</u>	<u>(1,980)</u>
Net Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

NOTES:

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

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

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

DEVOS PLACE

DE VOS PLACE

FINANCIAL STATEMENT FOR THE MONTH ENDED AUGUST 31, 2021

Distribution:

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



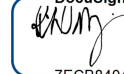
DE VOS PLACE
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2022

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	33	236	269	269	-
ATTENDANCE	12,326	398,094	410,420	410,420	-
DIRECT EVENT INCOME	158,818	2,193,599	2,352,417	2,352,417	-
ANCILLARY INCOME	131,272	1,270,078	1,401,350	1,401,350	-
OTHER EVENT INCOME	14,373	273,125	287,498	287,498	-
TOTAL EVENT REVENUE	304,463	3,736,802	4,041,265	4,041,265	-
TOTAL OTHER REVENUE	11,493	90,507	102,000	102,000	-
TOTAL OPERATING REVENUE	315,956	3,827,309	4,143,265	4,143,265	-
INDIRECT EXPENSES					
EXECUTIVE	25,667	196,092	221,759	221,759	-
FINANCE	57,368	216,462	273,830	273,830	-
MARKETING	21,798	162,113	183,911	183,911	-
OPERATIONS	172,896	1,303,789	1,476,685	1,476,685	-
EVENT SERVICES	162,584	983,677	1,146,261	1,146,261	-
BOX OFFICE	26,781	141,843	168,624	168,624	-
SALES	60,270	425,690	485,960	485,960	-
OVERHEAD	290,553	1,661,568	1,952,121	1,952,121	-
TOTAL OPERATING EXP.	817,919	5,091,234	5,909,151	5,909,151	-
NET REVENUE ABOVE EXPENSES	(501,963)	(1,263,925)	(1,765,886)	(1,765,886)	-
INCENTIVE FEE		-	0	0	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(501,963)	(1,263,925)	(1,765,886)	(1,765,886)	-

Comments:

August continues a slow return to consistent events. Event activity fell a little short of budget as a couple of events were postponed, but those events hosted performed fairly well. August also marks the return of events in the Performance Hall with two concerts hosted during the month.

DocuSigned by:



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General Manager



Assistant General Manager

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

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

MONTH	August Actual	August Budget	August FY 2021
Number of Events	16	21	0
Attendance	10,083	45,660	0
Direct Event Income	\$105,015	\$157,250	\$1,700
Ancillary Income	97,465	144,317	(1,781)
Other Event Income	14,373	10,686	0
Other Operating Income	5,819	8,500	942
Indirect Expenses	(401,225)	(376,938)	(311,463)
Net Income	(\$178,553)	(\$56,185)	(\$310,602)

YTD	YTD 2022 Actual	YTD 2022 Budget	YTD 2021 Prior Year
Number of Events	33	45	0
Attendance	12,326	55,910	0
Direct Event Income	\$158,818	\$207,350	\$2,200
Ancillary Income	131,272	185,360	(3,581)
Other Event Income	14,373	26,965	0
Other Operating Income	11,493	17,000	3,013
Indirect Expenses	(817,919)	(753,876)	(631,232)
Net Income	(\$501,963)	(\$317,201)	(\$629,600)

EVENT INCOME

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

ANCILLARY INCOME

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

INDIRECT EXPENSES

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

DeVos Place
Income Statement
For the Two Months Ended August 31, 2021

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$92,168	\$159,188	\$ (67,020)	\$1,700	\$145,706	\$209,288	\$ (63,582)	\$2,200
Service Revenue	125,196	118,690	6,506	0	168,419	166,190	2,229	0
Service Expenses	(112,349)	(120,628)	8,279	0	(155,307)	(168,128)	12,821	0
Total Direct Event Income	105,015	157,250	(52,235)	1,700	158,818	207,350	(48,532)	2,200
Ancillary Income								
F&B Concession	11,579	6,591	4,988	0	11,579	8,665	2,914	0
F&B Catering	15,520	56,676	(41,156)	0	25,009	72,954	(47,945)	0
Novelty Sales	4,409	1,492	2,917	0	4,409	1,492	2,917	0
Booth Cleaning	17,704	17,968	(264)	0	25,306	22,020	3,286	0
Telephone/Long Distance	0	-	-	0	0	-	-	0
Electrical Services	18,890	24,187	(5,297)	0	24,873	29,700	(4,827)	0
Audio Visual	12,961	23,582	(10,621)	0	21,858	32,355	(10,497)	0
Internet Services	2,157	6,318	4,764	(1,781)	1,368	8,511	(7,143)	(3,581)
Equipment Rental	14,245	7,503	6,742	0	16,870	9,663	7,207	0
Total Ancillary Income	97,465	144,317	(46,852)	(1,781)	131,272	185,360	(54,088)	(3,581)
Other Event Income								
Ticket Rebates(Per Event)	14,373	10,686	3,687	0	14,373	26,965	(12,592)	-
Total Other Event Income	14,373	10,686	3,687	0	14,373	26,965	(12,592)	0
Total Event Income	216,853	312,253	(95,400)	(81)	304,463	419,675	(115,212)	(1,381)
Other Operating Income								
Luxury Box Agreements	0	2,000	(2,000)	775	0	4,000	(4,000)	1,550
Advertising	0	0	-	0	0	0	-	0
Other Income	5,819	6,500	(681)	167	11,493	13,000	(1,507)	1,463
Total Other Operating Income	5,819	8,500	(2,681)	942	11,493	17,000	(5,507)	3,013
Adjusted Gross Income	222,672	320,753	(98,081)	861	315,956	436,675	(120,719)	1,632
Operating Expenses								
Salaries and Wages	191,993	202,967	(10,974)	155,495	439,953	405,934	34,019	407,145
Payroll Taxes and Benefits	73,432	58,972	14,460	68,631	153,624	117,944	35,680	141,917
Labor Allocations to Events	(130,042)	(126,398)	(3,644)	(85,015)	(262,648)	(252,796)	(9,852)	(232,859)
Net Salaries and Benefits	135,383	135,541	(158)	139,111	330,929	271,082	59,847	316,203
Contracted Services	27,610	28,046	(436)	1,668	50,237	56,092	(5,855)	3,676
General and Administrative	45,337	21,432	23,905	15,954	63,104	42,864	20,240	30,169
Operations	3,791	11,946	(8,155)	3,726	9,525	23,892	(14,367)	7,428
Repair and Maintenance	48,274	47,100	1,174	30,950	82,682	94,200	(11,518)	43,348
Operational Supplies	4,302	15,675	(11,373)	10,880	19,751	31,350	(11,599)	11,781
Insurance	18,279	18,969	(690)	12,639	33,460	37,938	(4,478)	25,277
Utilities	103,221	82,900	20,321	81,596	198,175	165,800	32,375	163,473
SMG Management Fees	15,028	15,329	(301)	14,939	30,056	30,658	(602)	29,877
Total Operating Expenses	401,225	376,938	24,287	311,463	817,919	753,876	64,043	631,232
Net Income(Loss) From Operatic	(178,553)	(56,185)	(122,368)	(310,602)	(501,963)	(317,201)	(184,762)	(629,600)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(178,553)	(56,185)	(122,368)	(310,602)	(501,963)	(317,201)	(184,762)	(629,600)

SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For the Two Months Ended August 31, 2021

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	10	40	4,250	48,710	154,837	350,135
Consumer/Gated Shows	4	-	2,400	-	56,742	6,678
DeVos Performance Hall	10	5	2,843	7,200	47,931	62,865
Banquets	1	-	250	-	2,651	-
Meetings	2	-	350	-	18,816	-
Other	6	-	2,233	-	23,486	-
GRAND TOTALS	33	45	12,326	55,910	304,462	419,675

As Percentage of Overall

Convention/Trade Shows	30.30%	88.89%	34.48%	87.12%	50.86%	83.43%
Consumer/Gated Shows	12.12%	0.00%	19.47%	0.00%	18.64%	1.59%
Devos Performance Hall	30.30%	11.11%	23.07%	12.88%	15.74%	14.98%
Ballroom Exclusive	3.03%	0.00%	2.03%	0.00%	0.87%	0.00%
Meetings	6.06%	0.00%	2.84%	0.00%	6.18%	0.00%
Other	18.18%	0.00%	18.12%	0.00%	7.71%	0.00%

DeVos Place
Balance Sheet
As of August 31, 2021

ASSETS

Current Assets

Cash	2,158,260
Account Receivable	303,137
Prepaid Expenses	109,231

Total Current Assets	\$2,570,628	
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Total Assets	\$2,570,628	
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LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	600,214
Accrued Expenses	137,271
Deferred Income	122,556
Advanced Ticket Sales & Deposits	2,234,950

Total Current Liabilities	\$3,094,992	
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Other Liabilities

Equity

Funds Remitted to CAA	(11,000)
Funds Received by CAA	
Expenses Paid Direct by CAA	192,994
Beginning Balance Equity	(204,395)
Current Year Equity	(501,963)

Total Equity	(\$524,364)	
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Total Liabilities and Equity	\$2,570,628	
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SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of August 31, 2021

Current - Under 30 Days	
Food & Beverage	27,193
Ticketing	4,309
Merchandise	4,986
Decorating	17,704
Audio/Visual	12,961
Van Andel Arena	145,854
Operating	55,790
 Over 30 Days	 -
 Over 60 Days	 34,340
 Over 90 Days	
 Total Accounts Receivable	 303,137

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

MANAGEMENT FEE SUMMARY

FY21 subject to Audit

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Actual
Net Revenue above Expenses	232,351	(1,765,886)	(1,533,535)	(5,872,517)
Benchmark++			1,050,000	1,050,000
Excess	232,351	(1,765,886)	(2,583,535)	(6,922,517)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	185,749	185,749	371,497	360,676
Incentive Fee				
Revenue	4,746,644	4,143,265	8,889,909	810,017
Benchmark Revenue	5,548,039	4,901,666	10,449,705	9,914,331
Revenue Excess	(801,395)	(758,401)	(1,559,796)	(9,104,314)
Incentive Fee **	-	-	-	-
Total SMG Management Fee	185,749	185,749	371,497	360,676

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

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

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

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

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



VAN ANDEL ARENA

FINANCIAL STATEMENT FOR THE MONTH ENDED AUGUST 31, 2021

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



Distribution:

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



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

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	1	77	78	78	-
ATTENDANCE	2,849	520,751	523,600	523,600	-
DIRECT EVENT INCOME	25,513	888,257	913,770	913,770	-
ANCILLARY INCOME	25,007	1,309,864	1,334,871	1,334,871	-
OTHER EVENT INCOME	10,379	583,221	593,600	593,600	-
TOTAL EVENT INCOME	60,899	2,781,342	2,842,241	2,842,241	-
TOTAL OTHER INCOME	3,038	1,901,365	1,904,403	1,904,403	-
TOTAL INCOME	63,937	4,682,707	4,746,644	4,746,644	-
INDIRECT EXPENSES					
EXECUTIVE	31,667	222,675	254,342	254,342	-
FINANCE	50,960	185,306	236,266	236,266	-
MARKETING	24,116	262,345	286,461	286,461	-
OPERATIONS	229,196	1,841,982	2,071,178	2,071,178	-
BOX OFFICE	26,286	272,726	299,012	299,012	-
LUXURY SEATING	-	-	-	-	-
SKYWALK ADMIN	5,864	45,373	51,237	51,237	-
OVERHEAD	158,833	1,156,964	1,315,797	1,315,797	-
TOTAL INDIRECT EXP.	526,923	3,987,371	4,514,293	4,514,293	-
NET REVENUE ABOVE EXPENSES	(462,986)	695,336	232,351	232,351	-
LESS INCENTIVE FEE			-	-	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	(462,986)	695,336	232,351	232,351	-

Comments:

August marks the first full capacity public event hosted since March 2020. While the PBR event did not sell as it does in its traditional February spot, the show was happy with sales and more importantly happy with how things went operationally.

DocuSigned by:



7ECB840AE99E405

General Manager



Assistant General Manager

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

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

MONTH	August Actual	August Budget	August FY 2021
Number of Events	1	-	-
Attendance	2,849	-	-
Direct Event Income	\$25,513	\$0	\$0
Ancillary Income	25,007	0	0
Other Event Income	10,292	0	(25)
Other Operating Income	2,483	0	146,784
Indirect Expenses	(279,019)	(291,080)	(212,737)
Net Income	(\$215,724)	(\$291,080)	(\$65,978)

YTD	YTD 2022 Actual	YTD 2022 Budget	YTD 2021 Prior Year
Number of Events	1	-	-
Attendance	2,849	-	-
Direct Event Income	\$25,513	\$0	\$0
Ancillary Income	25,007	0	0
Other Event Income	10,379	0	(167)
Other Operating Income	3,038	0	295,060
Indirect Expenses	(526,923)	(582,160)	(388,769)
Net Income	(\$462,986)	(\$582,160)	(\$93,876)

EVENT INCOME

PBR was hosted during the month to decent sales considering the summer play date.

ANCILLARY INCOME

Per cap spending was favorable compared to past visits of PBR.

INDIRECT EXPENSES

Indirect expenses came in ahead of budget overall.

Van Andel Arena
Income Statement
For the Two Months Ended August 31, 2021

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$ 43,673	\$ -	\$ 43,673	\$ -	\$ 43,673	\$ -	\$ 43,673	\$ -
Service Revenue	41,756	-	41,756	-	41,756	-	41,756	-
Service Expenses	(59,916)	-	(59,916)	-	(59,916)	-	(59,916)	-
Total Direct Event Income	25,513	0	25,513	0	25,513	0	25,513	0
Ancillary Income								
F&B Concession	21,723	-	21,723	-	21,723	-	21,723	-
F&B Catering	593	-	593	-	593	-	593	-
Novelty Sales	2,691	-	2,691	-	2,691	-	2,691	-
Booth Cleaning	-	-	-	-	-	-	-	-
Audio Visual	-	-	-	-	-	-	-	-
Other Ancillary	-	-	-	-	-	-	-	-
Total Ancillary Income	25,007	0	25,007	0	25,007	0	25,007	0
Other Event Income								
Ticket Rebates(Per Event)	10,292	-	10,292	(25)	10,379	-	10,379	(167)
Total Other Event Income	10,292	0	10,292	(25)	10,379	0	10,379	(167)
Total Event Income	60,812	0	60,812	(25)	60,899	0	60,899	(167)
Other Operating Income								
Luxury Box Agreements	2,483	-	2,483	97,993	2,483	-	2,483	195,987
Advertising	-	-	-	48,155	-	-	0	96,370
Other Income	-	-	-	636	555	-	555	2,703
Total Other Operating Income	2,483	0	2,483	146,784	3,038	0	3,038	295,060
Adjusted Gross Income	63,295	0	63,295	146,759	63,937	0	63,937	294,893
Operating Expenses								
Salaries and Wages	77,399	82,140	(4,741)	50,229	163,486	164,280	(794)	104,660
Payroll Taxes and Benefits	28,693	32,012	(3,319)	24,980	56,360	64,024	(7,664)	52,732
Labor Allocations to Events	(9,312)	-	(9,312)		(9,312)	-	(9,312)	
Net Salaries and Benefits	96,780	114,152	(17,372)	75,209	210,534	228,304	(17,770)	157,392
Contracted Services	22,719	27,446	(4,727)	1,660	48,002	54,892	(6,890)	3,668
General and Administrative	41,109	22,827	18,282	19,473	69,070	45,654	23,416	33,599
Operations	795	7,232	(6,437)	786	2,159	14,464	(12,305)	2,816
Repair and Maintenance	32,945	30,875	2,070	30,562	48,972	61,750	(12,778)	42,374
Operational Supplies	14,054	15,558	(1,504)	17,625	17,022	31,116	(14,094)	17,625
Insurance	7,456	11,036	(3,580)	5,469	13,786	22,072	(8,286)	10,938
Utilities	48,133	46,625	1,508	47,014	87,322	93,250	(5,928)	90,480
SMG Management Fees	15,028	15,329	(301)	14,939	30,056	30,658	(602)	29,877
Total Operating Expenses	279,019	291,080	(12,061)	212,737	526,923	582,160	(55,237)	388,770
Net Income(Loss) From Operations	(215,724)	(291,080)	75,356	(65,978)	(462,986)	(582,160)	119,174	(93,876)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(215,724)	(291,080)	75,356	(65,978)	(462,986)	(582,160)	119,174	(93,876)

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
For the Two Months Ended August 31, 2021

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	-	-	-	-	-	-
Sporting Event	1	-	2,849	-	60,899	-
Concert	-	-	-	-	-	-
Team Home Games	-	-	-	-	-	-
Other	-	-	-	-	-	-
GRAND TOTALS	1	-	2,849	-	60,899	-

As Percentage of Overall

Family Show	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	#DIV/0!
Sporting Event	100.00%	#DIV/0!	100.00%	#DIV/0!	100.00%	#DIV/0!
Concert	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	#DIV/0!
Team Home Games	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	#DIV/0!
Other	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	#DIV/0!

Van Andel Arena
Balance Sheet
As of August 31, 2021

ASSETS

Current Assets

Cash	11,452,430
Account Receivable	940,442
Prepaid Expenses	175,870

Total Current Assets	\$12,568,742	
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Total Assets	\$12,568,742	
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LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	(1,725)
Accrued Expenses	93,870
Deferred Income	1,854,776
Advanced Ticket Sales & Deposits	11,424,985

Total Current Liabilities	\$13,371,906	
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Other Liabilities

Equity

Funds Remitted to CAA	-
Funds Received by CAA	-
Expenses Paid Direct by CAA	82,269
Beginning Balance Equity	(422,447)
Current Year Equity	(462,986)

Total Equity	(\$803,164)	
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Total Liabilities and Equity	\$12,568,742	
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SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of August 31, 2021

Current - Under 30 Days	
Food & Beverage	22,390
Ticketing	264,748
Merchandise	4,015
Permanent Advertising	-
DeVos Place	(147,687)
Operating	796,976
 Over 30 Days	
 Over 60 Days	
 Over 90 Days	
 Total Accounts Receivable	940,442

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

MANAGEMENT FEE SUMMARY

FY21 subject to Audit

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Actual
Net Revenue above Expenses	232,351	(1,765,886)	(1,533,535)	(5,872,517)
Benchmark++			1,050,000	1,050,000
Excess	232,351	(1,765,886)	(2,583,535)	(6,922,517)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Actual
Base Fee	185,749	185,749	371,497	360,676
Incentive Fee				
Revenue	4,746,644	4,143,265	8,889,909	810,017
Benchmark Revenue	5,548,039	4,901,666	10,449,705	9,914,331
Revenue Excess	(801,395)	(758,401)	(1,559,796)	(9,104,314)
Incentive Fee **	-	-	-	-
Total SMG Management Fee	185,749	185,749	371,497	360,676

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

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

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

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

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