

Agenda

Combined Finance Committee & Board of Directors

Thursday, September 9, 2021

9:00 a.m.

DeVos Place® Monroe Meeting Rooms

303 Monroe, NW • Grand Rapids, MI 49503

- | | | |
|-----|---|--------------|
| 1. | Call to Order | Richard Winn |
| 2. | Minutes of Prior Meetings <ul style="list-style-type: none">• Finance Committee – May 7, 2021• Board of Directors – June 4, 2021 | Action |
| 3. | Application to Liquor Control Commission for Special License | Action |
| 4. | Director and Officer Insurance Renewal | Action |
| 5. | Consolidated Financial Statement for the Period Ending June 30, 2021 | Action |
| 6. | Consolidated Financial Statement for the Period Ending July 31, 2021 | Action |
| 7. | ASM Global Financial Statements – DeVos Place® and Van Andel Arena® - June 30, 2021 | Information |
| 8. | ASM Global Financial Statements – DeVos Place® and Van Andel Arena® - July 31, 2021 | Information |
| 9. | Experience Grand Rapids Report | Information |
| 10. | Auto Parking System Periodic Reporting | Information |
| 11. | Shuttered Venue Operator Grant (SVOG) Update | Information |
| 12. | Report from ASM Global | Information |
| 13. | Public Comment | |
| 14. | Committee Member and Board Comments | |
| 15. | Adjournment | |

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
FINANCE COMMITTEE
REMOTE VIRTUAL MEETING
Friday, May 7, 2021**

1. Call to Order

The remote virtual meeting was called to order at 8:00 a.m. by Committee Chair, Richard Winn. Member roll call with location followed: Richard Winn-Grand Rapids; Rosalynn Bliss-Grand Rapids; Lew Chamberlin-Cascade Township; Jeff Dood-Rockford; Jill Ferris-Grand Rapids; Robert Herr-Grand Rapids; Birgit Klohs-Grand Rapids; Jay Preston-Grand Rapids; Charlie Secchia-Grand Rapids; Marvin Van Nortwick-Cascade Township; Jana Wallace-Grand Rapids; and Floyd Wilson, Jr.-Grand Rapids.

Attendance

Members Present: Richard Winn, Chair
Rosalynn Bliss
Lew Chamberlin
Jeff Dood
Jill Ferris
Robert Herr
Birgit Klohs
Jay Preston
Charlie Secchia
Marvin Van Nortwick
Jana Wallace
Floyd Wilson, Jr.

Members Absent: Joe Jones
Steve Heacock

Staff/Others:	Kathy Bart	ASM
	Wayman Britt	Kent County
	Hilarie Carpenter	ASM
	Eric DeLong	City of Grand Rapids
	Alison Goodyke	ASM
	Scott Gorsline	DP Fox
	Tim Gortsema	Grand Rapids Griffins
	Jen Henkel	ASM
	Lyndsey Horvath	ASM
	Diane Jones	Kent County Commission
	Jennifer Kasper	Grand Rapids Parking Services
	Andy Kursch	ASM
	JJ Loew	Vicinity Energy
	Mike Lozon	Bluewater Technologies
	Chris Machuta	ASM
	Rich MacKeigan	ASM
	Cheri McConomy	McConomy Properties, LLC
	Brian McVicar	<i>Grand Rapids Press/MLive</i>
	Jackie Morse	ASM
	Tim Nelson	Experience Grand Rapids
	Torrance Richardson	Gerald R. Ford International Airport

Emilee Syrewicze	Opera Grand Rapids
Eddie Tadlock	ASM
Aaron Terpstra	City of Grand Rapids
Brad Thomas	Progressive AE
John Van Fossen	Meijer
John Van Houten	Progressive AE
Susan Waddell	CAA
Mark Washington	City of Grand Rapids
Richard Wendt	Dickinson Wright
Robert White	CAA
Robert Wilberding	Bluewater Technologies
Ed Wilson	Country Inn & Suites by Radisson
Jessica Wood	Dickinson Wright
Paul Ymker	Bluewater Technologies

2. Minutes of February 5, 2021, Meeting

Motion by Ms. Bliss, support by Ms. Wallace, to approve the February 5, 2021, meeting Minutes. Motion carried.

3. Consolidated Financial Statement for the Period Ending March 31, 2021

Mr. White presented the financial statement for the period ended March 31, 2021. Mr. White reviewed the summary by facility. Net proceeds/operating for the first nine months of the fiscal year show a deficit of almost \$3.6 million. For the remaining three months of the fiscal year, the CAA expects an additional \$2.5 million deficit for a \$6 million deficit for the year. There is still minimal activity in the facilities. As compared to the adopted budget that forecast a \$6.5 million loss, the CAA will conclude the fiscal year about \$500,000 under budget in terms of operating loss. The CAA expended just under \$3 million in capital repair expenditures in the first nine months and expect to expend an additional \$565,000 over the balance of the fiscal year against an approved budget of \$4.4 million. That is a \$900,000 savings, but \$770,000 of that amount is two projects that will not be completed this fiscal year and be carried over to FY 2022. The CAA will come in about \$600,000 less than expected when the budget was adopted. Mr. White then reviewed the operating/capital replacement budget. Several projects were not completed the last fiscal year due to closure of the facilities from March through June. Almost all the projects will be completed this fiscal year, except for the Lyon Street landscaping project (\$400,000) that will not begin until after July 1 and the Van Andel Arena® suite refresher project (\$370,000) that will not be undertaken until the Arena reopens. Ms. Wallace inquired where on the income statement did the vaccine clinic costs appear. Mr. Machuta stated that the County is billed every two weeks and it will be revenue neutral within the operating financial statements.

Motion by Ms. Wallace, support by Ms. Klohs, to recommend to the full Board of the Grand Rapids – Kent County Convention/Arena Authority acceptance of the March 2021 Consolidated Financial Statements. Motion carried.

4. SMG, a Division of ASM Global, March 31, 2021, Financial Statements – DeVos Place® and Van Andel Arena®

The SMG, a division of ASM Global, March 2021 Financial Statements were included as information items.

5. Preliminary Review of FY 2022 Budgets

The budget task force met to establish a reasonable budget and the budget has had a lot of scrutiny already. The budget was introduced, and action will be taken at the June meeting. There are three assumptions on which the budget was prepared: full-time staffing to be brought back, in phases, during

the period of July through October; Van Andel Arena® events will run at full capacity on and after October 2021; and DeVos Place® events would be limited in the first quarter, increasing gradually in the second quarter, and at full capacity on and after January 2022. Table A provides a summary of the ASM budget documents. Even though there were only 8.5 months of facility operations, the facilities being shut down in mid-March 2020, ASM was still able to produce a positive margin for the year ended June 30, 2020, of \$152,000 of net proceeds. The current year forecast has been updated to a net operating loss balance of (\$6 M). Funding, requested for FY 2022, would generate a net operating loss of (\$1.5 M). The FY 2023 forecasts operations in a full fiscal year of operations going forward, and ASM is anticipated to produce \$1 million of net operating proceeds.

Table B provided a summary of the CAA administrative budget. In FY 2020, parking produced almost \$1.2 million in gross revenue. In FY 2019, the last full year of operation, DeVos Place® parking generated gross operating revenues of \$1.6 million. It is expected that in FY 2021, parking will produce \$442,000, and \$1 million is recommended for FY 2022. Parking rates for FY 2022 will not change and a survey revealed those rates remain competitive with surrounding parking facilities. The Lyon Square project for \$200,000 is the only recommended capital project, together with the two carryover projects of \$770,000 (\$400,000 previous commitment for Lyon Square and \$370,000 for Arena suite refurbishment), for a total recommended capital budget of \$970,000. Chair Winn stated that a public-private partnership is involved in the Lyon Square project, that includes the City, DDA, CAA, AHC, Windquest, and the Secchia's. The current budget is \$8 million, and most of the money is being provided by the City and the DDA. Mr. Machuta stated that there is another capital list that may be presented to the Operations Committee in October, if activity and revenue would offset the projects. Mr. White reviewed the CAA administrative line-item accounts that are separate from the ASM operating budget. The CAA adopted \$300,000 for COVID-19 preparedness plan, but that sum was not expended and is expected to lapse on June 30, 2021. A new line item is \$100,000 for the Arena 25-year recognition.

The Fiscal Year 2022 consolidated income statement (Table C) forecasts a net operating loss totaling (\$1.4 M). The operating loss would be covered by a draw from unrestricted fund balance. The capital funding required, of \$.97 M, will be supported by interest earnings and a drawdown from the capital reserve account. At the end of FY 2020, the CAA had an unrestricted fund balance of \$21.6 million. Based on the most current estimates for FY 2021, the CAA will incur a draw on fund balance of \$8.7 million, reducing the year-end balance to \$12.9 million. In FY 2022, the CAA will draw down \$2.2 million from reserves, leaving a projected \$10.6 million fund balance.

Table D provides a "Budget Summary by Facility/Other" formatted report. It organizes revenues and expenses in three activity areas including Van Andel Arena®, DeVos Place® Convention Center, and other. This report provides all the same information contained in Table C, but also allows the reader to view the overall operations of each facility incorporating therein the revenues generated by the parking facilities attached or adjacent to the buildings and police-pedestrian safety services.

Table E is a ten-year history of the Convention/Arena Authority. The CAA ended FY 2014 with \$21 million in unrestricted fund balance. The CAA ended FY 2020, with the same \$21 million. During the intervening six fiscal years, the CAA spent \$16 million on capital projects and covered operating expenses. In FY 2021, the fund balance will drop to \$12.9 million and drops further in FY 2022 to \$10.7 million but begins to pick up in that first full "normal" FY 2023, ending that year with \$11.6 in unrestricted fund balance. Chair Winn stated the whole SMG/ASM group, for the past ten years, has done an amazing job for these venues.

6. Preliminary Review of 2022-2026 DeVos Place® Rate Sheets

Mr. Machuta presented ASM's five-year rate sheet recommendations, effective July 2022 through June 2026. Each year as part of the budget process, AMS develops the rate cards to have the opportunity to guarantee rental rates to potential clients. Mr. MacKeigan added that the rates are prepared with input from Experience Grand Rapids and the Amway Hotel Collection. ASM has the flexibility option to discount or increase the rates by 20%, to be competitive in the bidding process. The first four

years have been approved and ASM will be looking for a recommendation to approve the fifth year of rates, at the meeting in June.

7. Extension of Financial Services Employment Agreement

Mr. MacKeigan recommended that the CAA Financial Committee endorse approval of a one-year extension of the second amendment to financial services employment agreement with Robert White, for enhanced financing, budgeting, and related services. The Second Amendment set compensation at the rate of \$130 per hour for services. Mr. White's current agreement will terminate June 30, 2021.

Motion by Ms. Klohs, support by Mr. Preston, to recommend to the full Board of the Grand Rapids – Kent County Convention/Arena Authority approval of an Extension of the Second Amendment to Financial Services Employment Agreement. Motion carried.

8. Auto Parking System Periodic Reporting

Mr. White presented a quarterly report regarding the City/County utilization of discounted DeVos Place® monthly parking passes.

9. Report from SMG, a Division of ASM Global

Mr. Machuta stated the first brand new event went on-sale last week for an Alton Brown show in DeVos Performance Hall. The show is not until March 2022 and almost 800 tickets have been sold already. Today, the first new Arena show will go on-sale, with Eric Church. Pre-sales have been very solid. On-sales are scheduled for either the theater or the Arena every week for the next six-eight weeks. There are signs of optimism that things are returning to normal. The Griffins will wrap up their hockey season next weekend. The Symphony will have their final streaming Pathways performance next weekend, as well. The International Clerks' Association convention was moved to the Arena to accommodate the vaccination center, which will be wrapping up at the end of May. Chair Winn thanked the Clerks' Association for reworking their agenda to stay in Grand Rapids. Mr. MacKeigan reported on two different funding opportunities for venues, the first being \$16 billion fund that will be administered through the SBA. That appears to be for privately-owned venues. As publicly owned venues, the CAA would be third in line. It is possible that the funds will be expended fully by the time our application is reviewed. There are also federal funds that will be distributed to local units of government to be spent and distributed at their discretion. Mr. Winn stated there is a lot of work going on behind the scenes to affect the meetings and events business and loosen COVID-19 restrictions.

10. SMG Self-Assessment Checklist

The SMG self-assessment is provided each November and May as an information item that provides statistics, events, and activities of each department.

11. Public Comment

None.

12. Adjournment

The meeting adjourned at 8:51 a.m.

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
JOINT MEETING OF
BOARD OF DIRECTORS, FINANCE COMMITTEE
AND OPERATIONS COMMITTEE
REMOTE VIRTUAL MEETING
Friday, June 4, 2021**

Attendance

Members Present: Steve Heacock, Chairperson
Rosalynn Bliss
Lew Chamberlin
Birgit Klohs
Charlie Secchia
Floyd Wilson, Jr.
Richard Winn

Finance Committee: Jeff Dood
Jill Ferris
Robert Herr
Jay Preston
Marvin Van Nortwick

Operations Committee: Jim Conner
Peter D'Arienzo
Glenn Del Vecchio
Al Jano

Liaison Committee: Ben Greene
Diane Jones
Nathaniel Moody
Lindsey Thiel

Community
Inclusion Group: Omar Cuevas
Evette Pittman

Staff/Others:	Wayman Britt	Kent County
	Lauren Callahan	ASM
	Stephen Carey	Potomac Strategic Development Co.
	Kate Carlson	<i>MiBiz</i>
	Hilarie Carpenter	ASM
	Niran Chattha	University of Michigan
	Thomas Coomes	Citigroup Global Markets Inc.
	Christa Ferguson	WOOD TV
	Alison Goodyke	ASM
	Scott Gorsline	DP Fox
	Tim Gortsema	Grand Rapids Griffins
	Jen Henkel	ASM
	Alex Hernandez	University of Michigan
	Madeline Jacobs	University of Michigan

Todd Johnson	ASM
Jennifer Kasper	Grand Rapids Parking Services
Chris Knape	K Corner Consulting
Andy Kursch	ASM
Mike Lloyd	Broadway Grand Rapids
JJ Loew	Vicinity Energy Grand Rapids LLC
Chris Machuta	ASM
Rich MacKeigan	ASM
Lauren MacKeigan	University of Michigan
Mary Manier	Experience Grand Rapids
Cheri McConomy	McConomy Properties
Brian McVicar	<i>The Grand Rapids Press/MLive</i>
Torrance Richardson	Gerald R. Ford International Airport
Marcus Scott	ASM
Doug Small	Experience Grand Rapids
Emilee Syrewicze	Opera Grand Rapids
Benjamin Taboga	University of Michigan
Eddie Tadlock	ASM
Brad Thomas	Progressive AE
John Van Houten	Progressive AE
Susan Waddell	CAA
Mark Washington	City of Grand Rapids
Richard Wendt	Dickinson Wright
Robert White	CAA
Robert Wilberding	Bluewater Technologies
Jessica Wood	Dickinson Wright
Paul Ymker	Bluewater Technologies

1. Call to Order

Chairperson, Steve Heacock, called the meeting to order at 8:00 a.m. Secretary/Treasurer, Richard Winn, recorded the meeting minutes.

2. DeVos Place® and Van Andel Arena® Reopening Videos

Hilarie Carpenter, ASM Marketing Director, premiered two videos for the reopening of the venues. Several communication pieces have been put in place because of the CARES Act funding granted to the CAA by Kent County. The videos will be used in advertising campaigns, also made possible by the CARES funding.

3. University of Michigan Economic Impact Study

Project Managers Niran Chattha and Madeline Jacobs, University of Michigan, presented the findings of the Economic Impact Report 2019, prepared by the Michigan Sport Consulting Group (MSCG). The report documents the 2018-2019 fiscal year economic and spatial impact in Grand Rapids and its direct community generated by three ASM-managed venues: Van Andel Arena®, DeVos Place®, and DeVos Performance Hall.

Mr. Chattha stated that the mission of MSCG is to develop students personally and professionally through consulting engagements with real-world clients in the sports business industry. Past clients have included the Miami Dolphins, New York Mets, Rossetti, SimpleBet, and the Michigan International Speedway.

Mr. Chattha stated the Economic Impact Analysis identifies that overall, the three venues generated over \$82 million in local economic impact and 1,265 full and part-time jobs. The Arena output amounted to \$35,467,951, while the convention center and performance hall output equaled \$47,123,506. The analysis mainly consisted of an output analysis, which is a conservative estimate of the venues' contribution to the local economy. This output analysis was performed based on ticket sales due to the nature of the venues, their industry's core functions, and the best-available data. While a ticket-sales based approach was most appropriate for purposes of the report, it should be noted that the DeVos Place® (separate from DeVos Performance Hall) is likely underrepresented, given much of the convention center's attendance and business is not ticketed and/or tracked in the same manner of an arena or theater. Nonetheless, this method, provided the most accurate results when quantifying the value brought to the Grand Rapids community through these venues. In addition to an output figure, the report included an earnings figure, which demonstrates the effect of the venues on local wages, salaries, insurance, and proprietors' income. Total earnings for the three venues eclipsed \$27 million and can be interpreted as the minimum positive inner-industry effect that the venues are contributing to wages, salaries, insurance, and proprietors' income without factoring in the lesser final demand change. This is 64% higher than in 2011, the date of the last economic impact analysis.

Ms. Jacobs stated that the Spatial Impact Analysis identified impressive property value figures and trends:

1. The average property value within 0.05 miles of the Van Andel Arena® was over 360% greater than the average property value within a 0.35-mile radius.
2. The average property value within 0.05 miles of DeVos Placer® & Performance Hall was roughly 124% greater than the average property value within a 0.35-mile radius.
3. Across both venues, the total value of property within 0.05 miles from the venue accounts for roughly 40% of the total value of property within a 0.35-mile radius, within their respective datasets.

This analysis was completed to address further impact these venues had on its surrounding community. Context is crucial in understanding the purpose of a Spatial Impact Analysis; hence it is important to recognize the history of Grand Rapids and the venues as impetus to the lively, flourishing downtown community to deem them as value-generating factors. Additionally, the venues greatly contribute to the cultural capital of the community and surrounding locales with the wide range and prestige of hit-list artists, critically acclaimed local and touring shows, and other noteworthy events these venues host which are often unavailable to other similarly sized markets across the country.

Chair Heacock inquired how the CAA venues compared to other communities with similar facilities. Mr. Chattha responded that the key metrics of economic growth are far above the national averages. Mr. Chamberlin asked if the ticket sales included concession sales, to which Mr. Chattha responded affirmatively and that ticket sales plus an appropriate multiplier catered to the sports industry. Mr. Chamberlin asked what multiplier was used. Mr. Chattha responded that it was the RIMS 2 Kent County Multiplier, a type 2 multiplier specifically for both the economic and earnings figure and the type 1 multiplier for the performing arts, museum, and sports sector of Kent County. Ms. Ferris stated that the report speaks to the venues' ability to get more volume through existing facilities, as well as the impact on the community, even though the venues are fixed. Mr. Heacock stated that the CAA was established to help the economic development arm of Kent County and the City of Grand Rapids. It appears in the report that the CAA is achieving that goal. Mr. Chattha agreed, adding not only on the output level in the localized economy but also on the household level with the earnings figure. The venues are impacting spending and people, which says a lot about the value the venues are adding to the community on a per capita basis.

4. Minutes of May 7, 2021

Motion by Ms. Bliss, support by Ms. Klohs, to approve the May 7, 2021, Minutes. Motion approved unanimously.

5. Committee Reports

A. Operations Committee

Ms. Manier presented an overview of Experience Grand Rapids' recent bookings, sales activities, and marketing efforts. The sales team is seeing an increase in RFPs for future business opportunities, as well as a surge in sales activity. The sales team participated in 11 events during May, one being virtual and the other 10 in person. Staff hosted a site visit in May for future business.

B. Finance Committee

i. Acceptance of April 2021 Consolidated Financial Statements

Mr. White reviewed the financial statements and stated that, year-to-date, the CAA incurred an operating loss of just over \$4.5 million, averaging \$450,000 per month. In the last two months of the fiscal year, it is anticipated that the operating loss will accumulate an additional \$1.5 million, increasing significantly because of anticipated year-end accruals, resulting in a full-year operating loss of just over \$6 million against a budget of \$6.5 million loss.

Motion: Mr. Winn, supported by Ms. Bliss, moved to accept the April 2021 Consolidated Financial Statements. Motion approved unanimously.

ii. April 2021 DeVos Place® and Van Andel Arena® Financial Statements – SMG, a Division of ASM Global

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

6. FY 2022 Budgets

Mr. Winn stated that the proposed FY 2022 budgets were presented at the May meeting and have not been changed. Mr. White stated that the FY 2022 recommendation forecasts an operating loss of \$1.2 million, given the phased reopening of the facilities. The budget requests \$900,000 in capital spending, resulting in a draw on fund balance of \$2.1 million. A FY 2023 forecast anticipates that the venues are fully open with an operating income of \$1.8 million and \$1 million in capital spending, which would allow an additional fund balance at the end of FY 2023 of \$862,000.

Motion by Ms. Klohs, support by Mr. Winn, for approval of A) the proposed FY 2022 ASM - DeVos Place® and Van Andel Arena® operating budgets; B) the proposed FY 2022 capital budget; C) the proposed FY 2022 facility parking rates; and D) the proposed FY 2022 Consolidated Operating/Capital Budget. Motion approved unanimously.

7. DeVos Place® Rate Sheets: FY 2022- FY 2026

Motion by Mr. Winn, support by Ms. Klohs, to approve the FY 2022-FY 2026 DeVos Place® rate sheets. Motion approved unanimously.

8. Shuttered Venues Operators Grant Update

CAA staff presented an update on the grant application recently submitted to the Small Business Administration. The SVOG program was established by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, which was passed December 2020, and amended by the American Rescue Plan Act, signed into law March 11, 2021. This program was created specifically to

help venues that have been shuttered due to the COVID-19 pandemic. The program included over \$16 billion in grants to shuttered venues, to be administered by SBA's Office of Disaster Assistance. Eligible applicants qualified for grants equal to 45% of their gross earned revenue, with the maximum amount available for a single grant award of \$10 million. Applications are manually processed on a first come, first processed basis within three priority periods. Government entities are included in the third priority group. The CAA submitted its grant application on May 7, 2021, and the application formula calculated an award of \$8.2 million. Given the number of applications that will be awarded in priority groups one and two, it is possible that grant funds will be depleted before priority three applications are considered.

9. Formal Resignation of Steven Heacock

Chair Heacock stated that he is resigning as Chair of the CAA, effective today, and from the CAA Board, effective June 30, 2021.

10. Call for New Chairperson

Motion by Ms. Klohs, support by Ms. Bliss, to appoint Richard Winn as Chairperson of the Grand Rapids-Kent County Convention/Arena Authority. Motion approved unanimously.

Chair Winn stated that he would stay on as Chair of the Finance Committee for now.

11. Report of SMG, a Division of ASM Global

Mr. MacKeigan expressed optimism for reopening of the venues. There is the possibility of activity in August. Hockey season begins in October. Mr. MacKeigan expressed his deep appreciation to Chair Heacock for his spectacular support over the past years.

12. Public Comment

Omar Cuevas, co-chair of the CIG, expressed his gratitude to Steve Heacock for his commitment to the Community Inclusion Group and his ongoing support for creating welcoming and inclusive venues.

13. Board & Committee Comments

Chair Winn recognized Steve Heacock, who was appointed to the CAA Board in 2000 and served as its chair for 18 years. The region has dramatically improved over those 20 years, and the three CAA assets have played a major role. The CAA's best financial year ever was 2019, and 2020 was on track to beat that but then the pandemic hit. Chair Winn expressed his appreciation for Steve's friendship and promised to carry forward the momentum that began under Steve's leadership.

Ms. Klohs thanked Mr. Heacock for serving for 21 years, and for 18 years of forward-leading leadership. The CAA venues came alive 20 years ago, and Board members really had no idea if they would do well. It requires leadership to make success happen, Steve possessed the kind of leadership that made these venues successful and placemaking facilities.

Mr. Chamberlin stated that one of the hallmarks of Steve's leadership over the last two decades is the way the facilities have been maintained and enhanced. The Arena is 25 years old but looks like a new facility. The Board has spent millions of dollars to enhance the buildings to keep them vital economic engines for the community. All the improvements were self-funded through operations, and the CAA was able to maintain a \$20 million reserve as cushion against a rainy day. While a lot of people contributed to those projects, it was Steve's leadership that got the ball rolling and brought the projects to fruition. Lew added that it has been a privilege watching Steve lead the organization for the past two decades. Steve has

always been forward thinking, focused on the future strategically and what is best for the facilities. Steve has built consensus around any number of complicated projects and has a great ability to anticipate and prepare for the obstacles that turned up along the way. Lew thanked Steve for always bringing a little bit of humor to the serious work.

Mr. Wilson is looking forward to doing more things with Steve and would like to share his thoughts with him personally.

Mayor Bliss expressed gratitude for being able to serve with Steve and appreciated Steve's dedication, service, and leadership. Steve led the organization through an incredible time of growth, looked at what the CAA needed to do to maintain the assets, and how to stay competitive. Steve has been an incredible champion to help sell the city and to make the case for looking to the future.

Mr. Secchia stated that he moved back to west Michigan in 2007, joined three boards in the community, and Steve served on all three and chaired all three boards. Charlie thanked Steve for his mentorship, adding that he enjoyed working with him and looks forward to Steve's post-CAA phase.

Mark Washington shared his appreciation to Steve for his leadership. In general, Steve is a great ambassador for the city and cares a lot about the community.

Mr. Heacock thanked Board members for their overwhelming kindness and support through the years. Steve thanked Kent County for continuing to appoint him to the CAA board. His time with the CAA has been a highlight of both his life and career. The CAA is a vision keeper; Grand Action, Kent County, and the city had a vision that Kent County could be a vibrant, exciting place the people want to visit, live, work, and play. Grand Action help set that vision, but it could not succeed without government. While private sector involvement was key, the public sector also had to set its commitment to achieving the vision. The County and the City created the CAA to be the vision keeper and carry it forward. The CAA was directed to be businesslike and focused on its efforts to assure that the investments that the community made were producing the benefits promised. The vision for the CAA was to avoid the use of the County's general funds, so Grand Action led a private fundraising effort and the County dedicated hotel-motel tax. After the convention center was built, Grand Action allowed the CAA to retain the funds left from a very efficient building process. The City and the DDA provided the Arena project, which annually has contributed substantially to the fund balance. The CAA has spent over \$40 million to maintain the buildings from the results that the CAA was able to produce with the help of ASM. The CAA is left with \$13 million in the fund balance, even after using \$8 million for COVID. The vision and commitment of the County and City may look obvious now, but it was not. On the County Board, Chair Kathy Kuhn was a great mentor and challenged with the zoo and museum issues and brought the County into that work at great pain. Many of the commissioners are not from the city and their constituents live in a small town or in the country. Many of them do not view downtown as theirs, so the thought of their hard-earned taxes going to the city was counter-intuitive for people. Those commissioners accepted the vision and pushed forward with the use of the hotel-motel tax for the bonds. The City commissioners are focused on neighborhood issues for their constituents. The long-haul of economic development and job creation takes a leap and they did that, too, and joined in the vision. It was hard then and is no easier today for Chair Bolter and Mayor Bliss. It still is about that continued vision and actions of the CAA justify the continued support of the County and City, and that support is vital as we go forward. The CAA Board is seven volunteers who do not get paid and give hours to the work that we love. All CAA Board members are dedicated to keeping the vision. We included the County and City administrators to sit at the board and they can each voice their respective entity's concerns and carry back the work of the CAA to their boards. The CAA Board is a governing board but do not get in the way of the day-to-day work. At its core, the CAA is a vision keeper and may be the key player in the important task of place making. The original vision was to create jobs and a vibrant hospitality economy, and we have done that.

The benefit is county-wide and well beyond. The CAA has got to continue to consider new ideas and push toward the

future. Sometimes it is uncomfortable, but someone must look forward if Kent County is going to win the battle for those knowledge workers and young families. Steve is very confident that, under the capable leadership of Rick and Birgit, and the rest of the Board, and the world-class work of Rich MacKeigan and the ASM crew, he has no doubt that the CAA will continue to make Kent County a great place for people to visit, live, work, learn, and play. Thank you.

Chair Winn concluded by stating that the CAA has a lot of work to do and is up for the challenge. If a project is not difficult, then it is probably not worth doing. So, the difficulties that we face teach us how to do and be better. Chair Winn promised to do his absolute best to carry forward from Steve's leadership, with the support of CAA Board.

14. Adjournment

The meeting adjourned at 9:30 a.m.

Richard A. Winn, Recording Secretary



Memorandum

To: CAA Board of Directors

From: Rich MacKeigan

Date: August 6, 2021

Re: Application to Liquor Control Commission for Special License

Once again, the “Best Fall Wine Festival Not to Miss” will be returning to DeVos Place®. As we move forward with planning the operational aspects of the upcoming International Wine, Beer & Food Festival, the CAA will need to apply to the Michigan Liquor Control Commission for Special (24-Hour) On-Premise Licenses. These licenses allow nonprofit, religious, fraternal, civic, or patriotic organizations to obtain a one-day license to sell alcoholic beverages (beer, wine, and liquor) to the public for on-premise consumption. The dates for the Wine, Beer & Food Festival this year are Thursday-Saturday, November 18-20, 2021.

Specific requirements for the Special On-Premise License include:

1. Profits from the sale of alcoholic beverages must go to the organization and not to any individual.
2. The chief local law enforcement officer in the governmental unit must approve the request where the event is to be held.
3. No more than 5 licenses are issued to individual organizations each calendar year.
4. Proof of nonprofit status must be provided with the application unless the applicant is a national organization or has obtained previous special licenses.

The license fee is \$25.00 for each separate, consecutive day of the event. This is the same process we have gone through in previous years, and I am recommending we apply for this license as the cost is minimal, to allow for greater flexibility on the operational side.

Action requested: Approval to submit an application to the Michigan Liquor Control Commission for Special On-Premise Licenses.

Memorandum

To: CAA Board Members
From: Susan Waddell, Administrative Manager
Date: August 6, 2021
Re: Directors' & Officers' Insurance Renewal

The CAA current insurance policy will expire on August 23, 2021, and we just received the renewal coverage proposal. Below is a summary of the renewal proposal:

Insurer: Michigan Municipal Risk Management Authority (MMRMA)

2020-21 Expiring premium: \$18,198

2021-22 Renewal premium: \$18,275

Total Change \$ 77

% Change (+ -) 0.4%

<u>Summary of Various Coverages</u>	<u>Limit</u>	<u>Deductible</u>
Liability	\$15,000,000	\$0
Terrorism Liability	\$5,000,000	\$0
Faithful Performance	Per Statute	\$0
Auto Liability - No-Fault	Per Statute	\$0
Terrorism Property & Crime	\$50,000,000	\$0
Member's Newly Acquired/ Constructed Property	\$10,000,000	\$0
Buildings & Personal Property	\$1,010,070	\$0
Fine Art	\$2,000,000	\$0
Blanket Employee Fidelity	\$1,000,000	\$0
Data Breach & Privacy Liability	\$5,000,000	\$25,000

The attached Comparison sheet lists the net asset and loss funds distributions to the CAA since 2006. This year's Net Asset Distribution of \$3,187, along with an additional \$1,038 from the State Pool Loss Fund Distribution, equates to a total distribution of \$4,225 to be received after this renewal is processed.

Action Requested: Approve MMRMA insurance renewal proposal.

Community:
Renewal period:

Grand Rapids-Kent Co CAA
August 23, 2021 to August 23, 2022

Reasons for Premium Change

	2020	2021	% Change
Ratable Expenditures:			
Full Time	1	1	0.0%
Part Time	1	1	0.0%
Sesonal PT	0	0	0.0%
Property Values:	\$10,000	\$10,000	0.0%
Vehicles:	2	2	0.0%
Coverages	No Sewer Backup \$15M Pool w/ \$1,000 Property deductible		
Other:	2020-21: 3.1% 2019-20: 1.7% 2018-19: 0.5% 2017-18: -3.0% 2016-17: -4.6% 2015-16: -3.8% 2014-15: -4.6% 2013-14: -7-3% 2012-13: -10.5% 2011-12: -0.5%		

	<u>Total Contribution</u>	<u>Property Totals</u>
Last Year	\$18,198	\$10,000
This Year	\$18,275	\$10,000
Total Change	\$77	\$0
% Change (+ -)	0.4%	0.0%

Notes: New MMRMA property adjuster, Tracey Cool, tcool@mmrma.org

NO RAP Grant:

	Net Asset Distribution	Loss Fund Distribution	Total	
2006 MMRMA Distribution:	\$0		\$0	
2007 MMRMA Distribution:	\$0		\$0	
2008 MMRMA Distribution:	\$223		\$223	
2010 MMRMA Distribution:	\$474		\$474	
2011 MMRMA Distribution:	\$2,558		\$2,558	
2012 MMRMA Distribution:	\$4,816		\$4,816	
2013 MMRMA Distribution:	\$1,958		\$1,958	KD
2014 MMRMA Distribution:	\$5,577		\$5,577	KD
2015 MMRMA Distribution:	\$6,760	\$2,606	\$9,366	KE
2016 MMRMA Distribution:	\$4,257	\$1,254	\$5,511	KE
2017 MMRMA Distribution:	\$2,405	\$1,419	\$3,824	MR
2018 MMRMA Distribution:	\$4,422	\$2,125	\$6,547	KE
2019 MMRMA Distribution:	\$3,879	\$2,157	\$6,036	MR
2020 MMRMA Distribution:	\$4,784	\$1,463	\$6,247	LZ
2021 MMRMA Distribution:	\$3,187	\$1,038	\$4,225	MR
	\$45,300	\$12,062	\$57,362	



Consolidated Financial Report
June 30, 2021 (Preliminary Year-End)

	Page
Dashboard	1
Summary by Facility	
Rolling Forecast	2
Monthly Capital Status	3
Year-to-Date Comparable	4
Trend Analysis	
Monthly Net Operating Proceeds - FY20 & FY21	5
Lagging 12 Months Net Operating Proceeds	6
Significant Notes	7
Administrative Accounts	
Year-to-Date Comparable	8
Special Accounts	
Amphitheater Project	9
Federal CARES Allotment (County)	10



Financial Dashboard
Year-To-Date (12 Months)
30-Jun-21

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	80	-	32	26	-	-
Attendance	510,841	-	13,119	217,297	-	-
Event Income	\$ 3,475,127	\$ -	\$ 121,232	\$ 2,441,304	\$ -	\$ 1,100
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	376	-	46	84	-	-
Attendance	464,125	-	2,369	84,300	-	-
Event Income	\$ 4,889,509	\$ -	\$ 84,639	\$ 1,358,851	\$ -	\$ (21,663)
				Prior Year	Budget	Actual
Operating Income (Loss)				\$ 658,477	\$ (6,541,678)	\$ (4,711,698)
Capital/Repair/Replacement				(3,298,781)	(4,420,427)	(3,070,138)
Net - To/(From) on Fund Balance				\$ (2,640,304)	\$ (10,962,105)	\$ (7,781,836)

*NOTES: (1):

Unrestricted Fund Balance @ June 30, 2020

\$21.6M

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

	FY 2021		
	7/1 - 06/30		
	Year-to-Date	Roll	Estimate^{(1) (3)}
			Budget
Van Andel Arena			
Operating - Revenues	\$ 634,175		\$ 604,887
- Expenses - Facilities	(2,278,844)		(2,351,226)
- Base Management Fees	(180,339)		(180,338)
- Incentive Fee	-		-
Net Operating Income (Loss)	(1,825,008)		(1,926,677)
Parking	263,244		202,357
Pedestrian Safety	-		-
Net Proceeds (Cost) of VAA	(1,561,764)		(1,724,320)
DeVos Place Convention Center			
Operating - Revenues	175,842		158,928
- Expenses - Facilities	(4,043,012)		(4,047,220)
- Base Management Fees	(180,339)		(180,338)
- Incentive Fee	-		-
Net Operating Income (Loss)	(4,047,509)		(4,068,630)
Parking	272,113		231,585
Pedestrian Safety	(71,120)		(45,701)
Net Proceeds (Cost) of DVP	(3,846,516)		(3,882,746)
Other			
Revenues	1,334,864		231,654
Expenses	(638,282)		(673,841)
Net Other	696,582		(442,187)
Total Net Proceeds/Operating	(4,711,698)		(6,049,253)
Capital/Repair Expenditures	(3,070,138)		(3,538,011)
Results Net of Capital/Repair Expenditures	\$ (7,781,836)		\$ (9,587,264)
			\$ (10,962,105)

Notes:

- (1) The year-end estimate was compiled, in April, based on third quarter results and fourth quarter estimates. Reported in the May consolidated financial report for details.
- (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
Administrative - Operating / Capital Replacement Budget
FY 2021 Budget**

FY 2021 Eligible Projects:		Budget	Actual 7/1-06/30	FY22 Carry Forward	Appropriation Lapse
Van Andel Arena®					
	Upper Bowl Seating	\$ 750,000	750,697	\$ -	\$ (697)
Total VAA		750,000	750,697	-	(697)
DeVos Place®					
	Building Management Software-HVAC	150,000	88,414	43,740	17,846
	Exterior Welsh Granite & Steps	300,000	255,251	-	44,749
	Fly Rail System	1,450,000	1,418,220		31,780
Total DVP		1,900,000	1,761,885	43,740	94,375
Both Venues					
	Box Office Speakers	60,000	46,300	-	13,700
Carryover (FY20) Projects					
DVP	Projection Theater Updates	200,000	-		200,000
DVP	Fly Rail System	114,604	105,202	-	9,402
DVP	Additional Furniture	33,000	-	30,580	2,420
DVP	Carpet: Keeler Lobby/Performance Hall	323,619	299,462	-	24,157
DVP	Airwall Fabric Replacement	42,015	42,015	-	
DVP	OSHA Safety Changes	7,381	7,381	-	
DVP	Lyon Street Landscaping	400,000	-	400,000	-
DVP	New Soft Start for Chiller	39,885	-	-	39,885
VAA	Suite Refresher	372,803	2,691	370,112	
VAA	Security Upgrades	25,135	13,000	12,135	
BOTH	Elevator Modernization	10,985	34,160	-	(23,175)
BOTH	New Computers	4,000	1,300	-	2,700
BOTH	New Phone System	137,000	6,045		130,955
Total Carryover		1,710,427	511,256	812,827	386,344
Total Unrestricted Accounts		4,420,427	3,070,138	856,567	493,722
Amphitheater - State Grant (Restricted Account)		4,969,411	4,764,936	-	204,475
COVID-19 County Grant (Restricted Account)		1,985,817	1,907,025	48,620	30,172
Total FY 2021 Capital Budget		\$ 11,375,655	\$ 9,742,099	\$905,187	\$ 728,369

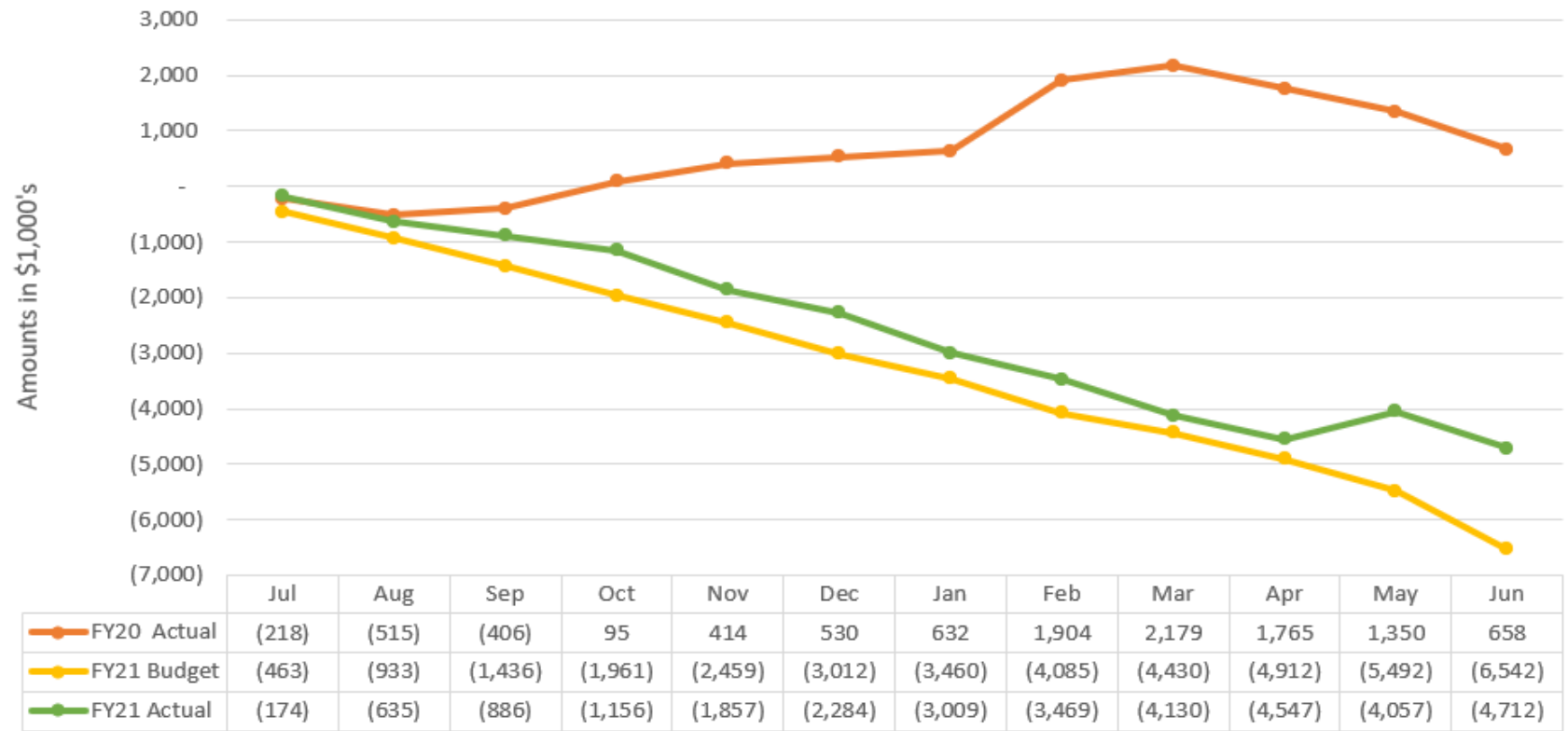
Notes: The FY2022 budget, as adopted, included - \$400,000 for Lyon Street Landscape and \$370,112 for Suite Refresher.
The July monthly financial report will include a request to re-appropriate a total of \$86,455 for Unrestricted Projects

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

	Annual			Year-To-Date		
	FY 2020	FY 2021	Change	FY 2020	FY 2021	Change
	Final	Budget	Positive	7/1-06/30	7/1 - 06/30	Positive
			(Negative)			(Negative)
Van Andel Arena						
Operating - Revenues	\$ 5,832,637	\$ 855,248	(85.3)	\$ 5,832,637	\$ 634,175	(89.1)
- Expenses - Facilities	(3,947,676)	(3,161,016)	19.9	(3,947,676)	(2,278,844)	42.3
- Base Management Fees	(179,263)	(182,848)	(2.0)	(179,263)	(180,339)	(0.6)
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	1,705,698	(2,488,616)	(245.9)	1,705,698	(1,825,008)	(207.0)
Parking	314,418	234,000	(25.6)	314,418	263,244	(16.3)
Pedestrian Safety	(82,159)	(13,700)	83.3	(82,159)	-	100.0
Net Proceeds (Cost) of VAA	1,937,957	(2,268,316)	(216.5)	1,937,957	(1,561,764)	(180.6)
DeVos Place Convention Center						
Operating - Revenues	4,966,722	975,759	(80.4)	4,966,722	175,842	(96.5)
- Expenses - Facilities	(6,340,580)	(4,606,032)	27.4	(6,340,580)	(4,043,012)	36.2
- Base Management Fees	(179,263)	(182,848)	(2.0)	(179,263)	(180,339)	(0.6)
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	(1,553,121)	(3,813,121)	(145.5)	(1,553,121)	(4,047,509)	(160.6)
Parking	907,156	395,000	(56.5)	907,156	272,113	(70.0)
Pedestrian Safety	(42,382)	(8,300)	80.4	(42,382)	(71,120)	(67.8)
Net Proceeds (Cost) of DVP	(688,347)	(3,426,421)	(497.8)	(688,347)	(3,846,516)	(558.8)
Other						
Revenues	1,015,744	198,022	(80.5)	1,015,744	1,334,864	31.4
Expenses	(1,606,877)	(1,044,963)	35.0	(1,606,877)	(638,282)	60.3
Net Other	(591,133)	(846,941)	(43.3)	(591,133)	696,582	217.8
Total Net Proceeds/Operating	658,477	(6,541,678)	(1,093.5)	658,477	(4,711,698)	(715.5)
Capital/Repair Expenditures	(3,298,781)	(4,420,427)	(34.0)	(3,298,781)	(3,070,138)	6.9
Results Net of Capital Expenditures	\$ (2,640,304)	\$ (10,962,105)	(315.2)	\$ (2,640,304)	\$ (7,781,836)	(194.7)

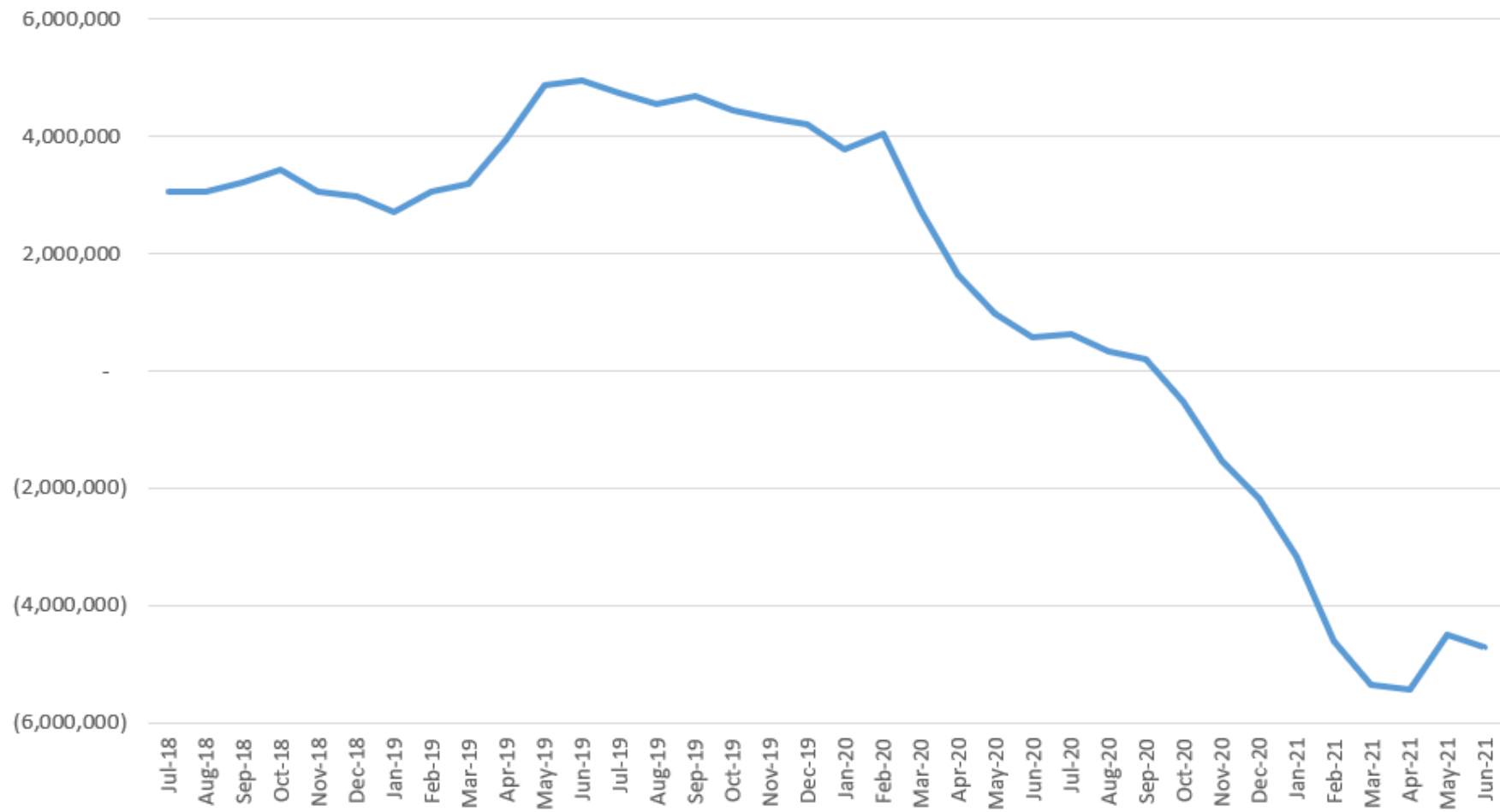
CAA Trends

Monthly Net Operating Proceeds through June 30, 2021



Accumulative Net Proceeds by Month

Lagging 12 Months Net Operating Proceeds



Significant Notes

Van Andel Arena®

- Page 1 - Zero concerts generated \$1,100 in event revenue, a decrease of (100.0%) from prior year (26 concerts) of \$2,441,304.
- Page 5 - Net proceeds of (\$1,561,764) decreased by (180.6%) from prior year of \$1,937,957.

DeVos Place®

- Page 1 - Convention/trade show business generated (\$21,663) in event revenue, a decrease of (100.0%) from prior year (attendance decreased from 84,300 to zero) of \$1,358,851.
- Page 5 - Net "proceeds" of (\$3,846,516) decreased by (458.8%) from prior year Net Proceeds of (\$688,347).

Grand Rapids-Kent County Convention/Arena Authority
Administrative Accounts
Net Other Detail
30-Jun-21

	Annual			Actual		
	FY 2020 Final	FY 2021 Budget	Change Positive (Negative)	FY 2020 7/1-6/30	FY 2021 7/1/-06/30	Change Positive (Negative)
Other						
Revenues						
Interest/Capital Contr.	\$ 597,468	\$ 190,000	(68.2)	\$ 597,468	\$ 205,007	(65.7)
Miscellaneous	68,069	8,022	(88.2)	68,069	1,129,857	1,559.9
	665,537	198,022	(70.2)	665,537	1,334,864	100.6
Expenses						
COVID-19 Preparedness Plan	-	300,000	(100.0)	-	-	-
Marketing (CVB/Sports)	200,000	200,000	-	200,000	200,000	
Diversity Initiative	140,468	100,000	28.8	140,468	3,000	97.9
Wages/Benefits	150,493	141,106	6.2	150,493	135,838	9.7
Professional Services	73,246	85,000	(16.0)	73,246	87,233	(19.1)
DID Assessment	65,284	33,000	49.5	65,284	32,110	50.8
Food & Beverage Repairs	-	40,000	(100.0)	-	-	-
Consulting Services	547,584	84,857 ⁽¹⁾	84.5	547,584	118,099	78.4
Landscaping	27,827	25,000	10.2	27,827	25,151	9.6
Procurement of Art	2,105	-	100.0	2,105	-	100.0
Insurance	17,429	26,000	(49.2)	17,429	24,836	(42.5)
Supplies/Other	25,791	10,000	61.2	25,791	12,015	53.4
	1,250,227	1,044,963	16.4	1,250,227	638,282	48.9
Net Proceeds - Operating	<u>\$ (584,690)</u>	<u>\$ (846,941)</u>	<u>(44.9)</u>	<u>\$ (584,690)</u>	<u>\$ 696,582</u>	<u>219.1</u>

Notes:

⁽¹⁾ SMG-\$55,159 and \$144,841 proof of concept and general engineering, less \$115,143 transferred to amphitheater project on 12/4.

Grand Rapids-Kent County Convention/Arena Authority
Special Accounts
Amphitheater Project
Revenues/Expenses
4/4/19 to 06/30/2021

	FY 2020	FY 2021	
	<u>Actual</u>	<u>7/1-12/31 Actual</u>	<u>01/1-06/30</u>
Revenues:			
State of Michigan Grant	\$ 350,207	\$ 264,825	\$ 4,384,968
Transfer from Operating Account-Consulting Services			115,143
Expenses:			
Progressive AE - Amphitheater Utility Project	(235,064)	(264,825)	(218,718)
- Feasibility Project	(73,126)	-	-
Other Grant Eligible Services	(42,017)	-	-
Contribution to City - Sewer Relocation	-	-	(4,281,393)
Net Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

NOTES:

- MEDC Grant - West Michigan Amphitheater - \$5M
- Grant Period: 1/1/19- 1/31/21 (Extended to 1/31/2023)
- Grant Activities: "Park/Playground Improvements"
- Interest credited to the operating account
- The unexpended balance of \$4,281,393 will be paid to the City of Grand Rapids, on or before 1/31/2021, based on an MOU approved at the CAA Board meeting held 12/4/2020.
- Transfer from Operating Account-Consulting Services - prior to entering into MOU, \$115,143 of eligible administrative costs had been expensed to the grant account. The MOU only references payments made to Progressive AE with the remainder of the \$5,000,000 paid over to the City.

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

	<u>Budget</u>	<u>Actual</u>
Revenues:		
County Grant	\$ 1,985,817	\$ 1,907,025
Expenses:	<u>(1,985,817)</u>	<u>(1,907,025)</u>
Net Balance	<u>\$ -</u>	<u>\$ -</u>

NOTES:

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

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

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



Consolidated Financial Report
31-Jul-21

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



Financial Dashboard
Year-To-Date (1Month)
31-Jul-21

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events						
Attendance						
Event Income						
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events		24	17			7
Attendance		10,250	2,243			1,750
Event Income		\$ 107,422	\$ 87,608		\$ 76,899	\$ 76,707
				Prior Year	Budget	Actual
Operating Income (Loss)				\$ (174,495)	\$ (497,697)	\$ 7,689,276
Capital/Repair/Replacement					(10,754)	(10,754)
Net - To/(From) on Fund Balance				\$ (174,495)	\$ (508,451)	\$ 7,678,522 ⁽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 - 07/31			
	Year-to-Date	Roll	Estimate ^{(1) (3)}	Budget
Van Andel Arena				
Operating - Revenues	\$ 93,282			\$ 4,746,644
- Expenses - Facilities	(401,665)			(4,330,348)
- Base Management Fees	(15,028)			(183,945)
- Incentive Fee	-		-	-
Net Operating Income (Loss)	(323,411)		-	232,351
Parking	23,241			278,989
Pedestrian Safety	-		-	(65,000)
Net Proceeds (Cost) of VAA	(300,170)		-	446,340
DeVos Place Convention Center				
Operating - Revenues	642			4,143,265
- Expenses - Facilities	(232,875)			(5,725,206)
- Base Management Fees	(15,028)			(183,945)
- Incentive Fee	-			-
Net Operating Income (Loss)	(247,261)			(1,765,886)
Parking	63,054			763,011
Pedestrian Safety				(36,000)
Net Proceeds (Cost) of DVP	(184,207)			(1,038,875)
Other				
Revenues	8,202,802			273,000
Expenses	(29,149)			(878,500)
Net Other	8,173,653		-	(605,500)
Total Net Proceeds/Operating	7,689,276			(1,198,035)
Capital/Repair Expenditures	(10,754)			(1,056,567)
Results Net of Capital/Repair Expenditures	\$ 7,678,522			\$ (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 a recommended (9/9/21 agenda) budget amendment to provide for several capital project balances (\$86,455) carried over
See 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 7/1-07/31	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	-	-	-
Total FY 2021 Capital Budget		\$ 1,105,187	\$ 10,754	\$ -	\$ -

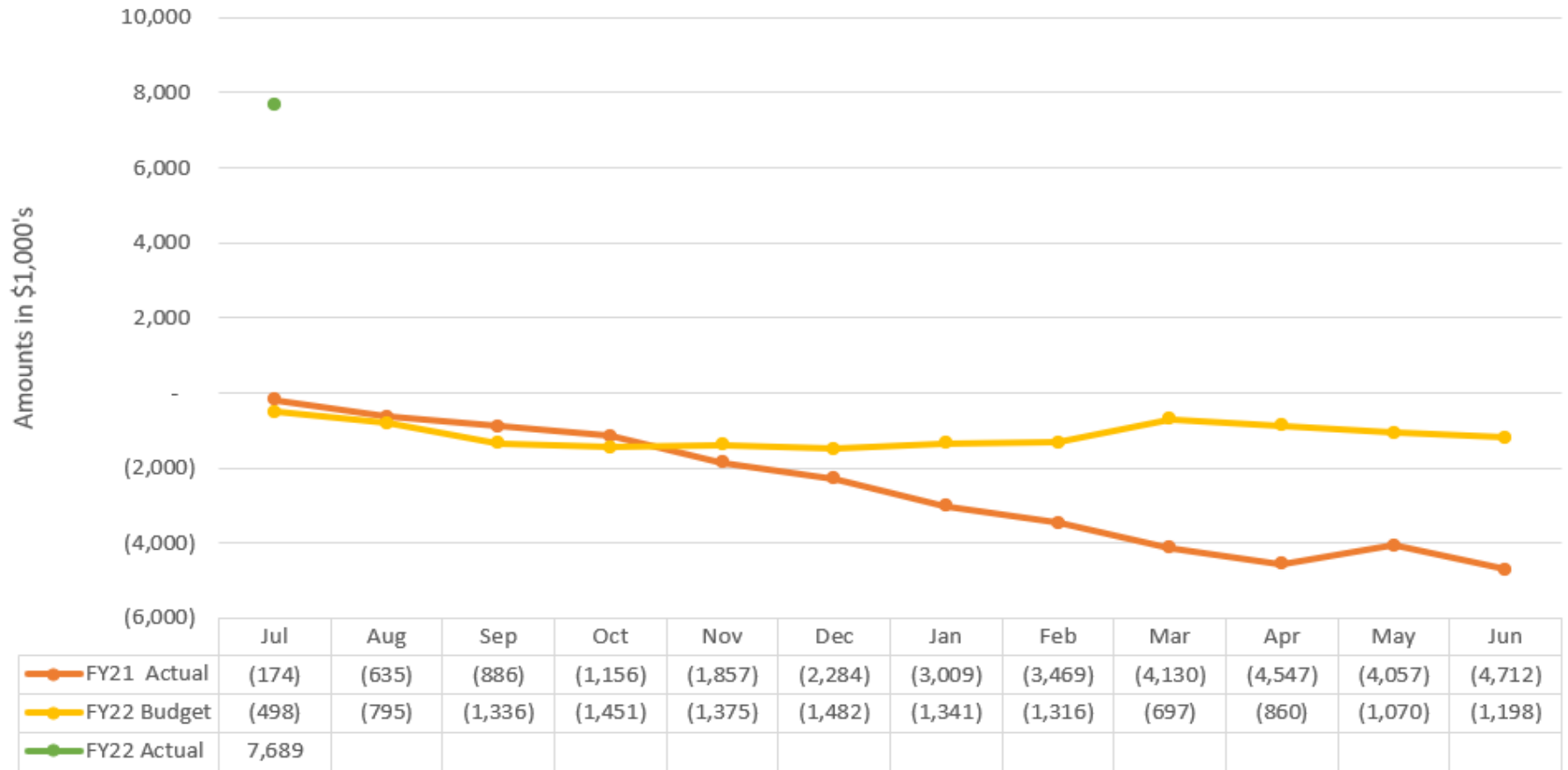
Notes: The FY2022 budget, as adopted, included - \$400,000 for Lyon Street Landscape and \$370,112 for Suite Refresher.
The July monthly financial report will include a request to re-appropriate a total of \$86,455 for Unrestricted Projects

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

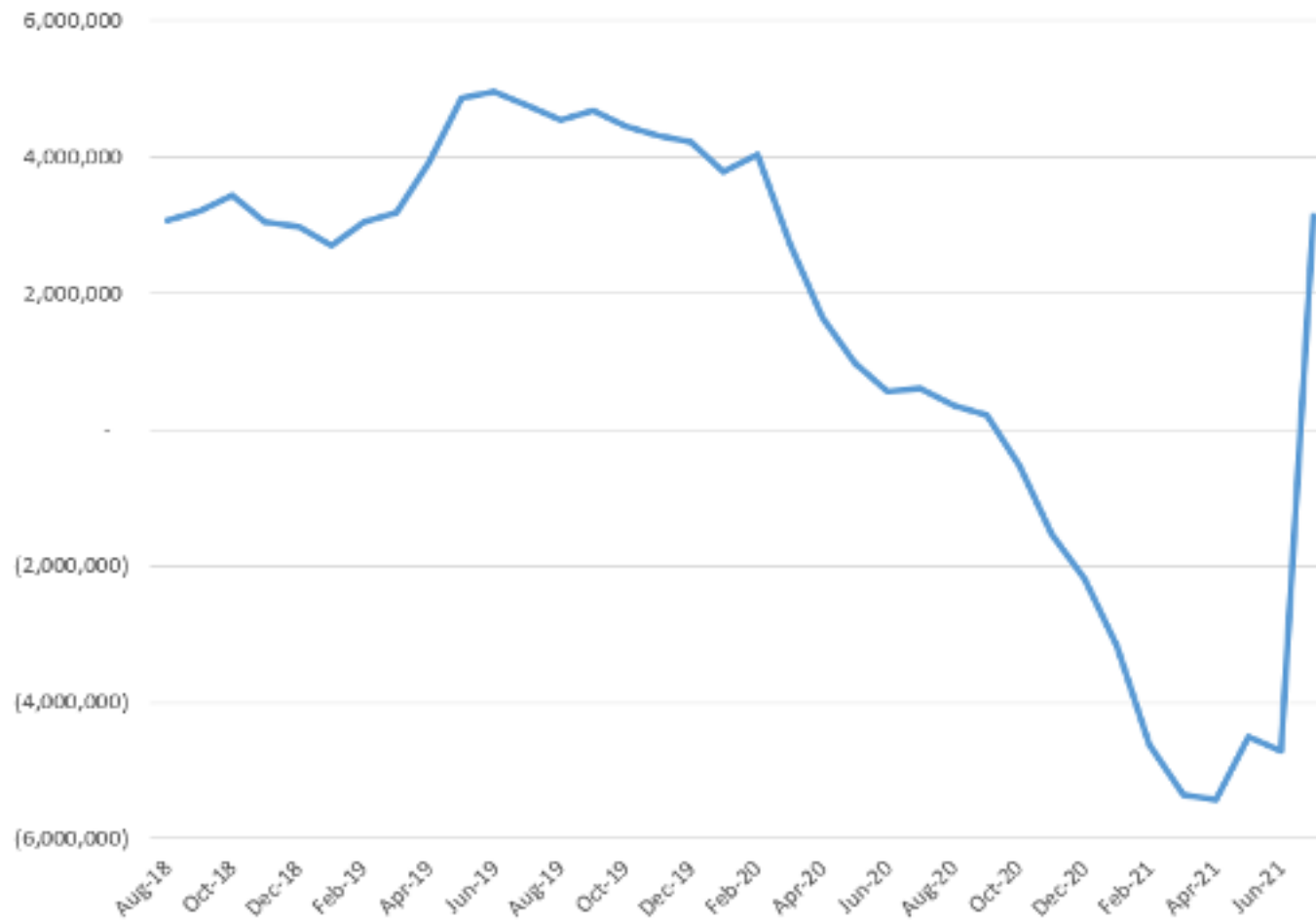
	Annual			Year-To-Date		
	FY 2021	FY 2022	Change	FY 2021	FY 2022	Change
	Final	Budget	Positive	7/1-07/31	7/1 - 07/31	Positive
			(Negative)			(Negative)
Van Andel Arena						
Operating - Revenues	\$ 634,175	\$ 4,746,644	648.4	\$ 148,072	\$ 93,282	(37.0)
- Expenses - Facilities	(2,278,844)	(4,330,348)	(90.0)	(161,094)	(401,665)	(149.3)
- Base Management Fees	(180,339)	(183,945)	(2.0)	(14,939)	(15,028)	(0.6)
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	(1,825,008)	232,351	112.7	(27,961)	(323,411)	(1056.6)
Parking	263,244	278,989	6.0	22,317	23,241	4.1
Pedestrian Safety		(65,000)	(100.0)			
Net Proceeds (Cost) of VAA	(1,561,764)	446,340	128.6	(5,644)	(300,170)	(5,218.4)
DeVos Place Convention Center						
Operating - Revenues	175,842	4,143,265	2,256.2	790	642	(18.7)
- Expenses - Facilities	(4,043,012)	(5,725,206)	(41.6)	(255,076)	(232,875)	8.7
- Base Management Fees	(180,339)	(183,945)	(2.0)	(14,939)	(15,028)	(0.6)
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	(4,047,509)	(1,765,886)	56.4	(269,225)	(247,261)	8.2
Parking	272,113	763,011	180.4	79,667	63,054	(20.9)
Pedestrian Safety	(71,120)	(36,000)	(49.4)			
Net Proceeds (Cost) of DVP	(3,846,516)	(1,038,875)	73.0	(189,558)	(184,207)	2.8
Other						
Revenues	1,334,864	273,000	(79.5)	24,199	8,202,802	100.0
Expenses	(638,282)	(878,500)	(37.6)	(3,492)	(29,149)	(323.4)
Net Other	696,582	(605,500)	(186.9)	20,707	8,173,653	100.0
Total Net Proceeds/Operating	(4,711,698)	(1,198,035)	74.6	(174,495)	7,689,276	4,406.6
Capital/Repair Expenditures	(3,070,138)	(1,056,567)	65.6		(10,754)	(100.0)
Results Net of Capital Expenditures	\$ (7,781,836)	\$ (2,254,602)	71.0	\$ (174,495)	\$ 7,678,522	4,400.4

CAA Trends

Monthly Net Operating Proceeds through July 31, 2021



Lagging 12 Months Net Operating Proceeds



Significant Notes

Van Andel Arena®

- Page 1 - Zero concerts
- Page 5 - Net proceeds of (\$300,170) decreased by (5,218.4%) from prior year of (\$5,644).

DeVos Place®

- Page 1 - Convention/trade show business generated \$76,707 in event revenue.
- Page 5 - Net "proceeds" of (\$184,207) increased by 2.8% from prior year Net Proceeds of (\$189,558).

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

	Annual			Actual		
	FY 2021 Final	FY 2022 Budget	Change Positive (Negative)	FY 2021 7/1-7/31	FY 2022 7/1-7/31	Change Positive (Negative)
Other						
Revenues						
Interest/Capital Contr.	\$ 205,007	\$ 215,000	4.9	\$ 24,374	\$ 537	(97.8)
Miscellaneous	1,129,857	58,000	(94.9)		8,202,265	100.0
	1,334,864	273,000	(79.6)	24,374	8,202,802	100.0
Expenses						
Arena 25-Year Recognition	-	100,000	(100.0)	-		
Marketing (CVB/Sports)	200,000	200,000	-	(1,310)		(100.0)
Diversity Initiative	3,000	100,000	(3,233.3)			
Wages/Benefits	135,838	139,000	(2.3)	1,742	9,169	(426.3)
Professional Services	87,233	87,000	0.3		1,367	(100.0)
DID Assessment	32,110	33,000	(2.8)			
Food & Beverage Repairs	-	40,000	(100.0)			
Consulting Services	118,099	91,500 ⁽¹⁾	22.5		18,100	(100.0)
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	205	513	(150.2)
	638,282	878,500	(37.6)	6,884	29,149	(323.4)
Net Proceeds - Operating	\$ 696,582	\$ (605,500)	(186.9)	\$ 17,490	\$ 8,173,653	100.0

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-Jul-21

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

NOTES:

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

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

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

DEVOS PLACE

DE VOS PLACE

**FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

*****PRELIMINARY – UNAUDITED*****

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 FYE	BUDGET FYE	VARIANCE
NO. EVENTS	46	-	46	0	46
ATTENDANCE	2,369	-	2,369	0	2,369
DIRECT EVENT INCOME	87,817	-	87,817	520,660	(432,843)
ANCILLARY INCOME	(3,187)	-	(3,187)	369,479	(372,666)
OTHER EVENT INCOME	9	-	9	37,620	(37,611)
TOTAL EVENT REVENUE	84,639	-	84,639	927,759	(843,120)
TOTAL OTHER REVENUE	91,203	-	91,203	48,000	43,203
TOTAL OPERATING REVENUE	175,842	-	175,842	975,759	(799,917)
INDIRECT EXPENSES					
EXECUTIVE	128,168	-	128,168	171,288	43,120
FINANCE	220,083	-	220,083	202,475	(17,608)
MARKETING	93,893	-	93,893	125,940	32,047
OPERATIONS	890,778	-	890,778	659,101	(231,677)
EVENT SERVICES	760,101	-	760,101	1,378,098	617,997
BOX OFFICE	135,946	-	135,946	90,288	(45,658)
SALES	320,928	-	320,928	405,660	84,732
OVERHEAD	1,673,454	-	1,673,454	1,756,030	82,576
TOTAL OPERATING EXP.	4,223,351	-	4,223,351	4,788,880	565,529
NET REVENUE ABOVE EXPENSES	(4,047,509)	-	(4,047,509)	(3,813,121)	(234,388)
INCENTIVE FEE		-	0	0	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(4,047,509)	-	(4,047,509)	(3,813,121)	(234,388)

Comments:

June concludes the fiscal year. Overall the facility fell short of budget as events did not return as quickly as budgeted, however, were mostly offset by a savings in indirect expenses.

DocuSigned by:



7E6B840AF00F405...
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	June Actual	June Budget	June FY 2020
Number of Events	9	0	0
Attendance	1,010	0	0
Direct Event Income	\$0	\$87,785	(\$8,538)
Ancillary Income	(1,824)	62,862	(1,463)
Other Event Income	9	7,944	12,820
Other Operating Income	17,417	4,000	7,468
Indirect Expenses	(480,899)	(456,625)	(386,924)
Net Income	(\$465,297)	(\$294,034)	(\$376,637)

YTD	YTD 2021 Actual	YTD 2021 Budget	YTD 2020 Prior Year
Number of Events	46	0	376
Attendance	2,369	0	464,125
Direct Event Income	\$87,817	\$520,660	\$2,468,474
Ancillary Income	(3,187)	369,479	1,864,083
Other Event Income	9	37,620	556,952
Other Operating Income	91,203	48,000	77,211
Indirect Expenses	(4,223,351)	(4,788,880)	(6,519,839)
Net Income	(\$4,047,509)	(\$3,813,121)	(\$1,553,119)

EVENT INCOME

No events hosted during the month of June.

ANCILLARY INCOME

No events hosted during the month of June.

INDIRECT EXPENSES

Indirect expenses came in consistent with forecasted levels.

DeVos Place
Income Statement
For the Fiscal Year Ended June 30, 2021

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$0	\$78,186	\$ (78,186)	\$0	\$76,250	\$594,479	\$ (518,229)	\$2,796,620
Service Revenue	0	9,599	(9,599)	0	224,579	(73,819)	298,398	2,836,109
Service Expenses	0	-	-	(8,538)	(213,012)	-	(213,012)	(3,164,255)
Total Direct Event Income	0	87,785	(87,785)	(8,538)	87,817	520,660	(432,843)	2,468,474
Ancillary Income								
F&B Concession	0	4,780	(4,780)	0	18	43,643	(43,625)	212,846
F&B Catering	0	29,177	(29,177)	0	1,699	124,971	(123,272)	554,977
Novelty Sales	0	408	(408)	317	0	1,435	(1,435)	43,714
Booth Cleaning	0	3,583	(3,583)	0	0	48,218	(48,218)	254,587
Telephone/Long Distance	0	-	-	0	0	50	(50)	113
Electrical Services	0	7,172	(7,172)	0	1,360	53,735	(52,375)	307,206
Audio Visual	0	9,301	(9,301)	0	0	47,278	(47,278)	231,085
Internet Services	(1,824)	4,126	4,764	(1,780)	(21,988)	22,912	(44,900)	92,877
Equipment Rental	0	4,315	(4,315)	0	15,724	27,237	(11,513)	166,678
Total Ancillary Income	(1,824)	62,862	(64,686)	(1,463)	(3,187)	369,479	(372,666)	1,864,083
Other Event Income								
Ticket Rebates(Per Event)	9	7,944	(7,935)	12,820	9	37,620	(37,611)	556,952
Total Other Event Income	9	7,944	(7,935)	12,820	9	37,620	(37,611)	556,952
Total Event Income	(1,815)	158,591	(160,406)	2,819	84,639	927,759	(843,120)	4,889,509
Other Operating Income								
Luxury Box Agreements	0	0	-	775	4,650	0	4,650	10,300
Advertising	0	0	-	1,333	0	0	-	12,000
Other Income	17,417	4,000	13,417	5,360	86,553	48,000	38,553	54,911
Total Other Operating Income	17,417	4,000	13,417	7,468	91,203	48,000	43,203	77,211
Adjusted Gross Income	15,602	162,591	(146,989)	10,287	175,842	975,759	(799,917)	4,966,720
Operating Expenses								
Salaries and Wages	207,296	163,057	44,239	144,965	2,063,037	1,773,521	289,516	4,466,017
Payroll Taxes and Benefits	70,798	42,233	28,565	132,004	854,401	456,111	398,290	1,190,724
Labor Allocations to Events	(82,949)	(48,245)	(34,704)	(101,407)	(1,082,483)	(521,046)	(561,437)	(2,814,365)
Net Salaries and Benefits	195,145	157,045	38,100	175,562	1,834,955	1,708,586	126,369	2,842,376
Contracted Services	26,490	24,150	2,340	9,221	58,043	144,906	(86,863)	378,665
General and Administrative	35,113	26,719	8,394	36,821	245,621	288,563	(42,942)	521,190
Operations	14,754	13,141	1,613	5,673	79,251	150,520	(71,269)	146,191
Repair and Maintenance	68,932	58,875	10,057	30,539	462,239	635,850	(173,611)	652,684
Operational Supplies	6,781	26,943	(20,162)	2,222	54,771	244,252	(189,481)	228,411
Insurance	32,482	25,087	7,395	40,289	279,378	254,517	24,861	291,701
Utilities	86,174	109,428	(23,254)	71,658	1,028,754	1,178,838	(150,084)	1,279,358
SMG Management Fees	15,028	15,237	(209)	14,939	180,339	182,850	(2,511)	179,263
Total Operating Expenses	480,899	456,625	24,274	386,924	4,223,351	4,788,880	(565,529)	6,519,839
Net Income(Loss) From Operatic	(465,297)	(294,034)	(171,263)	(376,637)	(4,047,509)	(3,813,121)	(234,388)	(1,553,119)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(465,297)	(294,034)	(171,263)	(376,637)	(4,047,509)	(3,813,121)	(234,388)	(1,553,119)

SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For Fiscal Year Ending June 30, 2021

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	-	-	-	-	(21,663)	-
Consumer/Gated Shows	-	-	-	-	-	-
DeVos Performance Hall	21	-	1,709	-	67,467	-
Banquets	-	-	-	-	-	-
Meetings	3	-	75	-	5,533	-
Other	22	-	585	-	33,300	-
GRAND TOTALS	46	-	2,369	-	84,639	-

As Percentage of Overall

Convention/Trade Shows	0.00% #DIV/0!	0.00% #DIV/0!	-25.59% #DIV/0!
Consumer/Gated Shows	0.00% #DIV/0!	0.00% #DIV/0!	0.00% #DIV/0!
Devos Performance Hall	45.65% #DIV/0!	72.14% #DIV/0!	79.71% #DIV/0!
Ballroom Exclusive	0.00% #DIV/0!	0.00% #DIV/0!	0.00% #DIV/0!
Meetings	6.52% #DIV/0!	3.17% #DIV/0!	6.54% #DIV/0!
Other	47.83% #DIV/0!	24.69% #DIV/0!	39.34% #DIV/0!

DeVos Place
Balance Sheet
As of June 30, 2021

ASSETS

Current Assets

Cash	2,012,042
Account Receivable	50,939
Prepaid Expenses	153,574

Total Current Assets		\$2,216,555
-----------------------------	--	--------------------

Total Assets		\$2,216,555
---------------------	--	--------------------

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	386,173
Accrued Expenses	132,492
Deferred Income	117,738
Advanced Ticket Sales & Deposits	1,784,545

Total Current Liabilities		\$2,420,949
---------------------------	--	-------------

Other Liabilities

Equity

Funds Remitted to CAA	-
Funds Received by CAA	2,712,429
Expenses Paid Direct by CAA	976,286
Beginning Balance Equity	154,402
Current Year Equity	(4,047,511)

Total Equity		(\$204,394)
--------------	--	-------------

Total Liabilities and Equity		\$2,216,555
-------------------------------------	--	--------------------

SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of June 30, 2021

Current - Under 30 Days	
Food & Beverage	-
Ticketing	-
Merchandise	-
Decorating	-
Audio/Visual	-
Van Andel Arena	(45,322)
Operating	39,777
Over 30 Days	-
Over 60 Days	56,484
Over 90 Days	
Total Accounts Receivable	50,939

**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 Estimate	DeVos Place Estimate	Total Estimate	FY 2020 Audited
Net Revenue above Expenses	(1,825,008)	(4,047,509)	(5,872,517)	152,577
Benchmark++			1,050,000	1,050,000
Excess	(1,825,008)	(4,047,509)	(6,922,517)	(897,423)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	180,338	180,338	360,676	358,526
Incentive Fee				
Revenue	634,175	175,842	810,017	10,799,359
Benchmark Revenue	5,263,794	4,650,537	9,914,331	9,855,200
Revenue Excess	(4,629,619)	(4,474,695)	(9,104,314)	990,033
Incentive Fee **	-	-	-	-
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 FISCAL YEAR ENDED JUNE 30, 2021

PRELIMINARY & UNAUDITED

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 FYE	BUDGET FYE	VARIANCE
NO. EVENTS	32		32	0	32
ATTENDANCE	13,119		13,119	0	13,119
DIRECT EVENT INCOME	99,001	-	99,001	166,258	(67,257)
ANCILLARY INCOME	20,690	-	20,690	228,632	(207,942)
OTHER EVENT INCOME	1,541	-	1,541	112,125	(110,584)
TOTAL EVENT INCOME	121,232	-	121,232	507,015	(385,783)
TOTAL OTHER INCOME	512,943	-	512,943	348,233	164,710
TOTAL INCOME	634,175	-	634,175	855,248	(221,073)
INDIRECT EXPENSES					
EXECUTIVE	186,386	-	186,386	199,008	12,622
FINANCE	173,007	-	173,007	177,924	4,917
MARKETING	109,239	-	109,239	169,640	60,401
OPERATIONS	769,615	-	769,615	1,441,751	672,136
BOX OFFICE	125,465	-	125,465	165,862	40,397
LUXURY SEATING	-	-	-	-	-
SKYWALK ADMIN	28,842	-	28,842	54,096	25,254
OVERHEAD	1,066,629	-	1,066,629	1,135,583	68,954
TOTAL INDIRECT EXP.	2,459,183	-	2,459,183	3,343,864	884,681
NET REVENUE ABOVE EXPENSES	(1,825,008)	-	(1,825,008)	(2,488,616)	663,608
LESS INCENTIVE FEE			-	-	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	(1,825,008)	-	(1,825,008)	(2,488,616)	663,608

Comments:

June concludes the end of the fiscal year. Limited events were hosted, however, the shortfall on expected revenue was offset by coming in under budget on indirect expenses.

DocuSigned by:



7ECB840AF00F405...
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	June Actual	June Budget	June FY 2020
Number of Events	10	-	-
Attendance	3,596	-	-
Direct Event Income	(\$62,172)	\$23,625	(\$50,491)
Ancillary Income	0	16,144	29,868
Other Event Income	441	16,500	7,029
Other Operating Income	29,779	52,318	163,086
Indirect Expenses	(269,693)	(322,832)	(306,223)
Net Income	(\$301,645)	(\$214,245)	(\$156,731)

YTD	YTD 2021 Actual	YTD 2021 Budget	YTD 2020 Prior Year
Number of Events	32	-	80
Attendance	13,119	-	510,841
Direct Event Income	\$99,001	\$166,258	\$871,465
Ancillary Income	20,690	228,632	1,663,696
Other Event Income	1,541	112,125	939,966
Other Operating Income	512,942	348,232	2,357,514
Indirect Expenses	(2,459,183)	(3,343,764)	(4,126,942)
Net Income	(\$1,825,008)	(\$2,488,517)	\$1,705,699

EVENT INCOME

No events were hosted during the month of June.

ANCILLARY INCOME

No events hosted during the month of June.

INDIRECT EXPENSES

Indirect expenses came in ahead of budget overall.

Van Andel Arena
Income Statement
For the Fiscal Year Ended June 30, 2021

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$ -	\$ 30,375	\$ (30,375)	\$ -	\$ 334,996	\$ 307,258	\$ 27,738	\$ 1,790,153
Service Revenue	-	35,000	(35,000)	(1,013)	126,156	232,750	(106,594)	2,161,344
Service Expenses	(62,172)	(41,750)	(20,422)	(49,478)	(362,151)	(373,750)	11,599	(3,080,032)
Total Direct Event Income	(62,172)	23,625	(85,797)	(50,491)	99,001	166,258	(67,257)	871,465
Ancillary Income								
F&B Concession	-	12,455	(12,455)	29,868	-	200,593	(200,593)	1,366,911
F&B Catering	-	1,229	(1,229)	-	-	16,219	(16,219)	138,279
Novelty Sales	-	2,460	(2,460)	-	-	11,820	(11,820)	158,109
Booth Cleaning	-	-	-	-	660	-	660	802
Audio Visual	-	-	-	-	-	-	-	95
Other Ancillary	-	-	-	-	20,030	-	20,030	(500)
Total Ancillary Income	0	16,144	(16,144)	29,868	20,690	228,632	(207,942)	1,663,696
Other Event Income								
Ticket Rebates(Per Event)	441	16,500	(16,059)	7,029	1,541	112,125	(110,584)	939,966
Total Other Event Income	441	16,500	(16,059)	7,029	1,541	112,125	(110,584)	939,966
Total Event Income	(61,731)	56,269	(118,000)	(13,594)	121,232	507,015	(385,783)	3,475,127
Other Operating Income								
Luxury Box Agreements	0	33,297	(33,297)	111,774	293,980	185,076	108,904	1,607,287
Advertising	0	13,021	(13,021)	34,798	144,466	91,156	53,310	641,966
Other Income	29,779	6,000	23,779	16,514	74,497	72,000	2,497	108,261
Total Other Operating Income	29,779	52,318	(22,539)	163,086	512,943	348,232	164,711	2,357,514
Adjusted Gross Income	(31,952)	108,587	(140,539)	149,492	634,175	855,247	(221,072)	5,832,640
Operating Expenses								
Salaries and Wages	83,019	89,164	(6,145)	72,844	770,637	970,278	(199,641)	2,042,695
Payroll Taxes and Benefits	26,317	20,766	5,551	120,221	335,046	224,270	110,776	676,147
Labor Allocations to Events	-	-	-	(19,278)	(108,939)	-	(108,939)	(895,128)
Net Salaries and Benefits	109,336	109,930	(594)	173,787	996,744	1,194,548	(197,804)	1,823,714
Contracted Services	6,004	24,150	(18,146)	7,155	52,378	144,900	(92,522)	238,785
General and Administrative	38,736	28,460	10,276	42,862	284,038	307,372	(23,334)	485,199
Operations	640	7,955	(7,315)	1,385	17,364	91,124	(73,760)	46,940
Repair and Maintenance	33,015	34,219	(1,204)	14,636	167,792	369,462	(201,670)	207,289
Operational Supplies	-	26,741	(26,741)	4,447	46,891	242,421	(195,530)	211,651
Insurance	23,360	14,595	8,765	5,736	176,220	148,079	28,141	191,311
Utilities	43,574	61,545	(17,971)	41,276	537,417	663,010	(125,593)	742,789
SMG Management Fees	15,028	15,237	(209)	14,939	180,339	182,848	(2,509)	179,263
Total Operating Expenses	269,693	322,832	(53,139)	306,223	2,459,183	3,343,764	(884,581)	4,126,942
Net Income(Loss) From Operations	(301,645)	(214,245)	(87,400)	(156,731)	(1,825,008)	(2,488,517)	663,509	1,705,699
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(301,645)	(214,245)	(87,400)	(156,731)	(1,825,008)	(2,488,517)	663,509	1,705,699

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

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	-	-	-	-	-	-
Sporting Event	4	-	3,836	-	67,535	-
Concert	-	-	-	-	1,100	-
Team Home Games	16	-	8,783	-	(1,007)	-
Other	12	-	500	-	53,604	-
GRAND TOTALS	32	-	13,119	-	121,232	-

As Percentage of Overall

Family Show	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	#DIV/0!
Sporting Event	12.50%	#DIV/0!	29.24%	#DIV/0!	55.71%	#DIV/0!
Concert	0.00%	#DIV/0!	0.00%	#DIV/0!	0.91%	#DIV/0!
Team Home Games	50.00%	#DIV/0!	66.95%	#DIV/0!	-0.83%	#DIV/0!
Other	37.50%	#DIV/0!	3.81%	#DIV/0!	44.22%	#DIV/0!

Van Andel Arena
Balance Sheet
As for June 30, 2021

ASSETS

Current Assets

Cash	10,021,977
Account Receivable	381,105
Prepaid Expenses	167,540

Total Current Assets	\$10,570,622	
-----------------------------	---------------------	--

Total Assets	\$10,570,622	
---------------------	---------------------	--

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	(62,671)
Accrued Expenses	105,847
Deferred Income	971,305
Advanced Ticket Sales & Deposits	9,976,276

Total Current Liabilities	\$10,990,757	
---------------------------	--------------	--

Other Liabilities

Equity

Funds Remitted to CAA	(64,038)
Funds Received by CAA	1,877,974
Expenses Paid Direct by CAA	496,104
Beginning Balance Equity	(905,167)
Current Year Equity	(1,825,008)

Total Equity	(\$420,135)	
--------------	-------------	--

Total Liabilities and Equity	\$10,570,622	
-------------------------------------	---------------------	--

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As for June 30, 2021

Current - Under 30 Days	
Food & Beverage	-
Ticketing	338,487
Merchandise	-
Permanent Advertising	-
DeVos Place	45,322
Operating	(2,704)
 Over 30 Days	
 Over 60 Days	
 Over 90 Days	
 Total Accounts Receivable	 381,105

**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 Estimate	DeVos Place Estimate	Total Estimate	FY 2020 Audited
Net Revenue above Expenses	(1,825,008)	(4,047,509)	(5,872,517)	152,577
Benchmark++			1,050,000	1,050,000
Excess	(1,825,008)	(4,047,509)	(6,922,517)	(897,423)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	180,338	180,338	360,676	358,526
Incentive Fee				
Revenue	634,175	175,842	810,017	10,799,359
Benchmark Revenue	5,263,794	4,650,537	9,914,331	9,855,200
Revenue Excess	(4,629,619)	(4,474,695)	(9,104,314)	990,033
Incentive Fee **	-	-	-	-
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.

DEVOS PLACE

DE VOS PLACE

FINANCIAL STATEMENT FOR THE MONTH ENDED JULY 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	17	252	269	269	-
ATTENDANCE	2,243	408,177	410,420	410,420	-
DIRECT EVENT INCOME	53,804	2,298,613	2,352,417	2,352,417	-
ANCILLARY INCOME	33,804	1,367,546	1,401,350	1,401,350	-
OTHER EVENT INCOME	0	287,498	287,498	287,498	-
TOTAL EVENT REVENUE	87,608	3,953,657	4,041,265	4,041,265	-
TOTAL OTHER REVENUE	5,674	96,326	102,000	102,000	-
TOTAL OPERATING REVENUE	93,282	4,049,983	4,143,265	4,143,265	-
INDIRECT EXPENSES					
EXECUTIVE	13,760	207,999	221,759	221,759	-
FINANCE	20,512	253,318	273,830	273,830	-
MARKETING	8,426	175,485	183,911	183,911	-
OPERATIONS	87,196	1,389,489	1,476,685	1,476,685	-
EVENT SERVICES	97,728	1,048,533	1,146,261	1,146,261	-
BOX OFFICE	15,135	153,489	168,624	168,624	-
SALES	34,133	451,827	485,960	485,960	-
OVERHEAD	139,805	1,812,316	1,952,121	1,952,121	-
TOTAL OPERATING EXP.	416,693	5,492,456	5,909,151	5,909,151	-
NET REVENUE ABOVE EXPENSES	(323,411)	(1,442,473)	(1,765,886)	(1,765,886)	-
INCENTIVE FEE		-	0	0	-
NET OPERATING REVENUE OVER OPERATING EXPENSES	(323,411)	(1,442,473)	(1,765,886)	(1,765,886)	-

Comments:

July marks the return of some events in the facility and while overall the facility fell short of budget, it was good to see some activity back in the venue.

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	July Actual	July Budget	July FY 2021
Number of Events	17	24	0
Attendance	2,243	10,250	0
Direct Event Income	\$53,804	\$50,100	\$500
Ancillary Income	33,804	41,043	(1,781)
Other Event Income	0	16,279	0
Other Operating Income	5,674	8,500	2,071
Indirect Expenses	(416,693)	(376,938)	(319,768)
Net Income	(\$323,411)	(\$261,016)	(\$318,978)

YTD	YTD 2021 Actual	YTD 2021 Budget	YTD 2021 Prior Year
Number of Events	17	24	0
Attendance	2,243	10,250	0
Direct Event Income	\$53,804	\$50,100	\$500
Ancillary Income	33,804	41,043	(1,781)
Other Event Income	0	16,279	0
Other Operating Income	5,674	8,500	2,071
Indirect Expenses	(416,693)	(376,938)	(319,768)
Net Income	(\$323,411)	(\$261,016)	(\$318,978)

EVENT INCOME

July marked the first month of somewhat consistent event activity in the facility with 17 event days hosted during the month.

ANCILLARY INCOME

Ancillary income fell a little short of budget overall as no theater events were hosted during the month as originally budgeted.

INDIRECT EXPENSES

Indirect expenses came in higher than budget with most of the overage coming in labor as our return to work plan was accelerated due to higher than expected event load in August and September.

DeVos Place
Income Statement
For the One Month Ended July 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	\$53,538	\$50,100	\$ 3,438	\$500	\$53,538	\$50,100	\$ 3,438	\$500
Service Revenue	43,223	47,500	(4,277)	0	43,223	47,500	(4,277)	0
Service Expenses	(42,957)	(47,500)	4,543	0	(42,957)	(47,500)	4,543	0
Total Direct Event Income	53,804	50,100	3,704	500	53,804	50,100	3,704	500
Ancillary Income								
F&B Concession	0	2,074	(2,074)	0	0	2,074	(2,074)	0
F&B Catering	9,488	16,278	(6,790)	0	9,488	16,278	(6,790)	0
Novelty Sales	0	-	-	0	0	-	-	0
Booth Cleaning	7,601	4,052	3,549	0	7,601	4,052	3,549	0
Telephone/Long Distance	0	-	-	0	0	-	-	0
Electrical Services	5,983	5,513	470	0	5,983	5,513	470	0
Audio Visual	8,897	8,773	124	0	8,897	8,773	124	0
Internet Services	(790)	2,193	4,764	(1,781)	(790)	2,193	(2,983)	(1,781)
Equipment Rental	2,625	2,160	465	0	2,625	2,160	465	0
Total Ancillary Income	33,804	41,043	(7,239)	(1,781)	33,804	41,043	(7,239)	(1,781)
Other Event Income								
Ticket Rebates(Per Event)	-	16,279	(16,279)	0	-	16,279	(16,279)	-
Total Other Event Income	0	16,279	(16,279)	0	0	16,279	(16,279)	0
Total Event Income	87,608	107,422	(19,814)	(1,281)	87,608	107,422	(19,814)	(1,281)
Other Operating Income								
Luxury Box Agreements	0	2,000	(2,000)	775	0	2,000	(2,000)	775
Advertising	0	0	-	0	0	0	-	0
Other Income	5,674	6,500	(826)	1,296	5,674	6,500	(826)	1,296
Total Other Operating Income	5,674	8,500	(2,826)	2,071	5,674	8,500	(2,826)	2,071
Adjusted Gross Income	93,282	115,922	(22,640)	790	93,282	115,922	(22,640)	790
Operating Expenses								
Salaries and Wages	247,960	202,967	44,993	251,650	247,960	202,967	44,993	251,650
Payroll Taxes and Benefits	80,192	58,972	21,220	73,285	80,192	58,972	21,220	73,285
Labor Allocations to Events	(132,607)	(126,398)	(6,209)	(147,844)	(132,607)	(126,398)	(6,209)	(147,844)
Net Salaries and Benefits	195,545	135,541	60,004	177,091	195,545	135,541	60,004	177,091
Contracted Services	22,627	28,046	(5,419)	2,008	22,627	28,046	(5,419)	2,008
General and Administrative	17,767	21,432	(3,665)	14,214	17,767	21,432	(3,665)	14,214
Operations	5,733	11,946	(6,213)	3,701	5,733	11,946	(6,213)	3,701
Repair and Maintenance	34,408	47,100	(12,692)	12,399	34,408	47,100	(12,692)	12,399
Operational Supplies	15,449	15,675	(226)	900	15,449	15,675	(226)	900
Insurance	15,182	18,969	(3,787)	12,639	15,182	18,969	(3,787)	12,639
Utilities	94,954	82,900	12,054	81,877	94,954	82,900	12,054	81,877
SMG Management Fees	15,028	15,329	(301)	14,939	15,028	15,329	(301)	14,939
Total Operating Expenses	416,693	376,938	39,755	319,768	416,693	376,938	39,755	319,768
Net Income(Loss) From Operatic	(323,411)	(261,016)	(62,395)	(318,978)	(323,411)	(261,016)	(62,395)	(318,978)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(323,411)	(261,016)	(62,395)	(318,978)	(323,411)	(261,016)	(62,395)	(318,978)

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

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	7	-	1,750	-	76,707	76,899
Consumer/Gated Shows	-	-	-	-	-	-
DeVos Performance Hall	8	-	70	-	5,701	30,524
Banquets	-	-	-	-	-	-
Meetings	-	-	-	-	-	-
Other	2	-	423	-	5,201	-
GRAND TOTALS	17	-	2,243	-	87,608	107,422

As Percentage of Overall

Convention/Trade Shows	41.18%	#DIV/0!	78.02%	#DIV/0!	87.56%	71.59%
Consumer/Gated Shows	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	0.00%
Devos Performance Hall	47.06%	#DIV/0!	3.12%	#DIV/0!	6.51%	28.42%
Ballroom Exclusive	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	0.00%
Meetings	0.00%	#DIV/0!	0.00%	#DIV/0!	0.00%	0.00%
Other	11.76%	#DIV/0!	18.86%	#DIV/0!	5.94%	0.00%

**DeVos Place
Balance Sheet
As of July 31, 2021**

ASSETS

Current Assets

Cash	1,916,136
Account Receivable	232,496
Prepaid Expenses	136,759

Total Current Assets	\$2,285,391	
-----------------------------	--------------------	--

Total Assets	\$2,285,391	
---------------------	--------------------	--

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	363,524
Accrued Expenses	132,360
Deferred Income	127,743
Advanced Ticket Sales & Deposits	2,102,703

Total Current Liabilities	\$2,726,331	
---------------------------	-------------	--

Other Liabilities

Equity

Funds Remitted to CAA	(5,500)
Funds Received by CAA	
Expenses Paid Direct by CAA	92,366
Beginning Balance Equity	(204,395)
Current Year Equity	(323,411)

Total Equity	(\$440,940)	
--------------	-------------	--

Total Liabilities and Equity	\$2,285,391	
-------------------------------------	--------------------	--

SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of July 31, 2021

Current - Under 30 Days	
Food & Beverage	9,488
Ticketing	-
Merchandise	-
Decorating	7,601
Audio/Visual	8,896
Van Andel Arena	67,033
Operating	91,491
 Over 30 Days	 -
 Over 60 Days	 47,987
 Over 90 Days	
Total Accounts Receivable	232,496

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

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Estimated
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 Estimate
Base Fee	180,338	180,338	360,676	360,676
Incentive Fee				
Revenue	4,746,644	4,143,265	8,889,909	810,017
Benchmark Revenue	5,263,794	4,650,537	9,914,331	9,914,331
Revenue Excess	(517,150)	(507,272)	(1,024,422)	(9,104,314)
Incentive Fee **	-	-	-	-
Total SMG Management Fee	180,338	180,338	360,676	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 JULY 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, 2021

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	-	78	78	78	-
ATTENDANCE	-	523,600	523,600	523,600	-
DIRECT EVENT INCOME	0	913,770	913,770	913,770	-
ANCILLARY INCOME	0	1,334,871	1,334,871	1,334,871	-
OTHER EVENT INCOME	87	593,513	593,600	593,600	-
TOTAL EVENT INCOME	87	2,842,154	2,842,241	2,842,241	-
TOTAL OTHER INCOME	555	1,903,848	1,904,403	1,904,403	-
TOTAL INCOME	642	4,746,002	4,746,644	4,746,644	-
INDIRECT EXPENSES					
EXECUTIVE	16,760	237,582	254,342	254,342	-
FINANCE	16,991	219,275	236,266	236,266	-
MARKETING	9,740	276,721	286,461	286,461	-
OPERATIONS	106,040	1,965,138	2,071,178	2,071,178	-
BOX OFFICE	14,815	284,197	299,012	299,012	-
LUXURY SEATING	-	-	-	-	-
SKYWALK ADMIN	2,863	48,374	51,237	51,237	-
OVERHEAD	80,694	1,235,103	1,315,797	1,315,797	-
TOTAL INDIRECT EXP.	247,903	4,266,390	4,514,293	4,514,293	-
NET REVENUE ABOVE EXPENSES	(247,261)	479,612	232,351	232,351	-
LESS INCENTIVE FEE			-	-	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	(247,261)	479,612	232,351	232,351	-

Comments:

July starts a new fiscal year and will likely be the last dark month as events are scheduled to begin in August.

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	July Actual	July Budget	July FY 2021
Number of Events	-	-	-
Attendance	-	-	-
Direct Event Income	\$0	\$0	\$0
Ancillary Income	0	0	0
Other Event Income	87	0	(143)
Other Operating Income	555	0	148,215
Indirect Expenses	(247,904)	(291,080)	(176,032)
Net Income	(\$247,262)	(\$291,080)	(\$27,960)

YTD	YTD 2021 Actual	YTD 2021 Budget	YTD 2021 Prior Year
Number of Events	-	-	-
Attendance	-	-	-
Direct Event Income	\$0	\$0	\$0
Ancillary Income	0	0	0
Other Event Income	87	0	(143)
Other Operating Income	555	0	148,215
Indirect Expenses	(247,904)	(291,080)	(176,032)
Net Income	(\$247,261)	(\$291,080)	(\$27,960)

EVENT INCOME

No events were hosted during the month of July.

ANCILLARY INCOME

No events hosted during the month of July.

INDIRECT EXPENSES

Indirect expenses came in ahead of budget overall.

Van Andel Arena
Income Statement
For the One Month Ended July 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service Revenue	-	-	-	-	-	-	-	-
Service Expenses	-	-	-	-	-	-	-	-
Total Direct Event Income	0	0	0	0	0	0	0	0
Ancillary Income								
F&B Concession	-	-	-	-	-	-	-	-
F&B Catering	-	-	-	-	-	-	-	-
Novelty Sales	-	-	-	-	-	-	-	-
Booth Cleaning	-	-	-	-	-	-	-	-
Audio Visual	-	-	-	-	-	-	-	-
Other Ancillary	-	-	-	-	-	-	-	-
Total Ancillary Income	0	0	0	0	0	0	0	0
Other Event Income								
Ticket Rebates(Per Event)	87	-	87	(143)	87	-	87	(143)
Total Other Event Income	87	0	87	(143)	87	0	87	(143)
Total Event Income	87	0	87	(143)	87	0	87	(143)
Other Operating Income								
Luxury Box Agreements	-	-	-	97,993	-	-	0	97,993
Advertising	-	-	-	48,155	-	-	0	48,155
Other Income	555	-	555	2,067	555	-	555	2,067
Total Other Operating Income	555	0	555	148,215	555	0	555	148,215
Adjusted Gross Income	642	0	642	148,072	642	0	642	148,072
Operating Expenses								
Salaries and Wages	86,087	82,140	3,947	54,431	86,087	82,140	3,947	54,431
Payroll Taxes and Benefits	27,668	32,012	(4,344)	27,752	27,668	32,012	(4,344)	27,752
Labor Allocations to Events	-	-	-	-	-	-	-	-
Net Salaries and Benefits	113,755	114,152	(397)	82,183	113,755	114,152	(397)	82,183
Contracted Services	25,283	27,446	(2,163)	2,008	25,283	27,446	(2,163)	2,008
General and Administrative	27,960	22,827	5,133	14,126	27,960	22,827	5,133	14,126
Operations	1,364	7,232	(5,868)	2,029	1,364	7,232	(5,868)	2,029
Repair and Maintenance	16,027	30,875	(14,848)	11,812	16,027	30,875	(14,848)	11,812
Operational Supplies	2,968	15,558	(12,590)	-	2,968	15,558	(12,590)	-
Insurance	6,330	11,036	(4,706)	5,469	6,330	11,036	(4,706)	5,469
Utilities	39,188	46,625	(7,437)	43,466	39,188	46,625	(7,437)	43,466
SMG Management Fees	15,028	15,329	(301)	14,939	15,028	15,329	(301)	14,939
Total Operating Expenses	247,903	291,080	(43,177)	176,032	247,903	291,080	(43,177)	176,033
Net Income(Loss) From Operations	(247,261)	(291,080)	43,819	(27,960)	(247,261)	(291,080)	43,819	(27,960)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(247,261)	(291,080)	43,819	(27,960)	(247,261)	(291,080)	43,819	(27,960)

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
For the One Month Ended July 31, 2021

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	-	-	-	-	-	-
Sporting Event	-	-	-	-	-	-
Concert	-	-	-	-	-	-
Team Home Games	-	-	-	-	-	-
Other	-	-	-	-	-	-
GRAND TOTALS	-	-	-	-	-	-

As Percentage of Overall

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

Van Andel Arena
Balance Sheet
As of July 31, 2021

ASSETS

Current Assets

Cash	10,163,216
Account Receivable	202,612
Prepaid Expenses	170,951

Total Current Assets

\$10,536,779

Total Assets

\$10,536,779

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	180,083
Accrued Expenses	77,725
Deferred Income	603,050
Advanced Ticket Sales & Deposits	10,308,964

Total Current Liabilities

\$11,169,822

Other Liabilities

Equity

Funds Remitted to CAA	-
Funds Received by CAA	-
Expenses Paid Direct by CAA	36,665
Beginning Balance Equity	(422,447)
Current Year Equity	(247,261)

Total Equity

(\$633,043)

Total Liabilities and Equity

\$10,536,779

SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of July 31, 2021

Current - Under 30 Days	
Food & Beverage	-
Ticketing	271,227
Merchandise	-
Permanent Advertising	-
DeVos Place	(68,615)
Operating	-
 Over 30 Days	
 Over 60 Days	
 Over 90 Days	
 Total Accounts Receivable	 202,612

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

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2021 Estimated
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 Estimate
Base Fee	180,338	180,338	360,676	360,676
Incentive Fee				
Revenue	4,746,644	4,143,265	8,889,909	810,017
Benchmark Revenue	5,263,794	4,650,537	9,914,331	9,914,331
Revenue Excess	(517,150)	(507,272)	(1,024,422)	(9,104,314)
Incentive Fee **	-	-	-	-
Total SMG Management Fee	180,338	180,338	360,676	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.

Memorandum

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

From: Robert White

Subject: Auto Parking System Periodic Reporting

Date: July 26, 2021

The previously (6/5/20) adopted “Parking Operation Agreement” requires the City-Auto Parking System to provide a quarterly report regarding City/County utilization of discounted DeVos Place® monthly parking passes. The content of this fourth quarter (FY21) periodic report includes the following information:

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

The City currently holds 117 monthly passes.
The County currently holds 179 monthly passes.

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

The City increased the number of passes out by 1 between 4/1/21 and 6/30/21.
The County decreased the number of passes out by 2 between 4/1/21 and 6/30/21.

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

The current (public) monthly pass rate is \$154, while the discounted City/County rate is \$62.78.
The City currently holds 117 passes with a total annualized discount of \$128,073.
The County currently holds 179 passes with a total annualized discount of \$195,941.

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

Cc: Richard MacKeigan

Account	Previous End of Quarter Space Count Q2 FY21	Total Spaces End of Q3 FY21	Space Count Change	Current Monthly Market Rate Price Difference EOQ*	Monthly Price Difference Variance, Prev Quarter
17 th Circuit Court	26	25	-1	\$2,280.50	(\$91.22)
KC Facilities Management	155	154	-1	\$14,047.88	(\$91.22)
City of GR	116	117	1	\$10,672.74	\$91.22
Total	297	297	-1	\$27,001.12	(\$91.22)

*Current Market Rate is \$154 monthly, City/County Contractual Rate is \$62.78 monthly, effective 7/1/2020.

Memorandum

To: CAA Finance Committee and CAA Board

From: Susan Waddell, Administrative Manager

Date: June 1, 2021

Re: SVOG (Shuttered Venue Operators Grant) Program Update

As reported at the June CAA Meeting, the SVOG program established by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, to specifically help shuttered venues due to the COVID-19 pandemic, included over \$16 billion in grants to be administered by SBA's Office of Disaster Assistance. Eligible applicants qualified for grants equal to 45% of their gross earned revenue, with the maximum amount available for a single grant award of \$10 million. Eligible entities must have been in operation as of June 29, 2020.

The CAA submitted its grant application on May 7, 2021, and the application formula calculated an award of \$8.2 million. On July 19, 2021, the US Small Business Administration informed that CAA that its grant application was approved in the full award amount, and the SBA released the grant funds in a single disbursement on July 21, 2021. The CAA has one year from the date of the award to expend the grant funds, and funds can be used only to pay allowable items of cost incurred between March 1, 2020, and December 31, 2021. Going forward, the CAA will need to review the allowable uses of funds and maintain documentation that the CAA used grant funds for allowable purposes. The CAA is also required to maintain any documentation pertaining to the grant award, including employment records and eligibility records.

Within 15 days of expending all the SVOG funds, the CAA will need to submit a final report, a brief narrative describing all expenditures; and documents such as receipts, invoices, or statements to support the expenditures. All grantees that expended \$750,000 or more in federal funds during the fiscal year will be required to obtain an external audit and submit information regarding the audit to SBA.

ADDITIONAL UPDATE: The CAA is eligible for a supplemental award in the amount of \$1,797,735.25 and amended performance period. The amended performance period will allow the CAA to use SVOG funds for expenses through June 30, 2022 and lengthen the budget period to 18 months (versus the current 12 months) from the date of the CAA's initial grant. On August 30, 2021, I confirmed that the CAA would apply for the supplemental grant. With the supplemental amount, the CAA will have received a total SVOG grant of \$10 million, the maximum award possible.