



Halifax Hawks Board of Directors June 2023 Finance Update - AGM

Annual Report to Members – Finance Committee

Overall our association remains strong financially and provides for flexibility into F23/24 for the Hawks. This fiscal year we made progress in multiple areas to support delivery of the HHMHA's strategy. Key examples of this progress include:

- **Investing in the association through special projects**
 - Design and construction completed on a new equipment room at Centennial Arena.
 - On-ice branding for Centennial Arena
 - Branding / painting Dressing Room #2 at Centennial Arena
 - Development of "Alumni Wall" for Centennial arena to celebrate our legacy through our most accomplished players and coaches in the history of the Hawks
 - These initiatives represented an investment of ~\$30,000 in improving our home arena and the experience our members and players will have
- **Investing in equipment (Jerseys, Goalie Equipment and other)**
 - The association purchased a complete new set of home and away jersey's for all teams ~\$44,000
 - Invested an additional \$32,000 in goalie and other equipment
 - Total of \$76,625 in equipment purchases for this past fiscal year which we believe is the largest single-year equipment purchase we have ever done
- **Fundraising**
 - Through a combination of efforts from across the association, including the very successful Rawk the Rink, 50/50 and corporate donations we raised over \$22,000 this year which is up considerably from prior year (thanks to all involved!)
- **Simplifying financial operations**
 - We observed that our year end and AGM in prior years took place over the summer months, leaving little time to implement changes for the upcoming fiscal year before registration and season preparations needed to begin
 - i. As a result the executive committee voted mid year to change our fiscal year end to April 30th, including this year
 - ii. We are proposing we make this change permanent (see below for resolution)
 - We also noted that expenses for audit support were the highest of any MHA that we were able to speak with on this topic and needed to optimize our use of professional support
 - i. We have transitioned our financial and tax advisor (MNP LLP) from our auditor to an advisory capacity
 - ii. They assisted us through the year end process including the production of financial statements
 - iii. We expect to leverage further assistance in filing HHMHA tax returns, in particular this year where we will have to file two sets of returns in light of the fiscal year end change noted above

- We also worked with Scotiabank, our bank, to simplify both team and association banking processes that put some added responsibilities at the association level but simplified team operations and controls at the same time

Despite this progress, we had budgeted to have 707 players this year and following registration ended up with a total of 650 players. This represented an approximate \$55,000 reduction in revenue for the association across all of our divisions. Following some great work by divisional and operations leaders, we were able to reduce costs (mostly ice and officials time resulting from fewer teams) by almost \$49,000 to partially mitigate the financial impact. Having said that, a return to membership growth should be a priority as we move into F23/24 as having strong membership is critical to maintaining our financial flexibility in the years to come.

Furthermore, as of the date of our AGM, we are aware of cost increases in several parts of the business which need to be accommodated through player fees increase for next fiscal year. These include insurance cost from Hockey Nova Scotia (\$10.50 per player higher than last year), inflation cost increases for both labour (~5%) and ice (~3%). Collectively this adds structural cost increases; some of which at least need to be passed onto members. See below a corresponding resolution to increase fees for the upcoming fiscal year. We are seeking board approval at this time as we are opening registration in early July and need to prepare member communications and finalize registration logistics.

1. The board of directors approves the financial statements for the F22-23 fiscal year, as presented and discussed at the HHMHA AGM on June 14, 2023 (attached herewith);
2. The board of directors approves fee increase of \$20 per player for FY 23/24 to cover direct cost increases as outlined above. Families who need support with fees are welcome to apply to the Player Assistance Fund. All valid funding requests submitted in FY22/23 were approved and paid. We expect a similar opportunity for families in F23/24, subject to the annual budget, which will be delivered for board approval in August 2023;
3. The board of directors approves changing the fiscal year from June 1-May 30 to May 1- April 30 for the future fiscal years;
4. The board of directors approves the re-appointment of MNP LLP as the HHMHA finance and tax advisor for the F23-24 fiscal year; and
5. The VP Finance is seeking two (2) additional volunteers to join the finance committee for FY23-24.

Thank you and Go Hawks!



Steven P. Maynard
Halifax Hawks Minor Hockey Association