



Halifax Hawks AGM 2023/2024 Season Finance Update

Items for decision:

- Review and approve 2023/2024 financial statements
- Approve the proposed membership fee changes for the 2024/2025 season

1. Review and approve 2023/2024 financial statements

While our association remains financially strong, our results for 2023/2024 season showed an operating deficit of ~\$22K and a ~\$43 after depreciation. This was the result of lower registrations than planned and higher costs following the increased inflation all parts of our economy have experienced. Of note the per hour cost of ice (9%) insurance (20%), officials (6%), wages (5%) have all grown at rates higher than we have experienced in the last decade. Overall, the impact of the unadjusted cost from 23/24 and the expected inflation in 24/25 is approximately 11%. As a not-for-profit entity and in accordance with our by-laws and accounting policies, it is our duty to ensure that we are maintaining the financial health and stability of the association.

Note that, per the Halifax Hawks finance policy, the short-term deficit that we experienced this year will be covered by operating reserve which is set aside to deal with short term pressures like those we experienced this year. As a reminder the policy provides for a maximum of \$60K to be used from unrestricted funds to accommodate short term deficit position. No restricted funds were used for this purpose. Of note, other associations are facing similar pressures as the Hawks. Those who did not increase fees to keep up with these cost increases last year are planning to do so for the upcoming season.

General and administration costs increased. We have engaged Cambridge Financial to support the association with both book keeping and tax filings. Also note that the association received a small business loan under C-19. This \$40,000 was repaid this year in advance of the maturity due date on January 18, 2024. This impacted our cash position for year end results by the same amount as we were able to carry the non-interest bearing loan for over three years, which had the effort of inflating our typical cash position.

2. Review and approve 2024/2025 registration fee and competitive fee changes

We have also performed benchmarking our fees, by division, across the other Central Minor Hockey associations which showed in some cases we were under what other associations were charging for those

same divisions. Finally, we reviewed the fee structure to identify opportunities to standardize and simplify the fee structure across divisions, where appropriate.

	U7	U9	U11	U13	U15	U18
Registration fees	\$570	\$630	\$855	\$855	\$780	\$725
Tryout fees	--	--	\$150	\$150	\$150	\$150
Competitive fees						
U11 AA	--	--	\$330	--	--	--
U11 A & B	--	--	\$310	--	--	--
U13 AAA	--	--	--	\$630	--	--
U13 AA, A & B	--	--	--	\$425	--	--
U15 A & AA	--	--	--	--	\$630	--
U15 B	--	--	--	--	\$425	--
U18 AA	--	--	--	--	--	\$740

We are proposing to increase registration fees by 10% on average across all members. Based on the benchmarking results, however, this increase has been applied bring divisions in closer alignment with “market” fees.

For reference, the table below outlines the LOW and HIGH benchmarking results from across the CMHL. Note that the fees highlighted in GREEN are Halifax Hawks fees from the 23/24 season. Of note Hawks U9, U15 and U18 fees were well below market.

Benchmarking summary for CMHL

	Low	High
U7	\$ 450.00	\$ 575.00
U9	\$ 630.00	\$ 750.00
U11-U18	\$ 725.00	\$ 970.00
Competitive Fee	\$ 200.00	\$ 740.00
Tryout Fee	\$ 150.00	\$ 200.00

In developing the recommended fees for the upcoming season, particular consideration was made to bring fees in closer alignment with the fees from other teams in the CMHL, harmonize and simplify the overall fee structure and to be able to recover, in aggregate, all association expenses that we will need to operationally absorb through the fees we charge our members. We have not proposed fee increases to the U7 division but all other divisions will be impacted, as outlined in the table below. Please also note tryout fees have been increased by \$10 per player to bring us closer in line with our peer associations.

Proposed NEW fees by division for the 2024/2025 season:



Halifax Hawks
Fee Analysis - 2024/2025

	Target	U7	U9	U11	U13	U15	U18	Total Revenue Impact
Impact Summary								
Target Value	\$ 54,000							\$ 53,765
Revenue Impact		\$ -	\$ 7,760	\$ 7,085	\$ 8,060	\$ 13,720	\$ 6,375	
Increase PP (Proposed)		\$ -	\$ 80	\$ 65	\$ 65	\$ 140	\$ 75	
Registration Fee (Proposed)		\$ 570	\$ 710	\$ 920	\$ 920	\$ 920	\$ 800	
Players		111	97	109	124	98	85	
Competitive Fees 2024/2025								
	Players (Est)							
Tryout Fees		\$ -	\$ -	\$ 160	\$ 160	\$ 160	\$ 160	
Competitive Fees								
U11AA	34			\$ 350				
U11A & B	34			\$ 350				
U13 AAA/AA	36				\$ 700			
U13 A, B	34				\$ 475			
U15 AA, A	34					\$ 650		
U15 B	17					\$ 650		
U 18 AA	17						\$ 740	

Items for Discussion:

1. 2024 / 2025 Budget Progress and Update

- Finance Committee has been working through the budget development process.
- The budget will be brought forward at the September 2023 meeting for approval prior to the commencement of season
- 2024/2025 will balance to ensure the financial health of the association remains strong for years to come and changes in our fee structure for the upcoming season as well as ongoing prudent financial management will enable this goal.

Thank you and Go Hawks!

Finance Committee – Halifax Hawks
Steven P. Maynard, VP Finance
Halifax Hawks Minor Hockey Association

Appendix: Financial statements overview for 2023/2024 season



Halifax Hawks Minor Hockey Association Overview

For 2023 - 2024 Season

2023 / 2024 Year End Results

Key season statistics	Budget	Actuals	Variance
Membership	651	624 \$	(27)
Season registration \$	591,180 \$	581,245 \$	(9,935.00)
Other revenue \$	139,200 \$	140,161 \$	960.98
Operational expenses \$	148,168 \$	139,930 \$	8,237.75
Divisional expenses \$	495,931 \$	518,869 \$	(22,938.12)
General and administration expenses \$	77,062 \$	82,484 \$	(5,422.06)
Depreciation		\$ 21,782 \$	21,782.00
Excess revenues over expenses \$	(12,563.00) \$	(43,456) \$	(30,893.20)

	For the seasons year ended May 31st, 24			2024 Actuals	2023 Season	Change Y/Y
	General Fund	Capital Fund	Reserve Fund	Total	Total	\$
Revenues						
Season registration	581,245			581,245	571,980	9,265
Tryout registration	34,059			34,059	34,250	(191)
Development revenue	77,835			77,835	72,516	5,319
Interest revenue	1,222			1,222	200	1,022
Fundraising and donations	27,045			27,045	22,200	4,845
Total revenues	721,406	-	-	721,406	701,146	20,260
Expenses						
Operational expenses (see schedule)	141,727			141,727	147,783	6,056
Divisional expenses (see schedule)	518,869			518,869	453,149	(65,720)
General and administration (see schedule)	82,484			82,484	75,681	(6,803)
Depreciation		21,782		21,782	34,904	13,122
Total operational expenses	743,080	21,782	-	764,862	711,517	(53,345)
Excess revenues over expenses	(21,674)	(21,782)	-	(43,456)	(10,371)	(33,085)
Fund balances, beginning of season	30,000	13,072	184,319	227,391	267,391	(40,000)
Excess revenues over expenses	(21,674)	(21,782)	-	(43,456)	(10,371)	(33,085)
Interfund transfers	-	10,000	(10,000)	-	-	-
Fund balances, end of season	8,326	1,290	174,319	183,935	257,020	(73,085)



Halifax Hawks Minor Hockey Association Schedule of Expenses

For the seasons year ended May 31st, 2024 **23/24 Actuals** Prior season Difference

	Total	Total	\$
Operational expenses			
Clinic and certification	12,801	12,070	(732)
Development and facilitation	36,768	32,843	(3,926)
Equipment and supplies	17,774	17,238	(535)
Meals and entertainment	2,769	202	(2,567)
Salaries (includng profit share)	70,913	64,083	(6,830)
Travel	702	43	(659)
Total operational expenses	141,727	126,478	(15,249)
Divisional expenses			
Ice rental, net	398,930	369,264	(29,666)
Officials	42,424	38,215	(4,209)
League fees	6,140	5,930	(210)
Development and facilitation	8,400	2,150	(6,250)
Equipment and supplies	5,820	6,854	1,034
Insurance	57,155	52,734	(4,421)
Total divisional expenses	518,869	475,147	(43,722)
General and administration			
Advertising	213	24	(189)
Bank fees	718	(13)	(730)
Communications	8,218	2,907	(5,311)
External audit and legal fees	3,400	9,952	6,552
Office equipment and supplies	8,077	5,564	(2,513)
Meals and entertainment	2,102	2,615	513
Non-income taxes	7,131	7,431	300
Payroll related expenses	44,050	42,002	(2,048)
Transaction fees	8,576	9,932	1,356
Total general and administration	82,484	80,415	(2,069)