

VP Finance Report – Eric Metzler AGM Oct 11/2017

Fiscal 2016 represented a fifth year of positive financial performance for the LBCA that in large part to the work by management and staff surrounding cost containment. This allowed us to solidify our capital reserves and grow our Capital Reserve Fund.

Our working capital position is stronger than in prior year and our balance sheet is stable. Due to the increased competition in the city and the current economic situation, we need to ensure that we remain as focused on costs as we are on increasing our revenues and overall utilization.

Our budget for 2017/2018 reflects capital projects to enhance the facility as well as anticipated growth in utilization of the facility as a whole.

Fiscal 2017 profit is lower than 2016 due in part to the following factors:

- There was no casino in the current year, causing a decline in the casino funds.
- Greater utility costs in large part to the Carbon Tax which began in January.
- More repairs and maintenance expenses as we were challenged with some large projects in the year.
- These were partially offset by some larger grants that we received and increased facility rentals and program earnings.

As noted in the prior year, some of the larger lifecycle repairs were pushed into this year, which caused the repairs and maintenance expense to increase dramatically.

Further as noted in the prior year, our facility is showing it's age. And while we continue to maintain the upkeep, our ability to stay in front of the costs is going to get increasingly more difficult.

Some of the projects that we were able to complete during the year included the following:

- Upgrade to the washrooms in the Lobby
- Access gates to the benches in the Large Arena
- Replacing the boards in the Small Arena
- New Sound system in the Arena
- Repairs to the Boiler and storage tank
- Refinishing the floor in the Gym
- Repairing the Basketball nets in the Gym
- Completing the Entrance signs

As we move into fiscal 2018, we have secured a long term tenant for the Bonavista Room upstairs which will offer stability and a consistent revenue stream. We have also planned more focus on utilization and keeping the facility vibrant and open to the community.

This concludes my first year as the VP Finance. There has been a large learning curve, however, I look forward to another prosperous year for the LBCA.

Eric Metzler
VP Finance