

## Ice Arena Finances

	Expenditures	Revenues	Principal	Interest	Annual Total
<b>2015</b>	2,107,211	2,171,061	500,000	84,920	<b>584,920</b>
<b>2016</b>	1,735,010	2,202,031	480,000	83,160	<b>563,160</b>
<b>2017</b>	1,657,727	2,132,426	490,000	71,640	<b>561,640</b>
<b>2018</b>	1,597,966	1,957,549	480,000	79,188	<b>559,188</b>
<b>2019</b>	1,682,737	2,021,295	490,000	47,880	<b>537,880</b>
<b>2020</b>	1,572,998	1,563,471	500,000	36,120	<b>536,120</b>
<b>2021</b>	1,327,214	1,143,307	490,000	47,880	<b>537,880</b>
<b>2022</b>	1,768,305	1,806,725	500,000	36,120	<b>536,120</b>
<b>2023</b>	1,998,428	1,819,955	485,000	24,120	<b>509,120</b>
<b>2024</b>	2,186,402	2,080,950	520,000	12,480	<b>532,480</b>
<b>2025</b>	2,580,802	1,999,802			
<b>2026</b>	1,833,645	2,017,645	<b>Budgeted</b>		

Unaudited

Parking Lot Improvements & Exterior ADA Updates - Ice Arena

Exterior Doors and Interior Doors

Public Address System replacement (2; one for each rink) - Ice Arena

Replace Bay Doors

Replacement Flooring in Downstairs

Carpet Replacement and Office Cubicle

Replace Boards and Glass in both rinks

Zamboni Replacement (2 of 2) - Ice Arena **(every 10 years)**

Parking Lots

Buildings & Property

Buildings & Property

Buildings & Property

Buildings & Property

Buildings & Property

Buildings & Property

Machinery & Equipment

FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
YR 1		YR 2		YR 3		YR 4		YR 5		YR 6	
\$	740,957	\$	-	\$	-	\$	-	\$	-	\$	-
	-		60,000		-		-		-		-
	-		25,330		-		-		-		-
	-		-		75,000		-		-		-
	-		-		-		175,000		-		-
	-		-		-		150,000		-		-
	-		-		-		-		550,000		-
	117,540		-		-		-		-		-
\$	858,497	\$	85,330	\$	75,000	\$	325,000	\$	550,000	\$	-

**Last Four Years Debt Service Payment**

FY	Principal	Interest	Annual Total
2020-2021	\$ 490,000	\$ 47,880	\$ 537,880
2021-2022	500,000	36,120	\$ 536,120
2022-2023	485,000	24,120	\$ 509,120
2023-2024	520,000	12,480	\$ 532,480

	<u>6/30/2025</u>
Cash and Investments	\$ 824,833
Per FY 2026 Budget:	
Exp/Rev FY 2026	(581,000)
Rev/Exp FY 2027	184,000
Rev/Exp FY 2028	250,000
Three year cumulative Rev/Exp	<u>(147,000)</u>
Est ending cash balance FY 2028	\$ 677,833
FY 2029 CIP	325,000
FY 2030 CIP	550,000

# Novi City Council Consultant Review Committee Report

We are pleased to provide the City Council Consultant Review Committee with this report, which outlines our programs, operations, ice rental activity, and ongoing facility projects. As a service-driven organization, we prioritize customer satisfaction and community engagement.

Key performance indicators include ice sales, programming, public activities, concessions, and facility maintenance. Ice rentals account for approximately 49% of total revenue, serving a wide range of users including the Novi Youth Hockey Association, HB Hockey Club, local high schools, tournaments, and private renters.

While we rent ice to the Novi Youth Hockey Association, we do not manage the organization. Suburban Sports Group operates this facility; however, at facilities we own and operate, we also manage youth hockey programs from 8U to 18U. A strong foundation in younger age groups (8U–10U) is vital for long-term success.

Figure 1. Suburban-related Hockey Clubs participation numbers by age group.

Suburban-related Hockey Clubs									
Rank	Club	Age 17-18	Age 15-16	Age 13-14	Age 11-12	Age 9-10	Age 7-8	Age 1-6	TOTAL
3	HB Hockey Club	35	77	164	142	103	46	62	629
4	Rochester Hockey Club	2	3	107	100	140	127	115	594
22	Macomb Hockey Club	0	38	20	69	64	74	81	346
31	Royal Oak Hockey Club	0	19	35	36	37	68	63	258
41	Novi Youth Hockey Club	7	34	68	24	27	30	14	204

High school hockey is a key part of our ice usage. We proudly host Novi High School, Northville High School, and Northville JV—providing youth players with a clear development path.

We also partner with major tournament organizers such as 200x85, Grinder Hockey, NAR, and USA Hockey to host roughly eight tournaments annually, some drawing 60–100 teams.

While we don't run these events, we supply ice and coordinate with area rinks, generating strong community foot traffic and economic impact.

Programming is our second-largest revenue stream, covering Learn to Skate, Figure Skating, Ice Dancing, and Adult Leagues—all managed in-house for quality and efficiency.

Our flagship Learn to Skate program boasts over 2,000 annual registrations, making it the largest in Michigan. Combined with other Suburban-managed facilities, we rank #1 in the state and region, and #4 nationally. The program serves a wide age range—from toddlers (2.5+) to adults—supporting long-term skill development and engagement.

Figure 2. LTS USA 2024–2025 Enrollment Totals



Figure 2. Learn to Skate USA National Rankings (2023–2024)

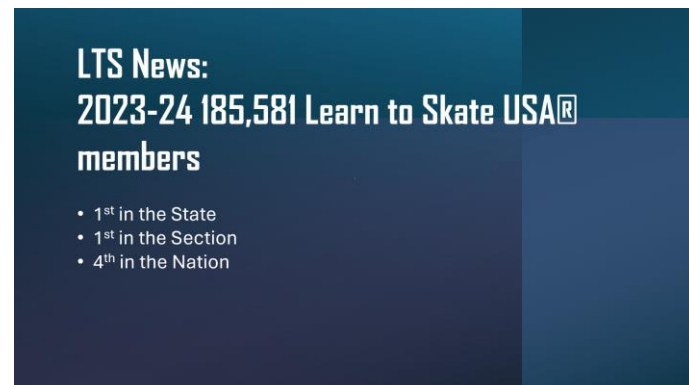


Figure Skating and Ice Dancing collectively account for approximately 13% of the facility's total revenue. All figure skaters at the Novi Ice Arena are affiliated with the Skating Club of Novi and U.S. Figure Skating, while Ice Dancers train under Ice Dance Novi, led by world-renowned coach Igor Shpilband.

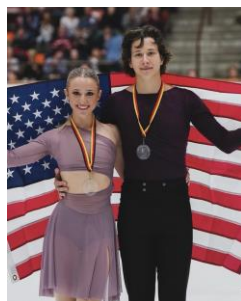
Together with the Skating Club of Novi, the facility hosts several high-profile events annually, including the May Ice Show, the Summer Chill Competition in August, and the

Holiday Ice Show in December. Monthly test sessions also contribute to the year-round programming schedule.

Figure 3. Learn to Skate USA National Rankings (2023–2024)



Ice Dance Novi is a professionally managed, elite-level training program featuring athletes who compete at the Olympic, World, and National levels. The visibility of these skaters on the international stage brings substantial recognition and prestige to the Novi Ice Arena. This program utilizes significant daytime ice between 6:00 a.m. and 4:00 p.m. daily, optimizing facility usage during non-peak hours.



Adult hockey is a key component of our in-house programming and contributes significantly to facility utilization. Our adult league is one of the largest in the region, operating 42 teams during the Fall/Winter season and 30 teams in the Spring/Summer. Games are strategically scheduled during non-prime hours—Monday through Thursday evenings and Sunday nights—maximizing revenue during otherwise underutilized ice times.

The league is sanctioned by both MAHA (Michigan Amateur Hockey Association) and USA Hockey, and is fully managed by Adult League Manager. Currently, we rank 7th in Michigan for total adult league participation. Notably, five of the programs ranked above us operate out of three-sheet facilities or across multiple rinks, underscoring the strength and efficiency of our single-facility operation.



Figure 4. MAHA Top Adult Leagues

MAHA Top ADULT Leagues		
	Local Association	Age 19+
1	ANN ARBOR ICE CUBE ADULT HOCKEY	1576
2	KENSINGTON VALLEY ICE HOUSE	1100
3	SUBURBAN ICE ROCHESTER	1081
4	CRYSTAL FIELDHOUSE ADULT HOCKEY	819
5	MIDLAND ADULT LEAGUE	642
6	METRO SENIOR WOMENS HOCKEY LEAGUE	489
7	NOVI ICE ARENA	456
8	ROYAL OAK ICE ARENA	297
9	SUBURBAN ICE FARMINGTON HILLS	274
10	FOX MOTORS ADULT	227
11	BAY COUNTY CIVIC ARENA	200
12	SUBURBAN ICE MACOMB	213

The Novi Ice Arena currently charges \$340 per hour for ice rentals. A strategic pricing plan is in place to increase this rate to \$375 per hour in the coming years, aligning with or surpassing regional market averages while maintaining competitive value.

### Regional Ice Rental Benchmarking

Facility	Rate (per hour)
USA Hockey	\$390
Livonia	\$275
Kensington Valley (KV)	\$375
Ann Arbor	\$375
Farmington Hills	\$300
Suburban Ice – Farmington Hills	\$390
John Lindell – Royal Oak	\$330
Arctic Edge – Canton	\$350
<b>Novi Ice Arena</b>	<b>\$340</b>

This pricing position reflects a healthy balance between affordability and revenue growth, especially considering our arena's quality of programming, facility standards, and user demand. The proposed incremental increase to \$375 will enhance profitability without jeopardizing customer retention or market competitiveness.

Sustained success for an ice arena requires a diverse range of programming and a strong, loyal customer base. There is no single revenue driver—success depends on the collective strength of all programs working in tandem.

The Novi Ice Arena is proud to operate above industry standards and ranks among the top performers nationally across multiple program areas. Looking ahead, we anticipate continued growth in both programming and major user groups. To further enhance revenue, strategic opportunities exist in expanding advertising efforts and strengthening participation at the 8U (8 and under) level—both key areas for long-term impact.