

# **Servus Place Year End Report**

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**2012**  
(Un-Audited)

# Servus Place Quarterly Report Year End 2012

## City of St. Albert Servus Credit Union Place Income Statement of Revenue and Expenditures For the Period of January 1 to December 31, 2012 (Un-Audited)

	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2012 YE Actual	2012 YE Budget	2012 YE Variance
Memberships	\$ 2,187,837	\$ 2,357,662	\$ 2,490,518	\$ 2,512,558	\$ 2,563,914	\$ 2,530,400	\$ 33,514
Admission Fees	782,838	968,841	1,115,546	1,143,536	1,306,779	1,284,700	22,079
Lesson Fees	571,657	616,462	845,278	929,285	1,042,769	897,900	144,869
Facility Rentals	1,261,794	1,387,585	1,539,513	1,548,887	1,644,450	1,561,900	82,550
Advertising/Sponsorship	594,895	545,279	544,170	558,842	494,649	444,500	50,149
Sale of Goods	84,304	85,725	80,768	138,080	585,161	745,100	(159,939)
Miscellaneous Revenue	43,829	79,739	25,663	47,517	37,524	13,800	23,724
<b>Total Revenue</b>	<b>\$ 5,527,154</b>	<b>\$ 6,041,293</b>	<b>\$ 6,641,456</b>	<b>\$ 6,878,704</b>	<b>\$ 7,675,246</b>	<b>\$ 7,478,300</b>	<b>\$ 196,946</b>
Personnel Costs	\$ 3,109,481	\$ 3,660,519	\$ 4,085,047	\$ 4,193,131	4,593,100	4,692,300	(99,200)
Contracted & General Services	741,822	754,725	707,503	787,414	803,277	823,800	(20,523)
Utilities	811,290	811,647	890,703	974,912	1,053,804	970,900	82,904
Materials, Goods & Supplies	429,281	452,898	431,683	477,018	683,871	707,000	(23,129)
Transfer to Reserves	160,196	221,078	53,291	53,670	109,039	96,500	12,539
Transfer to Operations - Aquatics	718,668	713,163	745,200	750,439	715,401	780,300	(64,899)
Transfer to Operations - Public Works	673,591	698,990	739,920	730,554	758,426	753,200	5,226
Transfer to Operations - Corporate Services	219,415	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>\$ 6,863,744</b>	<b>\$ 7,313,020</b>	<b>\$ 7,653,347</b>	<b>\$ 7,967,138</b>	<b>\$ 8,716,919</b>	<b>\$ 8,824,000</b>	<b>\$ (107,081)</b>
<b>Net Surplus (Deficit)</b>	<b>\$(1,336,590)</b>	<b>\$(1,271,727)</b>	<b>\$(1,011,891)</b>	<b>\$(1,088,434)</b>	<b>\$(1,041,673)</b>	<b>\$(1,345,700)</b>	<b>\$ 304,027</b>
Recovery Rate	81%	83%	87%	86%	88%	85%	
Cost Centre 3171 Revenue	N/A	\$ 445,001	\$ 457,722	\$ 485,241	\$ 503,291	\$ 489,700	\$ 13,591
Cost Centre 3171 Expenses	N/A	123,691	132,237	138,979	146,064	145,500	564
<b>Operating Surplus (Deficit)</b>	<b>N/A</b>	<b>\$ 321,310</b>	<b>\$ 325,485</b>	<b>\$ 346,262</b>	<b>\$ 357,227</b>	<b>\$ 344,200</b>	<b>\$ 13,027</b>
<b>Total Operating Surplus (Deficit)</b>	<b>N/A</b>	<b>\$ (950,417)</b>	<b>\$ (686,406)</b>	<b>\$ (742,172)</b>	<b>\$ (684,446)</b>	<b>\$(1,001,500)</b>	<b>\$ 317,054</b>

# Servus Place Quarterly Report Year End 2012

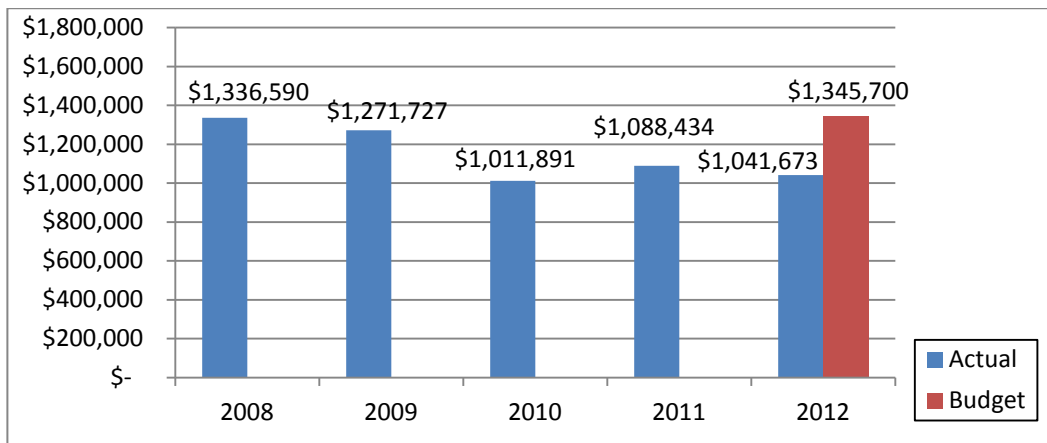
## Department Overview

In 2012, Servus Place continued to exceed budget projections for revenue while coming in under budget for expenses and was able to reduce the 2012 total operating deficit by \$304,027 (22.6%) from budget.

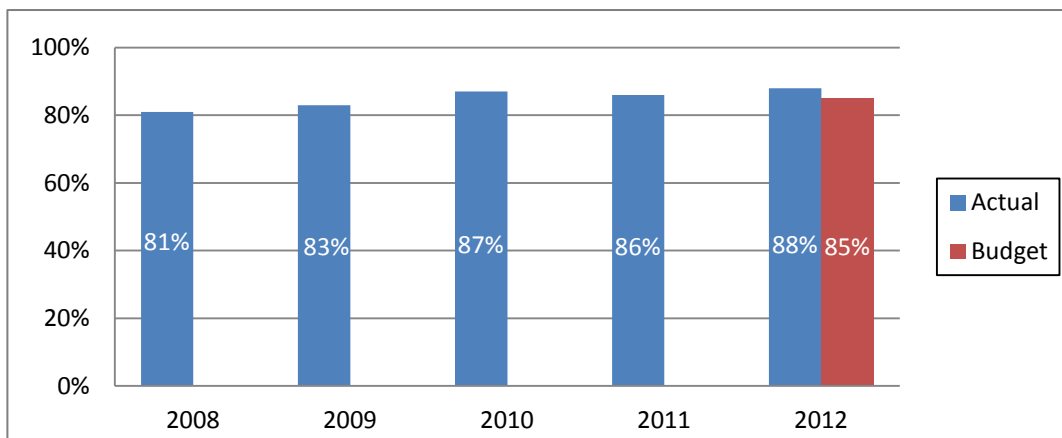
Throughout another year of important growth and planning, strong membership and admissions, additional rentals in the fieldhouses and arenas, record breaking numbers in program participation and the addition and renewal of several sponsors have all helped Servus Place exceed budgeted revenue by almost \$200,000.

Servus Place is always looking for efficiencies and ways to improve both our operation and the services that we provide to our users, and in 2012, these efficiencies have allowed the facility to come in under budget in expenses thanks to efficiencies in scheduling and staffing, supply purchases and the operation of the Landrex Water Play Centre.

### Annual Deficit



### Annual Cost Recovery Rate



# Servus Place Quarterly Report Year End 2012

## Revenue Analysis

Total revenue for 2012 is \$7,675,246. Total revenue variance for 2012 was \$196,946 (2.6%) above budget projections

- Memberships are above budget projections by \$33,514. (1.3%).
- Admission Fees are above budget projections by \$22,079 (1.7%).
- Lesson Fees are above budget projections by \$144,869 (16.1%).
- Rentals - Facility are above budget projections by \$82,550 (5.3%)
- Advertising/Sponsorship is above budget projections by \$50,149 (11.3%)
- Sale of Goods (Commission & Vending) is below budget projections by \$159,939 (-21.5%)
- Miscellaneous Revenue is above budget projections by \$23,724.

Membership revenue for 2012 is \$2,563,914. The variance in membership revenue correlates to the increases in adult and family memberships and the increase in the percentage of annual members.

Paid pass revenue is \$1,306,779, which is 1.7 % above budget. This area ended the year above budget due to higher than anticipated paid pass revenue and childminding revenue.

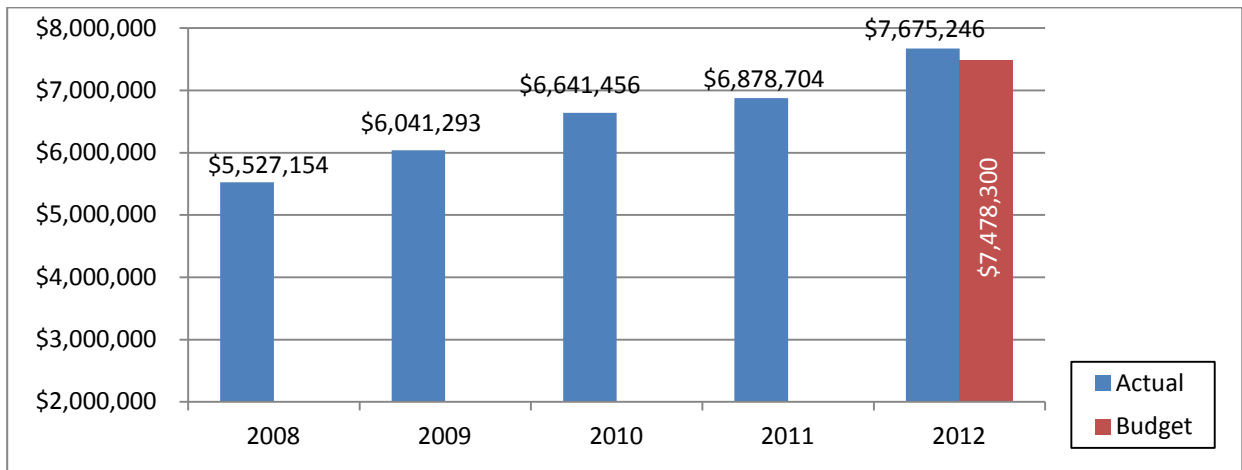
Lesson fee revenue is 16.1% over budget for 2012, an increase of 12.2% over 2011. This variance is due to higher than budgeted registrations for summer camps and preschool programs that ran at over 90% capacity throughout the year and record setting numbers in both fitness programs and fitness services.

Facility rentals are above budget projections by \$82,550 due to a combination of additional bookings in all arenas by a number of various private hockey development operators, office rental for events and the non-traditional rental of the parking lot to Canadian Traffic Education Centre (CTEC) and lease payments from sport groups utilizing office space in the facility.

Advertising revenue is over budget for the year due to the addition of the advertising inventory in the Northstar Hyundai Arena since the departure of the St. Albert Steel.

The variance in commissions and vending is due to lower than anticipated revenue from vending, lockers and the retail cost centre. Although revenue for the retail cost centre are under budget there is a corresponding variance on the expense side. For more detailed information, please see page 32 of this report.

**Total Revenue**



# Servus Place Quarterly Report Year End 2012

## Expense Analysis

Total expenses for Q3 2012 are \$8,716,919. Total expense variance for Q3 was \$107,081 (-1.2%) below budget projections.

- \* Personnel Costs are below budget projections by \$99,200 (-2.1%).
- \* Contracted & General Services are below budget projections by \$20,523 (-2.5%).
- \* Utilities are above budget projections by \$82,904 (8.5%).
- \* Materials, Goods & Supplies are below budget projections by \$23,129 (-3.3%).
- \* Transfer to Reserves is above budget by \$12,539 (13.0%)
- \* Transfer to Operations - Aquatics is below budget projections by \$64,899 (-8.3%).
- \* Transfer to Operations - Public Works is above budget projections by \$5,226 (0.7%).

Personnel costs are below budget due to scheduling efficiencies in Recreation, Booking & Events and Guest Services and adjustments made to the staffing structure in Operations and the Retail cost centre.

The variance in contracted and general services is due to savings in development & training, advertising & promotions and insurance premiums. These savings were offset slightly by increase expenses in rentals and leases and contracted and general services – janitorial services.

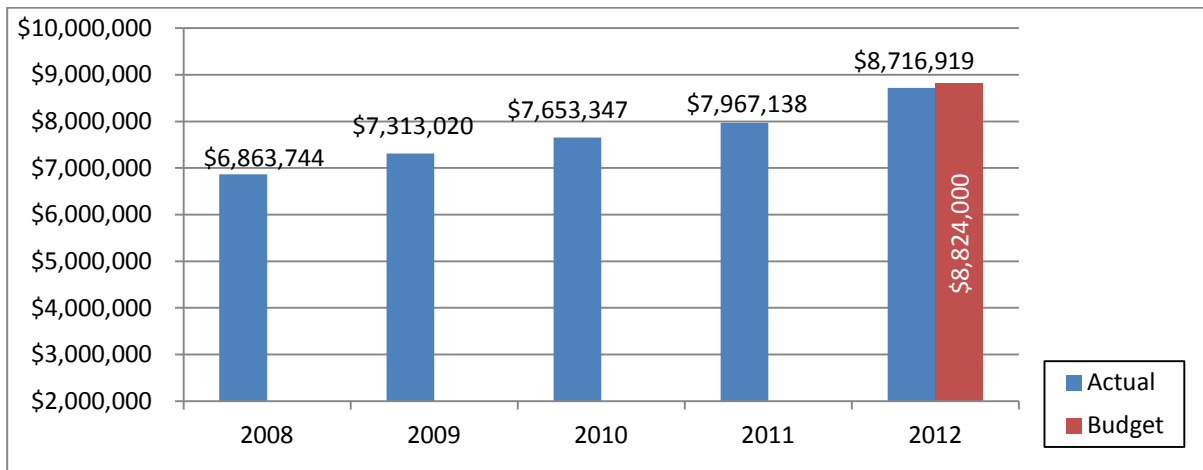
Overall utilities ended the year above budget due to higher than budgeted costs for water, wastewater and solid waste and additional electricity usage due in part to the number of large scale events in the facility during 2012.

Materials, goods and supplies are under budget primarily due to reduced operating supplies for the retail cost centre.

The Aquatics contract remains under budget for the year. Aquatics Internal Contracts ended the year \$64,899 under budget based on schedule efficiencies, actual expenses to date and required staffing levels.

The Public works transfer was over budget due to additional work required for large special events. A portion of these charges were recouped under recovered costs of the event.

**Total Expenses**



# Servus Place Quarterly Report Year End 2012

## Guest Services

Servus Place Receptionists took over 15,000 calls in 2012, answering questions ranging from program information to the City's recycling program. The extended facility hours provide residents increased opportunity to speak to someone directly and answer any questions in regards to the City. Many of the calls are received after 5:00 pm and on weekends when the main switchboard at City Hall is closed.

In January, Servus Place implemented a new Ad-Tel phone management system. This telephone management system allows for better management of incoming calls and offers Servus Place an opportunity to provide continually updated and specific messaging while the customer is on hold.

Letters were sent out to approximately 4,500 households that have annual membership holders to notify them of the rate increase and reminding them to renew their membership. The rate increase took effect on October 1.

A new procedure for lost and found items was implemented to be in compliance with the City of St Albert policy.

## Membership

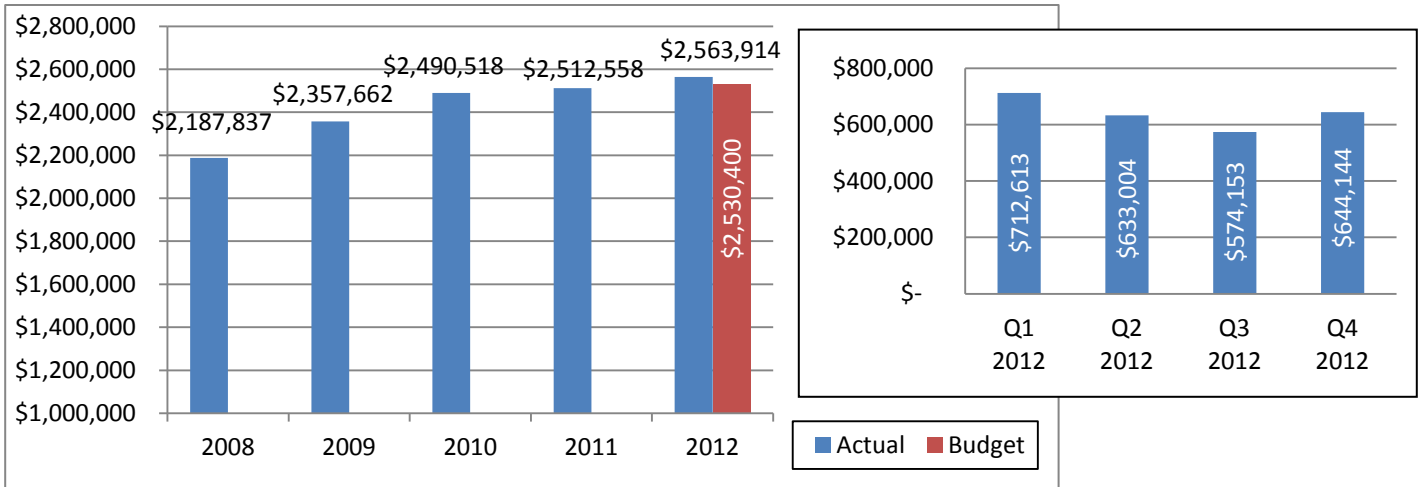
Memberships	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2012 YE Actual	2012 YE Budget	2012 YE Variance
Adult	2,981	2,877	2,957	2,915	2,893	2,788	105
Child	983	657	486	362	324	332	-8
Family	1,614	1,915	2,150	2,304	2,384	2,058	326
Senior	559	620	701	747	794	730	64
Student	378	465	498	407	339	398	-59
Youth	490	399	362	330	284	332	-48
<b>Total Members</b>	<b>7,005</b>	<b>6,932</b>	<b>7,154</b>	<b>7,064</b>	<b>7,018</b>	<b>6,638</b>	<b>380</b>
Total Paid Membership Units	5,743	5,411	5,457	5,245	5,139	5,018	121
Corporate Memberships	1,623	1,886	2,079	1,886	1,746		
<b>Membership Revenue</b>	<b>\$ 2,187,837</b>	<b>\$ 2,357,662</b>	<b>\$ 2,490,518</b>	<b>\$ 2,512,558</b>	<b>\$ 2,563,914</b>	<b>\$ 2,530,400</b>	<b>\$ 33,514</b>

Membership revenue for 2012 is \$2,563,914. The variance in membership revenue correlates to the increases in adult and family memberships and the increase in the percentage of annual members.

The average number of family membership units per month for 2012 is 505, which equates to 4.8 individual members per family membership unit. There were 1,746 corporate members in 2012. The corporate members in 2012 make up 24.9 % of the total members.

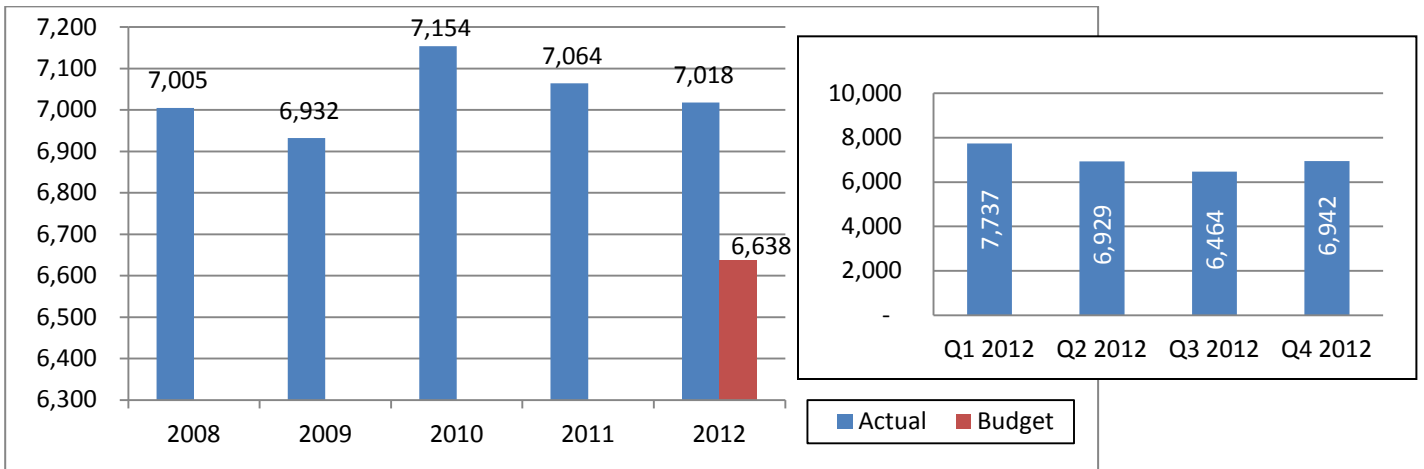
# Servus Place Quarterly Report Year End 2012

## Membership Revenue



The 2012 blended rate is \$41.57 which is slightly below the budgeted blended rate of \$42.03.

## Total Members

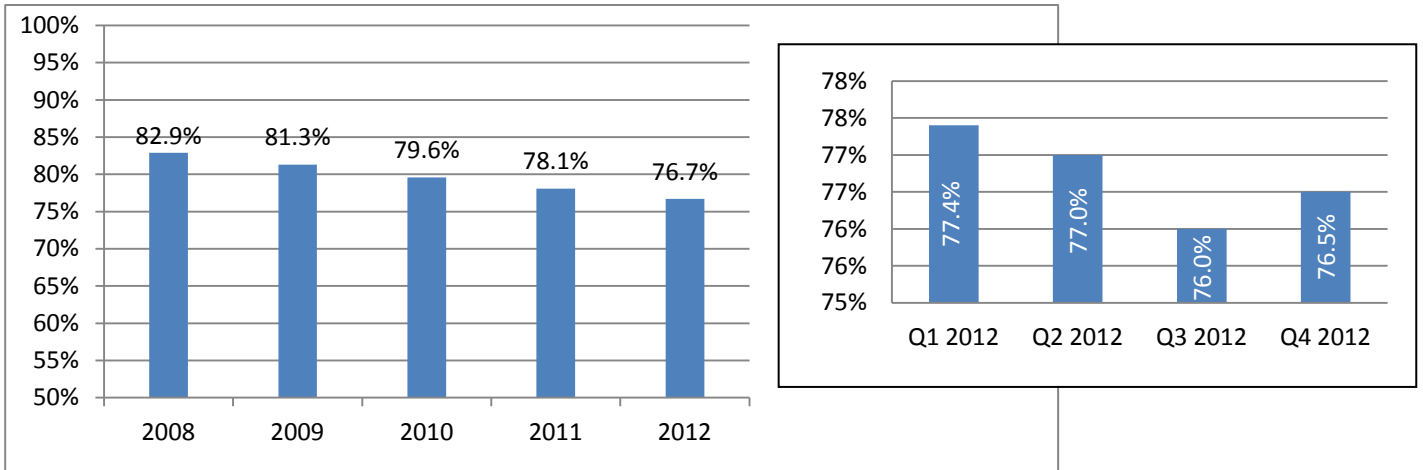


In 2012, there was an average of 7,018 members per month, which is 5.7% above budget. Actual members for 2012 were above budget due to the increase in the adult, family and senior membership categories.

Overall for 2012, 16.3% of Servus Place members were brand new members (monthly and annual) who have never had a membership before.

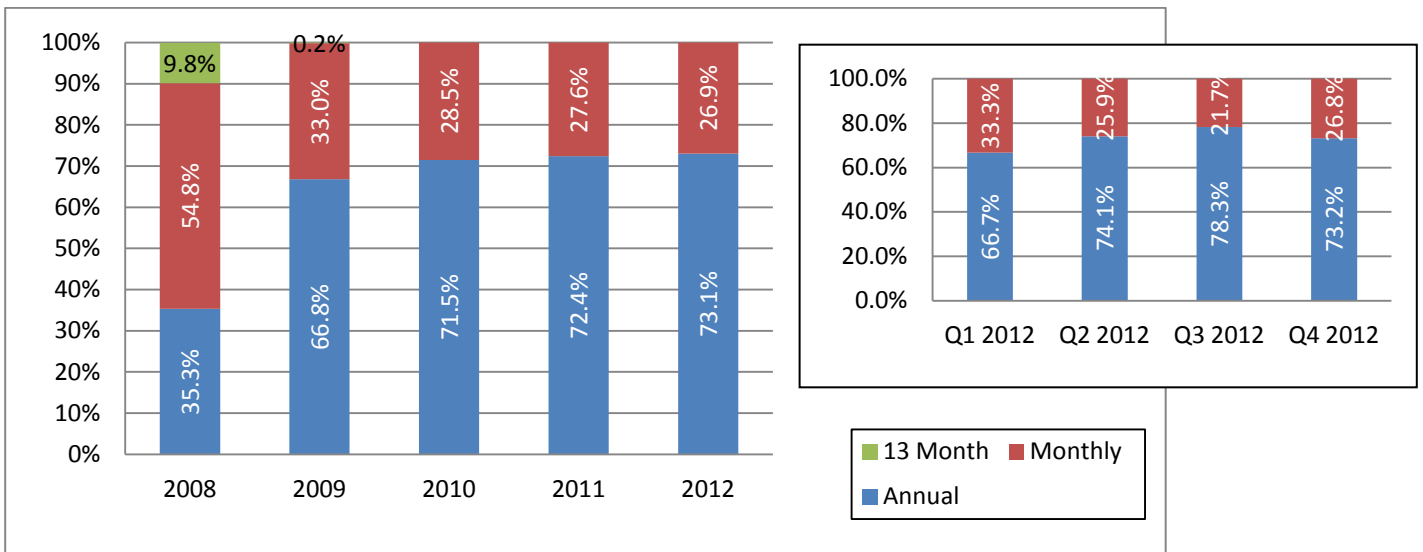
# Servus Place Quarterly Report Year End 2012

## Percentage of Members who are St. Albert Residents



In 2012, the average percentage of members who are St. Albert residents is 76.7%. It can be assumed that improved accessibility to Servus Place from the north end of Edmonton has resulted in an average of 685 Edmonton members per month (9.8%).

## Members by Type

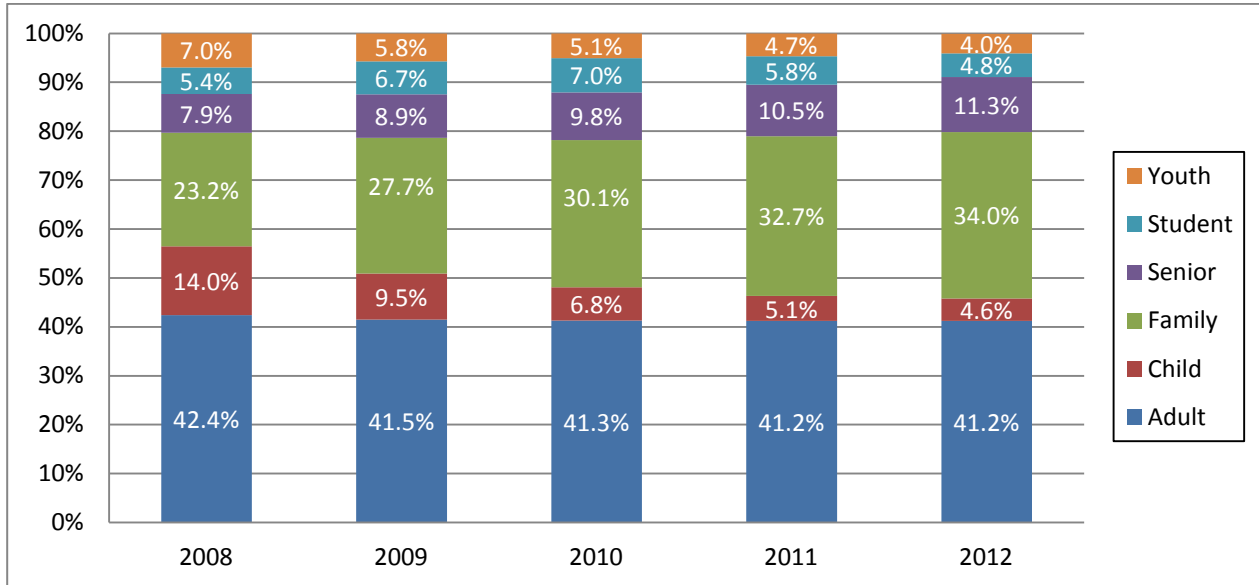


In 2012, annual memberships accounted for 73.1% of the total memberships which is a slight increase from 2011. The percentage of annual members has continually increased since the facility opened. Annual membership totals are the key indicators of sustained monthly revenues that contribute, as a large driver, to the facility financial model.



# Servus Place Quarterly Report Year End 2012

## Members by Demographic



In 2012, the shift from individual members to family members continued with a 1.3% increase in the percentage of family members and a correlating decrease in the number of youth (-0.7%), student (-1.0%) and child (-0.5%) members. The percentage of senior members has seen gradual increase (0.8%) and can be correlated to increases in the senior's population demographic; a slight increase in the number of senior's drop-in and registered programs available, as well as having some of the most competitive annual and monthly senior's membership rates in the region.

## Servus Place Quarterly Report Year End 2012

### Day Admissions

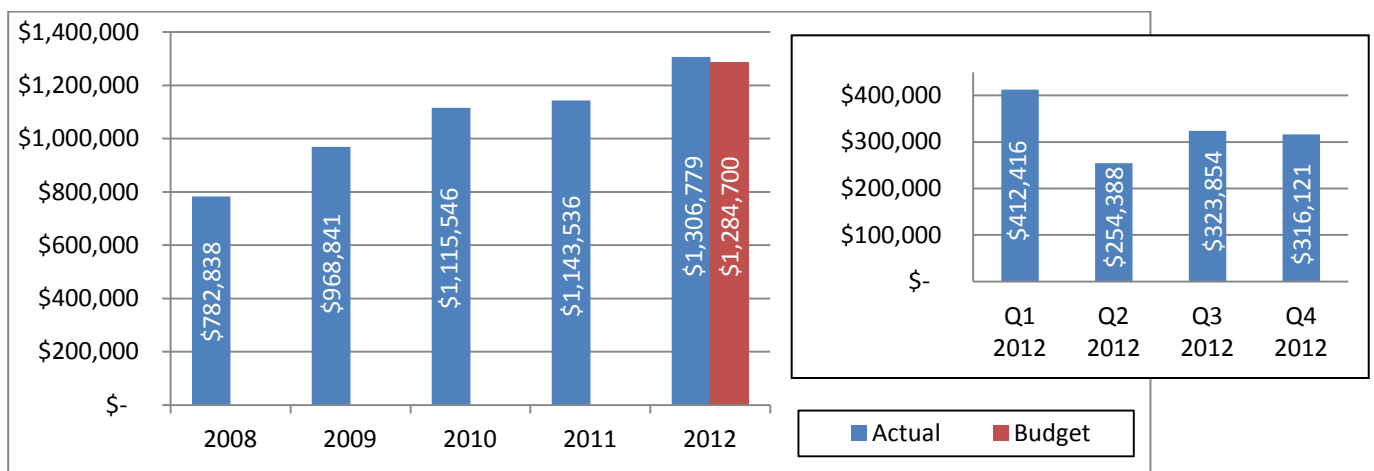
Day Admissions	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2012 YE Actual	2012 YE Budget	2012 YE Variance
Adult	33,782	41,155	45,196	46,536	49,760	51,461	-1,701
Child	46,305	52,142	61,361	57,686	61,815	60,542	1,273
Family	N/A	N/A	N/A	57,286	64,882	63,566	1,316
Senior	3,006	4,131	3,365	3,639	4,343	3,026	1,317
Youth	10,465	14,148	17,513	17,872	19,220	21,188	-1,968
<b>Total Paid Passes</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>183,019</b>	<b>200,020</b>	<b>199,783</b>	<b>237</b>
Total Membership Swipes	298,600	348,792	369,580	361,136	372,698		
<b>Total Day Uses</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>544,155</b>	<b>572,718</b>		
Total Paid Pass Units	N/A	N/A	N/A	139,365	150,487	151,352	-865
Total Complimentary Passes	4,552	7,008	6,745	6,299	6,858		
Paid Pass Revenue	\$ 748,221	\$ 924,960	\$ 1,072,144	\$ 1,091,566	\$ 1,246,815	\$ 1,235,900	\$ 10,915
Childminding Revenue	\$ 34,616	\$ 37,531	\$ 40,300	\$ 47,247	\$ 54,705	\$ 42,800	\$ 11,905
Community Drop-In Program Rev	N/A	\$ 6,350	\$ 3,102	\$ 4,720	\$ 5,259	\$ 6,000	\$ (741)
<b>Total Admission Fees Revenue</b>	<b>\$ 782,838</b>	<b>\$ 968,841</b>	<b>\$1,115,546</b>	<b>\$1,143,536</b>	<b>\$1,306,779</b>	<b>\$1,284,700</b>	<b>\$ 22,079</b>

Paid pass revenue is \$1,306,779, which is 1.7 % above budget. This area ended the year above budget due to higher than anticipated paid pass revenue and childminding revenue. The number of childminding participants directly correlates to the number of fitness program participants and as that number continues to increase, so does the number of childminding users.

The day admission blended rate for 2012 is \$8.29. This blended rate represents the average admission price per paid pass unit. For 2012, one family paid pass unit equates to 4.2 paid passes. Paid passes are the number of individuals who access the facility.

\* Paid Pass Units = Admission sold. Paid Passes = Number of people that were admitted. Paid passes information has been collected since 2011 to provide a better indication of the number of individuals paying to access the facility.

### Day Admission Revenue



# Servus Place Quarterly Report Year End 2012

## Servus Place Day Admissions - Postal Code Breakdown

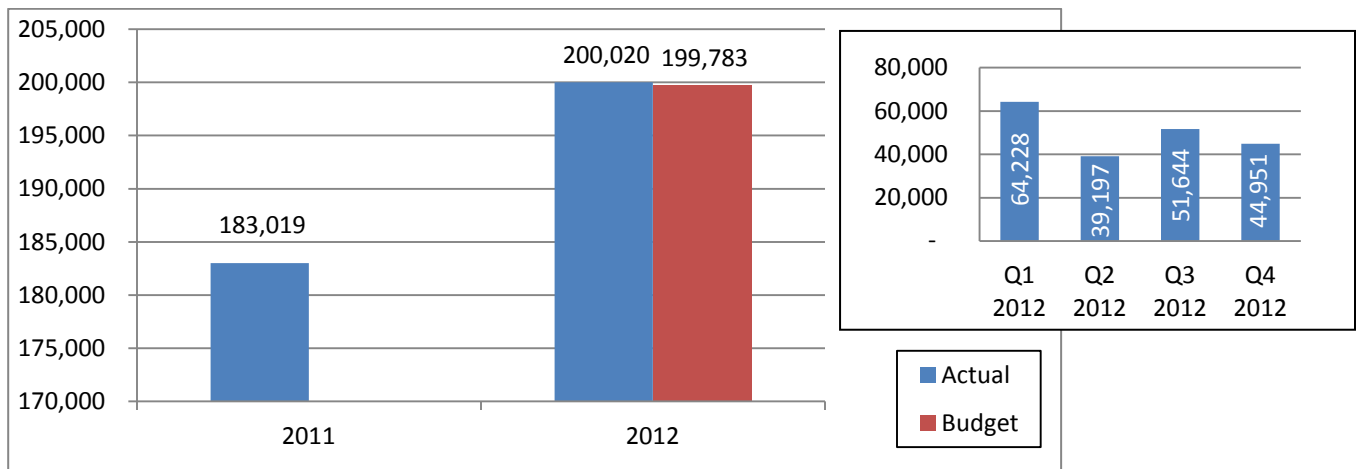
Servus Place Day Admissions Postal Code Breakdown	2009*	2010 YE	2011 YE	2012 YE
Edmonton	22%	18%	15%	13%
Morinville	3%	2%	2%	2%
Not provided	10%	4%	2%	1%
Outside Alberta	1%	1%	1%	0%
St. Albert	55%	68%	73%	77%
Sturgeon	1%	1%	1%	1%
Other Areas of Alberta**	7%	6%	6%	5%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\*Servus Place began collecting postal code information for day passes sold in May of 2009.

\*\* Other areas of Alberta includes Stony Plain, Fort Saskatchewan, Sherwood Park, Spruce Grove and various locations around Alberta.

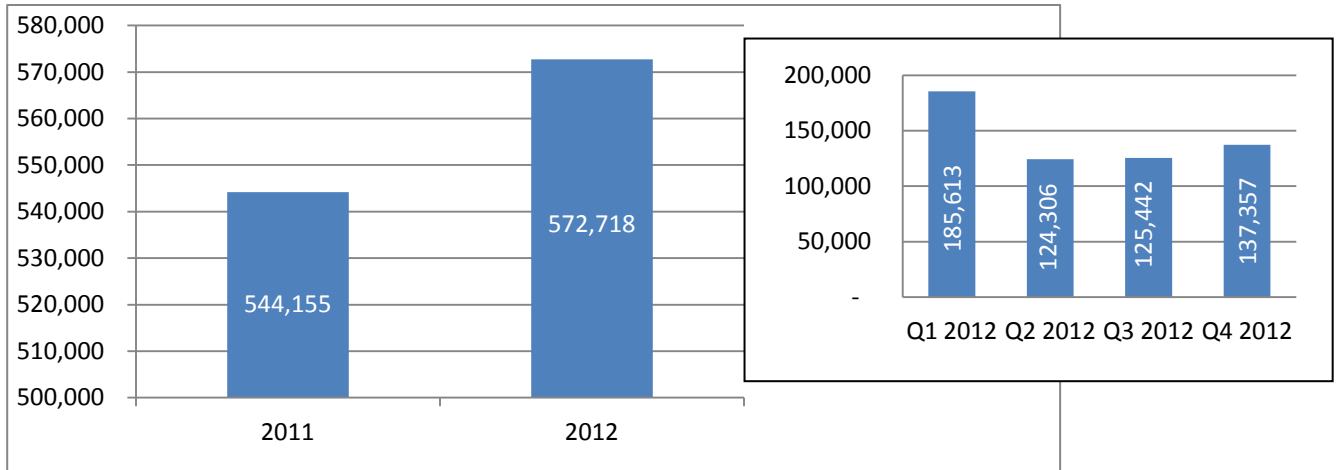
The decrease in the percentage of day admissions those visiting from Edmonton could be correlated to the easily accessible facilities in the North, West and South areas of Edmonton through the Anthony Henday ring road as well as the additions of two large multi-purpose facilities in Edmonton.

### Paid Day Passes



## Servus Place Quarterly Report Year End 2012

### Total Day Uses



Total paid day uses for 2012 were 572,718 which are 5.2% over 2011. The average number of paid day admissions in 2012 was 1,578 per day, an increase of 79 people per day over 2011 (1,499).

The highest attendance days were:

- January 2 with 2,656 users and the Family Day long weekend with 7,540 users over the 3 day weekend.
- The Easter weekend with 8,415 users over the four days, the April 14-15 weekend with 2,419 and 2,286 users respectively.
- July 10 with 2,051 users.
- August 13 and 14 with 3,387 users (during the Edmonton Oilers Hockey School and the St. Albert Youth Sport Association Hockey Clinic).
- September 3 Labour Day with 1,914 users.

Month	Total individuals tracked (approx)	Average visitors per day	Total Day Uses	Total Non paying visitors (approx)
Q1	300,000	3,300	185,613	120,000
Q2	195,000	2,150	125,481	71,500
Q3	194,000	2,100	125,442	69,000
Q4	280,000	3,050	137,357	143,000
<b>YTD</b>	<b>969,000</b>	<b>2,650</b>	<b>573,893</b>	<b>403,500</b>

Servus Place is able to report that there were approximately 969,000 individuals through the facility in 2012. The total day uses corresponds to the paid admissions tracked through the Class software, and approximately 403,500 of those visitors were non paying visitors as spectators attending sporting events on the fields and in the arenas, visiting our retailers, etc.

# Servus Place Quarterly Report Year End 2012

## Lesson Fees

Lesson Fees	2008 YE Actual*	2009 YE Actual	2010 YE Actual	2011 YE Actual	2012 YE Actual	2012 YE Budget	2012 YE Variance
Fitness	N/A	\$ 431,397	\$ 539,988	\$ 621,617	\$ 675,490	\$ 575,300	\$ 100,190
Recreation	N/A	\$ 185,065	\$ 305,290	\$ 307,670	\$ 367,276	\$ 322,600	\$ 44,676
<b>Net Revenue</b>	<b>\$ 571,657</b>	<b>\$ 616,462</b>	<b>\$ 845,278</b>	<b>\$ 929,285</b>	<b>\$ 1,042,769</b>	<b>\$ 897,900</b>	<b>\$ 144,869</b>

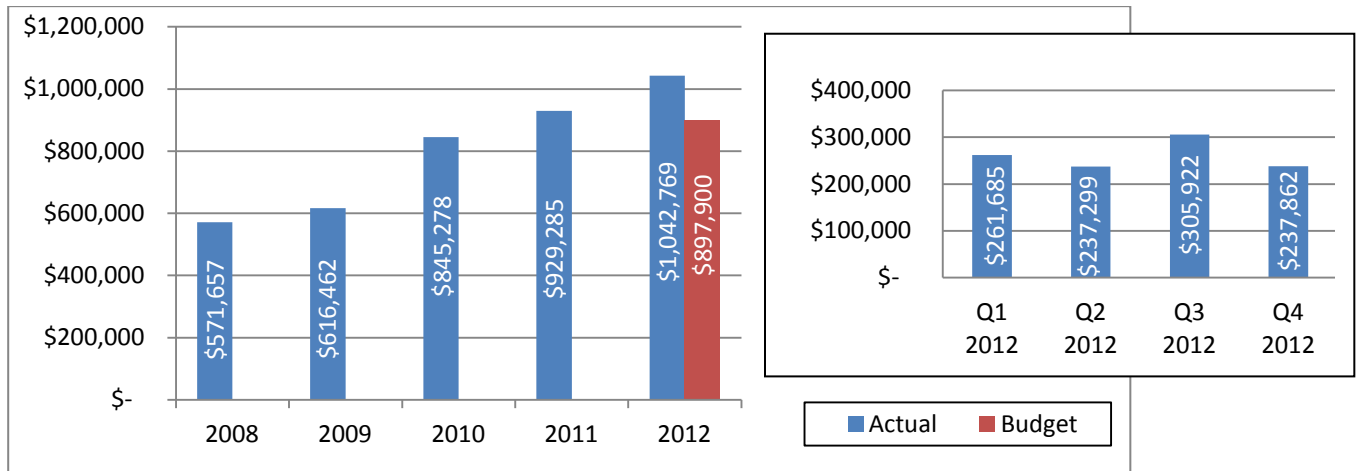
\* Prior to 2009, lesson fee revenue was not broken out individually for fitness and recreation.

Lesson fee revenue is 16.1% over budget for 2012, an increase of 12.2% over 2011. This variance is due to higher than budgeted registrations for summer camps and preschool programs that ran at over 90% capacity throughout the year and record setting numbers in both fitness programs and fitness services.

In Q1 2012, Survey Gizmo was implemented as a tool to collect program evaluations for Recreation programs and in Q2 it was implemented for Fitness programs. Comments and feedback from participants is reviewed and considered to improve programs offered:

- Approximately 75% of Fitness and Recreation surveys were completed online for Winter 2012.
- 98.7% of respondents Extremely Satisfied, Very Satisfied or Satisfied with their program.

**Lesson Fees Revenue**



# Servus Place Quarterly Report Year End 2012

## Fitness

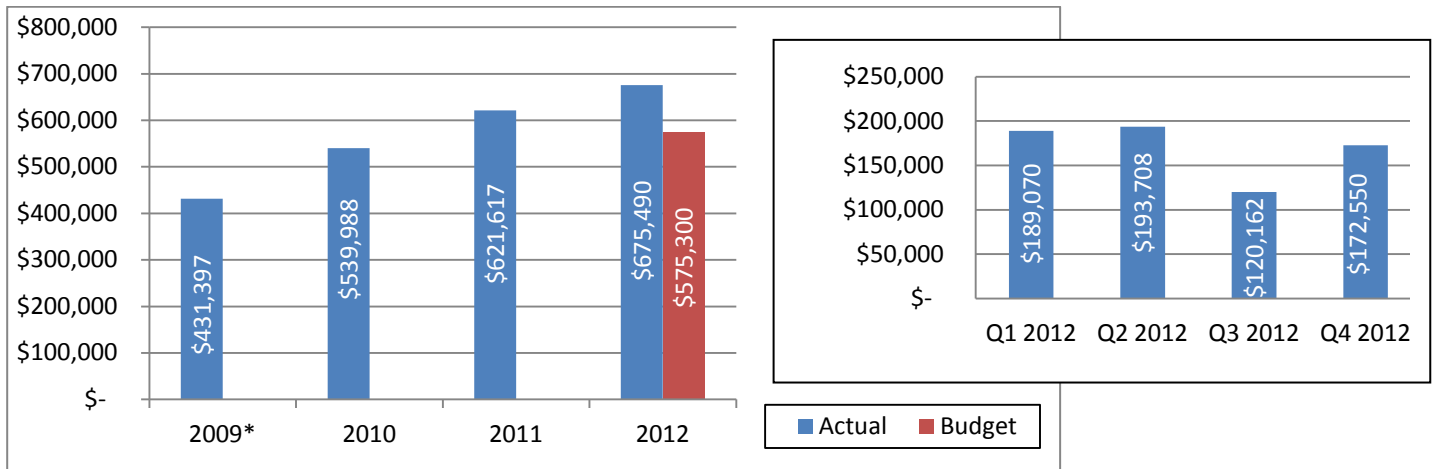
In 2012 fitness program revenue is \$675,490 which is 17.4% above budget and 8.7% over 2011. The primary reason for this variance is the increase in the number of fitness programs and fitness services.

Individual personal training services are an increasing trend in fitness facilities across North America. Servus Place staff have been very successful in retaining existing clients for long periods of time. Monthly sales records were broken in 2012 in January, May, June, September (new all time high), October and December.

In 2012, the Fitness & Wellness Coordinator received Certified Exercise Physiologist (CEP) certification. It is the highest Fitness designation through the Canadian Society of Exercise Physiology (CSEP), the National Certification Body for Canada's Gold Standard for Personal Training certifications. Facility Accreditation through CSEP informs the public of the high standards and qualified personal trainers, fitness appraisal and exercise and lifestyle counseling that the facility provides.

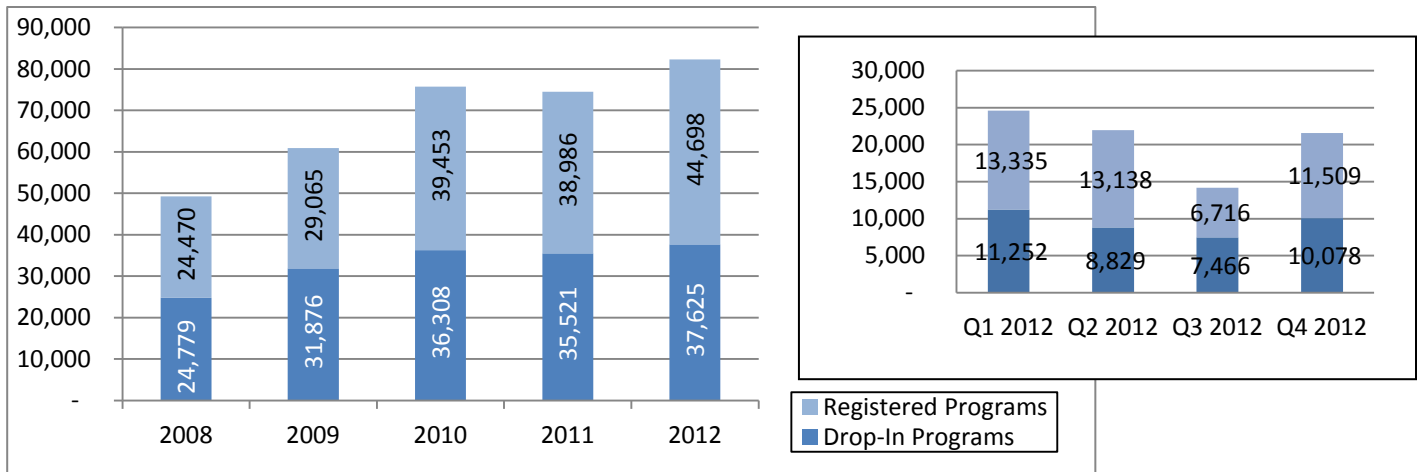
In early 2013, Servus Place piloted two fitness programs, operating out of Fountain Park Recreation Centre. Due to low registrations, neither program ran, however, the trial will continue through 2013 at the Fountain Park site to assess community need. Other potential sites are being looked into.

**Fitness Program Revenue**



# Servus Place Quarterly Report Year End 2012

## Fitness Program Participants



Although participation in registered programs saw significant growth from 2011 to 2012 (14.7%), Servus Place only offered 5 additional registered programs from 2011. This increase in participants was based on an increase in participation and an 84% fill rate in 2012. The number of programs the facility can offer is limited based on space.

There were 1,585 drop-in classes in 2012, averaging 24 participants per class. Drop-in programs are included with membership or day admission to Servus Place and can be directly attributed to supporting the overall membership growth and retention.

Of the 37 drop-in different programs that are currently being offered at Servus Place, 11 programs are carded due to limited capacity or maximum class size is exceeded. There are four programs that have been relocated to the gymnasium because they average between 60-90 participants per class and the Fitness Studio can only accommodate between 32-40. The most popular fitness drop-in programs are:

- Kickbox Bootcamp and Maximum Muscle (Monday and Wednesday, 5:45-6:45pm)
- Power Step and Zumba (Saturday and Sunday, 9:30-10:30am)
- Chisled (Tuesday 7:15-8:15pm and Thursday 9:15-10:15pm)
- All Spin classes

# Servus Place Quarterly Report Year End 2012

## Fitness & Wellness Centre

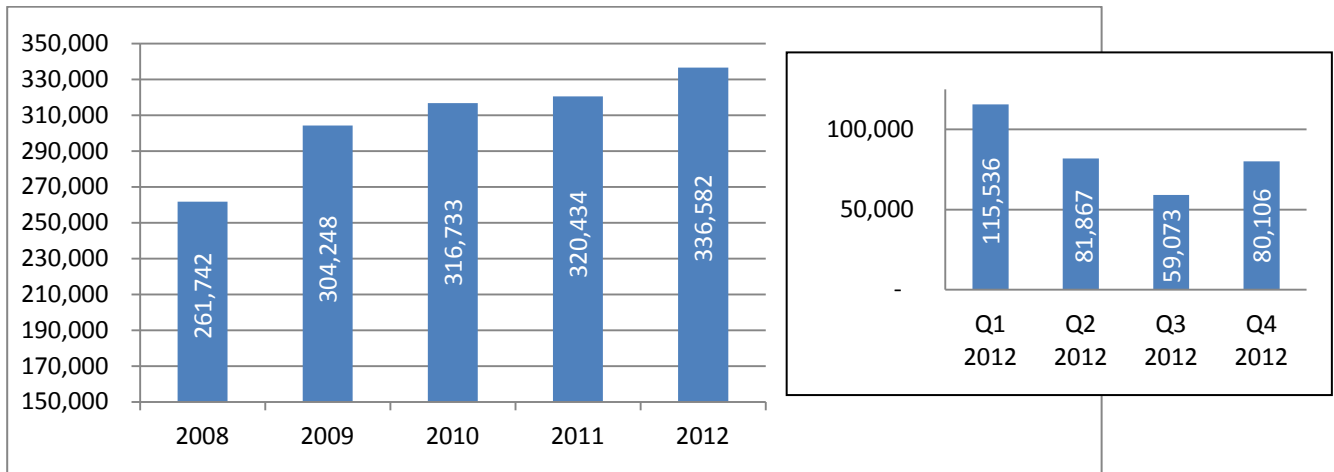
Fitness & Wellness Centre	YE 2008 Actual	YE 2009 Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual
Fitness & Wellness Centre Users	261,742	304,248	316,733	320,434	336,582
Daily Average	723	840	875	889	934

The Fitness Centre saw a 5.0% increase in the number of users in 2012. This increase was due largely to increases in use in the first and second quarters of the year which are typically the highest volume periods. The increases in Fitness Centre usage correlates to the high overall facility satisfaction and increases in fitness personal training services and fitness program participation.

The Fitness Spruce Up occurred on June 28-29 and included preventative maintenance and deep cleaning on all strength equipment and cardiovascular equipment. Deep cleaning occurred in all studios, storage rooms, washrooms and the Fitness Centre floors. All areas were high dusted and painted. During this shutdown the Fitness team moved thousands of pounds of equipment over the two day shutdown. The Spruce Up was completed on time and on budget.

In 2012, the Fitness team completed the planned lifecycle replacement of ten treadmills and introduced two new Vario cardiovascular pieces to the equipment compliment replacing two Waves. The Vario's are the latest in cardiovascular conditioning that blends the movement of a step machine with a elliptical. Three new mirrors were installed in the weight area of the Fitness Centre. The new mirrors were installed in response to requests made by members to allow for a more flexible workout area.

**Fitness Centre Users**



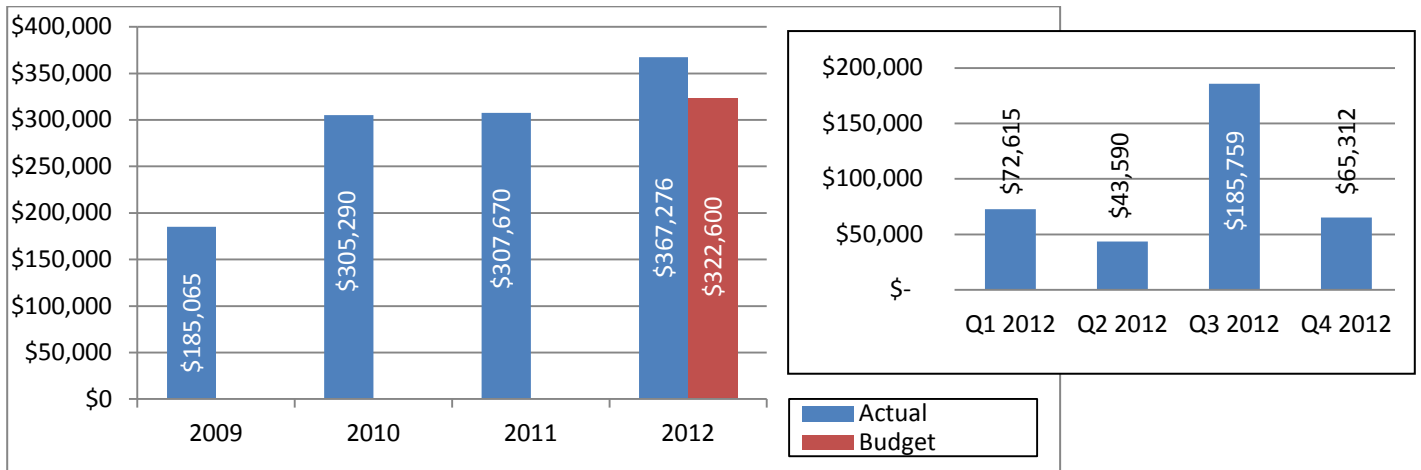


# Servus Place Quarterly Report Year End 2012

## Recreation

Recreation program revenue for 2012 is \$367,276 which is 13.8% above budget and 19.4% above 2011 primarily due to higher than budgeted registrations for summer camps and preschool programs that ran at over 90% capacity throughout the year. Summer reached the highest registration numbers in the facilities history serving 1196 children in camps.

**Recreation Program Revenue**



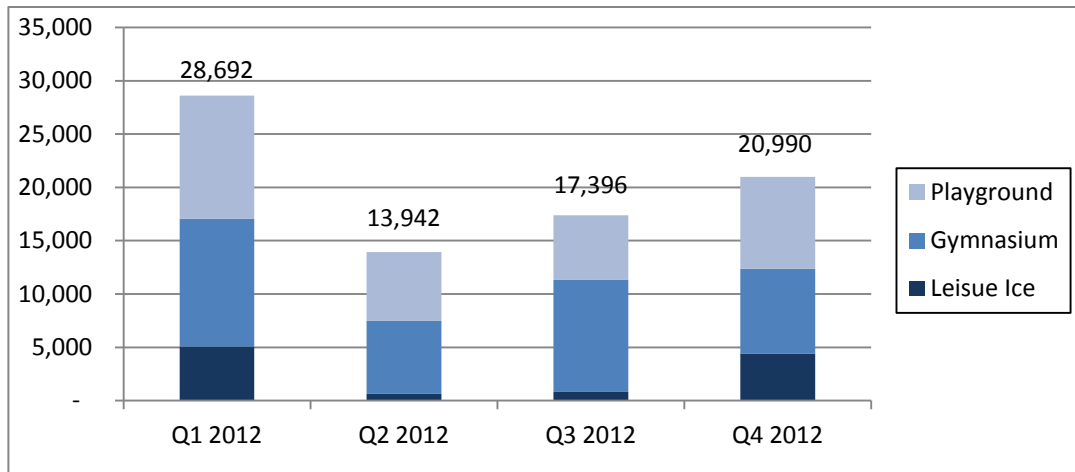
## Servus Place Recreation Programs

Monthly Senior's Day continues to see 60-80 seniors per month with Swiss Chalet continuing to sponsor the event and provide food for December.

The 2012 childminding participation was high, serving 12,538 children, a 16.5% increase from 2011. Based on waiting lists experienced last summer, an additional room was utilized for childminding beginning in July which doubled the capacity in childminding. The number of childminding participants directly correlates to the number of fitness program participants and as that number continues to increase, so does the number of childminding users.

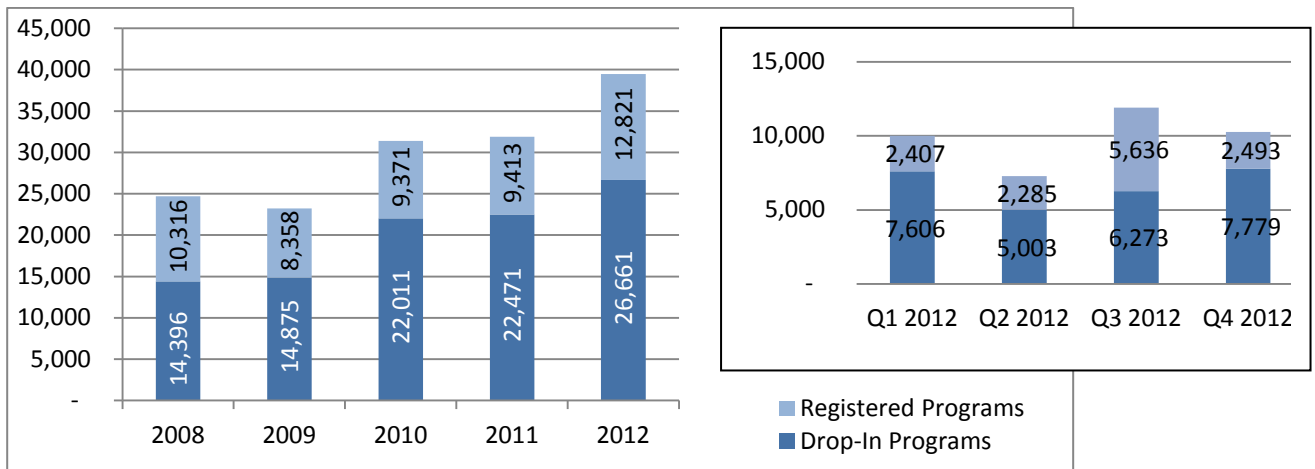
# Servus Place Quarterly Report Year End 2012

## Spontaneous Recreation Participants



In 2012, Servus Place began reporting on the number of participants who used spontaneous areas which includes the ReidBuilt Community Gymnasium and the Kingsway Toyota Indoor Playground and Leisure Ice. Over the course of the year, these spaces accommodated almost 81,000 individuals for spontaneous recreation opportunities. Access to these areas is included with membership or day admission to Servus Place and can be directly attributed to supporting the overall membership growth and retention.

## Participants in Servus Place Recreation Programs



There was an 18.6% increase in the number of drop-in participants in 2012. The most popular recreation drop-in programs were Shinny Hockey, Parent and Tot, Family Soccer and Badminton. In 2012, Servus Place offered the first ever Holiday Howlers half day registered activity programs at Servus Place which ran from January 3-5 and served 117 school aged children ages 6-12, operating at a 96% fill rate.

## Servus Place Quarterly Report Year End 2012

Four Spring Break Recreation camps ran at Servus Place from March 26-30 with 44 children, operating at 100% capacity. There was a wait list for these programs resulting in plans being put in place to accommodate the increased demand.

Servus Place summer camps achieved an 80% fill rate with an overall satisfaction rate of 97%, and 94% of camp survey respondents indicating that their child had fun in camps. Participation highlights for summer programs are both the Soccer Development Camps (87% fill rate) and Tennis Camps (80% fill rate) which are provided through partnership with Challengers Sports and the St. Albert Tennis Association.

Summer Camp revenues were the highest in facility history at over \$175,000 for the summer, serving 1,195 children. Forty-seven Leaders in Training provided over 300 hrs of volunteer support in the provision of camps. Increased participation rates continue to be seen through Servus Place at higher levels than those out in the community due to the amenities included in camps hosted at Servus Place.

In response to customer feedback, recreation launched the following new ice opportunities during school breaks and early dismissal days such as:

- Preschool Stick and Puck.
- 6-12 year old Stick and Puck
- Youth Shinny was expanded to 13 - 17 year olds
- Recreation also expanded the number of public opportunities for inflatables in June-August.

# Servus Place Quarterly Report Year End 2012

## Community Recreation Programs

The 2012, registered community recreation program participants have increased (7.9%) from 2011 but programs ended the year with an 84% fill rate.

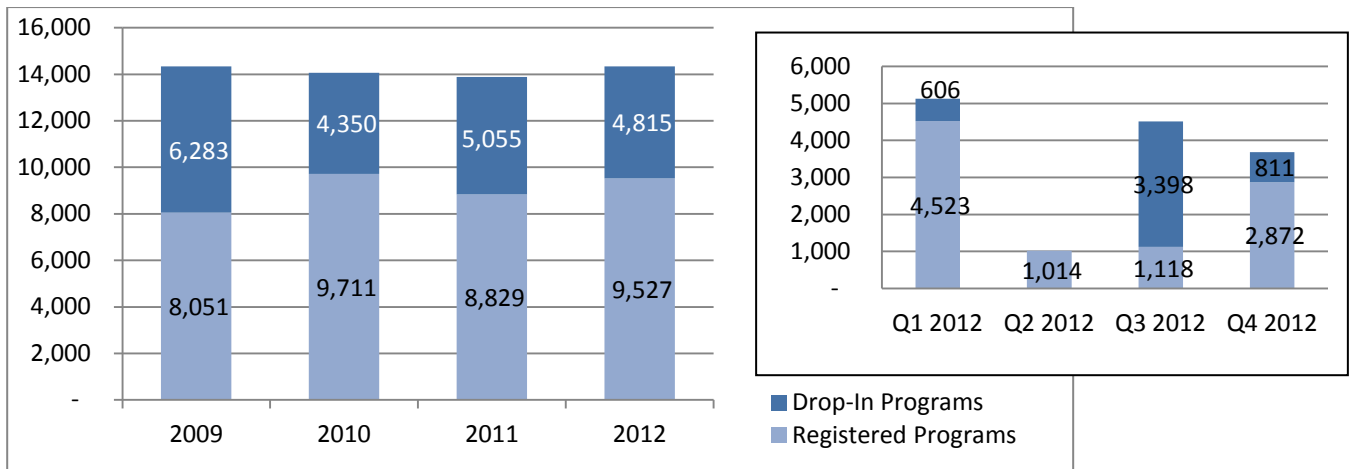
Servus Place continue to see great success with preschool Learn to Skate programs, Doodles and Play and Learn programs. These programs are all operating at capacity with waitlists. Some parented programs have been moved to the clubhouses in order to serve the community better and free up prime use space at Servus Place.

Sport camp programming continued to be strong with tennis and swimming based camps throughout the summer. There was also consistent use of the Cruisin' Clubhouse free activity programming with their community locations being a key determining factor for participant engagement. This program is offered through the summer months with sponsorship by the St. Albert Elks, providing free camp programming for over 1,700 individuals.

Resources for Community recreation programs were re-allocated this summer to provide increased camp offerings out of Servus Place. This change resulted in approximately 250 additional children accommodated this summer.

Recreation program staff supported the Canada Day celebration at Lions Park on July 1 by providing a variety of games and activities annually and similar support to Arbor Day Festivities in May and Snowflake Festival in November.

**Participants in Community Recreation Programs**



# Servus Place Quarterly Report Year End 2012

## Aquatics

Landrex Water Play Centre Use	YE 2008 Actual	YE 2009 Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual
<b>Water Play Centre Users</b>	<b>227,847</b>	<b>238,536</b>	<b>265,633</b>	<b>252,069</b>	<b>293,652</b>
Daily Average	637	671	821	708	806
Servus Place Annual Member Swipes at FPRC	25,849	20,894	23,268	23,672	24,372
Servus Place Annual Member Swipes at Grosvenor	2,057	1,366	1,439	1,309	1,348
<b>Total</b>	<b>27,906</b>	<b>22,260</b>	<b>24,707</b>	<b>24,981</b>	<b>25,720</b>

In 2012, there were 293,652 users of the Landrex Water Play Centre, an increase of 16.5% from 2011. The Water Place Centre is beginning to hit thresholds for capacity during peak times and was at capacity nine times throughout Q1 2012.

The highest attendance days for each quarter were:

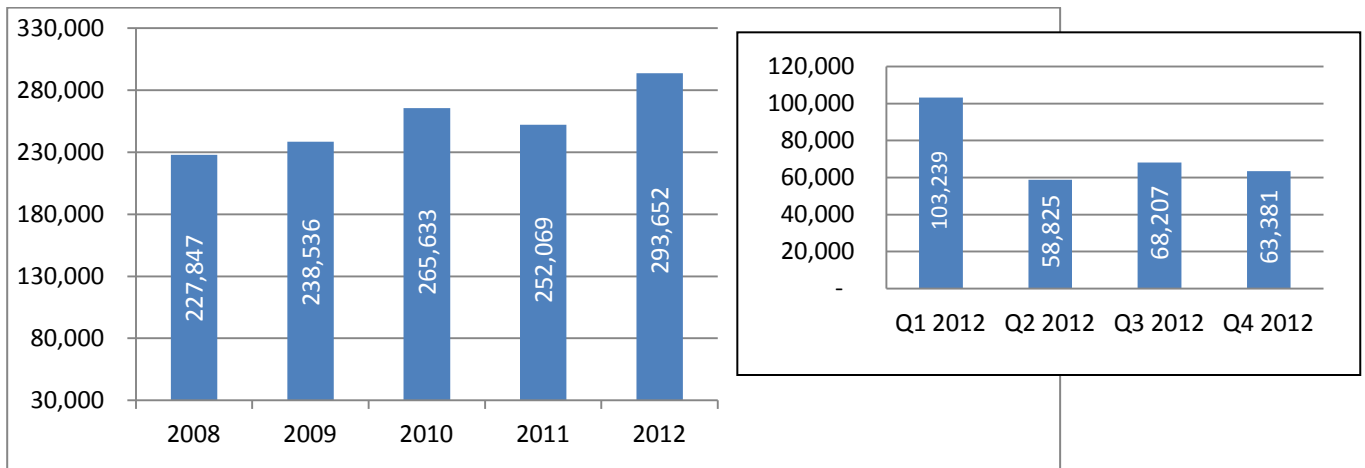
- January 2 with 2,656 users and the Family Day long weekend with 5,585 users over the 3 day weekend
- The first two Saturdays in April with 1,736 and 1,730 users respectively
- July 10 and 15 with 1,303 and 1,385 users respectively
- December 28 with 1,685 users.

Servus Place hosted 66 school groups throughout the year.

The Landrex Water Play Centre Spruce Up took place from May 22 to 28. The major projects were the deep cleaning and replacement of lighting in the steam room and replacement of the cedar flooring in the sauna with longer life material. Other work included:

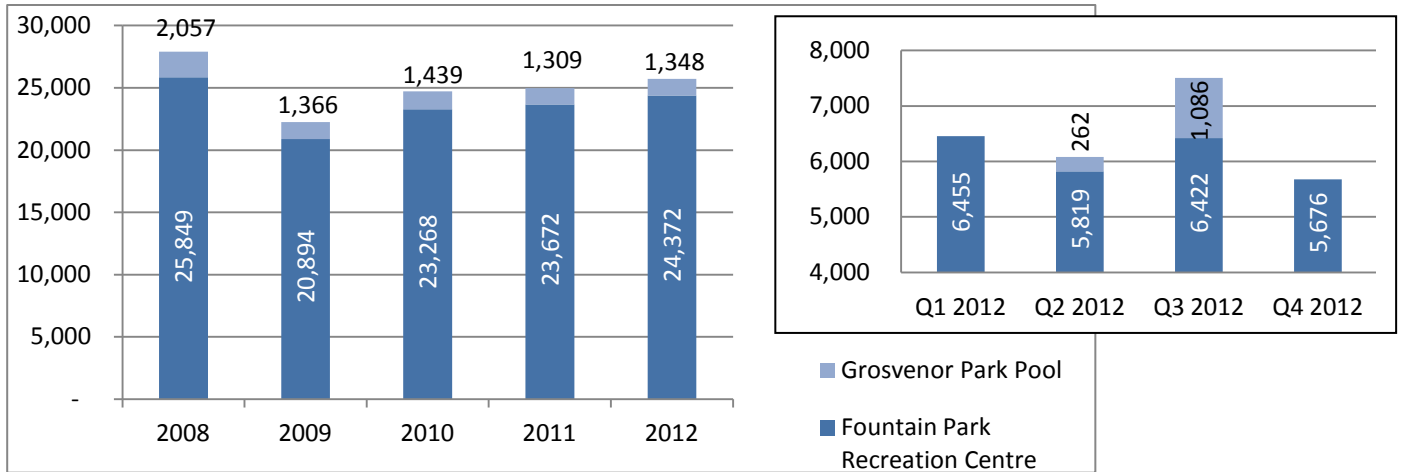
- Deep clean of deck and change room areas.
- Cleaning and painting of water features.
- Highlight painting of pillars on the South Wall.
- Painting of the bulkhead surrounding the deck areas.
- Pump maintenance and repair.

**Landrex Water Play Centre Users**



## Servus Place Quarterly Report Year End 2012

**Servus Place Annual Member Swipes at Fountain Park Recreation Centre and Grosvenor Park Pool**



In 2012, member uses were recorded at 24,372 at Fountain Park Recreation Centre and 1,348 users at Grosvenor Park Pool. Both numbers saw only slight increases from 2011.

There was a notable increase in the number of Servus Place users at Grosvenor Park Pool in Q2 2012. It can be assumed that the record high temperatures during the last week of June as well as Servus Place’s usage of social media to “beat the heat” using the benefits of their annual membership encouraged users to take advantage of the outdoor facility.

## Servus Place Quarterly Report Year End 2012

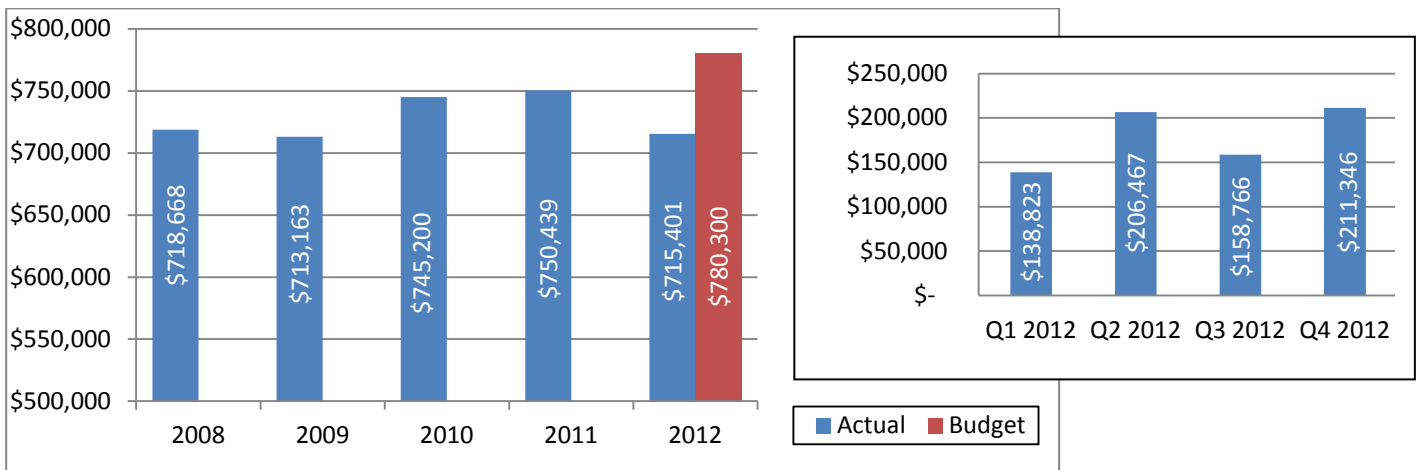
### Aquatics Internal Contracts

Aquatics Internal Contracts	2008 YE Actual	2009 YE Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual	YE 2012 Budget	YE 2012 Variance
	\$ 718,668	\$ 713,163	\$ 745,200	\$ 750,439	\$ 715,401	\$ 780,300	\$ (64,899)

Aquatics Internal Contracts ended the year almost \$65,000 under budget. These savings were based on continual improvement in the aquatics are i purchasing practices and scheduling efficiencies and manpower.

Aquatics staff have also revised the water quality practices which has resulted in a reduction in the chemical needed for the facility operations.

### Aquatics Internal Contracts



# Servus Place Quarterly Report Year End 2012

## Booking & Events

Event highlights from 2012 include:

- January 19-22 – John Reid Memorial Hockey Tournament - 16 teams from Western Canada, 1500 spectators.
- February 18-20 – SASA Family Day Soccer Tournament – 1000 participants.
- February 27-March 4 – Canadian Special Olympics Winter Games – 1200 athletes, 1000 spectators.
- March 16-18 – Under 14 Ringette. Provincial Championships – 200 participants, 500 spectators.
- March 16-18 – Soccer Provincial Championships – 200 participants, 500 spectators.
- April 7 - St. Albert Heavenly Rollers Game – 340 spectators and 40 participants.
- April 13-15 - 2012 Springsational Figure Skating Competition – 400 spectators and 200 participants.
- April 19-22 - Chamber of Commerce Lifestyle Expo – 14,000 visitors and 1,000 participants.
- April 27-29 - Blues Lacrosse Tournament – 1,000 spectators and 500 participants.
- May 2-6 - Desa Karate – 500 spectators and 250 participants.
- May 18-20 - Poundmaker Lodge Spring Dance Festival – 600 spectators and 200 participants.
- June 8-10 - Baggataway Lacrosse Tournament – 1,100 spectators and 400 participants.
- July 23-31 and August 1-10 – Oilers Hockey School – 800 participants.
- August 11 – Rock’n’August Jukebox Saturday Night – 500 spectators.
- September 1-3 Edmonton Oil Kings Pre-Season Hockey Tournament – 1500 spectators.
- September 22-23 – Five Rivers 4 on 4 Ball Hockey Tournament – 200 participants.
- October 5-7 – Turkey Ring – 600 participants – 1000 spectators.
- December 27-29 – SAMHA Novice Hockey Tournament.
- 321 parties with approximately 7,760 participants.

The Canadian Special Olympic Winter Games were executed with a high degree of success and positive feedback in late February and early March. Servus Place hosted the opening and closing ceremonies, speed skating, floor hockey, figure skating and friends and family amenities including a reception and lunch venue for approximately 650 athletes, 700 volunteers and 700 friends and family from across Canada. The largest crowd was for the opening ceremonies which saw 2,200 people.

The first ever concert at Servus Place was held on August 11 as part of the Rock’n’August Jukebox Saturday Night. The event brought Harlequin and Doug and the Slugs to entertain in the Northstar Hyundai Arena. The event was a success for Servus Place demonstrating the facility’s viability as an entertainment venue.

The annual Sobeys “Halloween Haunt” took place on October 26<sup>th</sup>. This event continues to be the signature Servus Place operated event and saw over 1,500 people experiencing the activities during the hours of 5:30pm and 8:30pm. The event included:

- Cookie decorating.
- Craft stations.
- Inflatables.
- Petting zoo.
- Haunted house and child themed “Witches Brew”.

And, in addition to their regular sponsorship of the event, Sobeys’ donated several pallets of pumpkins for decorating by the public and Servus Credit Union brought in and staffed a balloon filled inflatable.



## Servus Place Quarterly Report Year End 2012

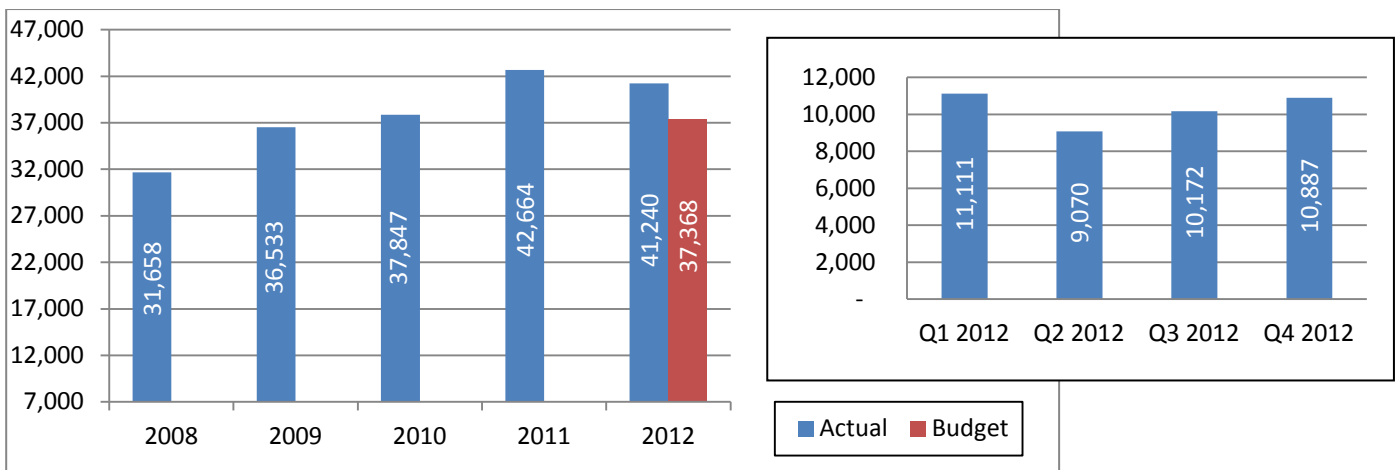
As part of the continuous improvement initiatives for Booking & Events, the following work was completed in 2012:

- School Use of Servus Place Guidelines package has been updated and distributed to all city schools. The School Master Schedule has also been completed for the 2012-2013 school year.
- Bookings staff and Public Works staff inspected each of the community clubhouses, identifying any maintenance or cleaning issues.
- Facility Utilization Guidelines have been updated in cooperation with Recreation staff to reflect the increase in spontaneous use in both the fieldhouses and the gymnasium.
- Work continues on the development of usage guidelines for Riel Sport Field including the costs of lighting, snow removal and usage guidelines. Riel Sport Field Use Conditions have been developed in cooperation with Recreation for implementation in early spring.
- Development of the Event Hosting Strategy continues and included a meeting with Servus Place Booking & Events and the Technical Committee of the Community Wide Event Hosting Strategy. The Servus Place Event Hosting Guidelines were completed and have been implemented into the facility operations.
- A new insurance policy has been developed which included an initiative to discontinue the requirement for insurance for identified medium risk activities. This new policy has been approved by the City Manager and implemented into facility operations for internal use by Bookings staff.

### Servus Place Facility Rental and Programmed Hours

Servus Place Facility Hours Rented and Programmed	2008 YE Actual	2009 YE Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual	YE 2012 Budget	YE 2012 Variance
Arenas	8571	10611	11,952	12,136	11,701	10,922	778
Fieldhouses	5356	5366	6,344	5,714	5,584	6,344	-761
Gymnasiums	13134	11099.7	12,562	13,171	12,967	13,113	-145
Meeting rooms	4597	9456	6,989	11,643	10,989	6,989	4,000
<b>Total</b>	<b>31658</b>	<b>36533</b>	<b>37,847</b>	<b>42,664</b>	<b>41,240</b>	<b>37,368</b>	<b>3,872</b>

**Servus Place Facility Rented and Programmed Hours**



## Servus Place Quarterly Report Year End 2012

Servus Place Facility Rental Revenue	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2012 YE Actual	2012 YE Budget	2012 YE Variance
Arenas	\$ 796,582	\$ 868,744	\$ 839,689	\$ 871,728	\$ 936,030	\$ 901,300	\$ 34,730
Fieldhouses	\$ 222,449	\$ 260,348	\$ 287,482	\$ 272,685	\$ 282,845	\$ 284,338	\$ (1,493)
Gymnasiums	\$ 39,600	\$ 29,744	\$ 35,448	\$ 32,907	\$ 24,800	\$ 35,760	\$ (10,960)
Meeting rooms	\$ 46,943	\$ 45,974	\$ 74,270	\$ 89,269	\$ 114,313	\$ 64,367	\$ 49,946
Leaseholders	\$ 34,486	\$ 34,164	\$ 230,422	\$ 218,220	\$ 222,245	\$ 207,100	\$ 15,145
Parties	\$ 121,732	\$ 148,610	\$ 18,909	\$ 10,407	\$ 10,179	\$ 15,535	\$ (5,356)
Refurbishment Charges*	N/A	N/A	\$ 53,291	\$ 53,672	\$ 54,039	\$ 53,500	\$ 539
<b>Total</b>	<b>\$ 1,261,794</b>	<b>\$ 1,387,585</b>	<b>\$ 1,539,513</b>	<b>\$ 1,548,887</b>	<b>\$ 1,644,450</b>	<b>\$ 1,561,900</b>	<b>\$ 82,550</b>

The 2012 arena rental revenue is over budget primarily due to additional bookings in all arenas by a number of various private hockey development operators. The time that was previously booked by the St. Albert Steel for their Hockey School and Training Camp in the latter part of August and the beginning of September was filled quickly by private operators. This positive revenue variance has been achieved despite the ammonia replacement that resulted in Mark Messier and Troy Murray Arenas being converted to dry floor from April 16 – May 4. The net overall result was neutral allowing us to accommodate all users as effectively as possible while addressing a maintenance issue on Troy Murray and Mark Messier arena.

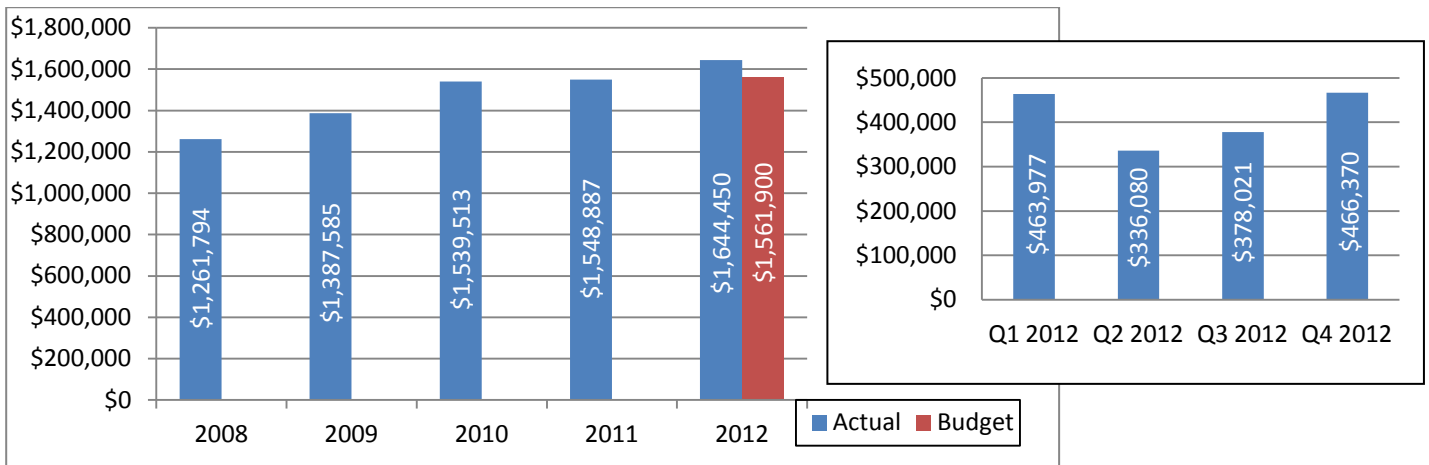
Fieldhouse revenue and rental hours ended 2012 very slightly below budget. Although the total hours for fieldhouses are under budget, this is due to a reduction in the number of programmed hours.

Gymnasium hours are under budget due to the dominance of premium times by program and the change to utilization guidelines that limits rentals to allow more spontaneous drop in use. Sport partner use has also declined.

Meeting Room rental hours are very close to budget but the revenue is substantially over budget for 2012. This is primarily due to office rental for events and the non-traditional rental of the parking lot to Canadian Traffic Education Centre (CTEC) which is not reflected in rental hours, just revenue.

Leaseholder revenue is over budget for the year due to lease payments from sport groups utilizing office space in the facility.

**Servus Place Facility Rental Revenue**

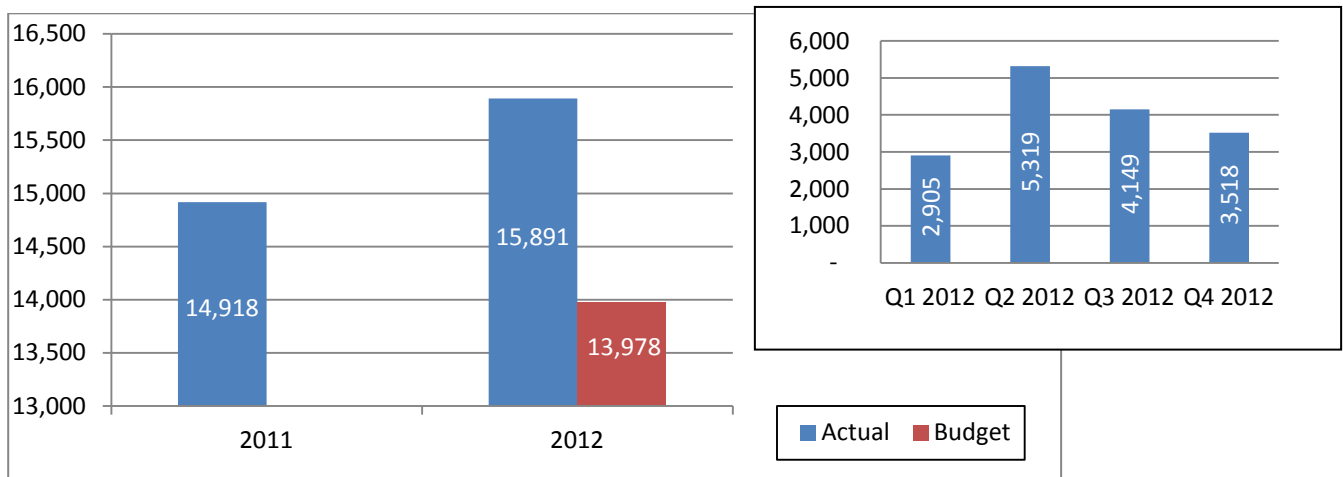


## Servus Place Quarterly Report Year End 2012

### Community Facility Rental and Programmed Hours

Community Facility Hours Rented and Programmed	2010 YE Actual	2011 YE Actual	2012 YE Actual	2012 YE Budget	2012 YE Variance
10920 Akinsdale/Kinex	8,168	6,240	7,857	5,841	2,016
10921 Playfields/Playgrounds	N/A	4,011	3,923	3,580	343
10922 Outdoor Rinks	N/A	561	405	435	-30
10923 Clubhouses	N/A	2,895	2,743	2,911	-168
10924 Riel Sport Field	N/A	1,211	963	1,211	-248
<b>Total</b>	<b>N/A</b>	<b>14,918</b>	<b>15,891</b>	<b>13,978</b>	<b>1,914</b>

### Community Facility Rented and Programmed Hours



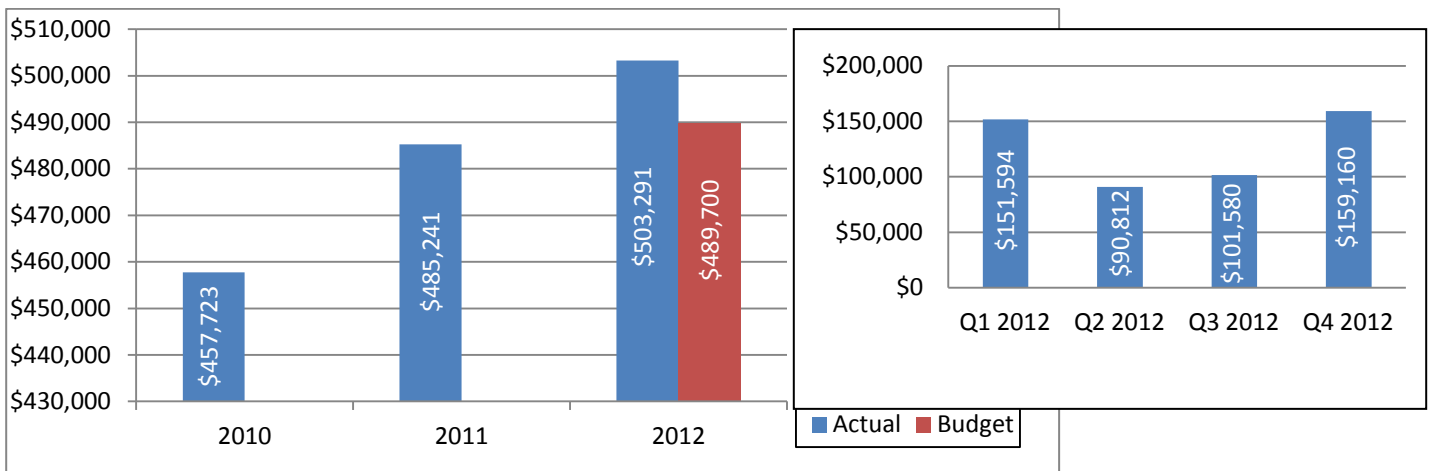
## Servus Place Quarterly Report Year End 2012

Community Facility Rental Revenue	2010 YE Actual	2011 YE Actual	2012 YE Actual	2012 YE Budget	2012 YE Variance
10920 Akinsdale/Kinex	\$ 373,159	\$ 401,998	\$ 418,118	\$ 400,800	\$ 17,318
10921 Playfields/Playgrounds	\$ 34,444	\$ 26,954	\$ 32,433	\$ 32,500	\$ (67)
10922 Outdoor Rinks	\$ 7,593	\$ 5,782	\$ 6,972	\$ 8,200	\$ (1,228)
10923 Clubhouses	\$ 4,253	\$ 4,180	\$ 4,638	\$ 4,400	\$ 238
10924 Riel Sport Field	\$ 37,757	\$ 34,492	\$ 34,287	\$ 40,000	\$ (5,713)
Recovered Costs	\$ 518	\$ 11,835	\$ 6,845	\$ 3,800	\$ 3,045
<b>Total</b>	<b>\$ 457,723</b>	<b>\$ 485,241</b>	<b>\$ 503,291</b>	<b>\$ 489,700</b>	<b>\$ 13,591</b>

Akinsdale and Kinex Arenas revenues are over budget for 2012. This variance is due to the fact that ice was kept in for one month longer than usual to accommodate the use transferred from Servus Place during the ammonia replacement in Mark Messier and Troy Murray Arenas. Ice rates are higher than dry floor rates and this additional ice time resulted in significantly higher revenue than if the ice had been taken out. The net overall result was neutral allowing us to accommodate all users as effectively as possible while addressing a maintenance issue on Troy Murray and Mark Messier arena.

Riel Sport Field is slightly below budget due to a cancelled tournament and reduced demand over last year for the artificial turf field due to the dry spring and ability for groups to use the natural turf fields. The Riel Sport Field turf replacement in Q3 also impacted the field usage resulting in a reduction in use.

**Community Facility Rental Revenue**



# Servus Place Quarterly Report Year End 2012

## Business & Marketing

Business & Marketing conducted a branding workshop with the Management Team to further refine the brand statement and target market for marketing initiatives. This formed the basis of an updated marketing plan which was completed in 2012.

Social media highlights for 2012 include:

- The Servus Place website had 135,318 hits with January seeing the highest number of hits (14,421).
- At the end of the year, Servus Place had 1,078 Facebook friends and 373 Twitter followers.
- Servus Place posts an average of 25 messages per month on Facebook and Twitter and had 2,481 Facebook wall views over the course of the year.
- 34% of the website hits to the servusplace.ca website were on mobile devices which highlights the growing trend in the use of Smartphones to gain fast access to information.

The department's reach on social media has increased dramatically due to a successful partnership with NAIT marketing students who created a marketing campaign to boost the number of Facebook followers for Servus Place. Over the course of the campaign, the number of Servus Place Facebook friends increased by over 800 individuals.

In 2012, Servus Place hosted both Shaw TV for their sports segment and Breakfast Television for a segment in which they highlighted one of the senior's programs at Servus Place. Servus Place also hosted both CBC and CTV during Q3. CBC came to the facility to film one of the facility users for a documentary on disabled athletes. The Oilers Hockey School was filmed for a feature segment on CTV.

The Customer Satisfaction Survey results have been received and compiled. Highlights from the report include:

- 95% overall customer satisfaction rating.
- 80% are supportive of expanding Servus Place.
- 64% of members visit more than 7 times per month.
- 62% utilize the Fitness Centre, 36% utilize the track and 34% utilize the Landrex Water Play Centre.
- 78% of members spend more than 1 hour here at a time.
- People rate safety as highly important and are very satisfied with safety at Servus Place.
- Instructor quality is a huge strength 88% satisfaction rating.
- 54% purchased from Starbucks with 99% satisfaction rating.
- Overall food services rating are 85%.
- 97% satisfaction in communication tools.
- Areas of improvement.
  - Cleanliness of fitness/track/aquatics (our highest usage areas).
  - Locker room space.
  - Fitness Centre space.
  - Gymnasium court space/availability.
- Servus Place members are very satisfied.
- Understand space constraints.
- Servus Place is becoming a community hub.

In May, the Alberta Junior Hockey League (AJHL) announced that the St. Albert Steel was moving to Whitecourt for the beginning of the 2012/2013 hockey season. A plan was developed and implemented to manage the termination of the partnership between the St. Albert Steel and the City of St. Albert. Community focus groups were conducted in order to properly assess what the community needed and desired for the space vacated by the Steel. A Request for Interest was conducted in Q3 to find a suitable replacement. The results of the RFP are currently being analyzed by City Administration.

The LCD screens in the facility, which communicate important facility information as well as provide advertising space, are currently being replaced. The first phases have been completed, which included four new LCD screens in the Northstar Hyundai Arena and the replacement of the operating system for

## Servus Place Quarterly Report Year End 2012

the LCD system. The remaining components, to be rolled out in 2013 and 2014, include new screens in the fieldhouses and a scheduling system to communicate to user groups more effectively.

In Spring of 2012, the Servus Place, Fountain Park and Recreation program guides were merged into one community recreation guide to provide a 'one stop' destination for all community recreation programs. In addition, ads for Cultural Services and FCSS were included to promote the various resources for their programs. In December, work began on moving this joint guide to a paperless version that will be launched in February 2013. The development of a recreation guide website as well as the enhancement of the Fountain Park pages on the City of St Albert website were worked on in December and a comprehensive plan was developed to launch the electronic guide in 2013.

Lease agreements for several of the facility leaseholders were reviewed and updated or renewed. Negotiations with Dynamic Sports Physiotherapy on the expansion of their current lease space were finalized and all paperwork completed. Construction on this space was complete in 2012. The St. Albert Ringette Association and St. Albert Rams Lacrosse lease was renewed for a five year term. The Booster Juice lease was reviewed and renewed for a further four year term.

<b>Advertising, Fundraising and Sponsorship Inventory</b>	<b>2008 YE Actual</b>	<b>2009 YE Actual</b>	<b>2010 YE Actual</b>	<b>2011 YE Actual</b>	<b>2012 YE Actual</b>
Total Spaces Sold	139	133	122	148	178
Total Complimentary Spaces	N/A	N/A	8	3	5
Total Internal Spaces	N/A	N/A	10	7	9
<b>Total Spaces Used</b>	<b>139</b>	<b>133</b>	<b>140</b>	<b>158</b>	<b>191</b>
Total Space Available	197	197	201	208	240
<b>% of Space Used</b>	<b>71%</b>	<b>68%</b>	<b>61%</b>	<b>71%</b>	<b>80%</b>

\* Over the past three years, the advertising strategy has been updated and the available inventory has been expanded to include a number of new elements (e.g. LCD screens). As a result of these changes, Servus Place will no longer be reporting the inventory unit sales compared to budgeted unit sales and will instead focus only on the revenue compared to budget and last year.

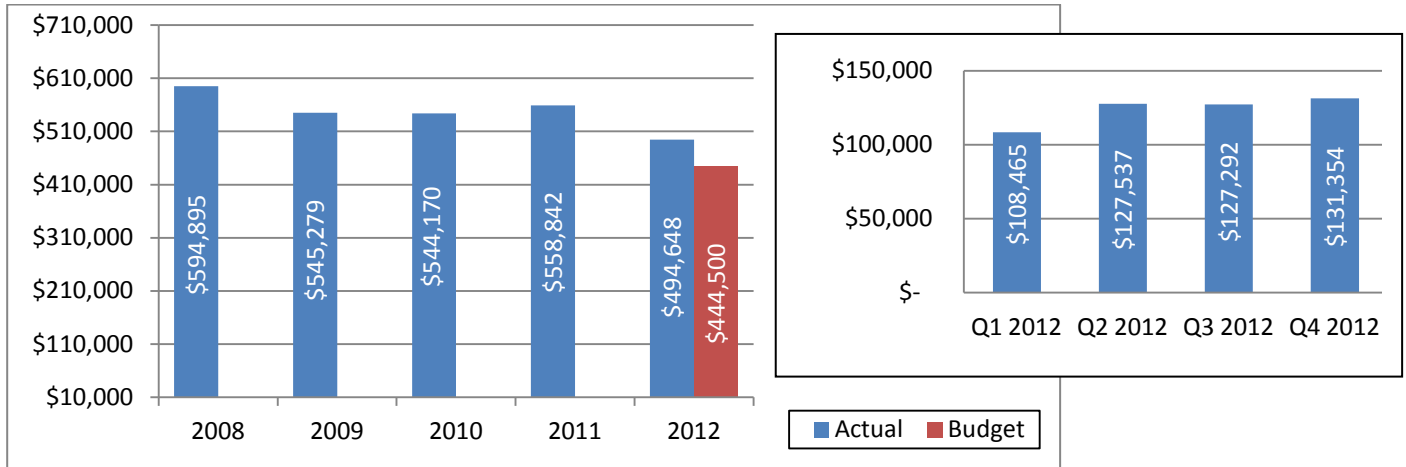
### 2012 Advertising Inventory

<b>Advertising Fundraising and Sponsorship Inventory</b>	<b>Northstar Hyundai Arena</b>	<b>Mark Messier Arena</b>	<b>Troy Murray Arena</b>	<b>Sarasota fieldhouse</b>	<b>Pizza 73 fieldhouse</b>	<b>ReidBuilt Community Gym</b>	<b>Information Boards</b>	<b>LCD Screens</b>	<b>Akinstale Arena</b>	<b>Total</b>
Total Spaces Sold	47	30	26	18	16	3	7	6	25	178
Total Comp Spaces	0	0	0	1	0	0	0	4	0	5
Total Internal Spaces	2	1	1	1	1	1	0	2	1	9
<b>Total Spaces Used</b>	<b>48</b>	<b>31</b>	<b>27</b>	<b>20</b>	<b>17</b>	<b>4</b>	<b>7</b>	<b>13</b>	<b>26</b>	<b>191</b>
Total Space Available	56	40	40	22	22	4	7	13	36	240
<b>% of Space Sold</b>	<b>86%</b>	<b>78%</b>	<b>66%</b>	<b>89%</b>	<b>79%</b>	<b>98%</b>	<b>100%</b>	<b>98%</b>	<b>71%</b>	<b>80%</b>

## Servus Place Quarterly Report Year End 2012

Advertising, Fundraising and Sponsorship Revenue	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2012 YE Actual	2012 YE Budget	2012 YE Variance
Advertising Revenue	\$ 202,695	\$ 160,579	\$ 152,870	\$ 180,166	\$ 198,748	\$ 189,000	\$ 9,748
Fundraising/Sponsorship	\$ 392,200	\$ 384,700	\$ 391,300	\$ 378,675	\$ 295,900	\$ 255,500	\$ 40,400
<b>Total Revenue</b>	<b>\$ 594,895</b>	<b>\$ 545,279</b>	<b>\$ 544,170</b>	<b>\$ 558,842</b>	<b>\$ 494,649</b>	<b>\$ 444,500</b>	<b>\$ 50,149</b>

### Advertising and Sponsorship



Advertising revenue is over budget for the year due to the addition of the advertising inventory in the Northstar Hyundai Arena due to the departure of the St. Albert Steel.

Following the announcement from the Steel that they are moving to Whitecourt, Servus Place began meeting with the former Steel advertisers. The response from the advertisers was very positive and work will be ongoing to fill the advertising space in the Northstar Hyundai Arena.

The implementation of the sponsorship strategy has resulted in a number of new sponsorships and renewal of existing sponsorships.

- Canadian Natural Resources Limited has renewed sponsorship of the Tournament Room and Events Office for a five year term.
- Sobeys has renewed for the Sobeys Active Living Centre for a further three years.

In addition to these renewed sponsorships:

- Kingsway Toyota has signed on as a sponsor of the Indoor Playground and Leisure Ice.
- Northstar Hyundai as a sponsor of the Performance Arena. The Northstar Hyundai sponsorship is the first naming sponsor of the Performance Arena and has signed on for a 10 year term.
- ReidBuilt Homes as the sponsor for the Community Gymnasium.

The overall revenue has been reduced from 2011 as a result of the withdrawal of the Sturgeon County sponsorship.

A new design for signage has been developed for the facility, and sponsorship and directional signs and has been installed in all locations including Northstar Hyundai Arena and the Kingsway Toyota Indoor Playground and Leisure Ice.

# Servus Place Quarterly Report Year End 2012

## Retail

The first year of operation of the Starbucks store in Servus Place has had a significant impact not only in the number of customers through the store but also on the patterns of Servus Place users.

- 103,000 transactions which is an average of 1980 per week
- 7% of total Servus Place Revenues
- In the 2012 Customer Satisfaction Survey, 54% of respondents indicated that they had made a purchase in the Starbucks store with a 99% satisfaction rating.
- 10.4% of Servus Place visitors made a purchase at Starbucks in 2012

In addition to the metrics, having a premium coffee shop has had an impact on the user pattern of Servus Place visitors. The 2012 Customer Satisfaction survey showed that the average time that people stay in the facility is “one hour or more” and, coupled with the addition of comfortable seating areas and plants, has made the facility a more welcoming environment.

In 2012, staff received a number of enquiries from other municipalities who are seeking alternate ways to grow their revenues and are interested in a similar licensed coffee shop model. The Starbucks district manager visits the store regularly and there was a visit from a corporate executive team and all reports have been very positive regarding the store operations.

## Financial Information

Revenues of \$513,672 for the year include all retail sales plus recovered costs for returned bottle deposits from dairy purchases. Operating expenses were \$476,392 for the year which includes; wages, benefits, operating supplies, occupancy costs and bank charges.

From the net operating profit of \$37,280, \$35,000 was transferred to reserves to repay the capital costs for construction and to develop the lifecycle replacement fund for future equipment replacement.

	2012 Actual	2012 Budget	2013 Budget
Revenue	\$513,672	\$666,500	\$552,300
<b>Expenses</b>			
Wages	\$183,322	\$188,500	\$173,700
Benefits	\$22,311	\$26,800	\$20,600
Supplies	\$250,034	\$298,500	\$238,500
Other	\$20,725	\$61,800	\$24,500
Total Operating Profit	\$37,280	\$90,900	\$93,000
Transfer to reserves	\$35,000	\$43,000	\$35,000

The first year of operation has now set sales and expense trends which have been used to develop the 2013 budget. The fixed costs for operating the store have been established and the incremental sales that are made in 2013 will be at a higher margin as the only incremental costs will be the cost of goods.

During 2012, the operation was continually adjusted to respond to sales trends and traffic patterns. Now that these patterns have been established, the operating costs and sales can be planned further in advance which will have a positive impact on the bottom line. Some specific actions that have been taken to grow the business include:

- Changed dairy supplier saving over \$1.25 per 4 liter of milk
- Increased food attachment rates and overall food sales as a result
- Reduced overall staffing to increase sales per labor hour
- Reduced deliver frequency during non-peak weeks saving \$150 per delivery
- Reduced operating hours during summer months
- Returning empty milk and syrup containers for bottle deposit refunds

These changes will equate to over \$25,000 in savings over a full year. Early indications in 2013 show a strong increase in sales and operating profit with an 8 week trend of 110% increases over last year.



# Servus Place Quarterly Report

## Year End 2012

### Operations

As part of ongoing continuous improvement, Servus Place has made changes to the security coverage in the facility. An adjustment has been made from overnight coverage to late afternoon and evenings to heighten the security presence in the facility, reduce the number of incidents and to support front line staff.

Janitorial services have also been improved. Overnight janitorial coverage will now be provided by a contractor to do a set list of tasks and Servus Place janitorial staff will work exclusively during days and evenings. This gives staff the ability to do deeper cleaning more often and maintain a higher standard of cleanliness.

As part of the 55+ Alberta Winter Games Legacy Project, Servus Place had a washroom installed on the Christenson Developments Track & Training Centre. This washroom was a high priority for the patrons who regularly use the track. In addition to the washroom, fitness equipment including new spin bikes and a Jacob's Ladder were installed on the track to further enhance this space.

The Dynamic Physiotherapy lease space has been expanded to take over two change room spaces that were not being fully utilized. During the renovations, Servus Place worked with the contractors to ensure that the impact on regular operation was minimized and that the integrity of the base building systems were maintained.

The Servus Place Capital Lifecycle Plan was reviewed and adjusted to reflect a true replacement plan based on the extended hours of operating and the number of days a year that a recreation facility operates. Under these conditions, the wear on items is greatly increased which in turn shortens the life expectancy. Using the knowledge and experience of qualified vendors and staff and with continued monitoring and adjusting of the plan, Servus Place will be able to maintain a high performance building that is aesthetically pleasing.

In 2012, the AS#6 Air Handling Unit was replaced, and over the course of the year, this new system was closely monitored. Servus Place Operations staff have determined that this new system has resulted in improved air quality and mechanical performance and has reduced the maintenance hours for this equipment significantly.

To further improve the building security coverage of the building, 12 additional security cameras have been added to the existing 47 camera compliment. The cameras have been installed in the following locations:

- 4 on the Christenson Developments Track & Training Centre
- 2 on the building exterior on the East fire lane
- 2 on the building exterior in the shipping area
- 2 in Starbucks
- 1 in the Landrex Water Play Centre
- 1 in the Kingsway Toyota Indoor Playground.

Other major work that occurred in 2012 includes but is not limited to:

- In August, Servus Place Operations staff repaired and replaced dehumidifiers in the Troy Murray and Mark Messier Arenas to provide an improved ice surface and viewing area.
- Pressure cleaned all outside entries and washed all exterior windows
- The concrete around the pillars outside the west entrance after the thawing and freezing caused it to break up, resulting in both a tripping hazard and making the main entrance less than desirable. The new concrete has a better slip joint around the pillars and should prevent this break up from happening again, while doing this repair Servus Place took this as an opportunity to enhance the look of the entry by adding a stamped pattern and some color.
- A reconfiguration of the parking lot was undertaken in 2012 to improve traffic flow and the safety of pedestrians. In addition, the sidewalk on the south entrance to the building was widened to allow players with large bags to access the building with more ease.
- Two new dividers were installed in each of the fieldhouses. The new dividers weigh 1/10<sup>th</sup> of the original dividers and have a new installation system. The new dividers are much quicker to put up and take down and safer for staff to install.

## Servus Place Quarterly Report Year End 2012

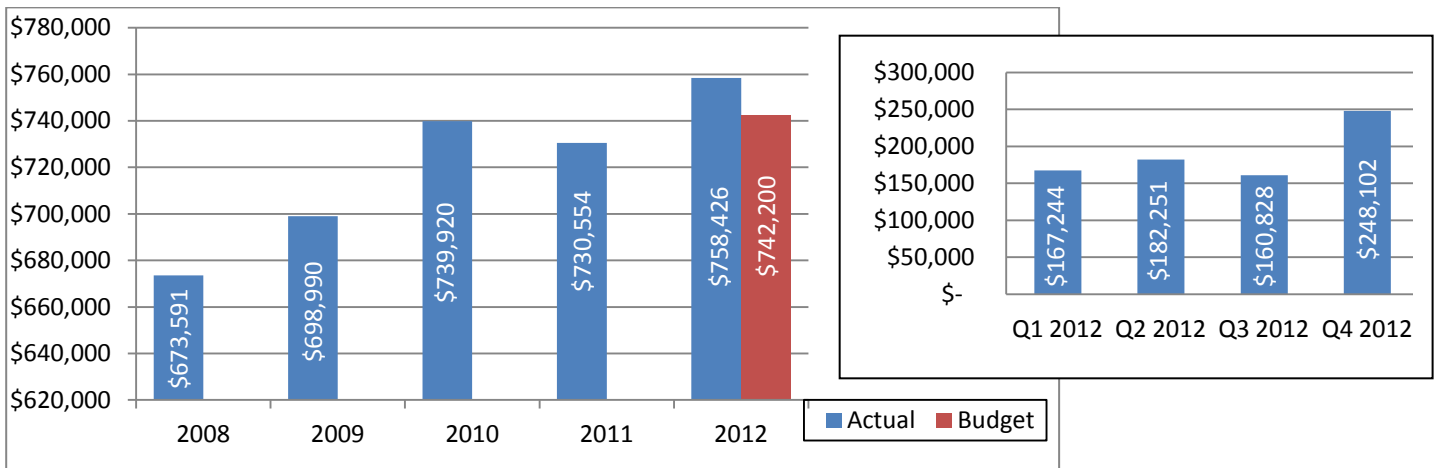
- Two new benches were installed in front of the facility to replace the decorative benches that were damaged earlier in the year.
- Water bottle fountains were installed throughout the facility in July. These fountains make it faster and easier for patrons to fill water bottles and tracks the number of bottles that have been saved from the landfill. In 6 short months, over 70,000 bottles were filled at these fountains.
- The janitorial staff have switched to environmentally safe cleaning products and new refuse bins were installed that encourage patrons to sort their recyclables like paper, bottles and cans from other rubbish.
- On July 18, 2012 the fire alarm was triggered due to a drop in pressure in the sprinkler tree. The facility was evacuated efficiently and effectively and the problem was rectified.

### Public Works Internal Contracts

Public Works Internal Contracts	YE 2008 Actual	YE 2009 Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual	YE 2012 Budget	YE 2012 Variance
	673,591	\$ 698,990	\$ 739,920	\$ 730,554	\$ 758,426	\$ 753,200	\$ 5,226

The Public works transfer was over budget due to additional work required for large special events. A portion of these charges were recouped under recovered costs of the event.

### Public Works Internal Contracts



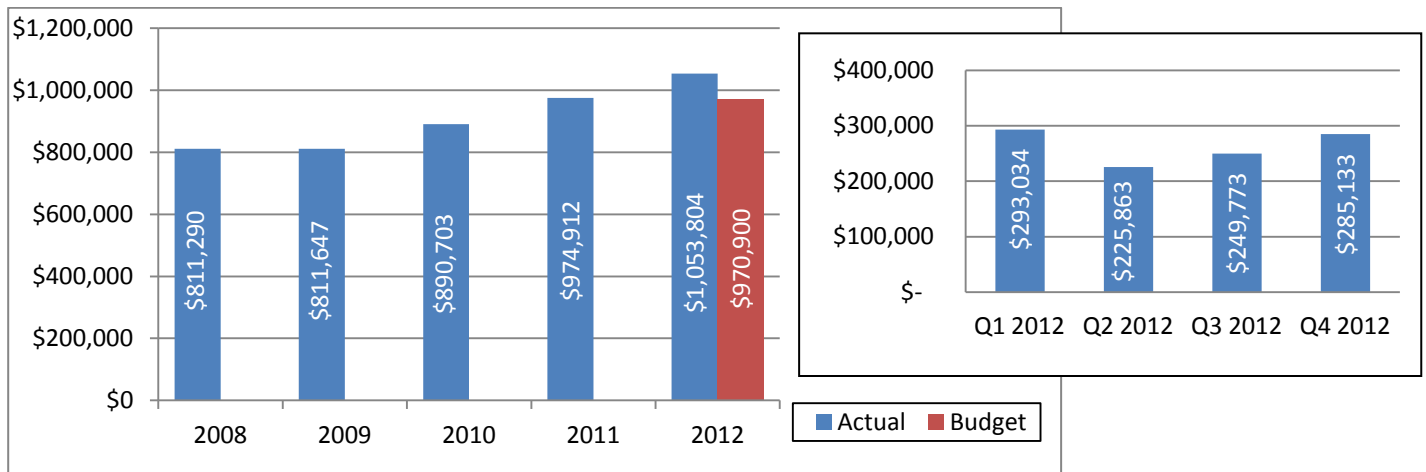
## Servus Place Quarterly Report Year End 2012

### Utilities

Utilities	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2012 YE Actual	YTD 2012 Budget	2012 YTE Variance
Electricity	\$ 486,243	\$ 478,561	\$ 542,817	\$ 641,483	\$ 704,735	\$ 612,000	\$ 92,735
Natural Gas	\$ 286,650	\$ 242,984	\$ 242,144	\$ 232,350	\$ 218,912	\$ 250,400	\$ (31,488)
Water, Wastewater and Solid Waste	\$ 61,290	\$ 71,983	\$ 93,359	\$ 90,818	\$ 112,128	\$ 95,000	\$ 17,128
Telephone and Cable	\$ (22,893)	\$ 18,119	\$ 12,383	\$ 10,258	\$ 18,028	\$ 13,500	\$ 4,528
<b>Total</b>	<b>\$ 811,290</b>	<b>\$ 811,647</b>	<b>\$ 890,703</b>	<b>\$ 974,909</b>	<b>\$1,053,804</b>	<b>\$ 970,900</b>	<b>\$ 82,904</b>

Overall utilities ended the year above budget due to higher than budgeted costs for water, wastewater and solid waste and additional electricity usage is due in part to the number of large scale events in the facility during 2012 such as the Special Olympics, which consume a large amount of electricity.

**Utilities Expenses (Gas, Water and Electricity)**



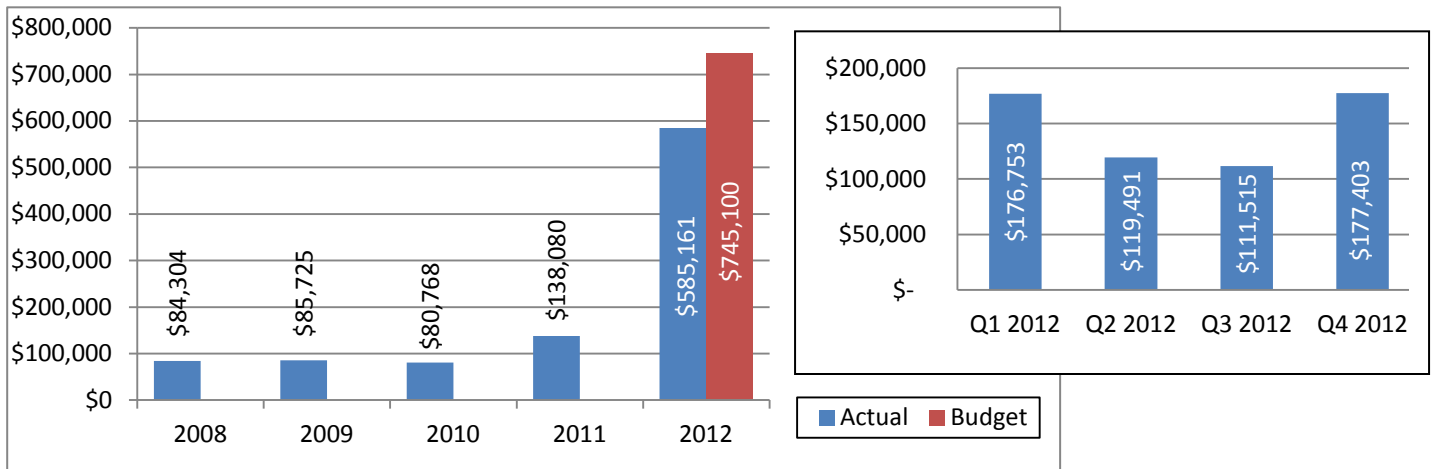
## Servus Place Quarterly Report Year End 2012

### Commissions & Vending

Commissions and Vending	2008 YE Actual	2009 YE Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual	YE 2012 Budget	YE 2012 Variance
Vending Commission	\$ 52,151	\$ 53,149	\$ 46,243	\$ 38,822	\$ 36,060	\$ 42,500	\$ (6,440)
Locker Total Revenue	\$ 27,152	\$ 21,590	\$ 28,819	\$ 26,445	\$ 32,272	\$ 34,800	\$ (2,528)
Guest Services	\$ 5,001	\$ 2,832	\$ 2,985	\$ 7,067	\$ 4,218	\$ 1,300	\$ 2,918
Miscellaneous	N/A	\$ 8,154	\$ 2,720	\$ 1,922	\$ 1,440	\$ -	\$ 1,440
Retail Revenue	N/A	N/A	\$ -	\$ 63,823	\$ 511,172	\$ 666,500	\$ (155,328)
<b>Total Revenue</b>	<b>\$ 84,304</b>	<b>\$ 85,725</b>	<b>\$ 80,768</b>	<b>\$ 138,080</b>	<b>\$ 585,161</b>	<b>\$ 745,100</b>	<b>\$ (159,939)</b>

The variance in commissions and vending is due to lower than anticipated revenue from vending, lockers and the retail cost centre. Although revenue for the retail cost centre are under budget there is a corresponding variance on the expense side. For more detailed information, please see page 32 of this report.

### Commissions & Vending Revenue



The budget for commissions and vending significantly increased from Q4 2011 with the addition of the Starbucks to the Servus Place operating budget.

# Servus Place Quarterly Report Year End 2012

## Personnel Costs

Staff training in 2012 included the following:

- The Recreation staff attended training as Fundamental Movement Skills (FMS) facilitators. Part 2 of the FMS training was held for 11 casual Recreation staff which included how to implement the training into the program plans, discussing FMS resources and future initiatives. Training in Fundamental Movement Skills was provided to 30 summer staff by in-house Learning Facilitators.
- The three Servus Place Administrative Assistants attended the City of St. Albert Admin Workshop.
- All childminding staff and several preschool instructors received Little Warriors Training on how to recognize and deal appropriately with disclosure of child sexual abuse.
- Raving Fans training was held 52 staff. This training continues to be a requirement for all Servus Place staff to ensure the high level of customer service that the facility offers.
- The Operations Administrative Assistant has received Auditor Certification in health and safety through Alberta Municipal Health and Safety Association (AMHSA).
- Two Operations staff have attended the following courses through AMHSA:
  - o Joint Health & Safety Committees Course.
  - o Health & Safety Management Systems.
- Marketing & Communications Coordinator attended three web-design courses at Grant MacEwan College.
- Servus Place Managers attended media training put on by Calder Bateman. This training was hosted by the Corporate Communications and Marketing department to further develop media relations knowledge and skills amongst key staff.
- The Operations Coordinator is currently working towards his Facilities Management Administrator certification through the Building Owners and Managers Association. This certification will be an asset to the facility by providing proven practices and techniques in building maintenance.
- The Fitness & Wellness Coordinator received Certified Exercise Physiologist (CEP) certification. It is the highest Fitness designation available through the Canadian Society of Exercise Physiology (CSEP), the National Certification Body for Canada's Gold Standard for Personal Training certifications. This will allow those individuals with chronic health issues and more complex medical histories to be seen by a qualified staff who can approve them for starting an exercise regime due to not passing an initial pre activity medical form.

In-View Time Tracking software has been dissolved and the transition back to manual timesheets has been completed for Servus Place casual staff. After the transition was completed, Servus Place began exploring the When 2 Work software. This program allows for increased efficiency in the posting and management of casual staff scheduling and an increase in personal accountability for each person's schedules. The posting and swapping of shifts will increase the effectiveness of shift coverage while also being able to provide future expense estimates based on posted schedules allowing for more effective budget management and planning. This program has now been fully implemented for all Programs & Services staff

In cooperation with the Respectful Workplace Committee, Respectful Workplace signage is now being displayed at all public desks in the facility reminding patrons to be respectful to staff. In 2012, twelve Servus Place staff participated in the Respectful Workplace Workshop.

The annual Servus Place All Staff Meeting was held on June 3. This annual event brought together over 170 casual and permanent staff for a training and teambuilding opportunity that included speakers on "How Servus Place Moves Our Users" and "How Servus Place Moves the Community, Zumba fit break, a health and safety scavenger hunt and video presentations that shared the 2011 Servus Place highlights and accomplishments.

## Servus Place Quarterly Report Year End 2012

Personnel by Cost Centre	2008 YE Actual	2009 YE Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual	YE 2012 Budget	YE 2012 Variance
Administration	\$ 210,462	\$ 227,471	\$ 247,652	\$ 253,425	\$ 265,290	\$ 261,500	\$ 3,790
Operations	\$ 578,780	\$ 762,316	\$ 885,227	\$ 777,138	\$ 688,356	\$ 785,500	\$ (97,144)
Recreation	\$ 1,008,985	\$ 401,909	\$ 528,820	\$ 568,068	\$ 611,405	\$ 624,800	\$ (13,395)
Fitness		\$ 695,840	\$ 815,182	\$ 880,520	\$ 931,528	\$ 869,500	\$ 62,028
Fundraising	\$ 293,945	\$ 168,730	\$ 178,594	\$ 213,260	\$ 227,048	\$ 224,400	\$ 2,648
Business & Marketing		\$ 242,355	\$ 254,373	\$ 257,065	\$ 273,331	\$ 285,100	\$ (11,769)
Bookings and Events		\$ 608,650	\$ 673,193	\$ 628,158	\$ 647,316	\$ 804,632	\$ 818,100
Guest Services	\$ 608,650	\$ 673,193	\$ 628,158	\$ 647,316	\$ 804,632	\$ 818,100	\$ (13,468)
Retail	N/A	N/A	N/A	\$ 43,584	\$ 183,322	\$ 191,100	\$ (7,778)
<b>Subtotal</b>	<b>\$2,700,822</b>	<b>\$3,171,814</b>	<b>\$ 3,538,006</b>	<b>\$ 3,640,376</b>	<b>\$ 3,984,912</b>	<b>\$ 4,060,000</b>	<b>\$ (75,088)</b>
Benefits	\$ 408,659	\$ 488,707	\$ 547,041	\$ 552,751	\$ 608,190	\$ 632,300	\$ (24,110)
<b>Total Costs</b>	<b>\$3,109,481</b>	<b>\$3,660,519</b>	<b>\$ 4,085,047</b>	<b>\$ 4,193,131</b>	<b>\$ 4,593,100</b>	<b>\$ 4,692,300</b>	<b>\$ (99,200)</b>

As part of Servus Place's goal of continuous improvement, the organizational structure is continually reviewed for operational efficiencies. Over the last five years, many changes have been made including both the creation of new business units and the amalgamation of existing business units. The business unit names reflect the current business units at Servus Place, other than the Fundraising which was combined into Business & Marketing in 2008.

Recreation experienced lower than anticipated personnel costs due to reduced programs and scheduling efficiencies.

The variance in Fitness personnel costs are due to increased fitness programs and dry land training. This additional expense is reflected positively under lesson fee revenue.

The variance in Operations is due to the vacant Head Caretaker position as well as the restructure of the caretaking area, which moved some casual janitorial staff to contract staff. This change has been reflected in the 2013 budget.

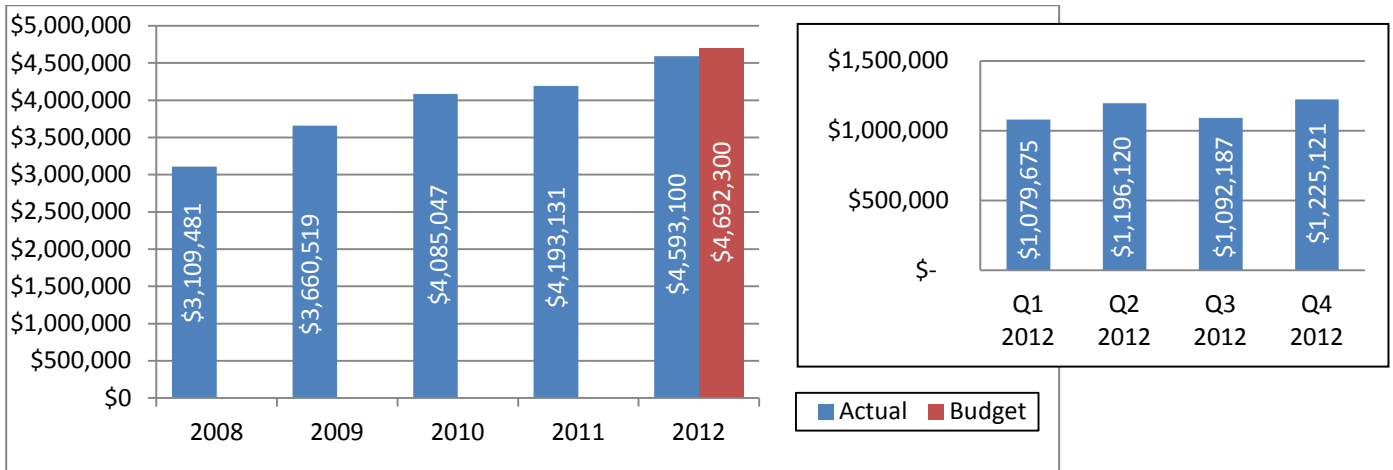
Booking & Events personnel costs are under budget due to efficiencies in scheduling casual hours.

The variance in Guest Services is due to reduced staffing hours through streamlining of schedules and lower than budgeted wages based on wage grid placement of casual staff.

Retail personnel costs variance is due to a reduction in full time staff and a reallocation of some of this cost to casual hours.

# Servus Place Quarterly Report Year End 2012

## Personnel Costs



# Servus Place Quarterly Report Year End 2012

## Contracted & General Services

Contracted & General Services	2008 YE Actual	2009 YE Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual	YE 2012 Budget	YE 2012 Variance
	\$ 741,822	\$ 754,725	\$ 707,503	\$ 787,414	\$ 803,277	\$ 823,800	\$ (20,523)

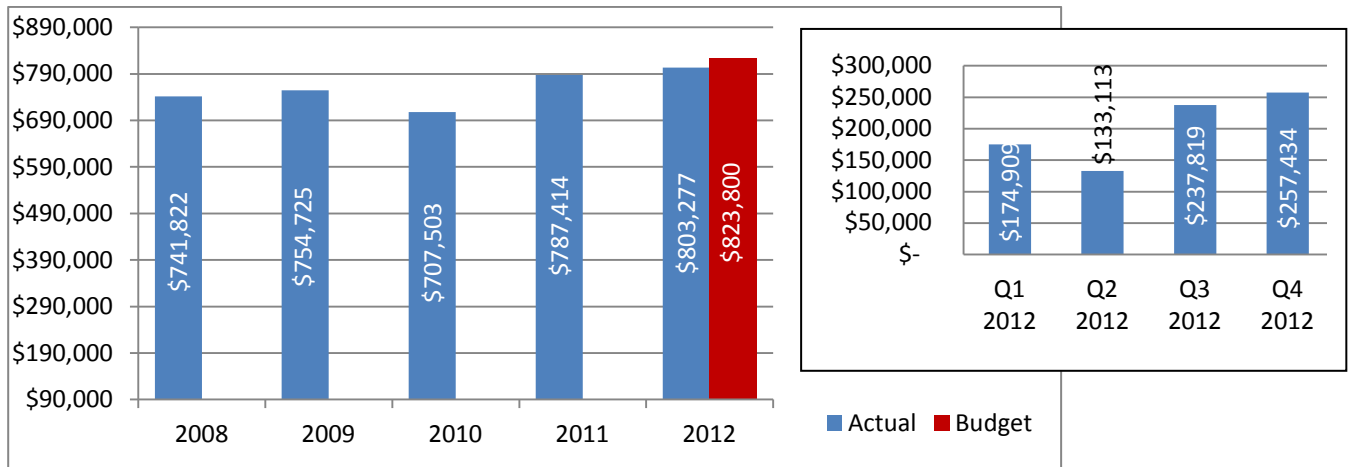
The variance in contracted and general services is due to savings in development & training, advertising & promotions and insurance premiums. These savings were offset slightly by increase expenses in rentals and leases and contracted and general services – janitorial services.

In the fall of 2012, a Request for Proposals (RFP) was completed for all City soft drink vending machines. Coca Cola was selected as the vendor for all soft drink machines which have now all been changed. The vending revenue for 2012 has not been impacted as the changeover took place in late November. In addition to the soft drink agreement, the food vending agreement expired and an RFP process was used to determine the vendor for the City’s food vending machines. The RFP required that all machines be converted to a healthier program following guidelines provided by Alberta Health Services and will be fully rolled out in 2013.

As part of ongoing continuous improvement, Servus Place has made changes to the security coverage in the facility. An adjustment has been made from overnight coverage to late afternoon and evenings to heighten the security presence in the facility, reduce incidents and support front line staff.

Janitorial services have also been improved, overnight janitorial coverage will now be provided by a contractor to do a set list of tasks and casual Servus Place staff will work exclusively during days and evenings. This gives us the ability to do deeper cleaning more often and maintain a higher standard of cleanliness. Overall a net decrease of 40,000 annually was realized with the changes in janitorial.

### Contracted & General Services Expenses





## Servus Place Quarterly Report Year End 2012

### Materials, Goods & Supplies

Materials, Goods & Supplies	2008 YE Actual	2009 YE Actual	YE 2010 Actual	YE 2011 Actual	YE 2012 Actual	YE 2012 Budget	YE 2012 Variance
	\$ 429,281	\$ 452,898	\$ 431,683	\$ 477,018	\$ 683,871	\$ 707,000	\$ (23,129)

Materials, goods and supplies are under budget primarily due to reduced operating supplies for the retail cost centre.

### Materials, Good & Supplies Expenses

