

Servus Place Year End Report

2011
(Un-Audited)

Servus Place 2011 Year End Report

City of St. Albert
Servus Credit Union Place
Income Statement of Revenue and Expenditures (Un-Audited)
For the Period of January 1, 2011 to December 31, 2011

	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Memberships	\$ 1,780,945	\$ 2,187,837	\$ 2,357,662	\$ 2,490,518	\$ 2,512,558	\$ 2,426,300	\$ 86,258
Admission Fees	520,385	782,838	968,841	1,115,546	1,143,536	1,270,500	(126,964)
Lesson Fees	486,009	571,657	616,462	845,278	929,285	834,200	95,085
Rentals - Facility	1,053,285	1,261,794	1,387,585	1,539,513	1,548,887	1,537,500	11,387
Advertising/Sponsorship	678,813	594,895	545,279	544,170	558,842	554,200	4,642
Sale of Goods (Commission & Vending)	140,137	84,304	85,725	80,768	138,080	184,300	(46,220)
Miscellaneous Revenue	6,206	43,829	79,739	25,663	47,517	13,800	33,717
Total Revenue	\$ 4,653,368	\$ 5,527,154	\$ 6,041,293	\$ 6,641,456	\$ 6,878,704	\$ 6,820,800	\$ 57,904
Personnel Costs	2,700,022	\$ 3,109,481	\$ 3,660,519	\$ 4,085,047	\$ 4,193,131	\$ 4,439,700	\$ (246,569)
Contracted & General Services	1,031,815	741,822	754,725	707,503	787,414	763,000	24,414
Utilities	945,844	811,290	811,647	890,703	974,912	827,700	147,212
Materials, Goods & Supplies	437,074	429,281	452,898	431,683	477,018	454,100	22,918
Internal Debt Payments	96,082	160,196	221,078	-	-	-	-
Transfer to Reserves	-	-	-	53,291	53,670	51,500	2,170
Transfer to Operations - Aquatics	775,710	718,668	713,163	745,200	750,439	756,800	(6,361)
Transfer to Operations - Public Works	639,582	673,591	698,990	739,920	730,554	732,600	(2,046)
Transfer to Operations - Corporate Services	197,619	219,415	-	-	-	-	-
Total Expenditure	\$ 6,823,748	\$ 6,863,744	\$ 7,313,020	\$ 7,653,347	\$ 7,967,138	\$ 8,025,400	\$ (58,262)
Net Surplus (Deficit)	\$ (2,170,380)	\$(1,336,590)	\$(1,271,727)	\$(1,011,891)	\$ 1,088,434)	\$(1,204,600)	\$ 116,166
Recovery Rate	68%	81%	83%	87%	86%	85%	1%
Cost Centre 3171 (from Recreation)							
Total Revenue	N/A	N/A	\$ 445,001	\$ 457,722	\$ 485,241	\$ 479,900	\$ 5,341
Total Expenses	N/A	N/A	123,691	132,237	138,979	137,600	1,379
Operating Surplus (Deficit)	N/A	N/A	\$ 321,310	\$ 325,485	\$ 346,262	\$ 342,300	\$ 3,962
Total Operating Surplus (Deficit)	N/A	N/A	\$ (950,417)	\$ (686,406)	\$ (742,172)	\$ (862,300)	\$ 120,128

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Department Overview – Year End 2011

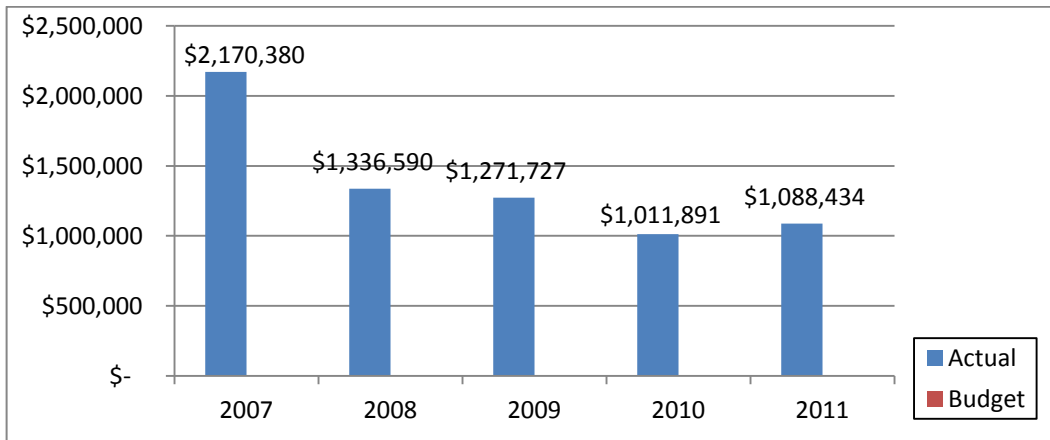
When the facility opened in 2006, Servus Place embarked on a journey to become a community gathering place; a place where people of all ages and abilities could come together to pursue healthy living. As part of our commitment to continuous improvement, over the past five years, strides have been made, both big and small to make the user experience at Servus Place unsurpassed while remaining politically and fiscally responsible. As a result of this diligence, the Servus Place deficit for 2011 is \$1,088,434, a 49.9% reduction from 2007. The recovery rate for 2011 is 86%, as compared to 68% in 2007.

In addition, the Servus Place operation has expanded to serve the community as well as in the facility. The Servus Place department books community clubhouses, schools and arenas, provide registered and drop-in programming at venues across the City, and continue to enhance the services that are offered within Servus Place.

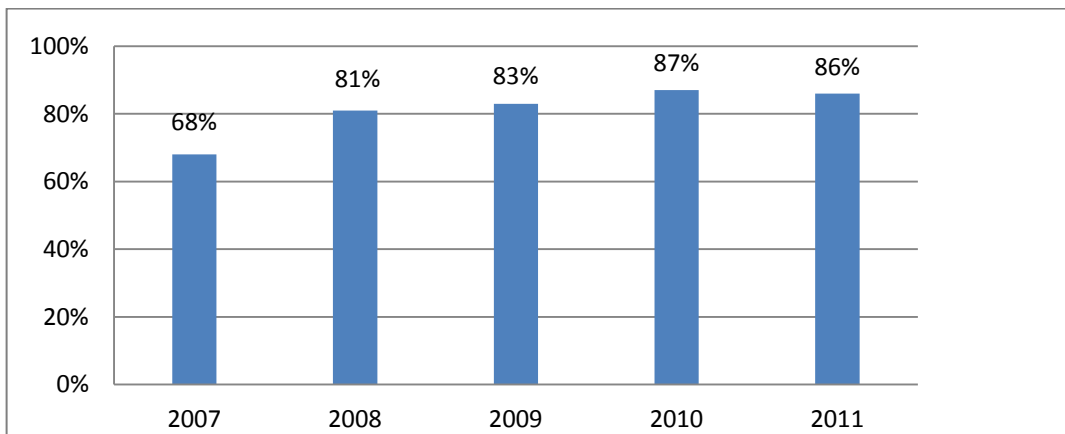
2011 has been a year of growth and change for Servus Place. After five years of operation, enough data has been gathered to establish patterns and trends in use. This information is used to set the direction for the years ahead.

In 2008, Servus Place changed the software that we were using for bookings and memberships. Because the methods of tracking between the two software programs had slight variations, in cases where the numbers are pulled from the software, a comparison to 2008 is used. Stats and financials that have been collected in the same way consistently throughout the last five years are compared to 2007.

Annual Deficit



Annual Cost Recovery Rate



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Revenue Analysis

Total revenue for 2011 is \$6,878,704 against a budget of \$6,820,800. Servus Place is beginning to level off in revenue growth as the facility begins to hit thresholds in available space to meet the needs of members and users.

- Memberships are above budget projections by \$86,258 (3.6%).
- Admission Fees are below budget projections by \$126,964 (-10.0%).
- Lesson Fees are above budget projections by \$95,085 (11.4%).
- Rentals - Facility are above budget projections by \$11,387 (0.7%)
- Advertising/Sponsorship is above budget projections by \$4,642 (0.8%)
- Sale of Goods (Commission & Vending) is below budget projections by \$46,220 (-25.1%)
- Miscellaneous Revenue is above budget projections by \$33,717

The membership revenue variance is due to a combination of member demographic shift to the higher value family membership category and fee increases resulting in a 41.1% increase in membership revenue since the facility opened.

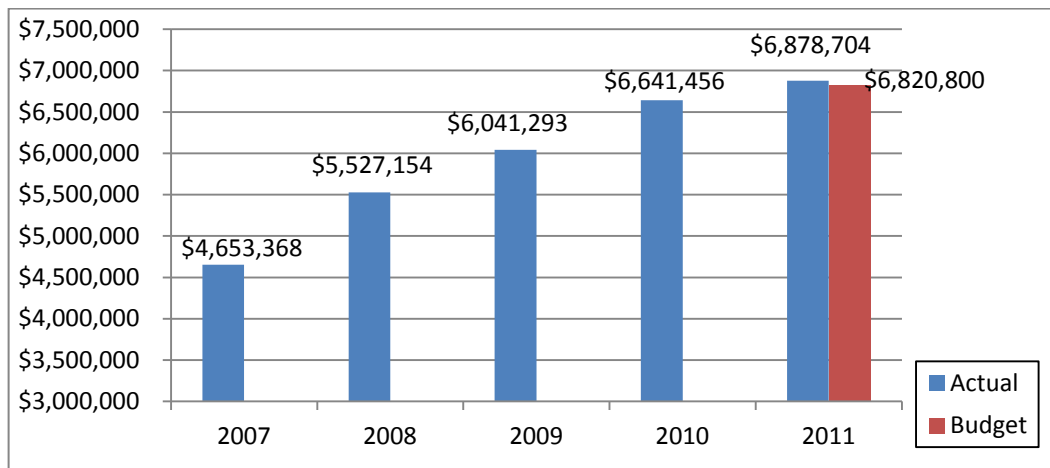
Although admission fee revenue is below budget for 2011 due to an overly aggressive budget, there has been significant growth since the facility opened with admission fees increasing by 119.7% since 2007 due to a combination of an increase in the number of paid passes sold and increased rates.

The significant variance in lesson fee revenue is due to a combination of increased fitness program registration and fitness services.

Commissions and vending revenue is under budget for 2011 due to lower than anticipated vending commission revenue, locker revenue and the delay in Starbucks opening.

Miscellaneous revenue is over budget due to recovered operating costs in relation to major events held in the facility in 2011.

Total Revenue



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Expense Analysis

Total expenses for 2011 are \$7,967,138 against a budget of \$8,025,400. Although there has been a significant increase in revenue at Servus Place over the past five years (47.8%), the expenses have remained relatively consistent, increasing by only 16.8%. Detailed planning and business practices as well as initiatives such as lifecycle planning have helped to ensure that we can continue to operate a first-class facility while keeping the expenses in line with the budget.

- * Personnel Costs are below budget projections by \$246,569 (-5.6%).
- * Contracted & General Services are above budget projections by \$24,414 (3.2%).
- * Utilities are above budget projections by \$147,212 (17.8%).
- * Materials, Goods & Supplies are above budget projections by \$22,918 (5.0%).
- * Transfer to Reserves is above budget by \$2,170 (4.2%).
- * Transfer to Operations - Aquatics is below budget projections by \$6,361(-0.8%).
- * Transfer to Operations - Public Works is below budget projections by \$2,046 (-0.3%).

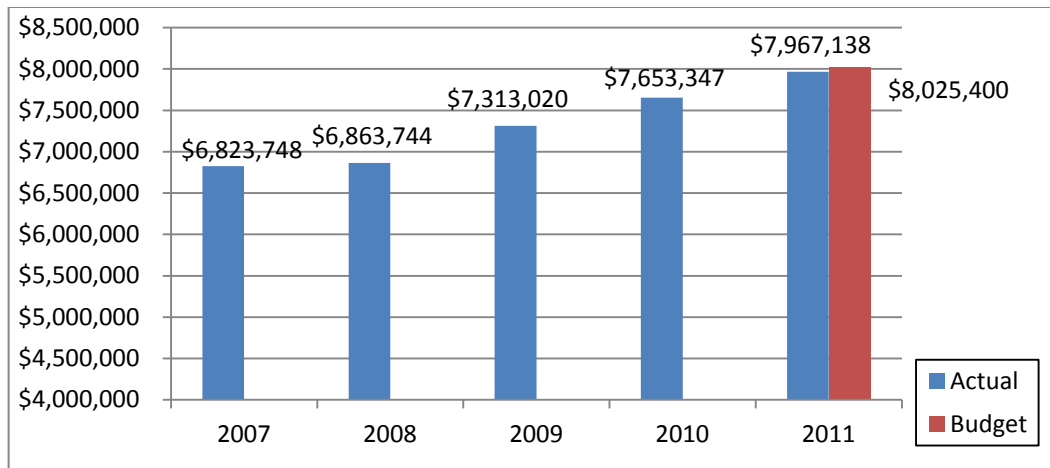
Staff vacancies in the early part of 2011 have contributed to personnel costs ending the year substantially under budget. These positions have all been filled.

Over the past four years, contracted and general services at Servus Place have been extremely consistent. Intensive monthly, quarterly and annual reporting has ensured minimal fluctuation in these expenses.

In 2011, the utility costs were substantially over budget due to additional major events, increases in the cost of electricity and natural gas and facility repairs requiring the ice to be taken out and reinstalled more than in a regular year.

Overall in 2011, materials, goods and supplies are under budget primarily due to variances in operating supplies and janitorial supplies. Some of this additional cost can be attributed to additional major events being held in the facility requiring more cleaning and higher use of paper products.

Total Expenses



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Guest Services

In 2008, the overall membership demographic was primarily made up of adult and family memberships. While that trend still remains true in 2011, there has been a significant increase (10%) in the percentage of family memberships and a corresponding decrease in the number of youth, student and child memberships. The average monthly members in 2011 were 7,064 members which have been relatively consistent since 2008. Day admissions continue to experience high numbers with 2011 bringing in over 139,000 day admissions, a 34% increase from 2008.

Admission highlights for 2011 were Spring Break, March 28 - April 1, with March 28 seeing 2,965 people using the facility; a new one day record, April 1 - 4 with over 8,700 admissions over the Spring Break/Easter weekend and December 27 - 30 with almost 10,000 admissions over the four days.

Continuous improvements include:

- Guest Services has launched a member questionnaire that ran throughout Q1 and Q4 of 2011. This questionnaire provides valuable baseline information that Guest Services can use to evaluate their customer service levels. In Q4, Servus Place staff received an overall 92.9% customer satisfaction rate. This is an increase of 3.9% over the Q1 questionnaire.
- The Guest Services Associate position is responsible for supervising the host and monitor functions in the facility. In 2011, this position was moved from Operations to Guest Services in order to improve the customer service in the facility. Working under the Guest Services Coordinator, this position spends approximately 80% of the time on the floor and 20% performing administration tasks, which has allowed increased opportunities for coaching, mentoring and direct supervision for their casual staff team leading to strengthened leadership. This move has also allowed for casual staff resources to be saved by having this permanent staff member on the floor for approximately 24 hours per week.

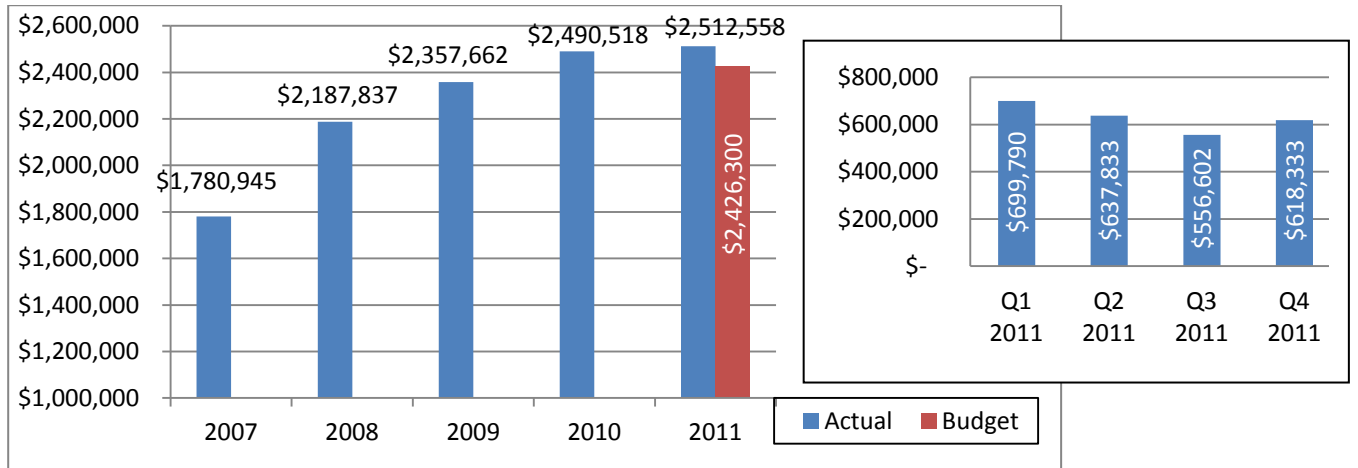
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Membership

Memberships	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Adult	N/A	2,981	2,877	2,957	2,915	2,735	179
Child	N/A	983	657	486	362	467	-105
Family	N/A	1,614	1,915	2,150	2,304	2,002	302
Senior	N/A	559	620	701	747	667	80
Student	N/A	378	465	498	407	467	-60
Youth	N/A	490	399	362	330	334	-4
Total Members	N/A	7,005	6,932	7,154	7,064	6,672	392
Total Paid Membership Units	N/A	5,743	5,411	5,457	5,245	5,096	149
Corporate Memberships	N/A	1,623	1,886	2,079	1,886		
Membership Revenue	\$ 1,780,945	\$ 2,187,837	\$ 2,357,662	\$ 2,490,518	\$ 2,512,558	\$ 2,426,300	\$ 86,258

Over the past five years, there have been significant changes in the demographic of members. Adult, student and youth categories have decreased slightly but the most significant decrease since 2008 is in the child category (63.2%). This shift corresponds with families, who might have originally purchased individual memberships for each family member, moving to family memberships, which have increased 42.8% over the past four years. There has also been a 33.6% increase in the number of senior memberships since 2008.

Membership Revenue

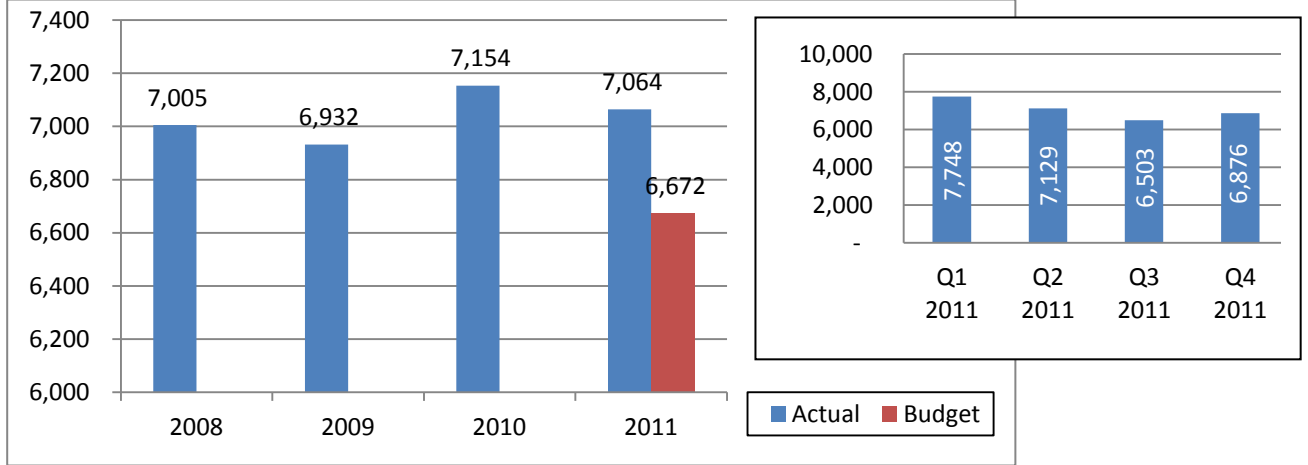


Membership revenue for 2011 is \$2,512,558 which is 3.6% above budget. Since opening, a combination of member demographic shift increased annual members and increases to membership rates have resulted in a 41.1% increase in membership revenue.

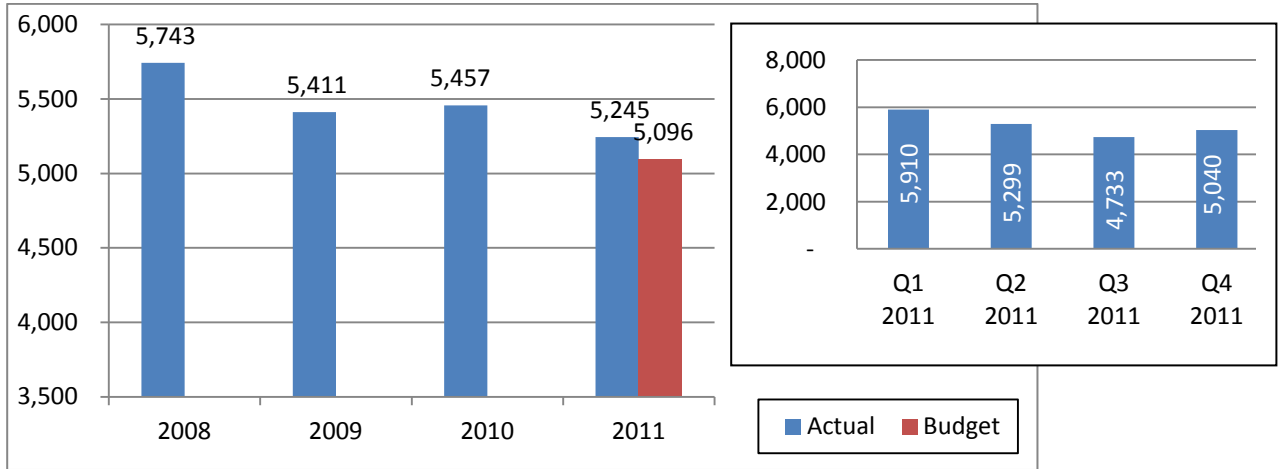
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The “blended rate” is an average monthly value of the memberships for a specific period of time. The actual blended rate for 2011 is \$39.92. Although the 2011 blended rate is slightly above budget (\$39.68), it is \$8.17 higher than the 2008 blended rate (\$31.75). This can be attributed to increases in the higher value family membership category as well as fee increases.

Total Members



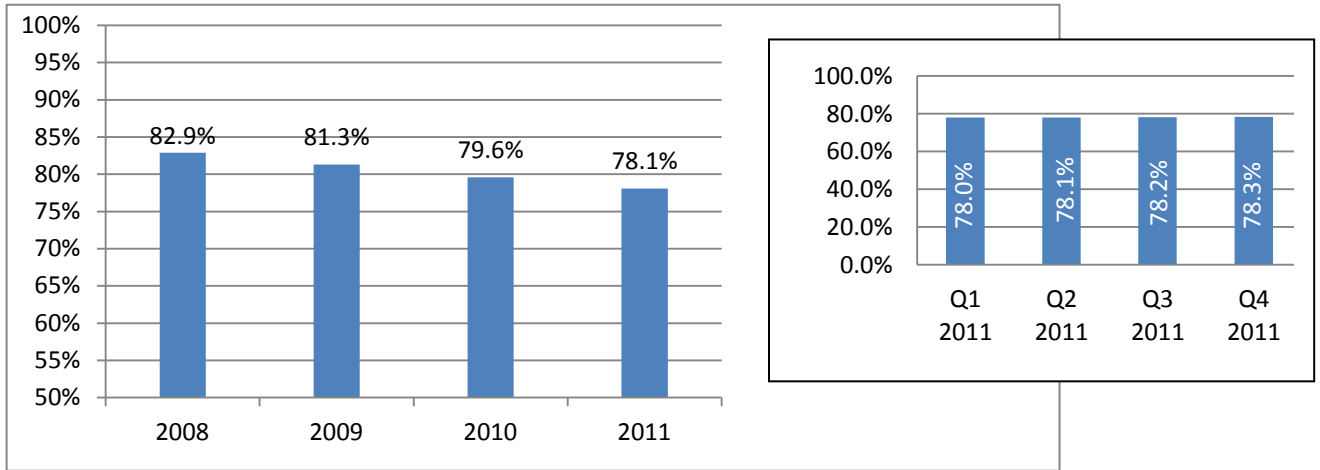
Membership Units



Members are the number of individuals that are included in a membership unit, for example, one family membership unit could contain five members. Although membership units have decreased from 2007, the shift from individual memberships to family memberships has equated in only slightly lower members.

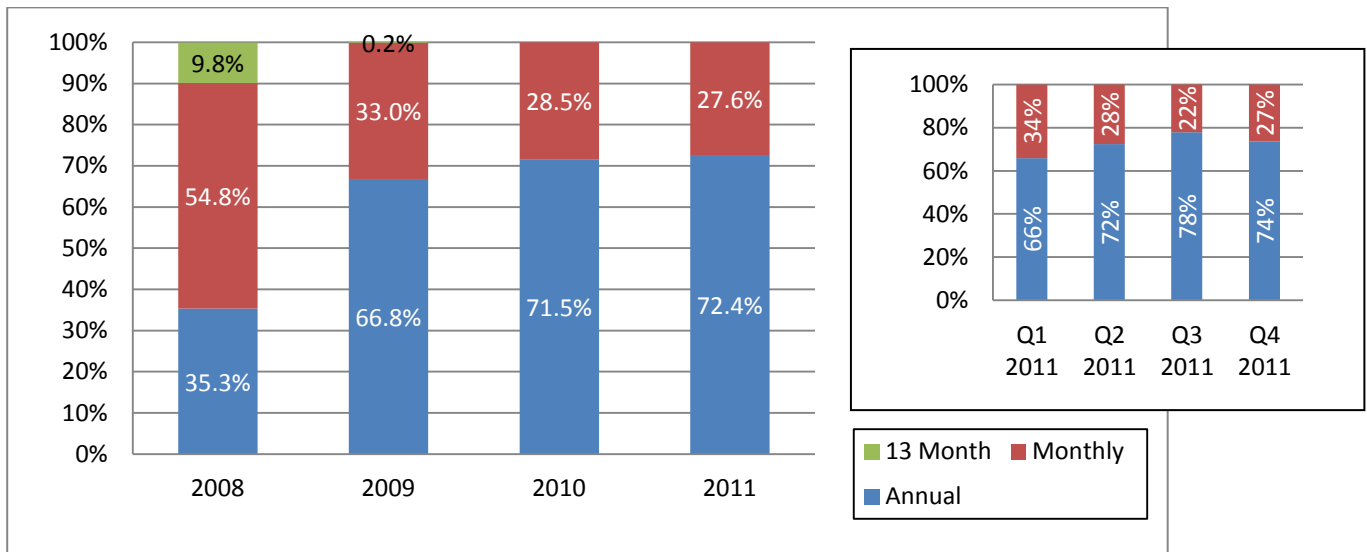
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Percentage of Members who are St. Albert Residents



In 2011, the average percentage of members who are St. Albert residents is 78.1%. This may be due in part to the increased accessibility to Servus Place from Edmonton due to the opening of 167Ave and Anthony Henday Drive NE.

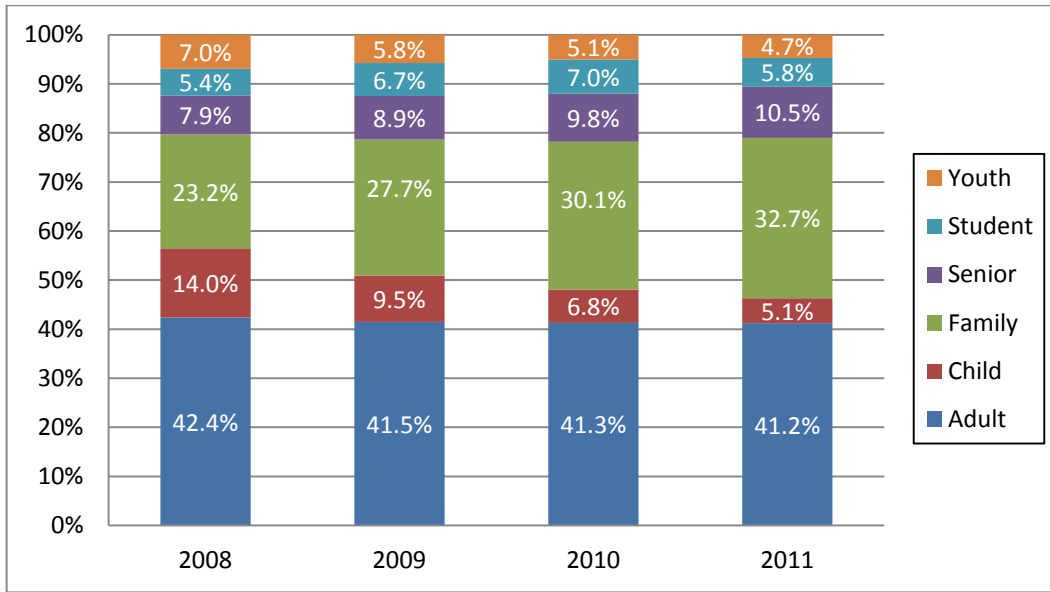
Members by Type



In 2011, annual memberships accounted for 72.4% of the total memberships, compared to only 35.3% in 2008. This percentage of annual members has seen continual increases since 2008. Annual membership totals are the key indicators of sustained monthly revenues throughout the entire year, specifically during the summer months when usage traditionally decreases. In 2011, the average Servus Place member used the facility 4.3 times per month.

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Members by Demographic



Although the percentage of adult members has remained fairly consistent throughout the last four years, Servus Place has seen a noted increase in the number of family members and corresponding decreases in the percentage of youth and child members.

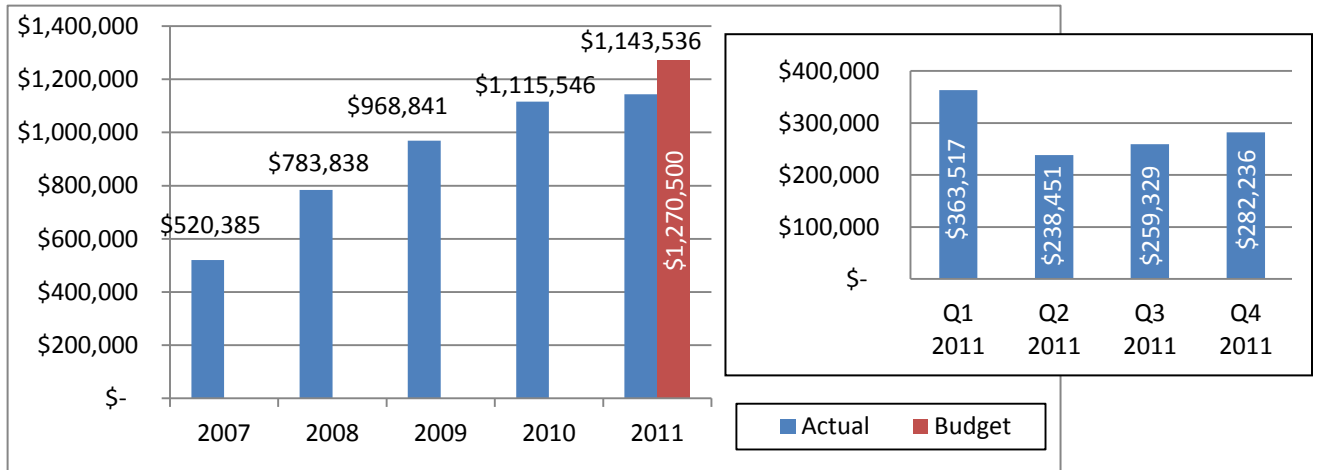
The price strategy was intended to shift individual users to a family membership encouraging families to recreate together, while still offering options for individual members.

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Day Admissions

Day Admissions	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Adult	N/A	33,782	41,155	45,196	46,536	47,856	-1,320
Child	N/A	46,305	52,142	61,361	57,686	66,382	-8,696
Family	N/A	10,458	12,163	14,782	13,632	18,525	-4,893
Senior	N/A	3,006	4,131	3,365	3,639	3,089	550
Youth	N/A	10,465	14,148	17,513	17,872	18,525	-653
Total Paid Pass Units	N/A	104,016	123,739	142,217	139,365	154,377	-15,012
Total Membership Swipes	N/A	298,600	348,792	369,580	361,136		
Total Day Uses	N/A	402,616	472,531	511,797	500,501		
Total Paid Passes	N/A	N/A	N/A	N/A	183,019		
Total Complimentary Passes	N/A	4,552	7,008	6,745	6,299		
Paid Pass Revenue	N/A	\$ 748,221	\$ 924,960	\$ 1,072,144	\$ 1,091,566	\$ 1,225,500	\$ (133,934)
Childminding Revenue	N/A	\$ 34,616	\$ 37,531	\$ 40,300	\$ 47,247	\$ 39,000	\$ 8,247
Community Drop-In Program Rev	N/A	N/A	\$ 6,350	\$ 3,102	\$ 4,720	\$ 6,000	\$ (1,280)
Total Admission Fees Revenue	\$520,385	\$ 782,838	\$ 968,841	\$1,115,546	\$1,143,536	\$1,270,500	\$(126,964)

Total Admission Fees Revenue



Admission fee revenue of \$1,143,536 is below an aggressive budget by 10.0%. Although admission fee revenue is below budget for 2011, there has been significant growth in admission revenue since the facility opened with admission fees increasing by 119.7% since 2007 due to a combination of an increase in the number of paid passes sold and increased rates.

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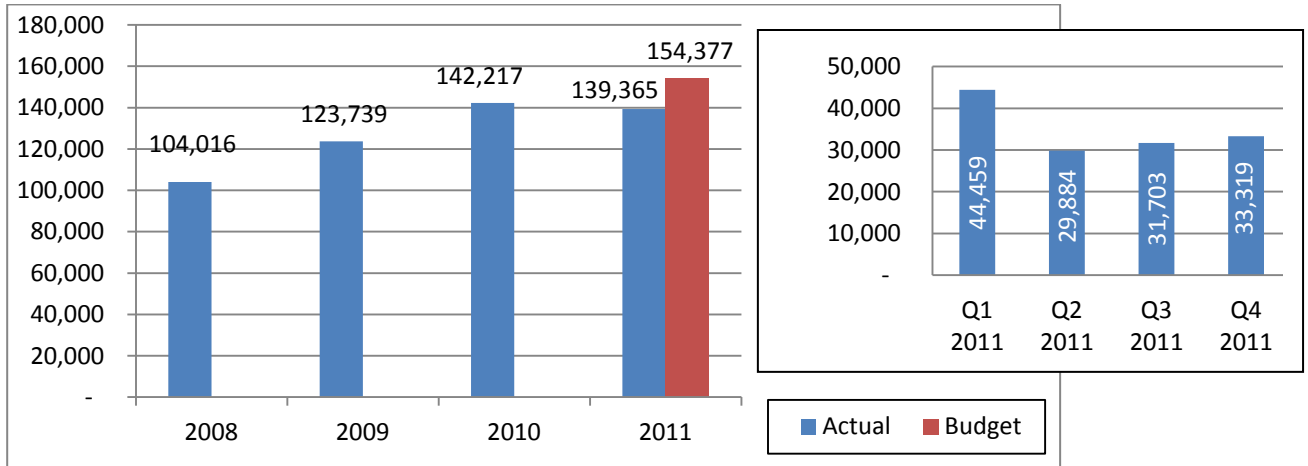
Servus Place Day Admissions - Postal Code Breakdown

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

*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.

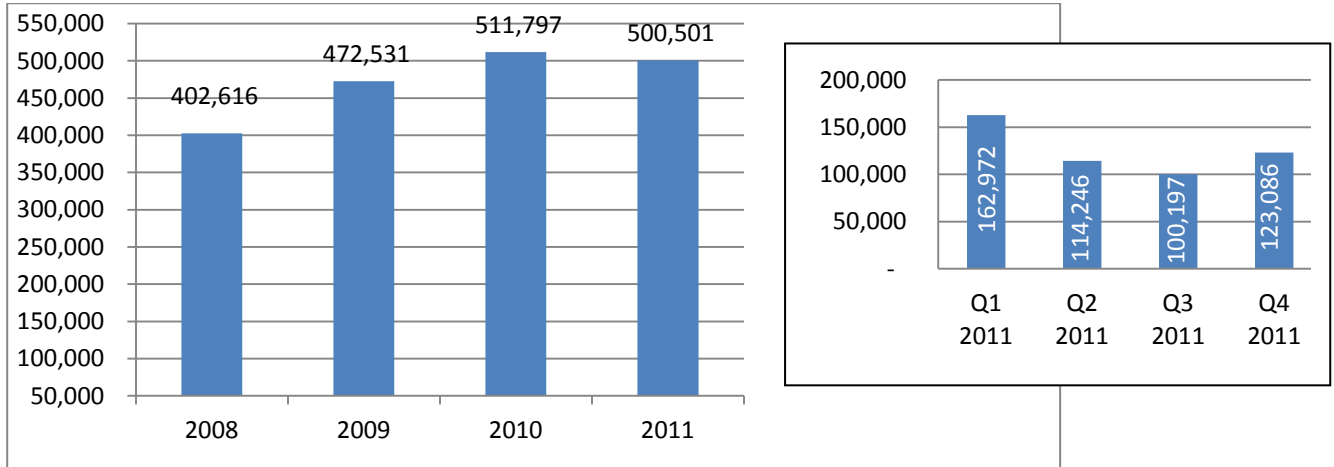
Paid Day Pass Units



In 2011 total paid day pass units are 139,365, which is 9.7% below budget. This variance may be due in part to an extremely mild fall and winter, an aggressive budget number as well as the five day closure of the Landrex Water Play Centre while the Air Handling Unit #6 was replaced. Day admission revenues for the week of the shutdown (September 26 to October 2) were 67% lower than the previous week illustrating the significant role that the Landrex Water Play Centre plays in attracting day users.

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Total Day Uses



Total day uses include both membership swipes and paid pass units. For 2011, there were 500,501 day uses, which is a 2.2% decrease from 2010. The slight decrease in day uses may indicate that Servus Place has begun to hit threshold capacities, especially evident during peak facility usage times which are impacting the ability to increase membership volumes.

In 2011, the average number of paid day admissions was 1,378 per day. Admission highlights for 2011 included:

- Spring Break (March 28 - April 1), with March 28 seeing 2,965 people using the facility - a new one-day record!
- Spring Break/Easter Weekend (April 1 - 4) saw over 8,700 admissions.
- Christmas break (December 27-30) saw almost 10,000 admissions over the four days.

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Lesson Fees

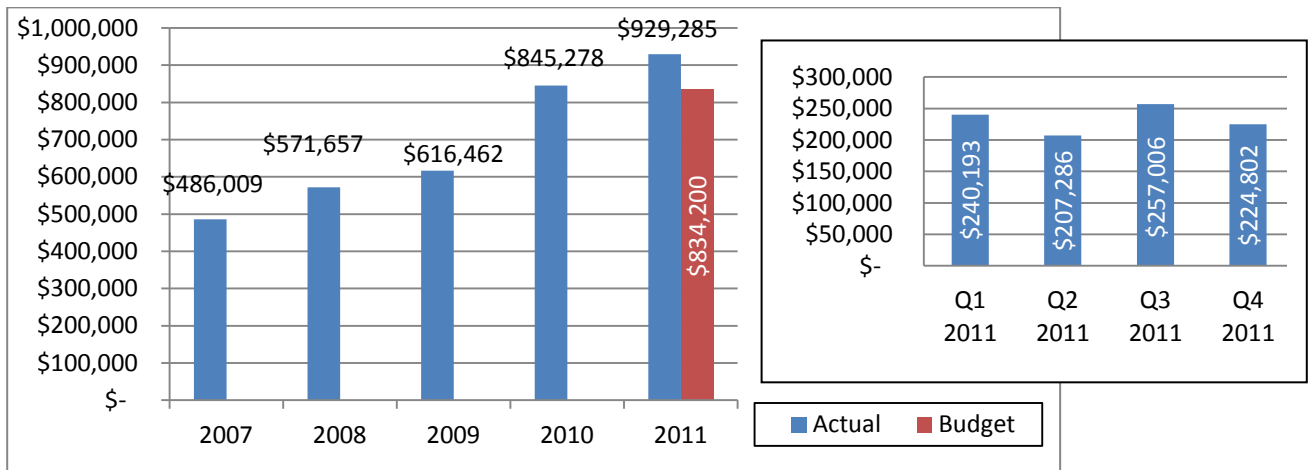
Lesson Fees	2007 YE Actual*	2008 YE Actual*	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Fitness	N/A	N/A	\$ 431,397	\$ 539,988	\$ 621,617	\$ 513,200	\$ 108,417
Recreation	N/A	N/A	\$ 185,065	\$ 305,290	\$ 307,670	\$ 321,000	\$ (13,330)
Net Revenue	\$ 486,009	\$ 571,657	\$ 616,462	\$ 845,278	\$ 929,285	\$ 834,200	\$ 95,085

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

Lesson fee revenue is 11.4% over budget for 2011. A combination of increased fitness program registration and fitness services resulted in this significant variance.

Despite the fact that in October 2008, all City run summer recreation programming was moved to the Servus Place department, revenue and expenses for these programs were not recognized in the Servus Place budget until 2010. This is the reason for the large increase between 2009 and 2010 recreation revenue.

Lesson Fees Revenue



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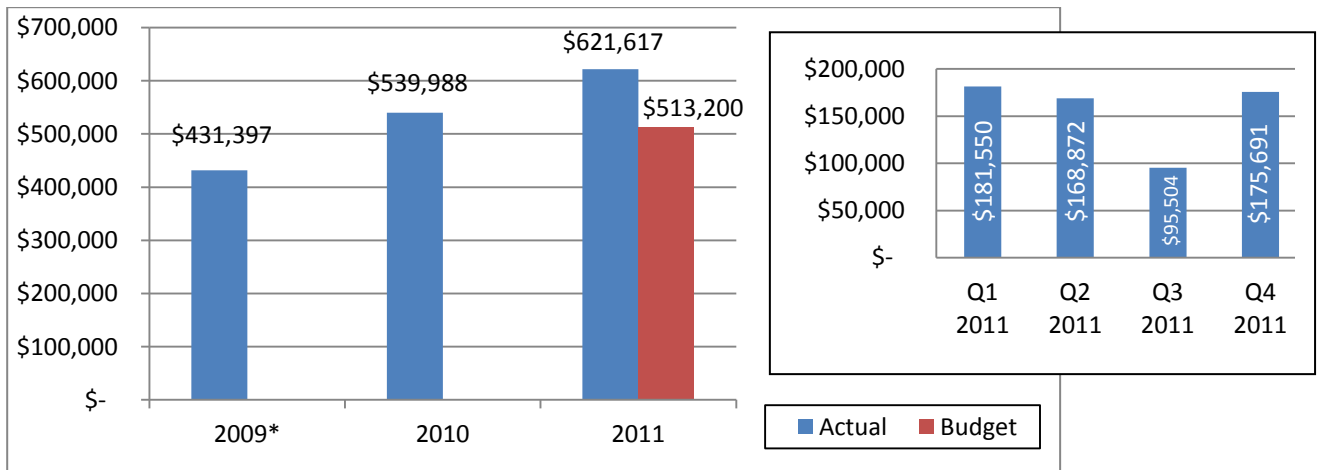
Fitness

In 2011, fitness program revenue is \$621,617 which is 21.1% above budget. Fitness program revenue variance can be attributed to strong fitness services and dry land training services.

Continuous improvements include:

- November saw the launch of a jointly shared Mental Health & Wellness program between Alberta Health Services and Servus Place fitness staff. This program has started with 20 individuals who will be provided with both classroom instruction as well as an active component that take place twice a week for a period of 8 weeks.
- Servus Place worked with Shaw Cable to implement the province wide changes in the provision of cable television service at Servus Place. Vecima digital signal decrypter has been installed in the Fitness Centre to allow all 48 pieces of cardio equipment to receive the upgraded digital signal resulting in maintaining the level of television service the users have been experiencing.

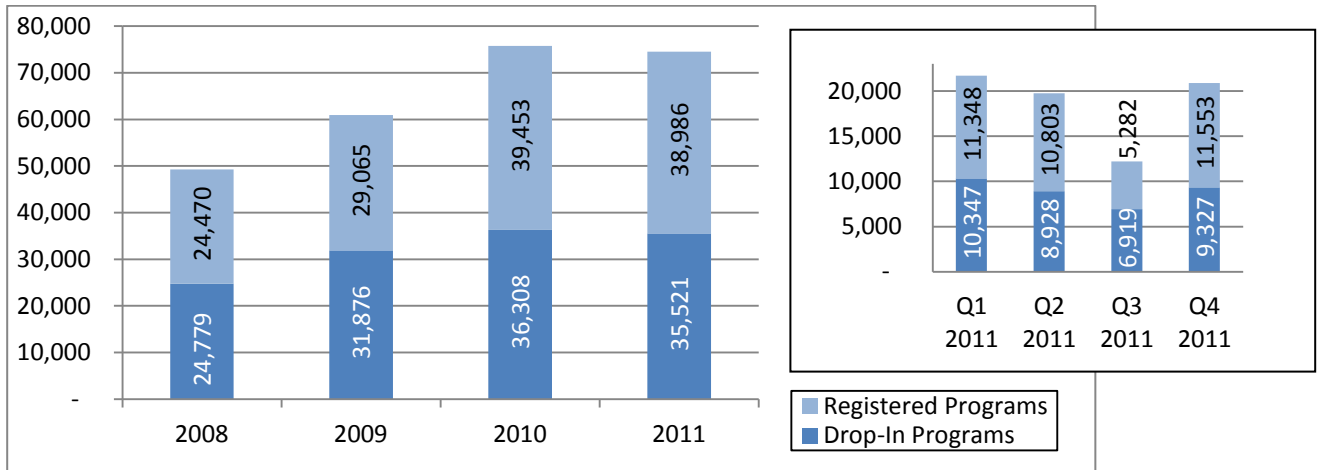
Fitness Program Revenue



* Previous to 2009, fitness program revenue and recreation program revenue were combined into one account and not broken out individually.

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Fitness Program Participants



The trend over the last 5 years has seen less “choreographed” fitness programs and more station based programs. This trend does make it more challenging for the instructors; however we are seeing greater participation in programs.

There are currently 12 drop-in classes that consistently have reached the maximum participant levels based on space and equipment availability whereas two years ago, we did not have any. Four large space classes Kick Box Bootcamp, Maximum Muscle, Zumba and Tabata Yoga have been relocated to the gym or fieldhouse to accommodate the increases in participation that have occurred over the past two years.

The success of fitness programming at Servus Place is evident in the number of program participants. The number of registered fitness participants has increased 59.3% since 2008 while the number of drop-in participants has increased by 43.3%. Servus Place is constantly implementing new and cutting edge programming, such as Tabata and Zumba Toning, to meet the demand of the community and our users. Overall registered fitness programs operated at an 82% fill rate for the year.

Personal training services have experienced significant increases in the demand since the facility opened. In 2011, Servus Place provided approximately 3,200 personal training sessions, which is a 36.6% increase since 2008. This trend is expected to continue but due to facility space constraints it will be hard to meet the demand for more individualized training and supervision.

There were 1652 drop-in programs held in 2011, averaging 22 participants per class. Drop-in programs are included with membership or day admission of Servus Place and can be directly attributed to supporting the overall membership base.

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Fitness & Wellness Centre

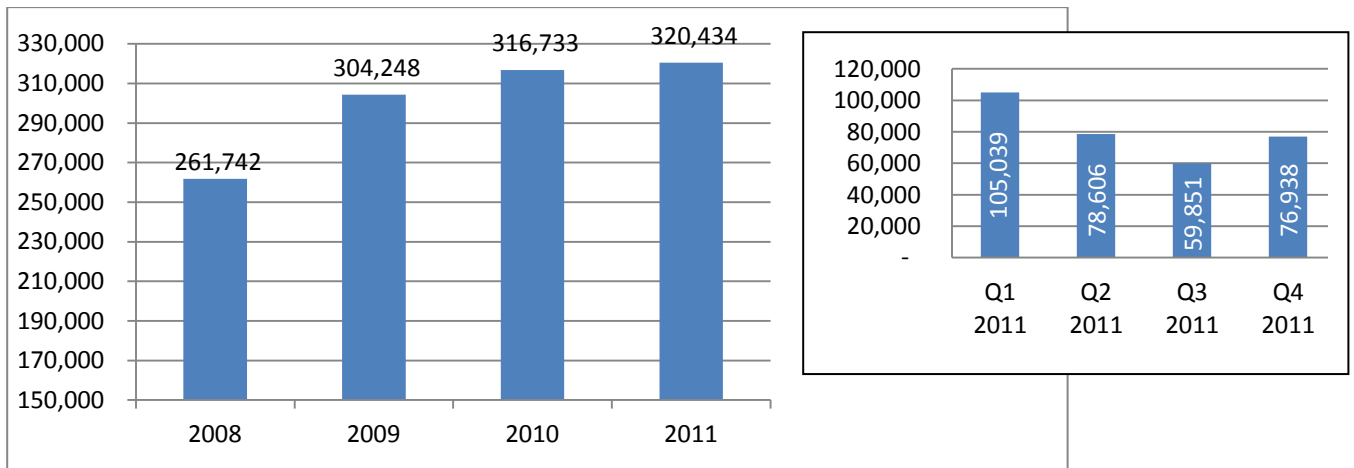
Fitness & Wellness Centre	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual
Fitness & Wellness Centre Users	261,742	304,248	316,733	320,434
Daily Average	723	840	875	889

The Fitness & Wellness Centre has continuously been one of the most popular spaces in Servus Place since the facility opened. In 2011, there were over 320,000 users which is an increase of 22.4% from 2008. The Fitness & Wellness Centre has experienced an increase in use compared to 2010, despite the limitations of the space during peak times, indicating that users are seeking out non-peak times to work out when possible.

A number of improvements have been made to the Fitness Centre in order to continue to meet the needs of our guests and members:

- In response to customer feedback, the layout of the Fitness Centre has been adjusted to further separate the free weight area from the cardio area. This was done to improve the functionality of each respective space and improve safety.
- The Christenson Development Track and Training Centre was enhanced by adding different fitness stations in each of the four corners, including spin bikes, rowing machines, Olympic weight lifting equipment and additional lockers and benches.
- Locker rooms were repurposed on the main floor off the Community Gymnasium to accommodate more additional locker room and shower spaces.

Fitness Centre Users



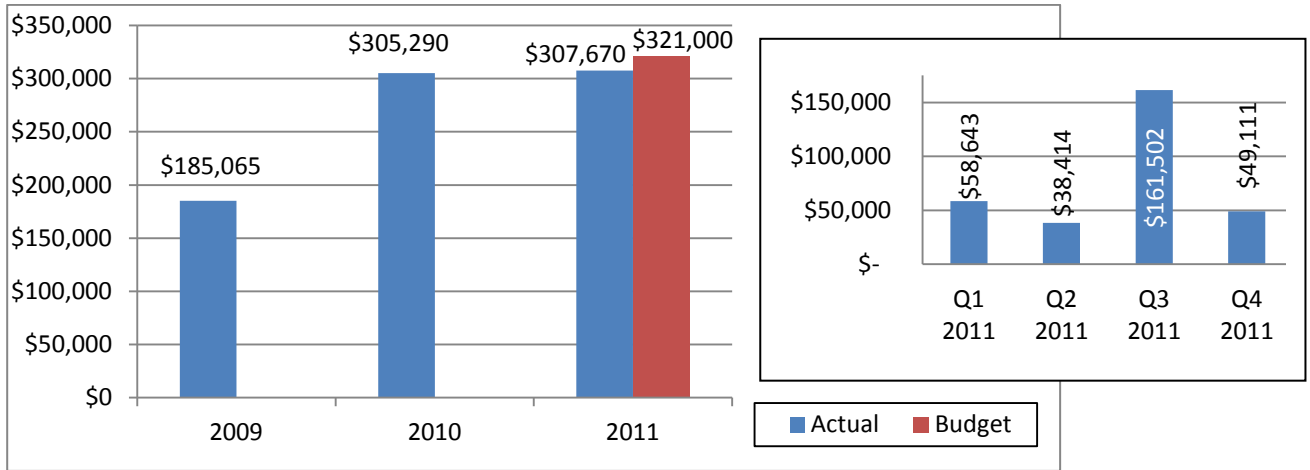
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Recreation

Recreation program revenue for 2011 is \$307,670, 4.2% below budget. The variance in Recreation program revenue is largely due to the lower than anticipated summer camp registration in August.

When the facility opened, Servus Place was only responsible for the recreation programming that occurred within the building. In 2009, the City of St. Albert combined all citywide registered and drop-in recreation programming to Servus Place. By amalgamating the recreation programming at Servus Place, we can ensure that the programming standards remain consistent and that we are being responsive to the needs of the community as a whole.

Recreation Program Revenue



* In 2009, all City run recreation programming was moved to Servus Place. However, the revenue and expenses for these programs has only been recognized as part of the Servus Place since 2010, thusly, 2009 is not an accurate comparison for recreation program revenue.

** Previous to 2009, recreation program revenue and fitness program revenue were combined into one account and not broken out individually.

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Servus Place Recreation Programs

Over the past five years, recreation programming content has made a shift. For example, an increase in the number of preschool age children in the community has led to a dramatic increase in the need for both parented and un-parented preschool programs.

Another change experienced is with registered program participants. The number of registered program participants has decreased slightly compared to when the facility opened, while the number of drop-in program participants has increased dramatically. Users are looking for flexibility and variety in their recreation programming and they find it through the drop-in/spontaneous programming offered at Servus Place.

Servus Place has also increased the focus on physical literacy in recreation programming, a philosophy to help promote fundamental movement skills and long-term athletic development in children and youth. Recreation staff has fully implemented physical literacy and fundamental movement skills into all preschool program, and will continue to be implemented into all registered recreation program offerings.

In 2011, the childminding service experienced the highest number of users since the facility opened with almost 11,000 attendees, a 16.7% increase over 2008. Childminding services continue to be a key factor in the overall operation of Servus Place and, due to space limitations, capacity is reached frequently. As the number of program participants increases, we will continue to adjust the schedule of childminding in response to customer needs.

Continuous improvements include:

- An additional basketball hoop has been installed in Community Gym Court #1 due to increased demand by spontaneous users. The hoop has enabled greater access to basketball during busy times for more users.
- Within existing casual staff resources, a front line supervisory position was created in childminding to be 70% front line, 30% administrative. This has allowed increased leadership and continuity in this program.
- Recreation summer camps have piloted the use of electronic evaluations instead of the traditional paper evaluations. Over 300 recreation summer program participants completed their program survey via Survey Monkey. This is a 28% return rate as compared to 18% in 2010 while utilizing only paper surveys. Feedback was immediate and gave a great opportunity to be proactive in increasing the participant satisfaction for the following week.
- Equipment in the indoor playground is constantly being evaluated and changed out in response to user requests and continued vigilance in safety.

Servus Place 2011 Year End Report

Servus Place and Community Summer Camps

Summer 2011 camp participation was down in registered programs offered at Servus Place but up in community programs. Overall recreation summer programs including Servus Place and community had a total of 4,893 participants throughout the entire summer session including half day, full day and preschool camps for a 71% fill rate, with less demand for youth camp options, focusing more on the preschool (3-5 years) and child (6-9 years) programs.

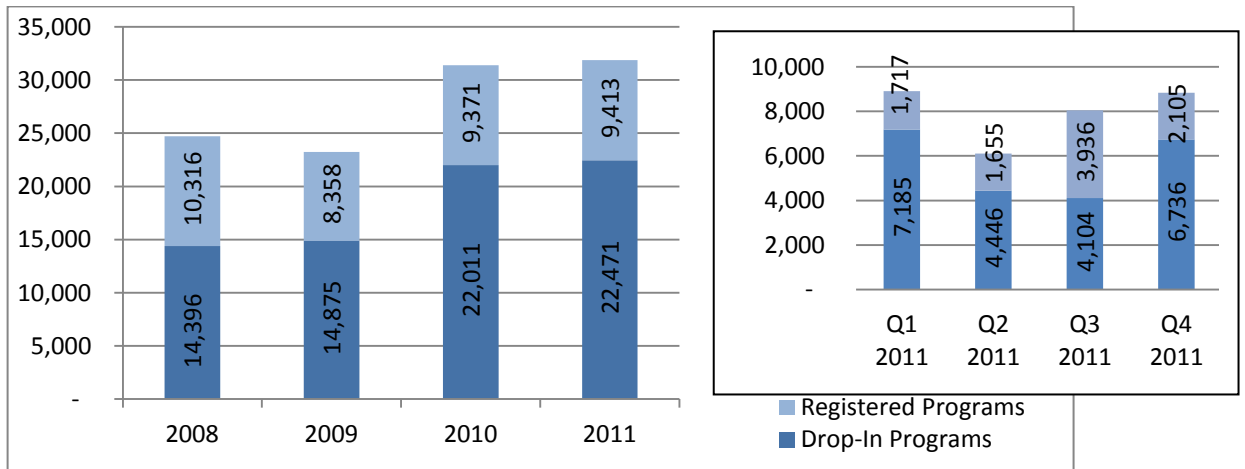
Summer Camp program content evolves from summer to summer, however skill specific and personal development type camps remain popular. There has been increased demand for summer camps in locations where there are a variety of amenities present. Partnerships were formed with the St. Albert Tennis Club to provide recreational tennis day camp programs and FPRC in offering day camps that also provided swimming lessons at Grosvenor Park Pool.

Cruisin' Clubhouse is a community program that offers free spontaneous programming in parks across St. Albert. In 2011, Cruisin' Clubhouse operated (even through the rain and the mosquitoes) at 10 sites for 30 program hours each week throughout St. Albert in July and August. There were approximately 4,400 participants in the Cruisin Clubhouse throughout the summer.

The Leaders in Training (LIT) program provides youth in the junior high aged range, from grade 7 and up, with the opportunity to develop their leadership skills in a fun and engaging environment. Youths volunteer their time to a choice of camps that can they can guide, support and role model behaviours and values not only for their development, but the development of the campers.

Fifty two "Leaders In Training " (LIT) were trained and provided a approximately 1250 volunteer hours of camper supervision support for camps throughout July and August 2011. Five summer programmers and five LITs supported the City of St. Albert Canada Day celebration at Lion's and Millennium Parks by providing recreation games and crafts.

Participants in Servus Place Recreation Programs



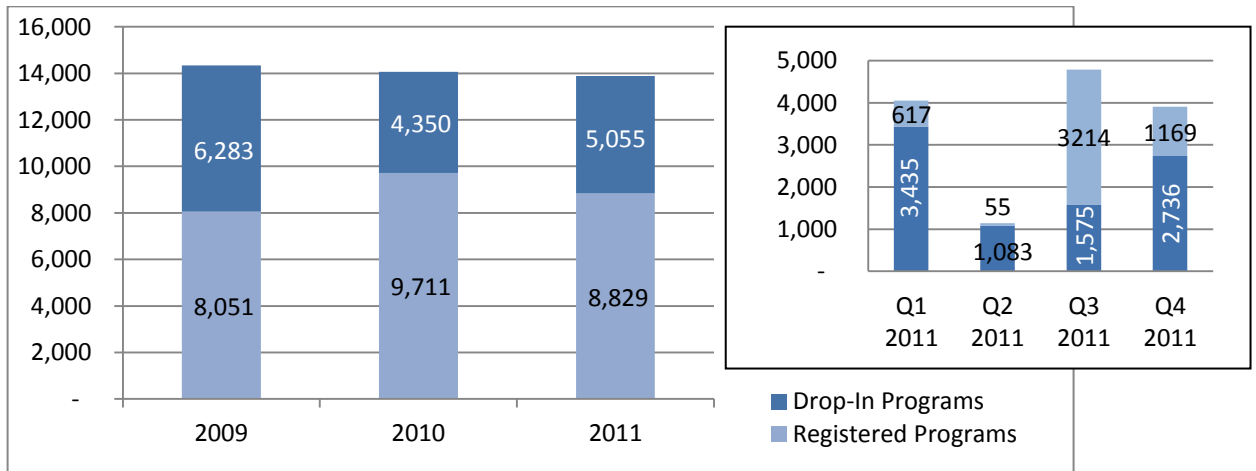
Servus Place 2011 Year End Report

Community Recreation Programs

We have seen a shift in community programming since 2009, now more and more drop-in programs are offered at Servus Place providing a “one stop” experience with everything under one roof. In response to customer demand, all Shiny Hockey has been moved to Servus Place.

There continues to be a specific demand for programs in the community. Preschool programs including Play and Learn, Doodles and Learn-to-Skate continue to draw high participant numbers. Public Skating and Parent and Tot Free Skate as well as the Tim Horton’s Free Skates at Akinsdale and Kinex Arenas also experience high number of participants. These programs meet the need for a low cost recreation opportunity in the community.

Participants in Community Recreation Programs



Servus Place 2011 Year End Report

Aquatics

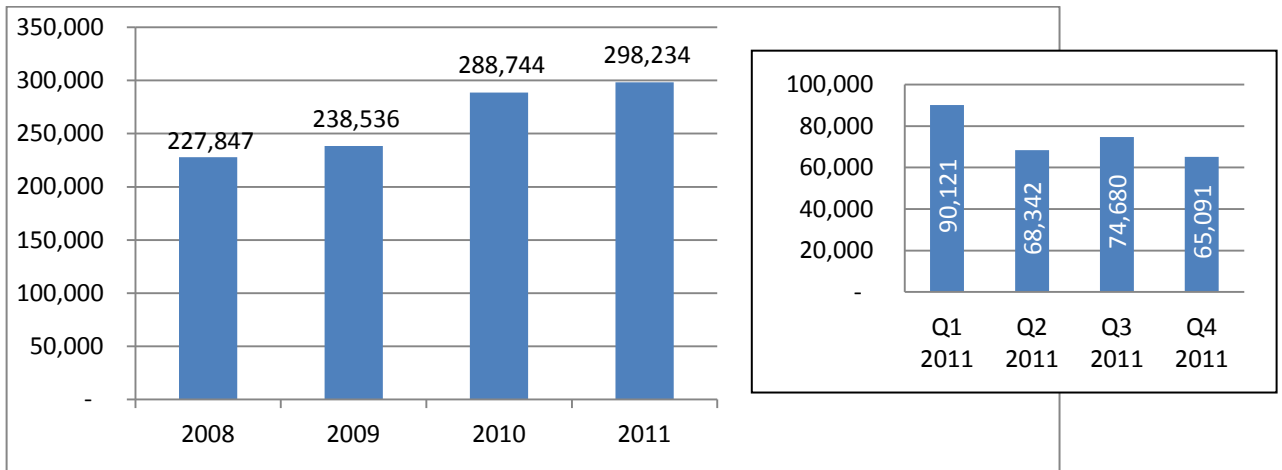
Landrex Water Play Centre Use	2008 YE Actual	2009 YE Actual	2010 YE Actual	YE 2011 Actual
Water Play Centre Users	227,847	238,536	288,744	298,234
Daily Average	N/A	671	821	838
Servus Place Annual Member Swipes at FPRC	25,849	20,894	23,268	23,672
Servus Place Annual Member Swipes at Grosvenor	2,057	1,366	1,439	1,309
Total	27,906	22,260	24,707	24,981

In 2011, the Landrex Water Play Centre (LWPC) experienced a new record number of users. With almost 300,000 users in 2011, the number of users of the LWPC has increased by 25.3% from 2008. Highest days of use in 2011 included:

- February 20 and 21 – over 5,100 users
- March 20 (2,206 users) and 31 (2,421)
- November 11 with 2,423 users

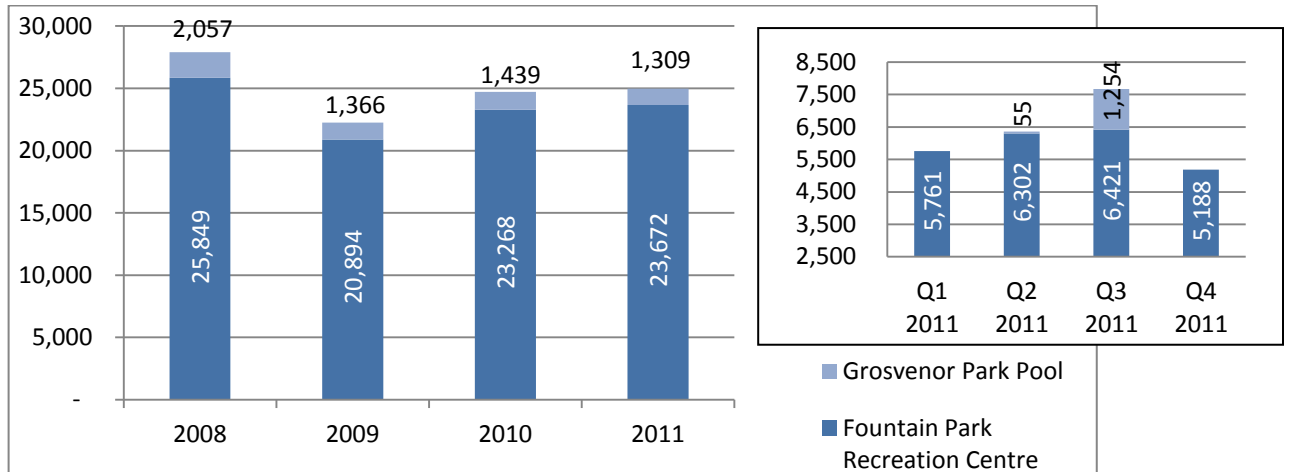
Servus Place is continually looking for ways to improve the cleanliness, comfort and service in the LWPC to enhance your experience. This year, a new piece of art, called “Through the Tides” by Claire Louse Uhlick, was installed during the annual Spruce Up.

Landrex Water Play Centre Users



Servus Place 2011 Year End Report

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



As part of the benefits of membership, annual members of Servus Place receive complimentary access to other City facilities including Fountain Park Recreation Centre (FPRC), Grosvenor Park Pool, and Akinsdale and Kinex Arenas.

Servus Place 2011 Year End Report

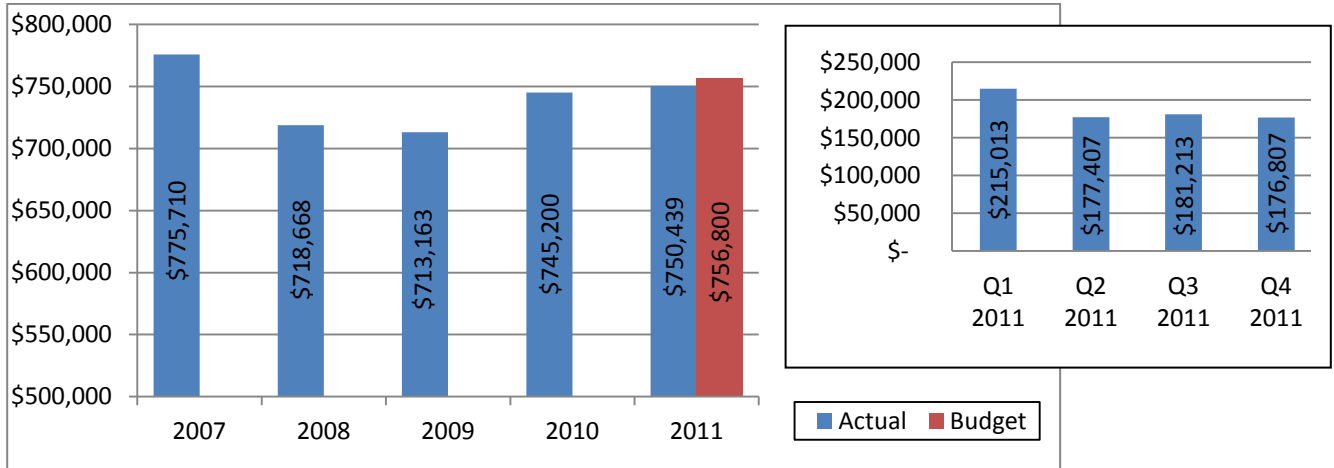
Aquatics Internal Contracts

Aquatics Internal Contracts	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
	\$ 775,710	\$ 718,668	\$ 713,163	\$ 745,200	\$ 750,439	\$ 756,800	(\$ 6,361)

City of St. Albert Aquatics provides Aquatics personnel to Servus Place through a contract in agreement. The evolution of the relationship between Fountain Park Recreation Centre and Servus Place has seen the Servus Place Aquatic Coordinator becoming more integrated into the structure and operations of Servus Place. This evolving relationship between Servus Place and FPRC has lead to improved communication, seamless delivery and enhanced customer service.

Aquatics internal contracts are slightly under budget for 2011. This variance can be partially attributed to a savings in personnel costs due to the five day closure of the Landrex Water Play Centre while the Air Handling Unit #6 was repaired.

Aquatics Internal Contracts



Servus Place 2011 Year End Report

Booking & Events

In 2008, the City of St. Albert combined the booking of all City recreation facilities into one department in an effort to provide seamless service delivery. Servus Place is responsible for booking all recreation fields, arenas, clubhouses, and schools within the City of St. Albert. As a result, in addition to the over 42,000 hours that are rented or programmed annually at Servus Place, the department also books over 15,000 hours of community recreation facilities. In the 2012 Servus Place Quarterly Reports, reporting on community facilities will be included.

In 2011, the total hours used at Servus Place, which includes arenas, field houses, gymnasiums and meeting rooms were approximately 17,000 rented hours and 25,000 programmed hours. This is an increase of 3,000 rental hours and 7,000 programmed hours since 2008. Community hours used in 2011 were approximately 15,500 (6,700 rented and 8,800 programmed).

In addition to all of the regular bookings and events that occur in all facilities, Servus Place has become a venue for many major events on a local and international level. Details of a few significant events have been included below:

The 2011 Continental Cup of Curling was a precedent setting event at Servus Place which put the facility and the City of St. Albert in the international spotlight and included the following:

- TSN coverage
- Hosted over 20,000 people over a 4 day period
- Converted the Performance Arena into a curling venue
- Installed a new glass system in the Performance Arena
- Built a media bench
- Ushered spectators
- Implemented an internet network to accommodate streaming video and live television coverage
- Transformed Troy Murray Arena into an entertainment venue
- Removed bleachers to build a sponsor lounge
- Removed more garbage and cleaned more washrooms in a week than in a regular month

The Alberta 55 Plus Winter Games were held from February 24 – 27, 2011 with the four sporting events (Hockey, Carpet Bowling, Scrabble and Duplicate Bridge), the opening and closing ceremonies, Volunteer Centre and food court all hosted at Servus Place. Over 1,100 participants, 300 non participating guests and 615 volunteers were part of the three day event.

The Esso Cup National Female Midget Hockey Championships were held in the facility from April 16 to 23, 2011. This event brought in approximately 6,000 spectators throughout the course of the tournament. Six teams from across Canada participated in this national event which included customized ice with Hockey Canada branding, a live broadcast of the entire tournament on the internet through “Fasthockey” and live TSN broadcast of the championship game on TSN2.

The Celebration of Play was held on September 18 from 1:00PM – 4:00PM and experienced good participation by the public. This event was hosted by Servus Place and offered guests, members and the community an opportunity to see all that Servus Place has to offer and included a fitness challenge, facility tours, many different drop-in recreation activities and membership information. Each of the Servus Place business partners also participated with free samples from Skybox Grill and Booster Juice, “fit” challenge from Dynamic Sports Physiotherapy, a storewide sale from Source for Sports and St. Albert Steel info.

Other events held throughout the year include: John Reid Memorial Hockey Tournament, SASA Family Day, Slush Cup, Provincial Championship Soccer Tournament, St. Albert Chamber of Commerce Leisure & Lifestyle Trade Show, Blues Lacrosse and Baggataway Tournament, Desa Karate Tournament, Oilers Hockey School, Edmonton Oil Kings Pre Season Hockey Tournament and the Annual Turkey Ring Ringette Tournament.

Servus Place 2011 Year End Report

Booking & Events staff worked with Business & Marketing on the design of an online event request form which has been added to the website. This form will ensure that specific information is gathered prior to the initial contact with the event organizer to streamline efficiencies.

Continuous improvements initiatives include:

- Continental Cup of Curling event saw an event manifest blending, event organizer and building operations into one critical path document, covering, construction, staff resources, turnover times, etc.
- Established a major improvement of wireless internet, and hard line internet to accommodate seamless access to wireless internet connections, and provision for large scale events to live stream in real time events.
- Produced Event Planning Guide that serves as a valuable reference for clients that are holding, or considering hosting an event at Servus Place.
- Facility Utilization Guidelines were modified to aid in prioritization of facility use.
- Developed guidelines for use by event organizers that provided functional role with events. (E.g. information centre, ticket office, security cash room)
- Produced large scale floor plans of various facility areas that can be used by event planners for a "birds eye view" for layouts of functions.
- Purchased pillo polo and dodge balls sets to enhance party activity selections.
- Space made available for temporary storage for users such as soccer, lacrosse, baseball, so equipment does not have to be hauled in and out
- Regular updated schedule distributed to lease holders more frequently so they may plan effectively when large volumes or low volumes are expected.
- Updated format for the events list that provides more thorough information, participant numbers, and other pertinent information so appropriate planning can take place.

Facility Rental Revenue	2007 YE Actual**	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Arenas	\$ 594,420	\$ 796,582	\$ 868,744	\$ 839,689	\$ 871,728	\$ 888,900	\$ (17,172)
Fieldhouses	\$ 294,535	\$ 222,449	\$ 260,348	\$ 287,482	\$ 272,685	\$ 269,600	\$ 3,085
Gymnasiums		\$ 39,600	\$ 29,744	\$ 35,448	\$ 32,907	\$ 31,815	\$ 1,092
Meeting rooms		\$ 46,943	\$ 45,974	\$ 74,270	\$ 89,269	\$ 41,150	\$ 48,119
Parties		\$ 34,486	\$ 34,164	\$ 18,909	\$ 10,407	\$ 16,035	\$ (5,628)
Leaseholders	\$ 164,330	\$ 121,732	\$ 148,610	\$ 230,422	\$ 218,220	\$ 240,000	\$ (21,780)
Refurbishment Charges*	N/A	N/A	N/A	\$ 53,291	\$ 53,672	\$ 50,000	\$ 3,672
Total	\$ 1,053,285	\$ 1,261,794	\$ 1,387,585	\$ 1,539,513	\$ 1,548,887	\$ 1,537,500	\$ 11,387

* Prior to 2010, refurbishment charges were not broken out separately but included in the rental revenue for each floorplate.

** In 2007, rental for fieldhouses, gymnasiums, meeting rooms and parties were not broken out individually.

The variance in meeting room rental for 2011 is due to additional revenue received for use of the parking lot by CTEC Motorcycle Training School throughout July to October, resulting in higher than anticipated meeting room rental revenue at year end.

Servus Place 2011 Year End Report

Arena Rental

Arena	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Hours rented	N/A	7,884	8,535	8,300	8,035	8,360	-325
Hours programmed/maint.	N/A	687	2,076	3,652	4,100	3,280	820
Total hours used	N/A	8,571	10,611	11,952	12,136	11,640	496
Total hours available	N/A	19,102	19,132	20,325	20,240	19,741	499
% Utilized Total	N/A	45%	55%	59%	60%	59%	1%
Prime time hours rented	N/A	5,928	6,660	5,934	5,685	5,855	-171
Prime time Hours programmed/maint.	N/A	228	1,033	1,607	2,096	1,510	586
Prime time hours used	N/A	6,155	7,693	7,541	7,781	7,365	416
Prime time hours available	N/A	9,877	10,679	10,078	10,111	10,002	109
% Utilized Prime Time	N/A	62%	72%	75%	77%	74%	3%
Revenue	\$ 594,420	\$ 796,582	\$ 868,744	\$ 839,689	\$ 871,728	\$ 888,900	\$(17,172)

Overall use for the arenas at Servus Place during fall/winter prime times remains consistent from previous years at 91%, with no significant changes in patterns or use. Spring/summer use is dominated by private/commercial users operating hockey development camps and training has seen an increase in use.

The percentage utilized during prime time has remained relatively consistent since 2009, the total percentage utilized has increased due to an increased in arena usage during non-prime time and the spring/summer months.

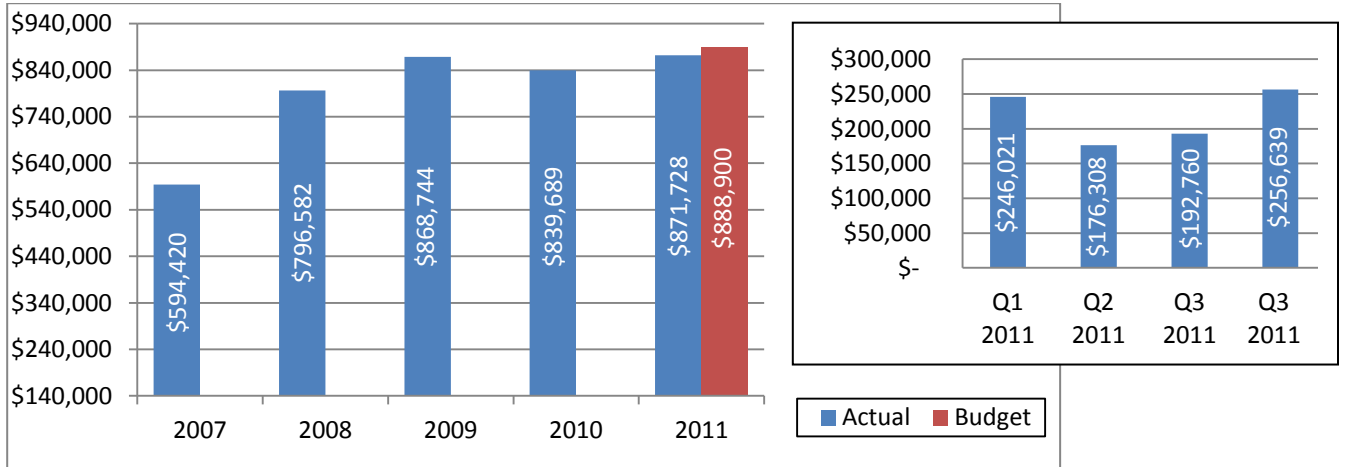
Arena use was not typical in 2011 due to a number of anomalies that impacted utilization. The largest impacts were the unplanned closure of Mark Messier and Troy Murray Arena for a 12 day period (August 27 – September 8) for installation of the Chiller and brine replacement on the ice plant and pre-empted users during January to March for three major events. Also cancellation of one week of ice in July impacted totals for revenues. 2011 saw the introduction of 3 on 3 leagues, ice hockey, ringette and Roller Derby with the Heavenly rollers utilizing the dry floor Performance Arena for their games. Continuance of these programs is anticipated in 2012.

Beginning in 2010, refurbishment fees were broken out separately from the rental of the specific floorplate, whereas in previous years, it was included. So, although it would appear that arena rental revenue decreased from 2009 to 2010, the rental revenue was actually up slightly over 2009 but just does not include the refurbishment charges.

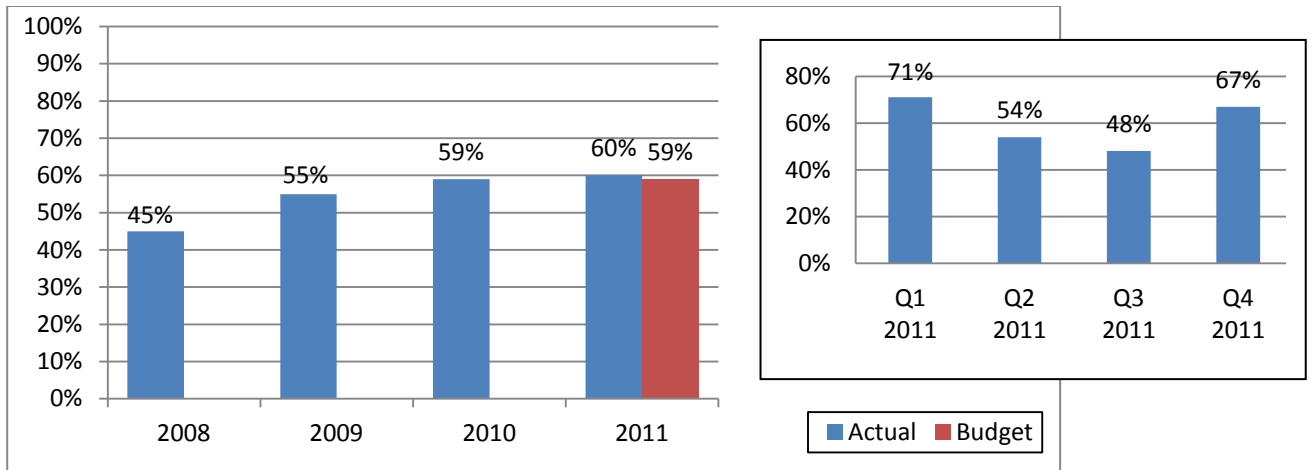
The increase in the number of programmed hours from 2008 to 2009 is primarily due to shinny being moved exclusively to Servus Place and no longer being programmed at Akinsdale or Kinex Arenas.

Servus Place 2011 Year End Report

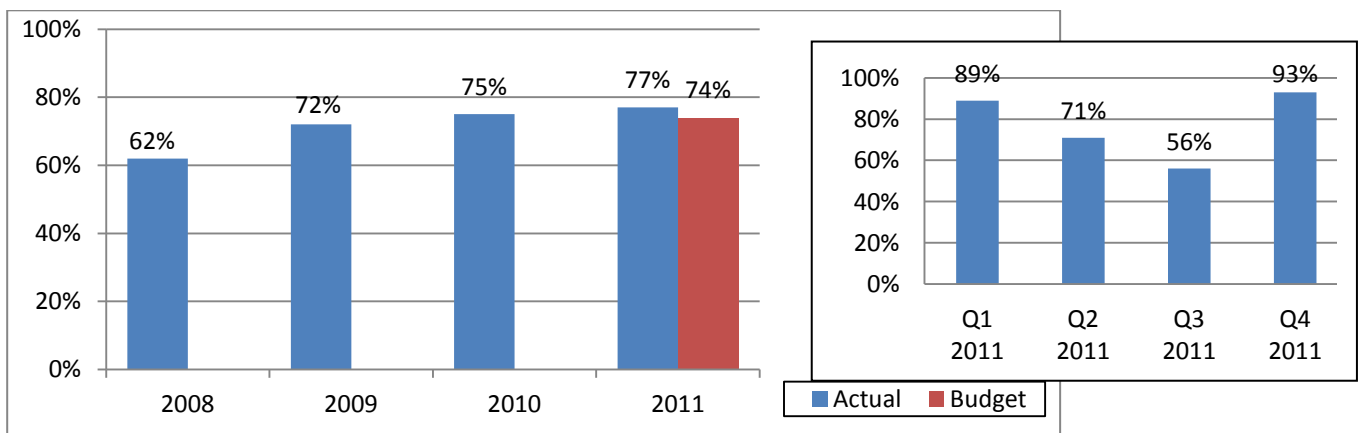
Arena Rental Revenue



Arena Total Utilization



Arena Primetime Utilization



Utilization rates are based on an average utilization for the entire year. Peak season is from Q1 and Q4 (October to March) which has an average prime time utilization of 91%.

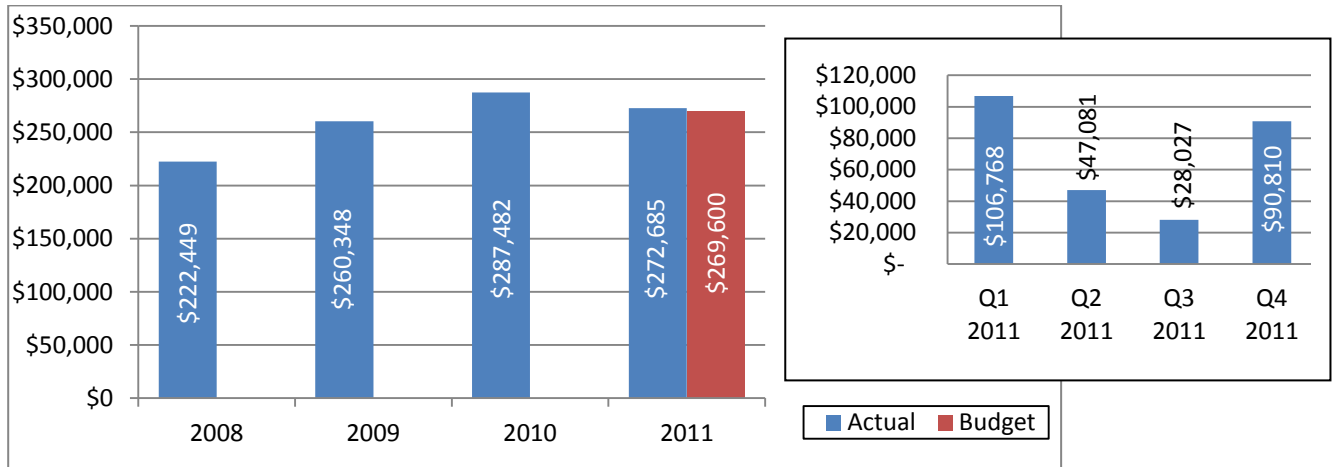
Servus Place 2011 Year End Report

Fieldhouses Rental

Fieldhouse	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Hours rented	3,032	3,594	3,929	3,875	3,606	269
Hours programmed/maint.	2,820	1,772	1,732	1,839	2,135	-296
Total hours used	5,356	5,366	5,661	5,714	5,741	-28
Total hours available	12,106	12,366	12,932	13,259	12,265	994
% Utilized Total	44%	43%	44%	43%	47%	-4%
Prime time hours rented	2,553	2,848	3,092	2,857	2,610	247
Prime time Hours programmed/maint.	512	848	605	649	915	-266
Total Prime time hours used	3,065	3,696	3,697	3,505	3,525	-19
Prime time hours available	6,122	6,549	6,659	6,732	6,538	194
% Utilized Prime Time	50%	56%	56%	52%	54%	-2%
Revenue	\$ 222,449	\$ 260,348	\$ 287,482	\$ 272,685	\$ 269,600	\$ 3,085

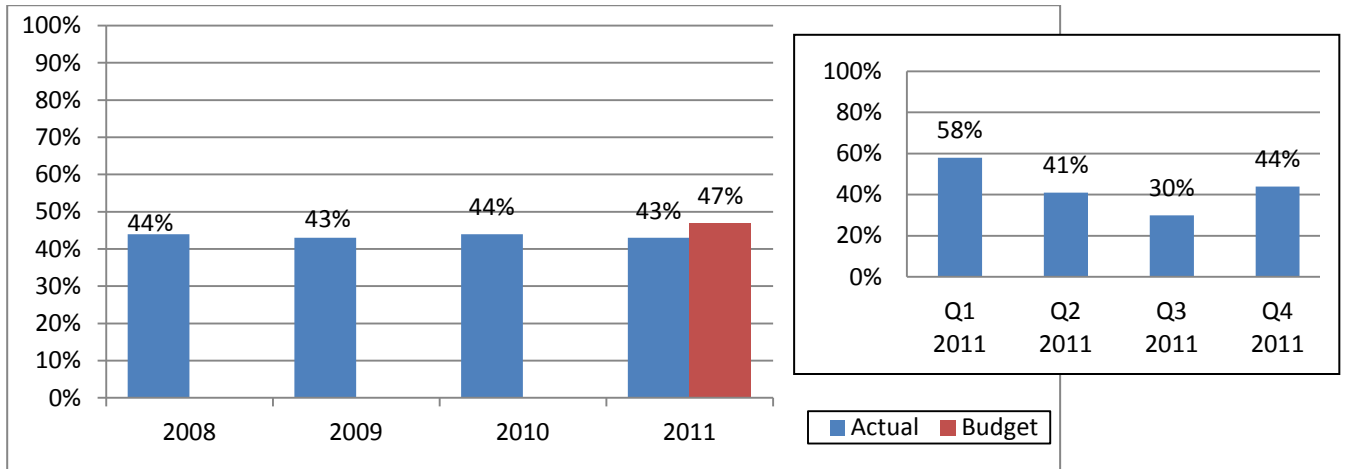
Overall use of the fieldhouses has increased and diversified since the facility opened with the addition of fieldhouse use for non-traditional activities such as dry land training for hockey schools, Chamber of Commerce Trade Show, Roller Derby and additional non-sport related bookings.

Fieldhouse Rental Revenue

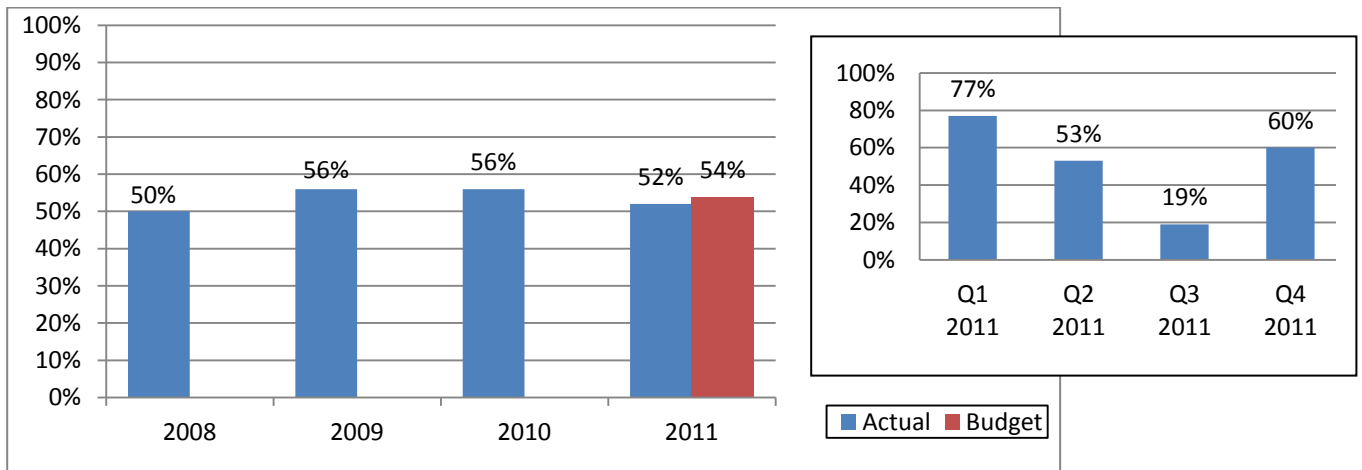


Servus Place 2011 Year End Report

Fieldhouse Total Utilization



Fieldhouse Primetime Utilization



Although utilization on the fieldhouses generally falls between 50 and 60% during peak times and 40 to 50% overall, when the fieldhouses are not booked or programmed, they are utilized by the public for spontaneous use which is not captured in the above utilization rates.

Servus Place 2011 Year End Report

Gymnasium Rental

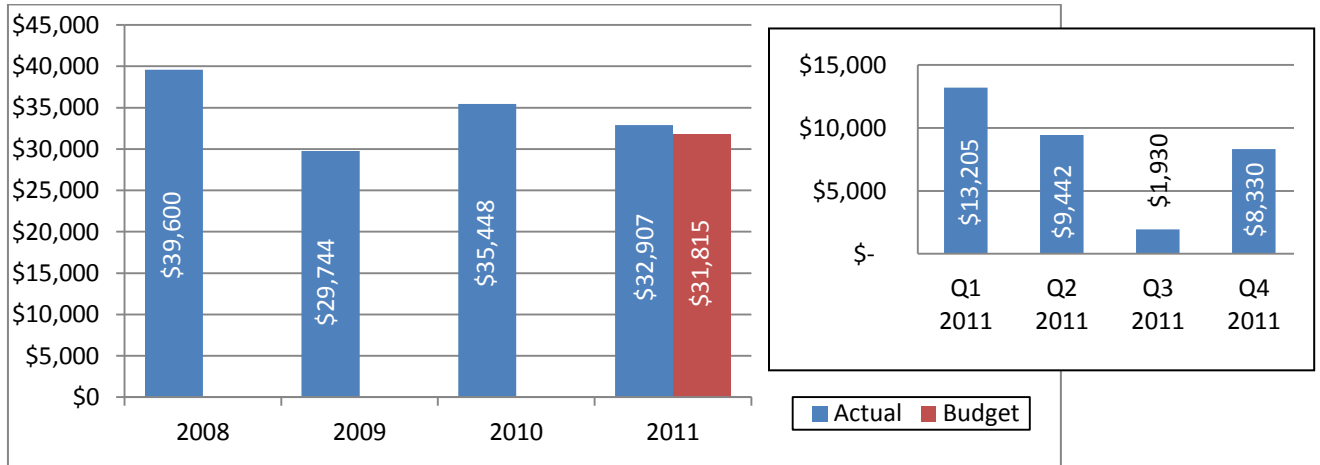
Gymnasiums	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Hours rented	932	787	1,066	969	748	221
Hours programmed/maint.	2,939	3,890	3,566	3,990	3,920	70
Hours of spontaneous use	9,263	6,423	7,930	8,212	4,187	4,025
Total hours used	13,134	11,100	12,562	13,171	8,855	4,316
Total hours available	18,303	17,884	18,181	18,303	12,160	6,143
% Utilized Total	72%	62%	69%	72%	73%	-1%
Prime time hours rented	787	655	792	772	748	24
Prime time Hours programmed/maint.	1,176	2,076	1,964	1,959	2,626	-668
Prime time hours of spontaneous use	4,586	3,605	4,439	4,312	4,682	-369
Total Prime time hours used	6,550	6,336	7,194	7,043	8,056	-1,013
Prime time hours available	8,944	9,630	9,892	9,407	10,962	-1,556
% Utilized Prime Time	73%	66%	73%	75%	73%	1%
Revenue	\$ 39,600	\$ 29,744	\$ 35,448	\$ 32,907	\$ 31,815	\$ 1,092

Gymnasium rental revenue is slightly above budget for 2011 primarily due to a slight increase in party/group independent gym bookings, as well as some bookings in the gym due to displacement of fieldhouse bookings due to major events. Overall usage trends remain consistent with the demand of previous years.

Gymnasium rental revenue is only received for rental hours and is limited due to the availability of only one court for bookings by outside groups. Programmed, maintenance and spontaneous use does not bring revenue directly into facility rentals, however, revenue for these hours is realized under program revenue or viewed as a benefit of membership or day admission.

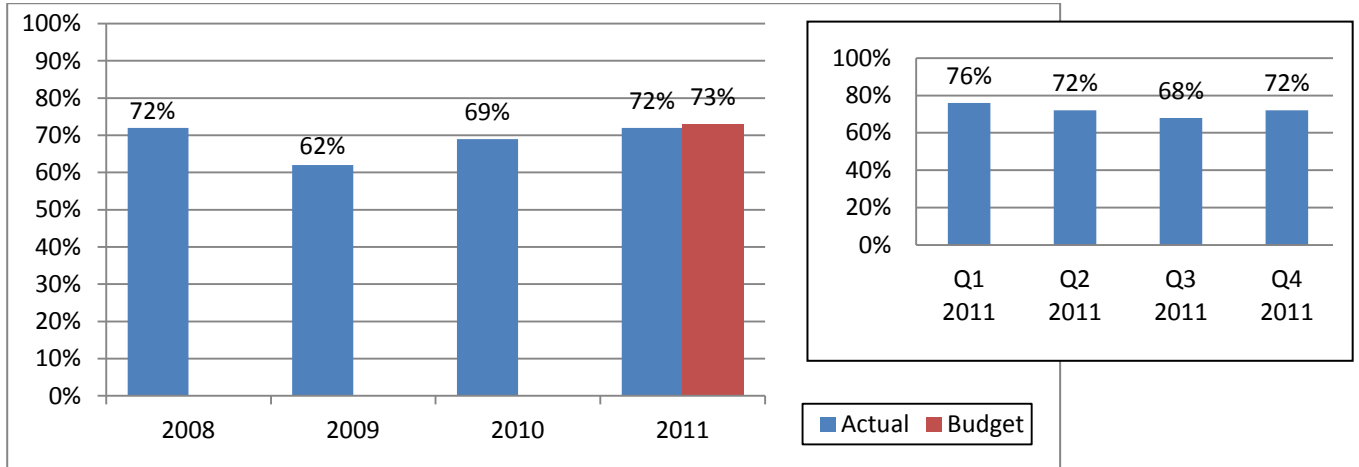
As membership and day admissions grow, there is increased use of the gymnasiums for drop-in and spontaneous activities. At times, use of all three courts is required for spontaneous use.

Gymnasium Rental Revenue

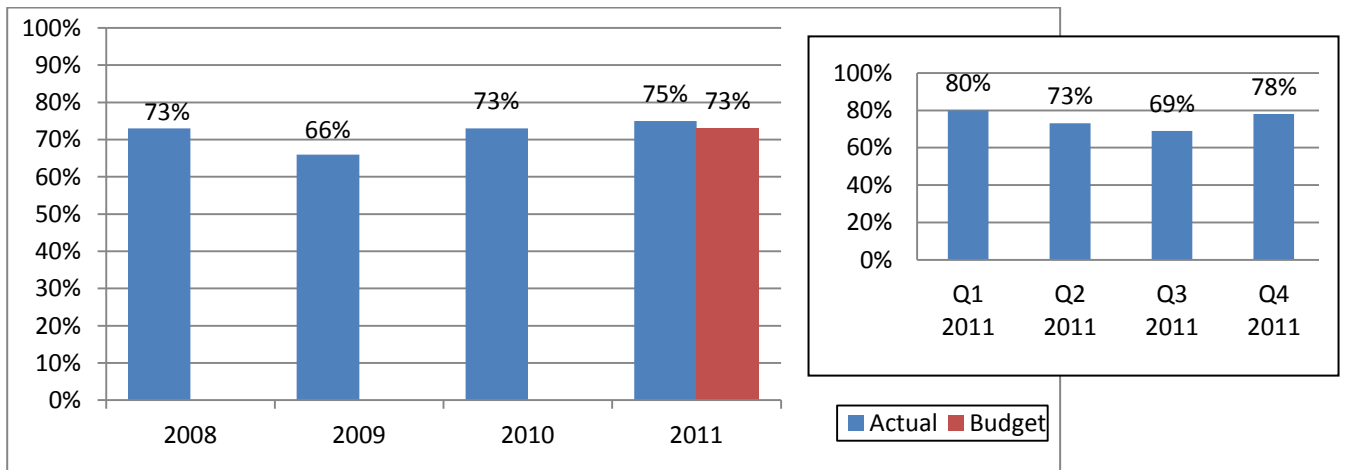


Servus Place 2011 Year End Report

Gymnasium Total Utilization



Gymnasium Primetime Utilization



Servus Place 2011 Year End Report

Business & Marketing

Council, working with Administration, completed a review of the current agreement with the St. Albert Steel. The City has affirmed its position with the team and is anticipating having this agreement resolved in early 2012.

Business & Marketing developed the "Tell Us Your Story" advertising campaign in August. Eight stories were submitted by facility users and in addition to a photo shoot; a two-minute video was produced for each participant. Both of which were used in the campaign which launched in September 2011.

Continuous improvements include:

- Approximately 90% of Servus Place marketing picture stock are of actual members or staff.
- Servus Place also launched social media in Q3 with the creation of both a Facebook and Twitter account. These accounts will be continually updated with information such as events, programs, services and promotions.
- In order to improve communication with our members and residents, Servus Place launched a revamped website that makes it easier to keep users up-to-date about what is happening at the facility. The website has had 61,000 hits since its September launch (over 20,000 per month) as well as making the navigation clearer and more intuitive.
- The monthly e-newsletter continues to be offered and is read by an average of 2,700 users per month, an increase of approximately 300 people per month since social media was launched in September.

Advertising, Fundraising and Sponsorship Inventory	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Total Spaces Sold	139	133	122	148	155	-7
Total Complimentary Spaces	N/A	N/A	8	3	4	-1
Total Internal Spaces	N/A	N/A	10	7	8	-1
Total Spaces Used	139	133	140	158	167	-9
Total Space Available	197	197	201	208	204	4
% of Space Used	71%	68%	61%	71%	76%	-5%

2011 Advertising Fundraising and Sponsorship Inventory	Performance Arena	Mark Messier Arena	Troy Murray Arena	Sarasota fieldhouse	Pizza 73 fieldhouse	Community Gym	Information Boards	LCD Screens	Akinsdale Arena	Total
Total Spaces Sold	39	24	20	16	13	2	4	7	22	148
Total Complimentary Spaces	0	0	0	1	0	0	0	2	0	3
Total Internal Spaces	1	0	0	0	1	0	0	2	0	7
Total Spaces Used	41	25	21	17	14	3	5	11	23	158
Total Space Available	56	29	29	22	22	4	6	11	29	208
% of Space Sold	72%	85%	72%	78%	63%	63%	80%	100%	78%	76%

Servus Place 2011 Year End Report

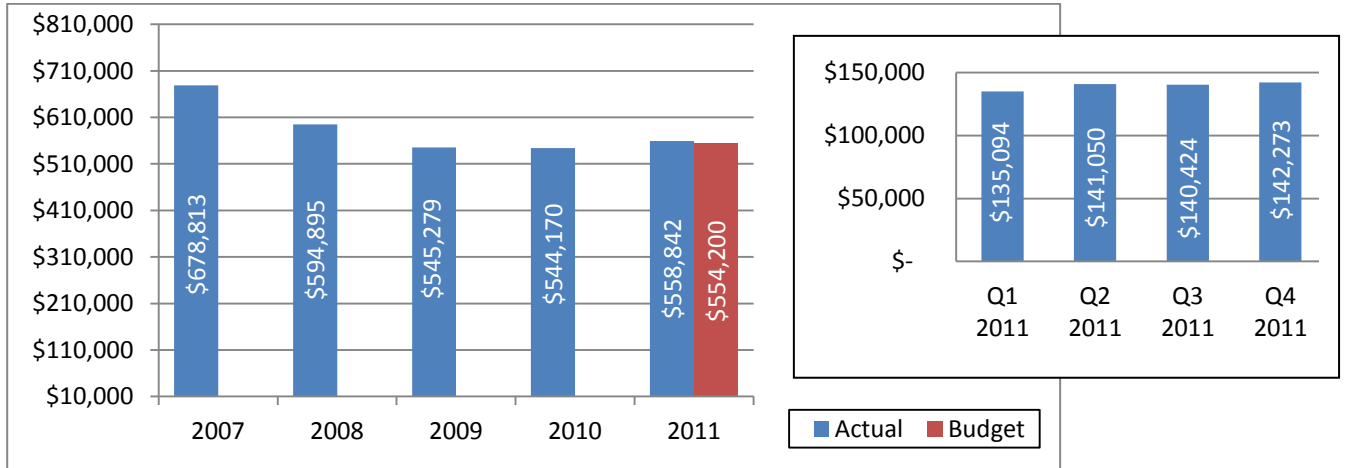
Advertising, Fundraising and Sponsorship Revenue	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Advertising Revenue	\$ 153,464	\$ 202,695	\$ 160,579	\$ 152,870	\$ 180,166	\$ 180,000	\$ 166
Fundraising/Sponsorship	\$ 525,349	\$ 392,200	\$ 384,700	\$ 391,300	\$ 378,675	\$ 374,200	\$ 4,475
Total Revenue	\$ 678,813	\$ 594,895	\$ 545,279	\$ 544,170	\$ 558,842	\$ 554,200	\$ 4,642

Advertising and sponsorship revenue is slightly over budget for 2011. Advertising and sponsorship play an important role in the operations of Servus Place. With the support of advertisers and sponsors, Servus Place is able to keep fees accessible while providing great quality services, programs and equipment.

Sponsorship agreements at Servus Place are based on 5-10 year agreements where financial arrangements were set at the beginning of the agreement. As many of the original sponsorships come due, Servus Place is evolving the sponsorship programs to be more flexible in meeting the needs of the business. Some examples of these dynamic sponsorships include:

- Heaven Essence Spa sponsored the Biggest Loser Program.
- Sobey's sponsored the Halloween Haunt.
- "Go Auto Direct" sponsored Family Day at Servus Place.
- Swiss Chalet sponsors monthly Senior's Day activities.
- Servus Credit Union sponsored the Celebration of Play.
- ELKS sponsor the Cruisin' Clubhouse programs.
- Tim Horton's sponsors the Family Skates at the Akinsdale and Kinex Arenas.

Advertising and Sponsorship



Servus Place 2011 Year End Report

Retail

On July 4, Council approved the proposal for the City of St. Albert to operate a licensed Starbucks store in Servus Place. The Servus Place organizational structure was revised to include two FTE positions for the Starbucks Store Supervisor and Starbucks Assistant Store Supervisor. Starbucks opened on November 25. The store has received exceptionally positive response from the public with over 10,500 transactions in 2011.

Revenue and expenditures for this area are included in the overall department budget, however, in 2012, the Servus Place Quarterly Report will breakout specific financial revenue and expenses for the retail cost centre.

Servus Place 2011 Year End Report

Operations

In 2011, much work was done by the Operations business unit in response to infrastructure repairs in the facility such as the replacement of Air Handling Unit #6 and the Troy Murray ice plant. The Servus Place Lifecycle Plan has been reviewed and planned projects were adjusted or deferred to cover the cost of the Troy Murray Arena ice plant replacement within the approved Lifecycle budget. Further development of the Lifecycle Plan will ensure that regular, planned maintenance of all infrastructure is completed preventatively to avoid unexpected maintenance or break downs.

As per Council Motion #392-2011, Servus Place Operations worked in conjunction with Barr Ryder Architects, PCL Construction and Stantec Construction on the replacement of Air Handling Unit #6 in the Landrex Water Play Centre. The initial construction has been completed according to schedule with minimal disruption to service.

Ice was removed and reinstalled in the Troy Murray and Mark Messier arenas after the completion of chiller replacement in August. Staff worked with contractors and user groups to ensure minimal disruption to service during the chiller replacement. Operation staff also worked with contractors on the repair of a broken drain pipe in the Landrex Water Play Centre.

Continuous improvements include:

- Installation of removable board sections in the Troy Murray and Mark Messier Arenas in order to accommodate crowd volumes during events.
- Creation of the Head Caretaker position to add support, create consistent communication and build a stronger caretaker team.
- When scheduled parking lot maintenance occurred this fall, Servus Place had additional handicapped parking stalls and a crosswalk installed that leads to the front door. This was completed in response to customer comment cards.
- Implementation of additional security patrols and installation of 15 additional security cameras and one DVR to increase security presence in the facility.

Servus Place 2011 Year End Report

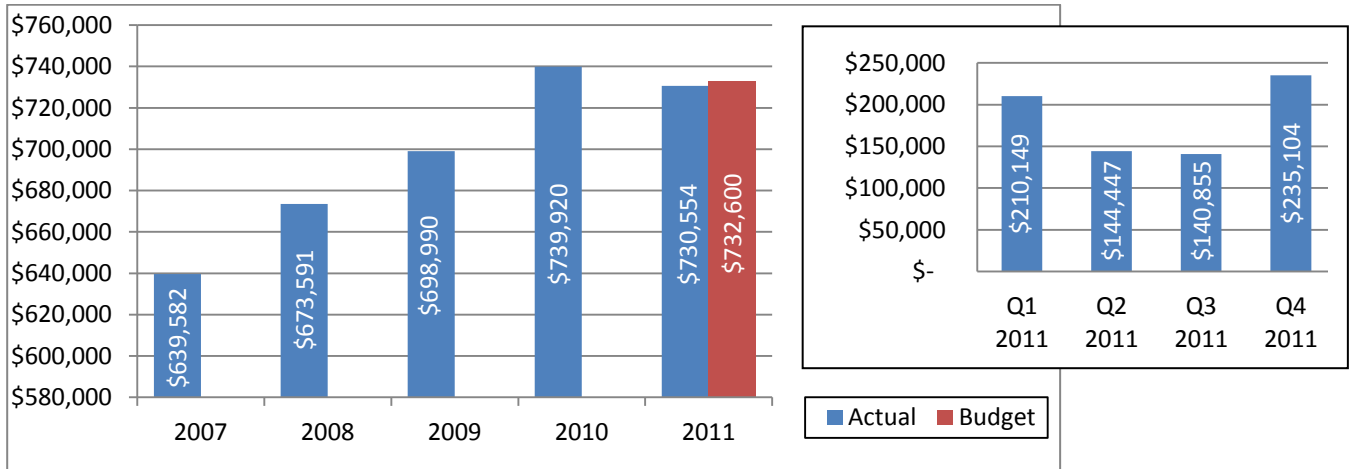
Public Works Internal Contract

Public Works Internal Contract	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
	\$ 639,582	\$ 673,591	\$ 698,990	\$ 739,920	\$ 730,554	\$ 732,600	\$ (2,046)

The agreement between Servus Place and Public Works requires Public Works to provide all staffing and equipment required for building maintenance and repairs to the facility. Servus Place makes a monthly transfer for funds to account for these costs which are built into the Servus Place operating budget.

Servus Place and Public Works work very closely to ensure that the work being done aligns with the budget for Public Works Internal Contract and meets all agreements and policies.

Public Works Internal Contract



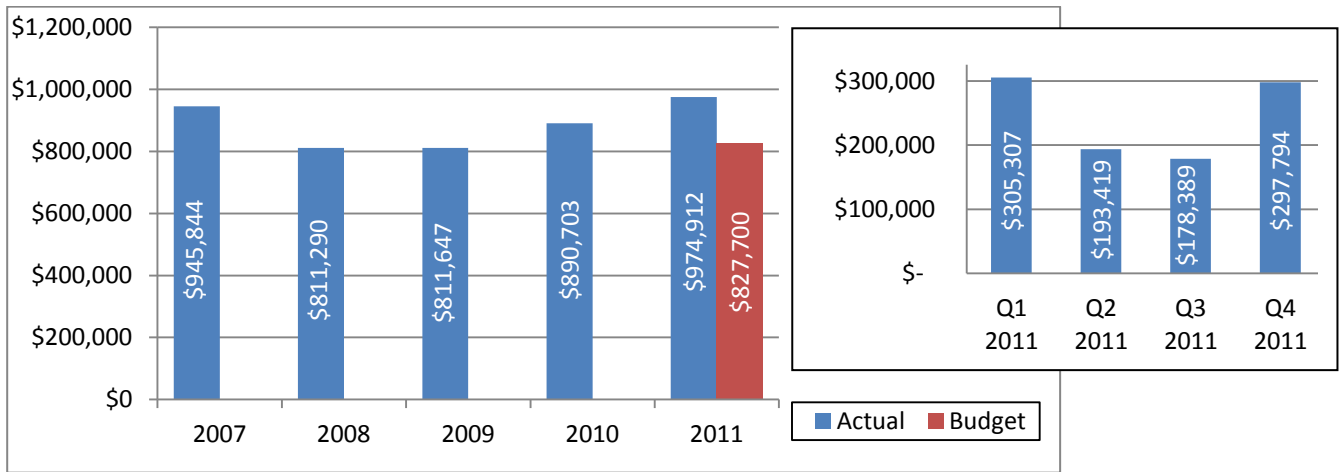
Servus Place 2011 Year End Report

Utilities

Utilities	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	YTD 2011 Budget	2011 YTE Variance
Natural Gas	\$ 308,701	\$ 243,109	\$ 242,984	\$ 242,144	\$ 232,350	\$ 222,900	\$ 9,450
Water, Wastewater and Solid Waste	\$ 113,174	\$ 70,512	\$ 71,983	\$ 93,359	\$ 90,818	\$ 91,600	\$ (782)
Electricity	\$ 502,384	\$ 480,897	\$ 478,561	\$ 542,817	\$ 641,483	\$ 499,700	\$ 141,783
Telephone and Cable	\$ 21,585	\$ 16,772	\$ 18,119	\$ 12,383	\$ 10,258	\$ 13,500	\$ (3,242)
Total	\$ 945,844	\$ 811,290	\$ 811,647	\$ 890,703	\$ 974,912	\$ 827,700	\$ 147,212

Overall utility costs have increase slowly since the opening of the facility due to rate increases and an increase in the usage of the facility, additional events, etc. all result in increases in utility use. In 2011, the utility costs were substantially over budget due to additional major events, increases in the cost of electricity and natural gas and facility repairs requiring the ice to be taken out and reinstalled more than in a regular year.,

Utilities Expenses



Servus Place 2011 Year End Report

Commissions & Vending

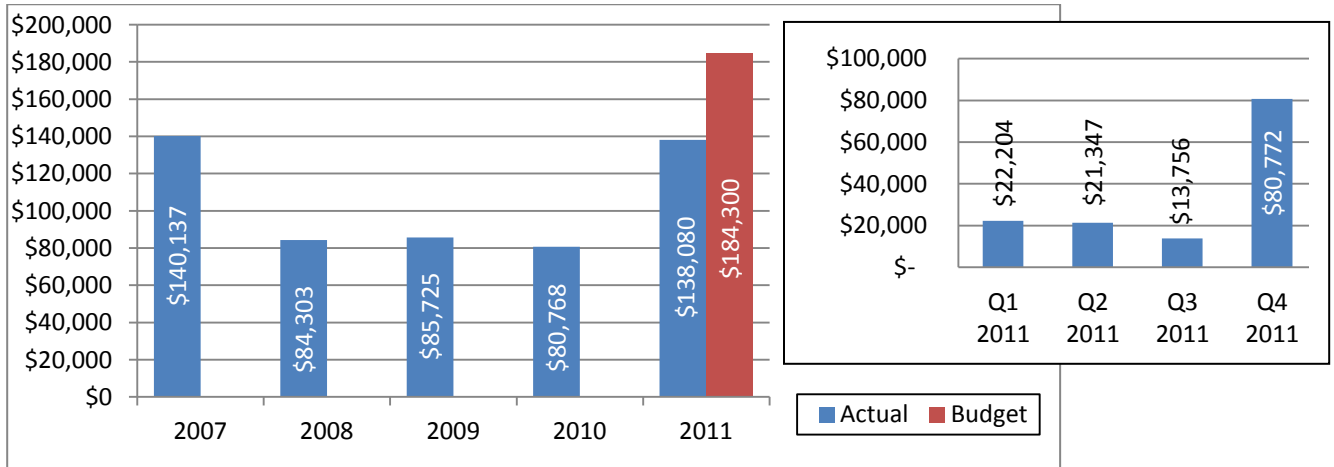
Commissions and Vending	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Vending Commission	N/A	\$ 52,151	\$ 53,149	\$ 46,243	\$ 38,822	\$ 53,400	\$ (14,578)
Locker Total Revenue	N/A	\$ 27,152	\$ 21,590	\$ 28,819	\$ 26,445	\$ 31,800	\$ (5,355)
Guest Services	N/A	\$ 5,001	\$ 2,832	\$ 2,985	\$ 7,067	\$ -	\$ 7,067
Miscellaneous	N/A	N/A	\$ 8,154	\$ 2,720	\$ 1,922	\$ -	\$ 1,922
Retail Revenue	N/A	N/A	N/A	N/A	\$ 63,823	\$ 99,100	\$ (35,277)
Total Revenue	\$ 140,137	\$ 84,304	\$ 85,725	\$ 80,768	\$ 138,080	\$ 184,300	\$ (46,220)

Since opening, Servus Place has seen a gradual shift within commissions and vending. Vending commissions have substantially decreased since the opening of the facility with the addition of more appropriate food and beverage options within the facility. The addition of the Starbucks into the facility has provided a valuable opportunity for Servus Place to increase revenues by diversifying the services offered.

Commissions and vending revenue is under budget for 2011 due to lower than anticipated vending commission revenue, locker revenue and the delay in Starbucks opening, resulting in only one month of revenue as opposed to the originally budgeted two months. The trending of lower than anticipated vending revenue has been taken into account in the 2012-2014 Operating Budget.

The current vending contracts expire within 2012. Servus Place will begin to explore healthier vending options through the RFP process in early 2012.

Commissions & Vending Revenue



Servus Place 2011 Year End Report

Personnel Costs

Personnel Costs	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Salary	\$ 1,214,635	\$ 1,340,554	\$ 1,678,953	\$ 1,891,678	\$ 1,875,258	\$ 2,077,600	\$ (202,342)
Casual Wages	\$ 1,128,409	\$ 1,360,268	\$ 1,492,861	\$ 1,646,031	\$ 1,765,123	\$ 1,765,400	\$ (277)
Total Salary and Casual Wages	\$ 2,343,044	\$ 2,700,822	\$ 3,171,814	\$ 3,537,709	\$ 3,640,381	\$ 3,843,000	\$ (202,619)
Benefits	\$ 356,978	\$ 408,659	\$ 488,707	\$ 547,041	\$ 552,751	\$ 596,700	\$ (43,949)
Total Personnel Costs	\$2,700,022	\$3,109,481	\$3,660,519	\$4,085,047	\$4,193,131	\$4,439,700	\$(246,569)

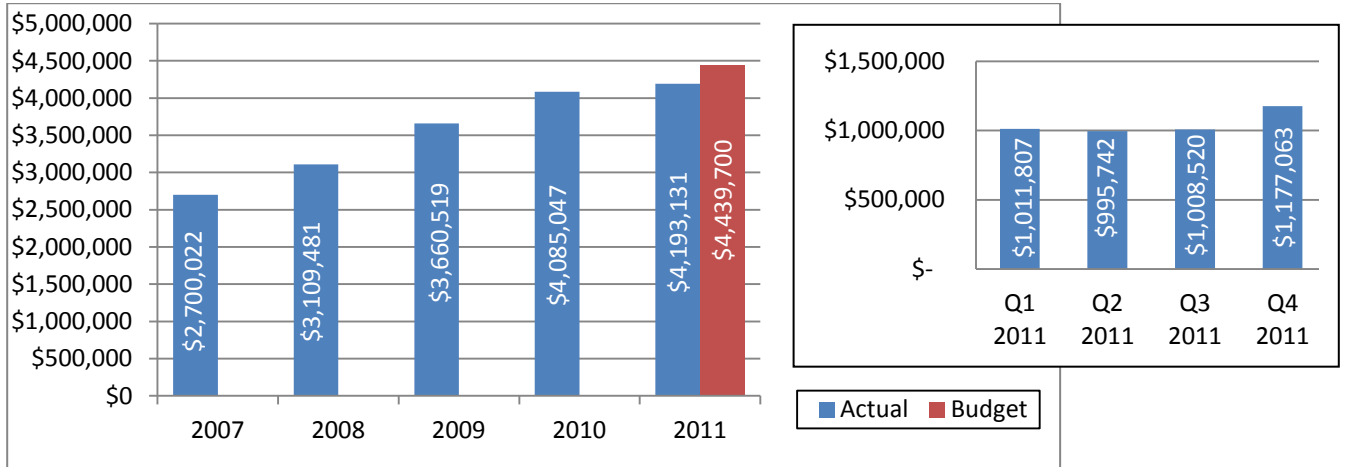
Personnel costs are the highest expense at Servus Place but continue to be the cornerstone of the operation of the facility. Since the facility opened personnel costs have increased due to incremental salary and casual wage increases, increased demand for programs and fitness services, increased facility traffic requiring additional front line staff and in 2008, janitorial services moved from Contracted and General Services to being provided in-house. The results of these increased costs are tangibly realized in member, day admission and program revenue but also have an intangible value in the high level of customer service that is provided to our guests and members.

Staff vacancies in the early part of 2011 have contributed to salaries ending the year substantially under budget.

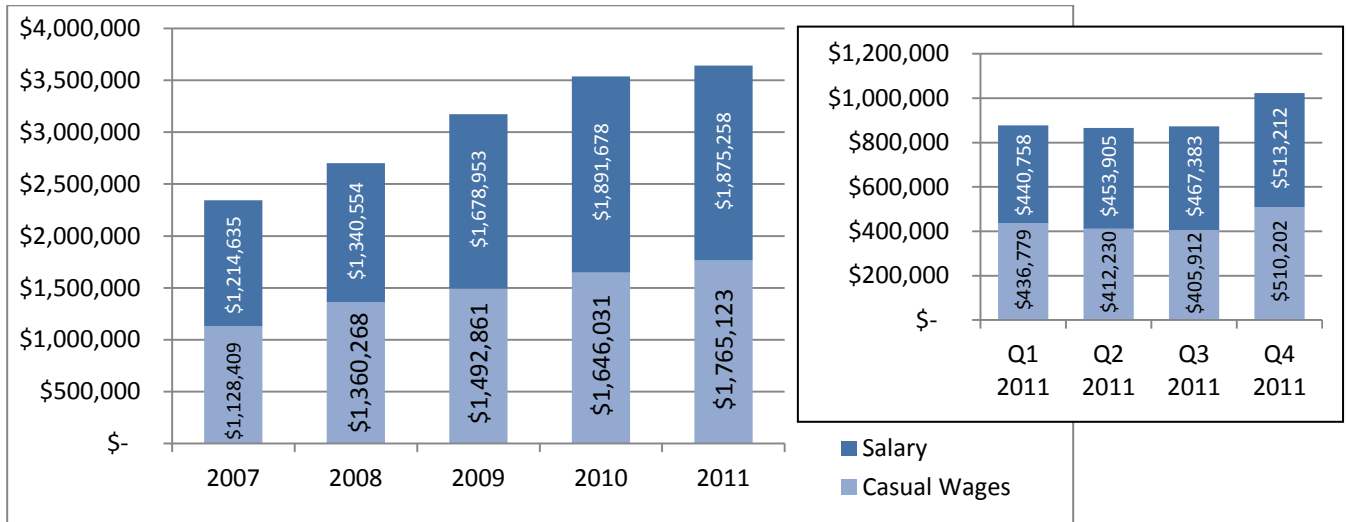
In-View time tracking software is being currently used in all business units for both permanent and casual staff resources. 100% of all casual staff are using both the electronic timesheets, biometric clock, as well as completing a parallel paper time sheet during this pilot program stage.

Servus Place 2011 Year End Report

Personnel Costs



Salaries & Casual Wages



Servus Place 2011 Year End Report

Personnel by Cost Centre	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
Administration	\$ 247,916	\$ 210,462	\$ 227,471	\$ 247,652	\$ 253,425	\$ 250,000	\$ 3,425
Operations	\$ 372,214	\$ 578,780	\$ 762,316	\$ 885,227	\$ 777,138	\$ 922,000	\$ (144,862)
Recreation	\$ 938,481	\$ 1,008,985	\$ 401,909	\$ 528,820	\$ 568,068	\$ 606,700	\$ (38,632)
Fitness			\$ 695,840	\$ 815,182	\$ 880,520	\$ 842,900	\$ 37,620
Fundraising	\$ 26,472	\$ 293,945	\$ 168,730	\$ 178,594	\$ 213,260	\$ 212,600	\$ 660
Business & Marketing	\$ 757,960		\$ 242,355	\$ 254,373	\$ 257,065	\$ 282,600	\$ (25,535)
Bookings and Events			\$ 608,650	\$ 673,193	\$ 628,158	\$ 647,316	\$ 680,600
Guest Services	N/A	N/A	N/A	N/A	\$ 43,584	\$ 45,600	\$ (2,016)
Retail							
Subtotal	\$2,343,043	\$2,700,822	\$3,171,814	\$3,538,006	\$3,640,376	\$3,843,000	\$(202,624)
Benefits	\$ 356,978	\$ 408,659	\$ 488,707	\$ 547,041	\$ 552,751	\$ 596,700	\$ (43,949)
Total Personnel Costs	\$2,700,022	\$3,109,481	\$3,660,519	\$4,085,047	\$4,193,131	\$4,439,700	\$(246,5769)

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/Sponsorship which was combined into Business & Marketing in 2008.

In 2011, the variance in the personnel costs for Operations is due to a combination of permanent staff vacancies and shortages of custodial staff to fill shifts during staff vacations.

Personnel costs for Recreation are lower than budgeted in 2011 primarily due to lower than anticipated summer camp registrations for the month of August.

Higher than planned personnel costs for Fitness are due to increased demand for programs and personal training. This cost is reflected on the revenue side in fitness lesson fee revenue.

Booking & Events was under budget due to a combination of casual hours being left unfilled during staff holidays and reductions to casual hours based on workload.

Guest Services personnel cost savings are due to the vacant Guest Services Associate – Finance position and efficiencies in staffing requiring less casual hours.

Retail personnel costs are under budget due to the Starbucks Store Supervisor and Assistant Supervisor positions not being hired until Q4 2011 and hiring casual staff later than budgeted due to delays in the approval process.

Servus Place 2011 Year End Report

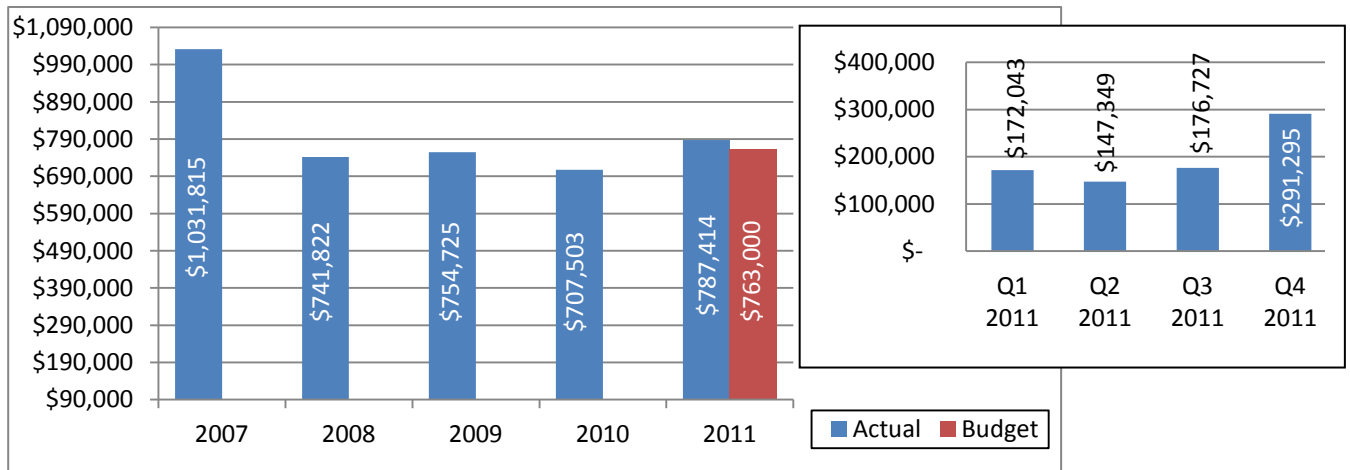
Contracted & General Services

Contracted & General Services	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
	\$ 1,031,815	\$ 741,822	\$ 754,725	\$ 707,503	\$ 787,414	\$ 763,000	\$ 24,414

In 2008, janitorial services were moved from contracted and general services to being provided in-house through personnel costs. Other than this anomaly, over the past four years, contracted and general services at Servus Place have been extremely consistent. Intensive monthly, quarterly and annual reporting has ensured minimal fluctuation in these expenses.

The 2011 variance in contracted and general services is due to additional security personnel required in the facility. Servus Place has found that with an increased security presence there has been a reduction in the number of thefts as well as, the presence of security during the day has provided added confidence in the membership and public users.

Contracted & General Services Expenses



Servus Place 2011 Year End Report

Materials, Goods & Supplies

Materials, Goods & Supplies	2007 YE Actual	2008 YE Actual	2009 YE Actual	2010 YE Actual	2011 YE Actual	2011 YE Budget	2011 YE Variance
	\$ 437,074	\$ 429,281	\$ 452,898	\$ 431,683	\$ 477,018	\$ 454,100	\$ 22,918

Materials, goods and supplies costs have remained relatively consistent since the facility opened. Operating supplies and program supplies make up the majority of this expense. Program supply expenses are driven by the program content whereas operating supplies correlate directly to specific events and initiatives that are occurring in the building.

Overall in 2011, this area is over budget primarily due to variances in operating supplies and janitorial supplies. Some of this additional cost can be attributed to additional major events being held in the facility requiring more cleaning and higher use of paper products.

Materials, Good & Supplies Expenses

