

# **Servus Place Quarterly Report**

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**Third Quarter 2012**  
(Un-Audited)

# Servus Place Quarterly Report Third Quarter 2012

## City of St. Albert Servus Credit Union Place Income Statement of Revenue and Expenditures For the Period Ended September 30, 2012 (Un-Audited)

	2012 Q3 Actual	2012 Q3 Budget	2012 Q3 Variance	2012 YTD Actual	2012 YTD Budget	2012 YTD Variance	2012 Approved Budget	2012 Year End Forecast
Memberships	\$ 574,153	\$ 561,400	\$ 12,753	\$ 1,919,770	\$ 1,919,700	\$ 70	\$ 2,530,400	\$ 2,530,400
Admission Fees	323,854	305,200	18,654	990,658	960,000	30,658	1,284,700	1,309,700
Lesson Fees	305,922	268,300	37,622	804,906	698,700	106,206	897,900	997,900
Facility Rentals	378,021	310,800	67,221	1,178,079	1,102,000	76,079	1,561,900	1,611,900
Advertising/Sponsorship	127,292	112,000	15,292	363,294	332,000	31,294	444,500	484,500
Sale of Goods	111,515	145,300	(33,785)	407,758	530,300	(122,542)	745,100	595,100
Miscellaneous Revenue	6,970	0	6,970	13,669	0	13,669	13,800	31,800
<b>Total Revenue</b>	<b>1,827,727</b>	<b>1,703,000</b>	<b>124,727</b>	<b>5,678,135</b>	<b>5,542,700</b>	<b>135,435</b>	<b>7,478,300</b>	<b>7,561,300</b>
Personnel Costs	\$ 1,092,187	\$ 1,178,500	\$ (86,313)	\$ 3,367,979	\$ 3,458,400	\$ (90,421)	\$ 4,692,300	\$ 4,592,300
Contracted & General Services	237,819	217,900	19,919	545,843	611,000	(65,157)	823,800	833,800
Utilities	249,773	188,700	61,073	768,670	687,300	81,370	970,900	1,070,900
Materials, Goods & Supplies	165,263	174,200	(8,937)	472,878	521,200	(48,322)	707,000	637,000
Transfer to Reserves	21,683	21,700	(17)	69,523	69,300	223	96,500	96,500
Transfer to Operations - Aquatics	158,766	176,200	(17,434)	504,055	587,500	(83,445)	775,800	714,200
Transfer to Operations - Public Works	160,828	140,000	20,828	510,324	507,000	3,324	741,100	741,100
<b>Total Expenditure</b>	<b>2,086,319</b>	<b>2,097,200</b>	<b>(10,881)</b>	<b>6,239,272</b>	<b>6,441,700</b>	<b>(202,428)</b>	<b>8,807,400</b>	<b>8,685,800</b>
<b>Net Surplus (Deficit)</b>	<b>\$(258,592)</b>	<b>\$(394,200)</b>	<b>\$ 135,608</b>	<b>\$ (561,137)</b>	<b>\$ (899,000)</b>	<b>\$ 337,863</b>	<b>\$ (1,329,100)</b>	<b>\$ (1,124,500)</b>
Recovery Rate	88%	81%		91%	86%		85%	87%
Cost Centre 3171 Revenue	101,580	87,300	14,280	343,985	308,300	35,685	489,700	509,700
Cost Centre 3171 Expenses	38,149	36,400	1,749	109,991	109,300	691	145,500	145,500
<b>Operating Surplus (Deficit)</b>	<b>\$ 63,431</b>	<b>\$ 50,900</b>	<b>\$ 12,531</b>	<b>\$ 233,994</b>	<b>\$ 199,000</b>	<b>\$ 34,994</b>	<b>\$ 344,200</b>	<b>\$ 364,200</b>
<b>Total Operating Surplus (Deficit)</b>	<b>\$(195,161)</b>	<b>\$(343,300)</b>	<b>\$ 148,139</b>	<b>\$ (327,143)</b>	<b>\$ (700,000)</b>	<b>\$ 372,857</b>	<b>\$ (984,900)</b>	<b>\$ (760,300)</b>

# Servus Place Quarterly Report Third Quarter 2012

## Department Overview

During the third quarter of 2012, Servus Place saw strong revenues resulting in a positive variance of \$124,727 and expenses came in slightly under budget with a savings of \$10,881. Servus Place has a 91% YTD cost recovery which is \$337,863 or 5% ahead of budget.

The Q3 forecast anticipates that the cost recovery will decrease slightly in the last quarter of 2012, resulting in a year end cost recovery of 87% which is 2% ahead of budget. For more information on the cost recovery, please see page 38.

## Revenue Analysis

Total revenue for Q3 2012 is \$1,827,727. Total revenue variance for Q3 was \$124,727 (7.3%) above budget projections

- Memberships are above budget projections by \$12,753 (2.3%).
- Admission Fees are above budget projections by \$18,654 (6.1%).
- Lesson Fees are above budget projections by \$37,622 (14.0%).
- Rentals - Facility are above budget projections by \$67,221 (21.6%)
- Advertising/Sponsorship is above budget projections by \$15,292 (13.7%)
- Sale of Goods (Commission & Vending) is below budget projections by \$33,785 (-23.3%)
- Miscellaneous Revenue is above budget projections by \$6,970.

Membership revenue for the quarter is above budget bringing the YTD membership revenue extremely close to budget for the year. Membership revenue is anticipated to end the year on budget.

Paid pass revenue is anticipated to end the year over 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.

Lesson fee revenue is 14.0% over budget for Q3 2012. This variance is due to record setting registrations in both recreation summer camps and fitness services. In the forecast, lesson fees have been adjusted by \$100,000 to reflect increased participation in recreation summer camps, registered fitness programs, fitness services, specifically in personal training.

Servus Place facility rentals are substantially over budget for the quarter and YTD. Arena rental has seen large growth since 2010 due to significant increases in the summer ice use. Servus Place rental revenue is forecasted to end the year \$50,000 over budget due to additional lease revenue from sport partners, rentals and additional ice bookings.

Advertising revenue is over budget for the quarter due to the addition of the advertising inventory in the Northstar Hyundai arena since the departure of the St. Albert Steel. Advertising and Sponsorship has been adjusted in the forecast by \$40,000 to reflect new signed commitments for sponsorships in the facility.

The variance in commissions and vending is primarily due to lower than anticipated revenue from vending and the retail cost centre. Although costs for the retail cost centre are under budget there is a corresponding variance on the revenue side.

# Servus Place Quarterly Report

## Third Quarter 2012

### **Expense Analysis**

Total expenses for Q3 2012 are \$2,086,319. Total expense variance for Q3 was \$10,881 (-0.5%) below budget projections.

- \* Personnel Costs are below budget projections by \$86,313 (-7.3%).
- \* Contracted & General Services are above budget projections by \$19,919 (9.1%).
- \* Utilities are above budget projections by \$61,073 (32.4%).
- \* Materials, Goods & Supplies are below budget projections by \$8,937 (-5.1%).
- \* Transfer to Reserves is below budget by \$17 (-0.1%)
- \* Transfer to Operations - Aquatics is below budget projections by \$17,434 (-9.9%).
- \* Transfer to Operations - Public Works is above budget projections by \$20,828 (14.9%).

Personnel costs are below budget primarily due to a reduction in full time staff and a reallocation of some of this cost to casual hours in retail which will carry forward to the end of the year, a change in service provision from casual janitorial to contract janitorial which will also carry forward to the end of the year resulting in a variance, and reduced casual hours in Booking & Events which will catch up in Q4,.

The Q3 variance in contracted and general services is primarily in rentals and leases in Administration and Operations and janitorial contracted services due to the adjustments that have been made from casual janitorial to contract janitorial.

Overall utilities ended the quarter over budget due to higher than anticipated utility rates, primarily on electricity and water, wastewater and solid waste. The forecast has been adjusted by \$100,000 to reflect this variance.

Materials, goods and supplies are under budget primarily due to reduced operating supplies for the retail cost centre and timing of purchases in the other business units. This area is forecasted to end the year \$70,000 under budget due to lower than anticipated Starbucks expenses. This decrease in expenses is reflected on the revenue side under Commissions and Vending.

The Aquatics contract remains under budget for the year. Aquatics Internal Contracts is forecasted to end the year \$61,600 under budget based on schedule efficiencies, actual expenses to date and required staffing levels.

Public works internal contracts are slightly over for the quarter but on budget for the year. The catch up in this quarter is due to timing of initiatives scheduled for Q2 that were moved to Q3. This area is anticipated to end the year on budget.

## Servus Place Quarterly Report Third Quarter 2012

### Guest Services

Servus Place took over 3,240 calls for Q3 2012 as compared to 3,142 calls in Q3 2011 ranging from event information to program registrations. The extended facility hours provides residents increased opportunities to have their questions answered during the times where the main City of St. Albert switchboard is closed.

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.

### Membership

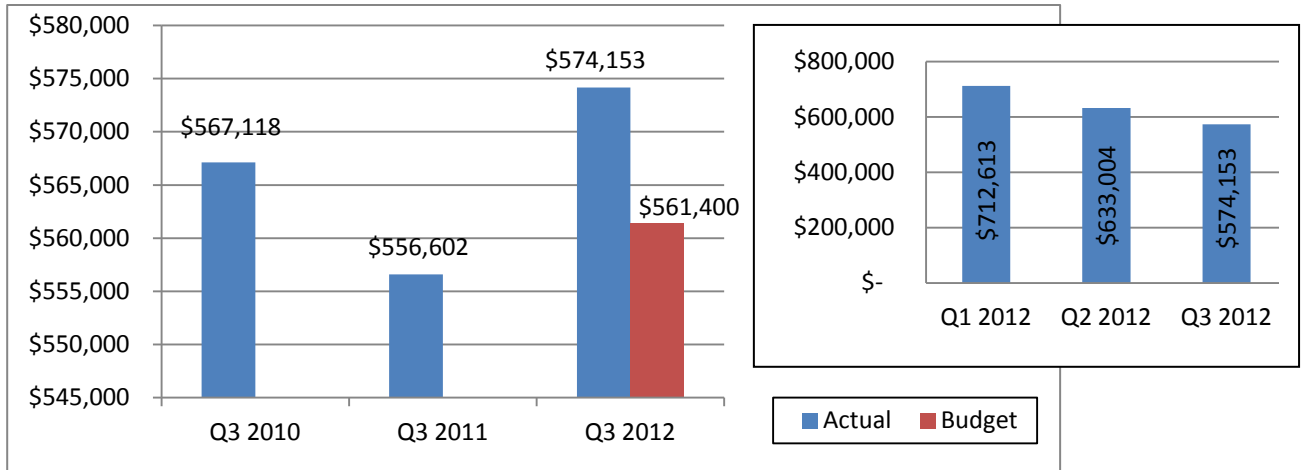
Memberships	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	2012 YTD Actual	2012 YTD Budget	2012 YTD Variance
Adult	2,681	2,594	2,596	2,498	98	2,900	2,848	52
Child	470	332	307	298	10	333	339	-6
Family	2,095	2,240	2,297	1,844	454	2,387	2,102	285
Senior	604	628	658	654	4	775	746	29
Student	485	386	323	357	-34	351	407	-56
Youth	356	322	282	298	-15	298	339	-41
<b>Total Members</b>	<b>6,691</b>	<b>6,503</b>	<b>6,464</b>	<b>5,948</b>	<b>517</b>	<b>7,044</b>	<b>6,780</b>	<b>264</b>
Total Paid Membership Units	5,037	4,733	4,646	4,496	149	5,154	5,125	28
Corporate Memberships	2,070	1,841	1,744			1,748		
<b>Membership Revenue</b>	<b>\$567,118</b>	<b>\$556,602</b>	<b>\$574,153</b>	<b>\$561,400</b>	<b>\$ 12,753</b>	<b>\$ 1,919,770</b>	<b>\$ 1,919,700</b>	<b>\$ 70</b>

Membership revenue for Q3 2012 is \$574,153. The quarter is above budget bringing the YTD membership revenue extremely close to budget for the year. The variance in membership revenue correlates to the increases in members and membership units. Membership revenue is anticipated to end the year on budget.

The average number of family membership units per month for Q3 2012 is 479, which equates to 4.8 individual members per family membership unit. There were 1,744 corporate members in Q3 2012. The corporate members in Q3 2012 make up 27.0% of the total members.

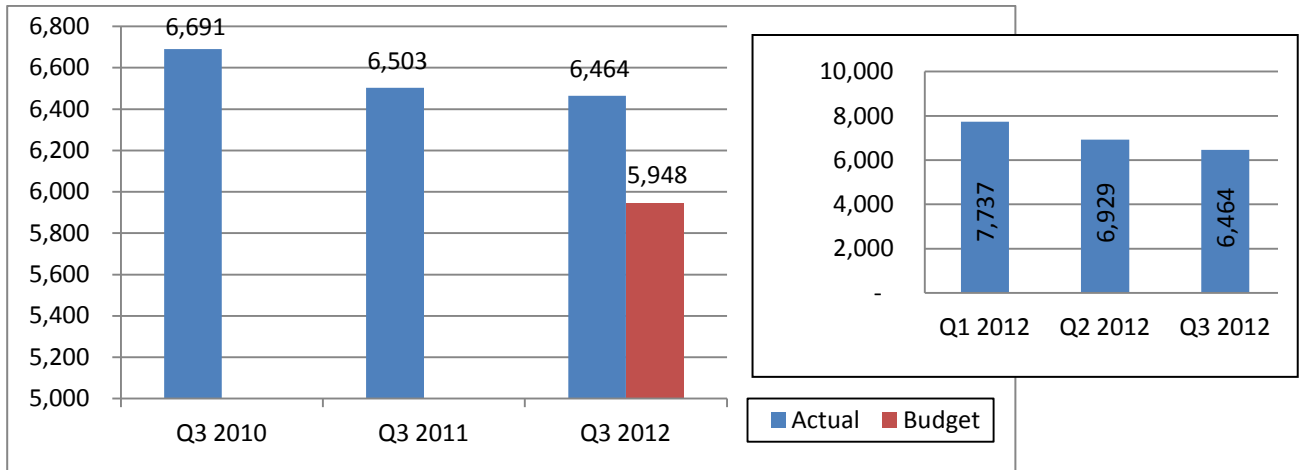
# Servus Place Quarterly Report Third Quarter 2012

## Membership Revenue



The Q3 2012 blended rate is \$41.20 which is slightly below the budgeted blended rate of \$41.55.

## Total Members

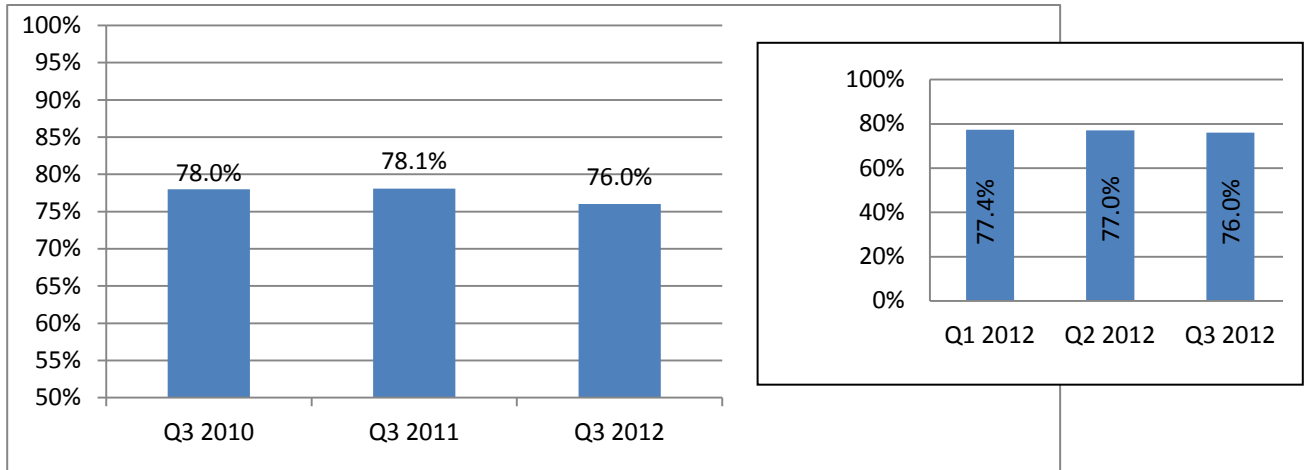


In Q3 2012, there was an average of 6,464 members per month, which is 8.7% above budget. Actual members for Q3 2012 were above budget due to the increase in the higher value adult and family membership categories.

This quarter, 15.5% of Servus Place members were brand new members (monthly and annual) who have never had a membership before.

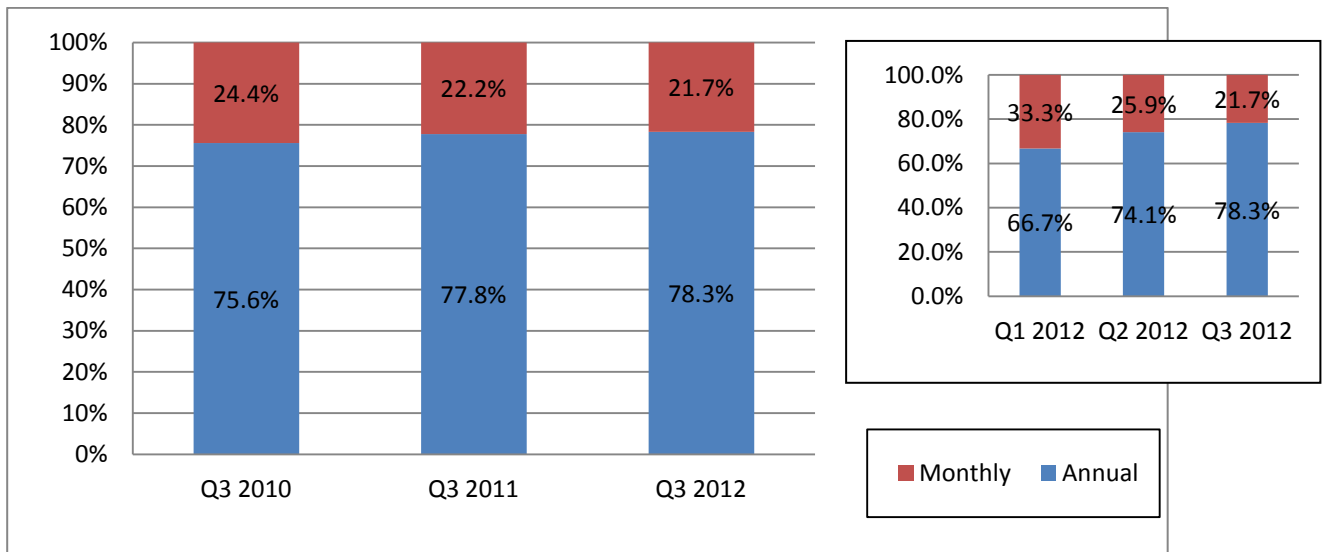
# Servus Place Quarterly Report Third Quarter 2012

## Percentage of Members who are St. Albert Residents



In Q3 2012, the average percentage of members who are St. Albert residents is 76.0%. It can be assumed that improved accessibility to Servus Place from the north end of Edmonton has resulted in 645 Edmonton members (10.0%).

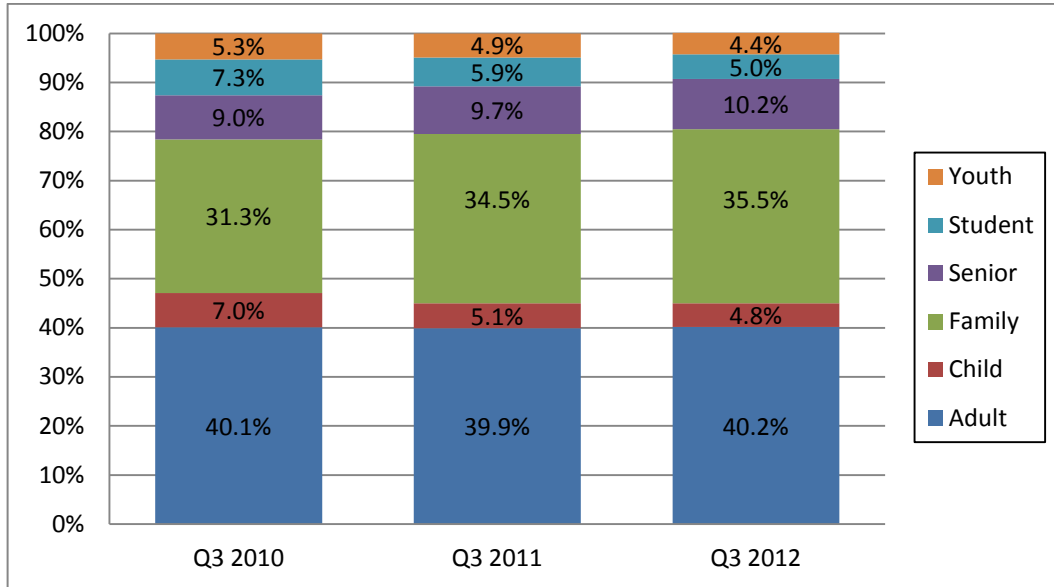
## Members by Type



In Q3 2012, annual memberships accounted for 78.3% of the total memberships which is a slight increase from 2011. The percentage of annual members has continually increased since the facility opened initially. 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 Third Quarter 2012

## Members by Demographic



In Q3 2011, the shift from individual members to family members continues with a 1.0% increase in the percentage of family members and a correlating decrease in the number of youth (-0.5%), student (-0.9%) and child (-0.3%) members. The percentage of senior members has seen gradual increase (0.5%).



Servus Place Quarterly Report  
Third Quarter 2012

Day Admissions

Admission Fees	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	2012 YTD Actual	2012 YTD Budget	2012 YTD Variance
Adult	11,050	10,068	11,862	12,351	-489	37,702	38,596	-894
Child	15,799	13,384	15,578	14,531	1,047	47,353	45,407	1,946
Family	N/A	14,858	18,463	15,254	3,209	52,171	47,674	4,497
Senior	776	876	1,021	726	295	3,042	2,270	772
Youth	4,318	3,924	4,720	5,085	-365	14,801	15,891	-1,090
<b>Total Paid Passes</b>	<b>N/A</b>	<b>43,110</b>	<b>51,644</b>	<b>47,947</b>	<b>3,697</b>	<b>155,069</b>	<b>149,838</b>	<b>5,231</b>
Total Membership Swipes	75,927	68,494	73,798			280,292		
<b>Total Day Uses</b>	<b>N/A</b>	<b>111,604</b>	<b>125,442</b>			<b>435,361</b>		
<b>Total Paid Pass Units*</b>	<b>30,518</b>	<b>31,703</b>	<b>37,436</b>	<b>36,325</b>	<b>1,111</b>	<b>115,076</b>	<b>113,515</b>	<b>1,561</b>
Total Complimentary Passes	1,582	1,475	1,643			5,134		
Paid Pass Revenue	\$ 277,252	\$ 248,356	\$ 310,683	\$ 294,700	\$ 15,983	\$ 946,739	\$ 923,600	\$ 23,139
Childminding Revenue	\$ 8,272	\$ 10,139	\$ 12,171	\$ 9,300	\$ 2,871	\$ 41,687	\$ 33,200	\$ 8,487
Comm. Drop-In Program Rev	\$ -	\$ 834	\$ 1,000	\$ 1,200	\$ (200)	\$ 2,232	\$ 3,200	\$ (968)
<b>Total Revenue</b>	<b>\$ 285,524</b>	<b>\$ 259,329</b>	<b>\$ 323,854</b>	<b>\$ 305,200</b>	<b>\$ 18,654</b>	<b>\$ 990,658</b>	<b>\$ 960,000</b>	<b>\$ 30,658</b>

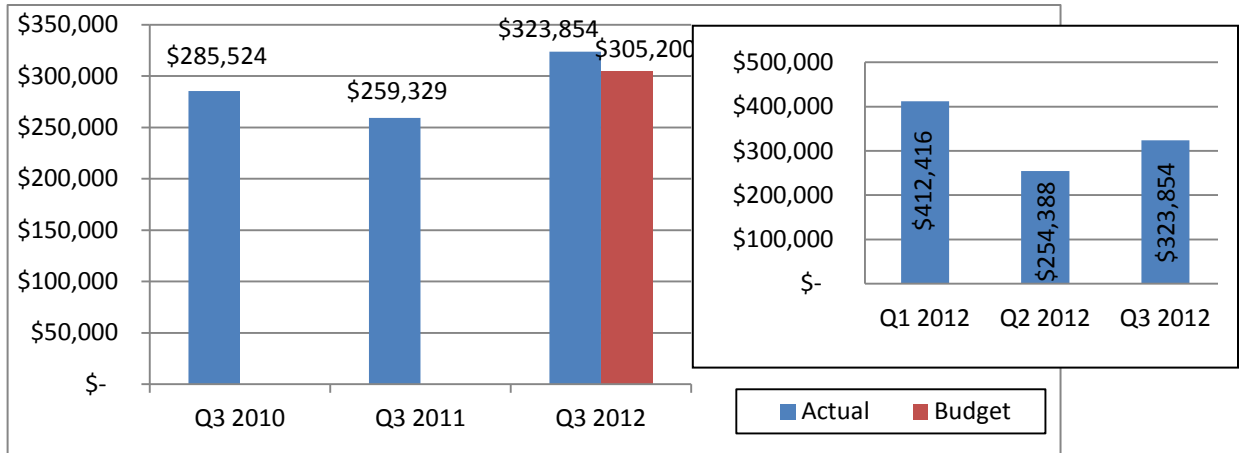
Paid pass revenue is \$323,854, which is 6.1% above budget. This area is anticipated to end the year over budget due to higher than anticipated paid pass revenue and childminding revenue. The number of childminding participants directly correlates to the number of fitness program participants and as that number continues to increase, so does the number of childminding users.

The day admission blended rate for Q3 2012 is \$8.30. This blended rate represents the average admission price per paid pass unit. For Q3 2012, one family paid pass unit equates to 4.3 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.

# Servus Place Quarterly Report Third Quarter 2012

## Day Admission Revenue

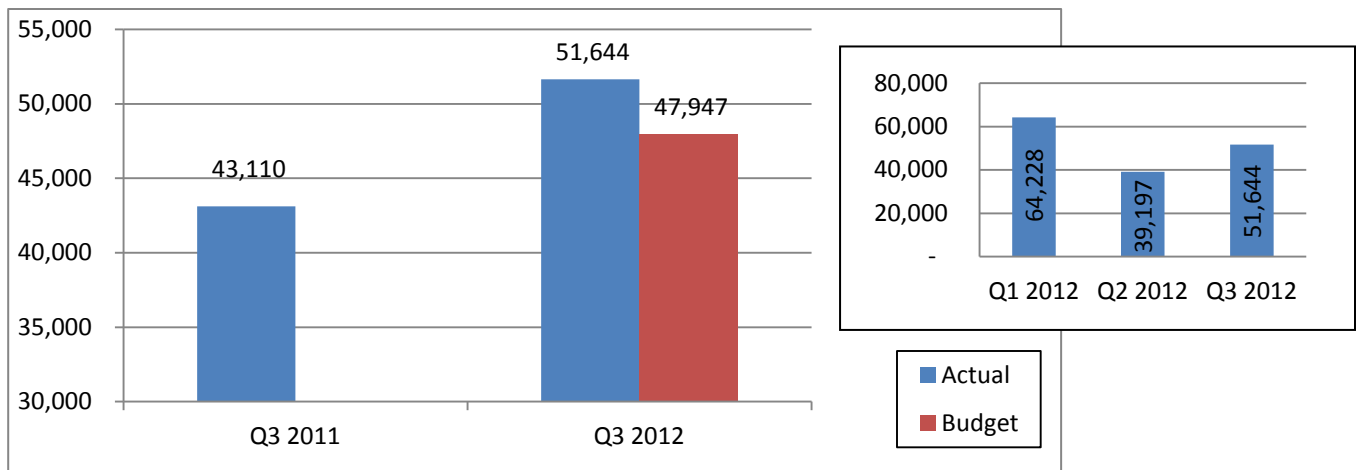


## Servus Place Day Admissions - Postal Code Breakdown for Q3 2012

Servus Place Day Admissions Postal Code Breakdown	Q3 2010	Q3 2011	Q3 2012
Edmonton	20%	18%	15%
Morinville	2%	3%	2%
Not provided	4%	2%	1%
Outside Alberta	1%	1%	0%
St. Albert	65%	68%	76%
Sturgeon	1%	1%	1%
Other Areas of Alberta*	6%	7%	6%
Total	100%	100%	100%

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

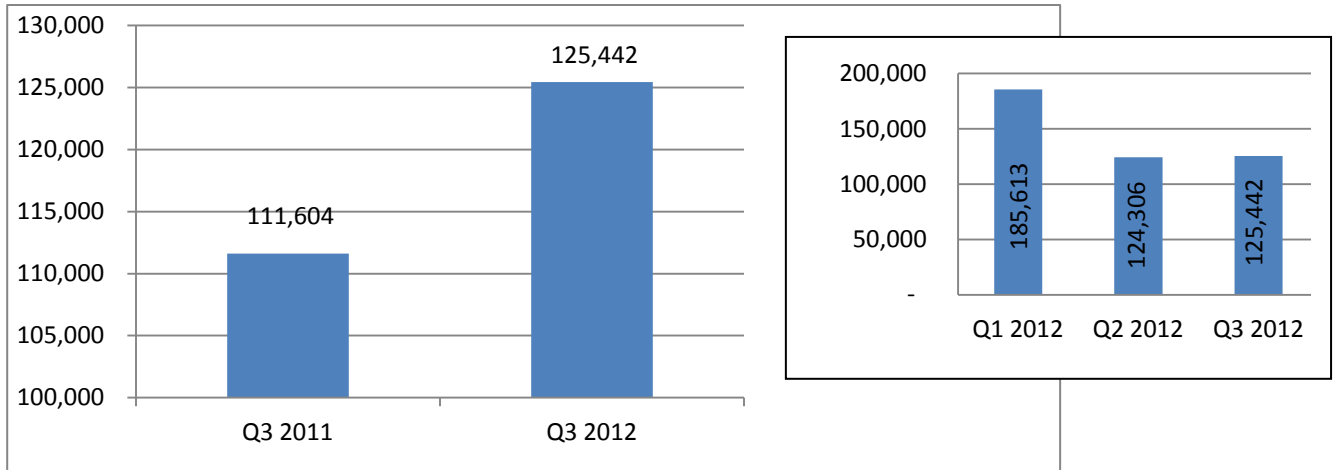
## Paid Day Passes



The Q3 2012 number of paid passes is 51,644 which are 7.7% above budget.

## Servus Place Quarterly Report Third Quarter 2012

### Total Day Uses



Total paid day uses for Q3 2012 were 125,442, which is 12.4% over Q3 2011. The average number of paid day admissions in Q3 2012 was 1,364 per day. This is only 2 users per day less than Q22012; traditionally the facility sees a decrease in the number of users during the summer months.

Highest days of attendance were the 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) and 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)
July	56,000	1,800	41,853	15,000
August	65,000	2,100	42,735	22,000
September	73,000	2,400	40,854	32,000
<b>Q3</b>	<b>194,000</b>	<b>2,100</b>	<b>125,442</b>	<b>69,000</b>
<b>YTD</b>	<b>698,000</b>	<b>2,500</b>	<b>436,536</b>	<b>261,000</b>

Servus Place is able to report that there were approximately 194,000 individuals through the facility in Q3 2012. The total day uses corresponds to the paid admissions tracked through the Class software. The non paying visitors correlate in part to the spectators attending sporting events on the fields and in the arenas.

September 15 and 16 saw the highest number of individuals in the facility in Q3 with over 7,300 people visiting the building over the Saturday and Sunday.

## Servus Place Quarterly Report Third Quarter 2012

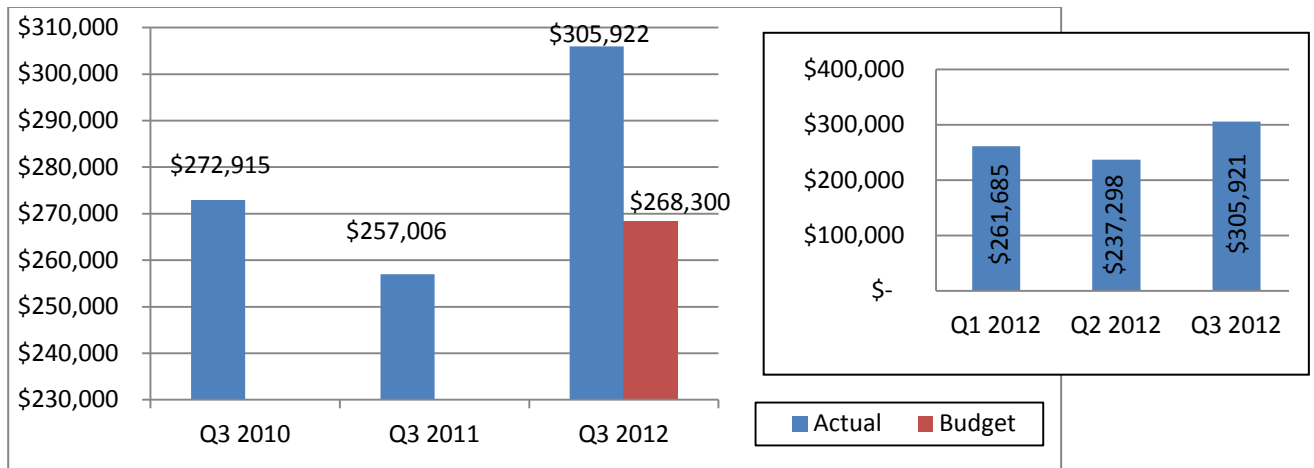
### Lesson Fees

Lesson Fees	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
Fitness	\$ 99,607	\$ 95,504	\$ 120,162	\$ 99,200	\$ 20,962	\$ 502,940	\$ 427,800	\$ 75,140
Recreation	\$ 173,308	\$ 161,502	\$ 185,759	\$ 169,100	\$ 16,659	\$ 301,964	\$ 270,900	\$ 31,064
<b>Net Revenue</b>	<b>\$ 272,915</b>	<b>\$ 257,006</b>	<b>\$ 305,922</b>	<b>\$ 268,300</b>	<b>\$ 37,622</b>	<b>\$ 804,906</b>	<b>\$ 698,700</b>	<b>\$ 106,206</b>

Lesson fee revenue is 14.0% over budget for Q3 2012. This variance is due to record setting registrations in both recreation summer camps and fitness services. In the forecast, lesson fees have been adjusted by \$100,000 to reflect increased participation in recreation summer camps, registered fitness programs and fitness services, specifically in personal training.

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 33% of the Recreation program evaluations were been completed online in Q3 at 96.5% satisfaction and 27% for Fitness programs with 100% satisfaction. Servus Place will continue to increase the collection of emails upon registration to increase the return rate.

**Lesson Fees Revenue**



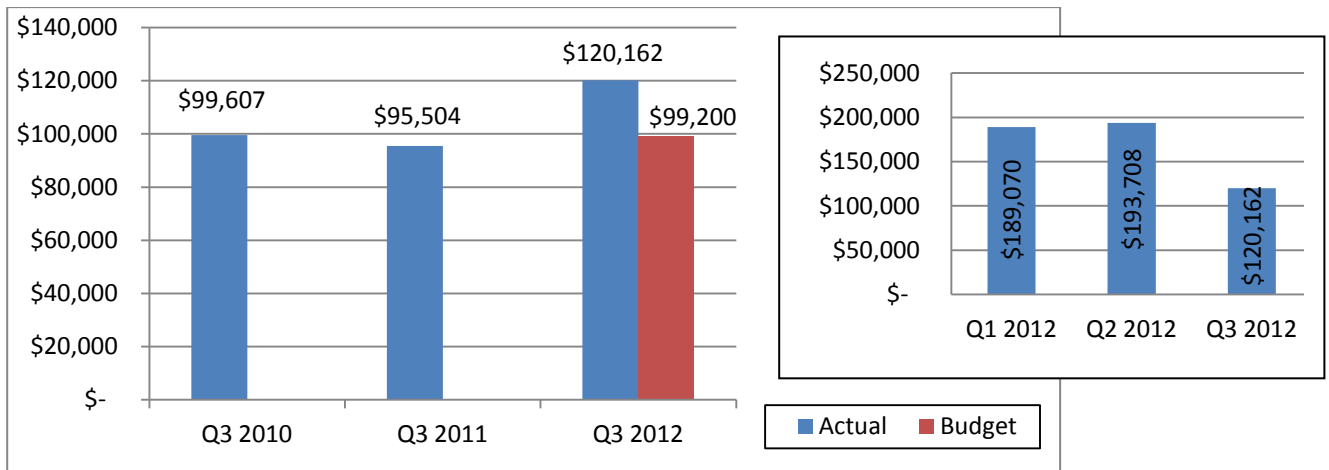
# Servus Place Quarterly Report Third Quarter 2012

## Fitness

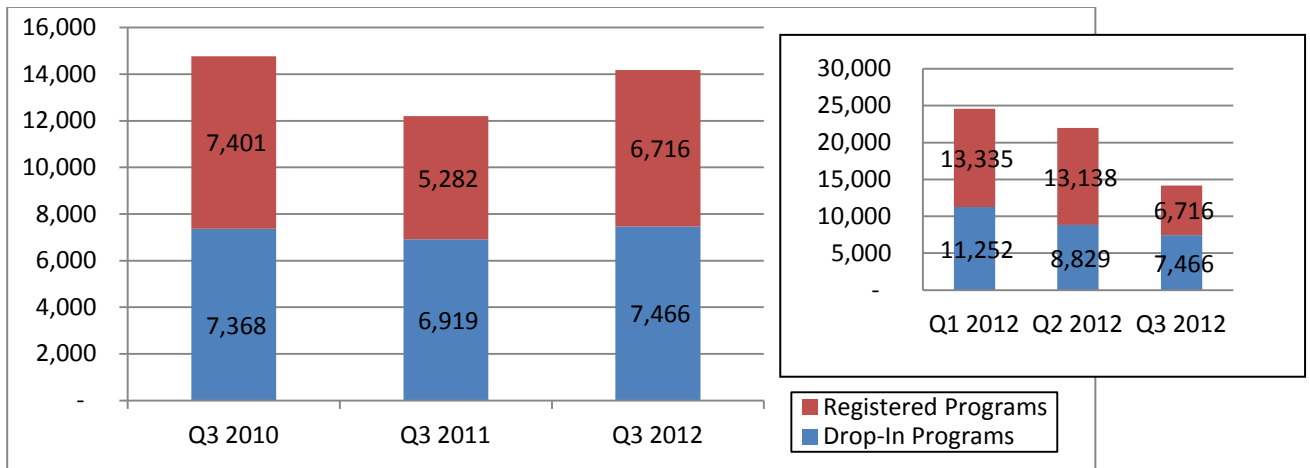
In Q3 2012 fitness program revenue is \$120,162 which is 21.1% above budget and 25.8% over Q3 2011. The primary reason for this variance is the increase in the number of fitness programs and fitness services. September broke another record for personal training services with 459 services sold for over \$21,500 in revenue bringing Q3 to a total of 918 services in Q3.

Fitness lesson fee revenue is anticipated to end they year \$70,000 ahead of budget due to registered fitness programs and fitness services, specifically in personal training

**Fitness Program Revenue**



**Fitness Program Participants**



Registered fitness programs have seen a substantial increase over Q3 2011 (27.1%) due to a strong compliment of postnatal programs such as “Baby & Me” and “Strollerworks” and varied intensity programs such as Tabata and all spin based programming. In Q3 there was a 78% fill rate with 153 people on wait lists for fall programs.

There were 345 drop-in classes in Q3 2012, averaging 21 participants per class, an increase of 1 participant per class over Q3 2011. September saw an average of 26 participants per class which is consistent with the busy winter months. 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.

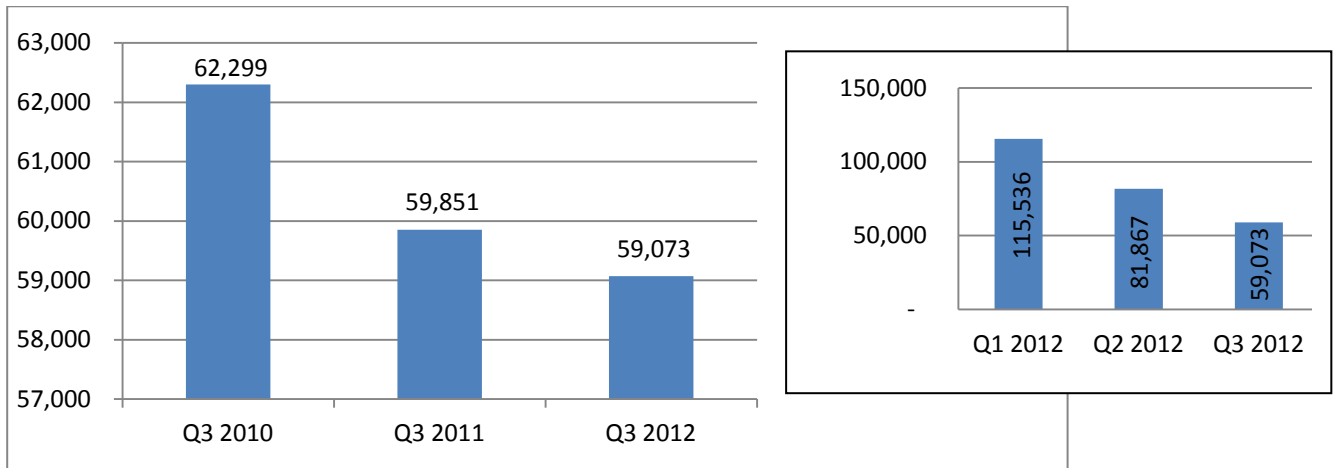
# Servus Place Quarterly Report Third Quarter 2012

## Fitness & Wellness Centre

Fitness & Wellness Centre	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	YTD 2012 Actual
Fitness & Wellness Centre Users	62,299	59,851	59,073	256,476
Daily Average	680	650	642	951

As Servus Place enters into the summer months, the traditional usage decrease of the Fitness Centre from Q2 has been seen. In Q3 2012, there were 59,073 users of the Fitness & Wellness Centre which is very close to 2011.

### Fitness Centre Users



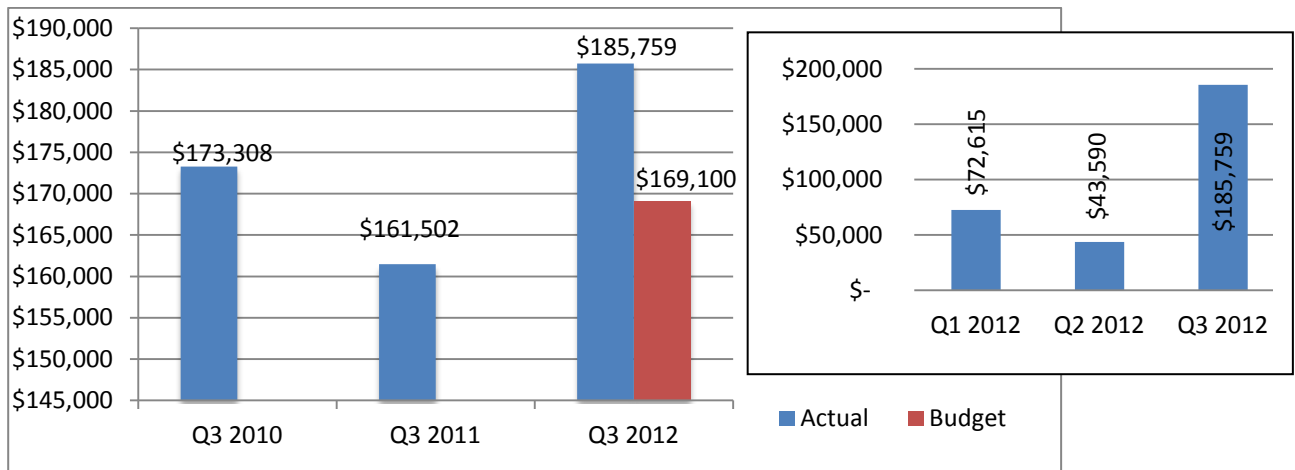
# Servus Place Quarterly Report Third Quarter 2012

## Recreation

Recreation program revenue for Q3 2012 is \$185,759 which is 9.9% above budget and 15.0% above Q3 2011 primarily due to higher than budgeted registrations for summer camps, achieving the highest registration numbers in the facilities history serving 1195 children in camps.

This additional revenue has been reflected in the Q3 forecast, anticipating the recreation less fee revenue end the year \$30,000 ahead of budget.

**Recreation Program Revenue**



## Servus Place Recreation Programs

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

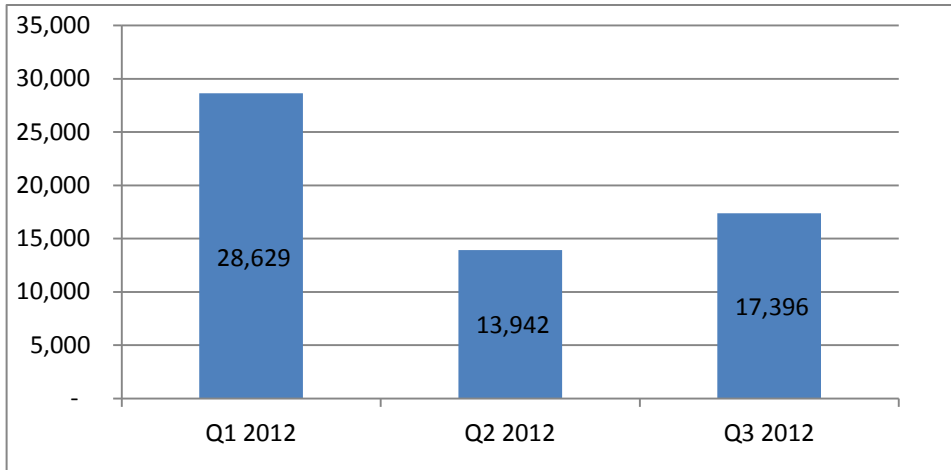
Overall, recreation experienced a fill rate of 81% for the quarter with 42 people currently waitlisted for participation in summer preschool camp programs. The trend for the summer was based on strong participation in preschool camp programs as well as sport based camp programming, specifically in soccer 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.

The Q3 2012 childminding participation was high, serving an average of 903 children per month, a 28.1% 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.

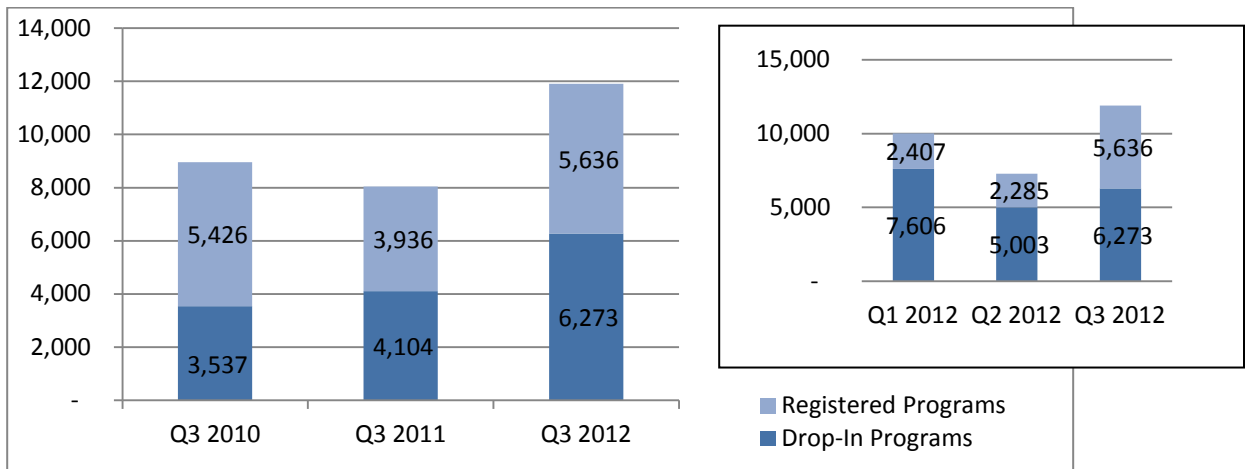
In Q3 2012, there were 17,396 participants who utilized the Community Gymnasium and Kingsway Toyota Indoor Playground or Leisure Ice. Access to these areas is included with membership or day admission to Servus Place and can be directly attributed to supporting the overall membership growth and retention.

# Servus Place Quarterly Report Third Quarter 2012

## Spontaneous Recreation Participants



## Participants in Servus Place Recreation Programs





# Servus Place Quarterly Report Third Quarter 2012

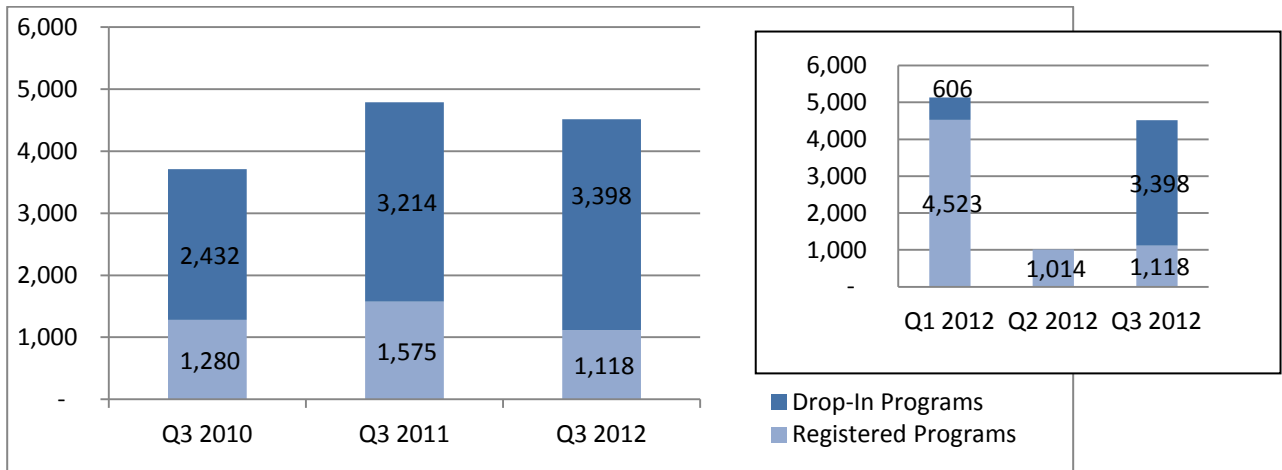
## Community Recreation Programs

The Q3 2012, registered community recreation program participants have decreased (-29.0%) from Q3 2011 but programs ended the quarter with an 85% fill rate. Community recreation programs are lower than last summer as resources were re-allocated to provide increased camp offerings out of Servus Place. This change resulted in approximately 250 additional children accommodated this summer.

Sport camp programming continues to be strong with tennis and swimming based camps. There is 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 in partnership with the St. Albert Elks, providing free camp programming for over 1,700 individuals.

Recreation program staff supported the Canada Day celebration at Lions Park on July 1 by providing a variety of games and activities; however inclement weather greatly impacted the turn out at the event.

**Participants in Community Recreation Programs**



## Servus Place Quarterly Report Third Quarter 2012

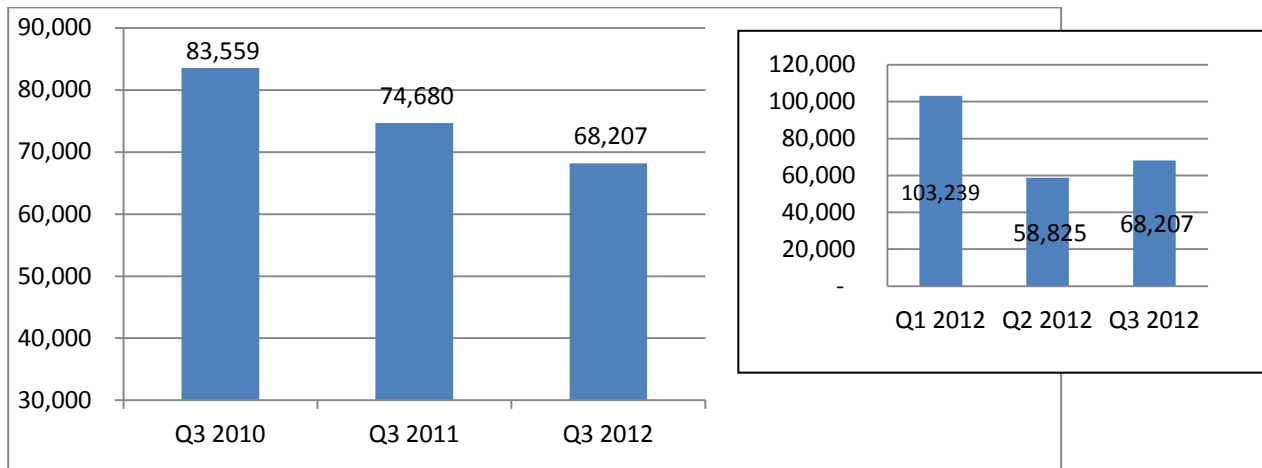
### Aquatics

Landrex Water Play Centre Use	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	YTD 2012 Total
Water Play Centre Users	83,559	74,680	68,207	230,271
Daily Average	907	809	740	844
Servus Place Annual Member Swipes at FPRC	5,943	6,421	6,422	18,696
Servus Place Annual Member Swipes at Grosvenor	980	1,254	1,086	1,348
<b>Total</b>	<b>6,923</b>	<b>7,675</b>	<b>7,508</b>	<b>20,044</b>

In Q3 2012, there were 68,207 users of the Landrex Water Play Centre, a decrease of 8.7% from Q3 2011. This decrease is due to a change in the way that the statistics are collected, not necessarily a decrease in the number of users. Before 2012, stats were collected and added hourly up until 6:00pm, and then collected and added every half hour up until 9:00pm. In 2012, stats are collected and added hourly, making the assumption that most users are at the Water Play Centre for one hour.

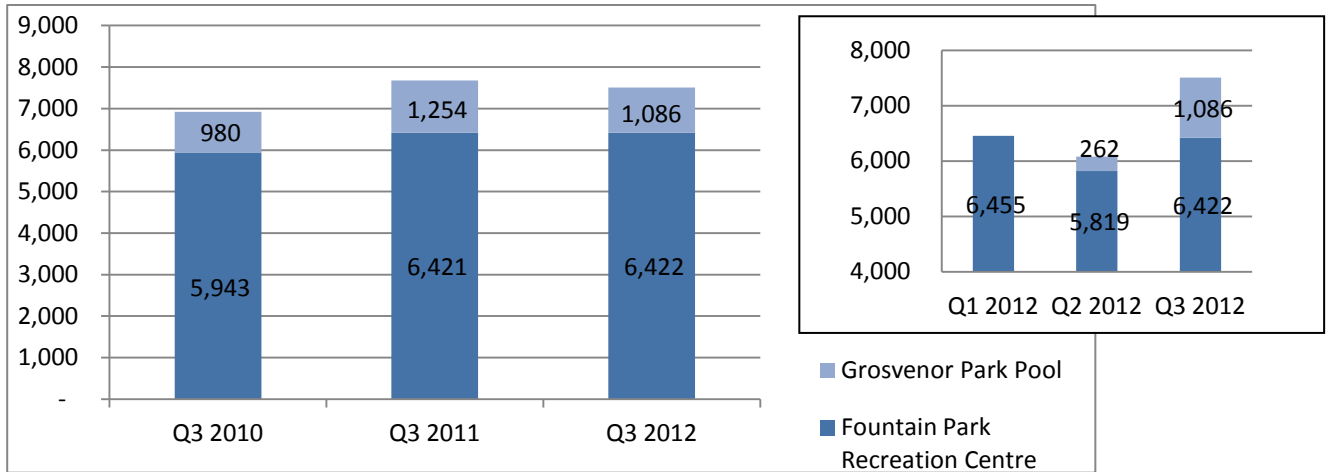
The highest attendance days were July 10 and 15 with 1,303 and 1,385 users respectively.

**Landrex Water Play Centre Users**



## Servus Place Quarterly Report Third Quarter 2012

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



In Q3 2012, member uses were recorded at 6,422 at Fountain Park Recreation Centre which is very close to 2011. There has been a notable decrease in the number of Servus Place users at Grosvenor Park Pool in Q3 2012 (-13.4%).

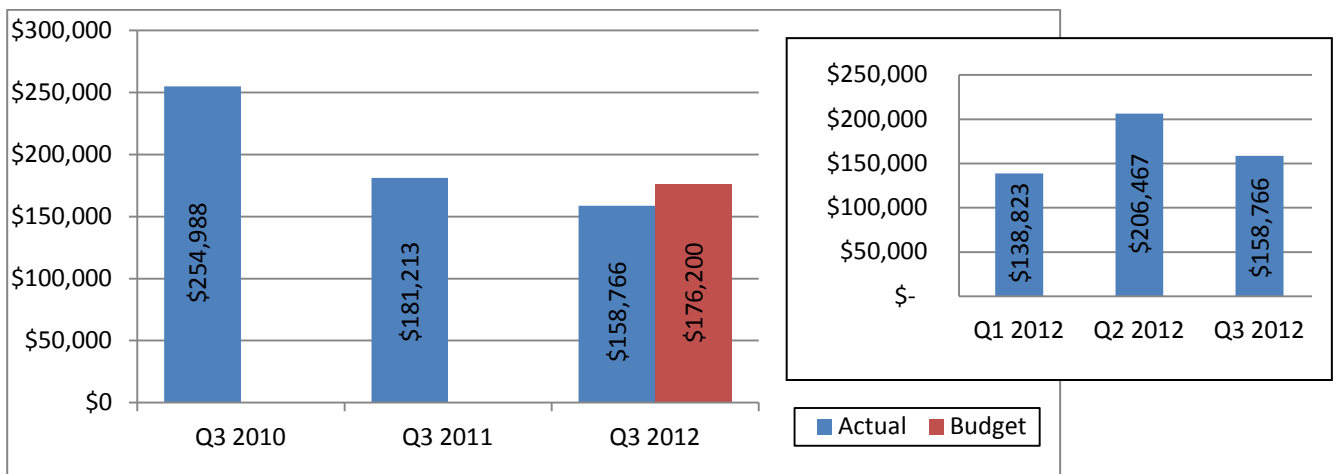
## Servus Place Quarterly Report Third Quarter 2012

### Aquatics Internal Contracts

Aquatics Internal Contracts	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
	\$ 254,988	\$ 181,213	\$ 158,766	\$ 176,200	\$ (17,434)	\$ 504,055	\$ 587,500	\$ (83,445)

The Aquatics contract remains under budget for the year. Aquatics Internal Contracts is forecasted to end the year \$61,600 under budget based on schedule efficiencies, actual expenses to date and required staffing levels.

**Aquatics Internal Contracts**



# Servus Place Quarterly Report Third Quarter 2012

## Booking & Events

### Q3 Events

- Roller Derby Camp – July 1-2
- Oilers Hockey School – July 23-31 and August 1-10
- Rock'n'August Night at the Drive in – August 9
- Rock'n'August Jukebox Saturday Night – August 11
- Goaltending camp – August 13-17
- SAYSA camp – August 13-17
- St.Albert Hockey Development Camp – August 13-17
- High Tempo Hockey Camp – August 20-24
- Leibel Hockey Camp – August 23-26
- Edmonton Oil Kings Pre-Season Hockey Tournament – September 1-3
- Tot Swap – September 8,
- Roller Derby vs. Saskatoon/Lakeland – September 15
- Five Rivers 4 on 4 Ball Hockey Tournament – September 22-23
- 51 parties, 1276 participants

The first ever concert at Servus Place was held on August 11 in cooperation with Rock'n'August Jukebox Saturday Night. The event brought Harlequin and Doug and the Slugs to entertain 540 people in the Northstar Hyundai Arena. The event was a success for Servus Place demonstrating the facility's viability as an entertainment venue.

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.

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.

Bookings staff and Public Works staff inspected each of the community clubhouses, identifying any maintenance or cleaning issues.

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.

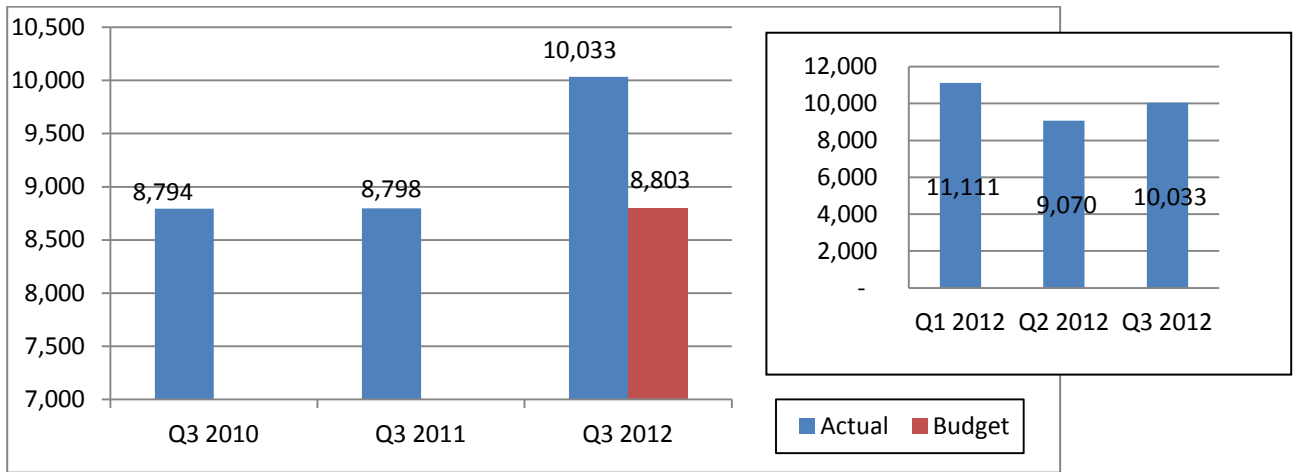
Work continues on the development of usage guidelines for Riel Sport Field including the costs of lighting, snow removal and usage guidelines. Riel Sport Field Use Conditions have been developed in cooperation with Recreation for implementation in early spring.

## Servus Place Quarterly Report Third Quarter 2012

### Servus Place Facility Rental and Programmed Hours

Servus Place Facility Hours Rented and Programmed	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	2012 YTD Variance
Arenas	2,410	2,455	2,463	2,392	71	8,172	7,587	585
Fieldhouses	1,591	1,023	771	1,591	-821	4,013	4,727	-715
Gymnasiums	3,223	3,126	3,121	3,249	-129	9,675	9,843	-168
Meeting rooms	1,571	2,194	3,679	1,571	2,108	8,354	5,170	3,184
<b>Total</b>	<b>8,794</b>	<b>8,798</b>	<b>10,033</b>	<b>8,803</b>	<b>1,230</b>	<b>30,213</b>	<b>27,327</b>	<b>2,886</b>

### Servus Place Facility Rented and Programmed Hours



## Servus Place Quarterly Report Third Quarter 2012

Servus Place Facility Rental Revenue	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	2012 YTD Variance
Arenas	\$ 181,311	\$ 192,760	\$ 240,019	\$ 215,500	\$ 24,519	\$ 666,369	\$ 638,700	\$ 27,669
Fieldhouses	\$ 14,375	\$ 28,027	\$ 28,781	\$ 10,700	\$ 18,081	\$ 186,467	\$ 191,993	\$ (5,527)
Gymnasiums	\$ (1,122)	\$ 1,930	\$ 2,201	\$ 5,200	\$ (3,000)	\$ 17,963	\$ 25,560	\$ (7,597)
Meeting rooms	\$ 23,195	\$ 20,150	\$ 34,414	\$ 18,700	\$ 15,714	\$ 94,593	\$ 46,767	\$ 47,826
Leaseholders	\$ 52,573	\$ 48,323	\$ 59,676	\$ 47,600	\$ 12,076	\$ 167,457	\$ 150,600	\$ 16,857
Parties	\$ 2,263	\$ 1,363	\$ 1,998	\$ 2,200	\$ (202)	\$ 7,956	\$ 11,380	\$ (3,424)
Refurbishment Charges*	\$ 7,872	\$ 9,021	\$ 10,934	\$ 10,900	\$ 34	\$ 37,277	\$ 37,000	\$ 277
<b>Total</b>	<b>\$ 280,467</b>	<b>\$ 301,574</b>	<b>\$ 378,021</b>	<b>\$ 310,800</b>	<b>\$ 67,221</b>	<b>\$1,178,079</b>	<b>\$1,102,000</b>	<b>\$ 76,079</b>

Servus Place facility rentals are substantially over budget for the quarter and YTD. Arena rental has seen large growth since 2010 due to significant increases in the summer ice use.

Q3 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.

Additional dry land training for hockey schools, Roller Derby games and practices, and new events such as a Tot Swap and a Ball Hockey tournament in the fieldhouses contributed to higher revenues.

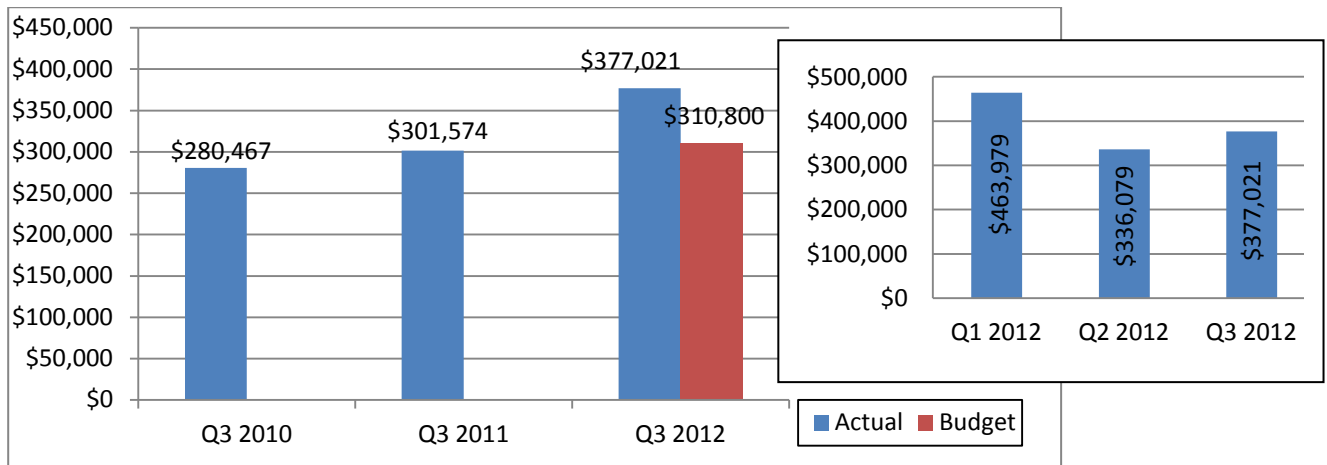
The hours in fieldhouses and gymnasiums are under budget however these variances are primarily for internal programming and maintenance and do not affect the revenue.

CTEC Traffic Training School utilized space in the parking lot which is tracked under meeting rooms. This revenue has surpassed budgeted amounts.

Leaseholder revenue is over budget for the year and will end the year above budget. This additional revenue is for lease payments from sport groups utilizing office space in the facility.

Servus Place rental revenue is forecasted to end the year \$50,000 over budget due to additional lease revenue from sport partners, rentals and additional ice bookings.

**Servus Place Facility Rental Revenue**

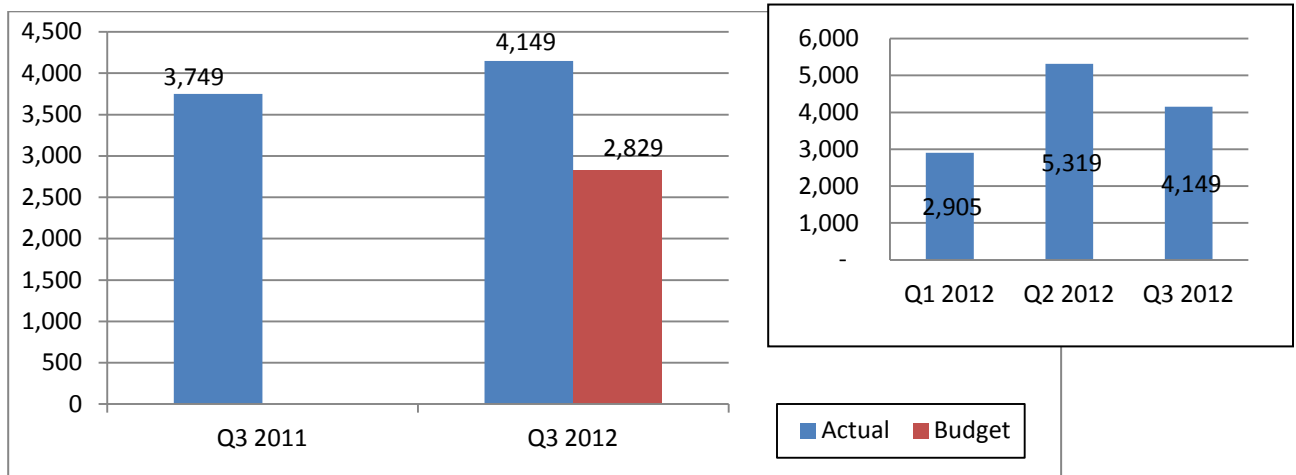


## Servus Place Quarterly Report Third Quarter 2012

### Community Facility Rental and Programmed Hours

Community Facility Hours Rented and Programmed	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	2012 YTD Variance
10920 Akinsdale/Kinex	1,245	1,872	450	1,423	5,405	3,831	1,574
10921 Playfields/Playgrounds	1,085	1,229	960	269	3,737	3,360	377
10922 Outdoor Rinks	23	2	23	-21	344	350	-6
10923 Clubhouses	835	701	835	-134	2,074	2,301	-227
10924 Riel Sport Field	562	345	562	-217	813	1,038	-225
<b>Total</b>	<b>3,749</b>	<b>4,149</b>	<b>2,829</b>	<b>1,320</b>	<b>12,373</b>	<b>10,881</b>	<b>1,493</b>

### Community Facility Rented and Programmed Hours





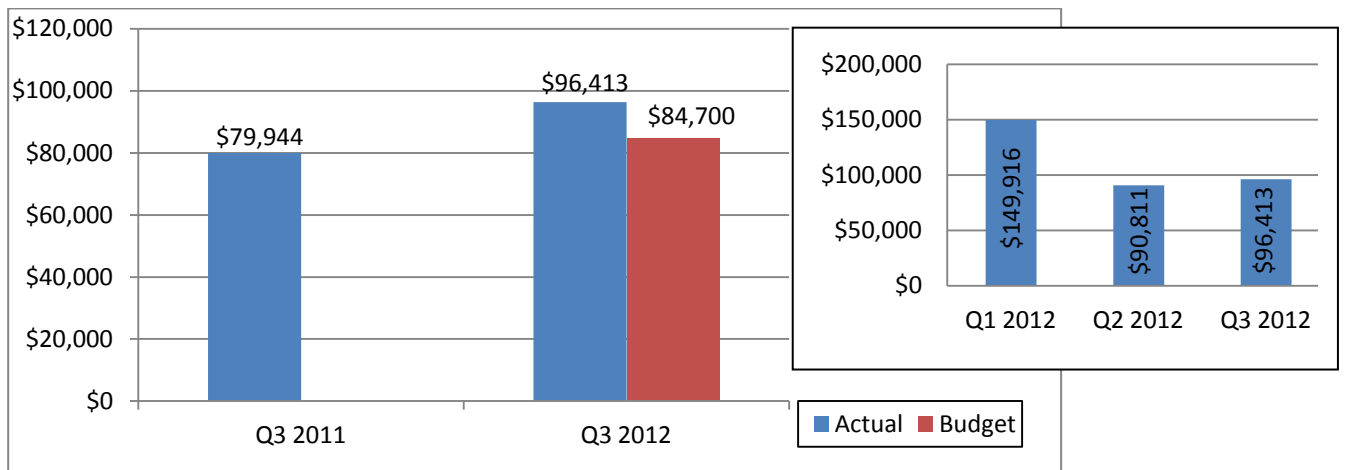
## Servus Place Quarterly Report Third Quarter 2012

Community Facility Rental Revenue	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	2012 YTD Variance
10920 Akinsdale/Kinex	\$ 58,436	\$ 72,136	\$ 59,300	\$ 12,836	\$ 266,551	\$ 228,400	\$ 38,151
10921 Playfields/Playgrounds	\$ 5,968	\$ 8,608	\$ 7,800	\$ 808	\$ 33,093	\$ 30,200	\$ 2,893
10922 Outdoor Rinks	\$ 384	\$ 168	\$ 500	\$ (332)	\$ 6,156	\$ 7,300	\$ (1,144)
10923 Clubhouses	\$ 792	\$ 798	\$ 900	\$ (102)	\$ 3,317	\$ 3,300	\$ 17
10924 Riel Sport Field	\$ 14,364	\$ 14,703	\$ 16,200	\$ (1,497)	\$ 28,024	\$ 33,600	\$ (5,576)
<b>Total</b>	<b>\$ 79,944</b>	<b>\$ 96,413</b>	<b>\$ 84,700</b>	<b>\$ 11,713</b>	<b>\$ 337,140</b>	<b>\$ 302,800</b>	<b>\$ 34,340</b>

August Ice installation in the Akinsdale and Kinex Arenas as well as additional hours at the spring/summer rate contributed to higher revenues for the quarter.

The Q3 Riel Sport Field turf replacement resulted in lower than budgeted rentals and subsequent reduction in revenue. However, overall unanticipated additional revenue in Q2 and Q3 has resulted in a YTD variance which has been reflected in the forecast as ending the year \$20,000 ahead of budget.

### Community Facility Rental Revenue



# Servus Place Quarterly Report Third Quarter 2012

## Business & Marketing

Social media highlights for Q3 include:

- The Servus Place website had 34,262 hits in Q3.
- The Servus Place Twitter page had 289 followers as of the end of Q3.

The “Like Us on Facebook” campaign was launched in September and has been very successful with the goal of 500 new friends being met within 3 weeks of the contest. To enter the contest, a participant must “like” the Servus Place Facebook page on Facebook and is then entered into a weekly draw for prizes and also a grand prize draw at the end of the contest.

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

The first Joint program guide between Servus Place and Recreation was launched in July with good responses from the public. This program guide lists all aquatic and community recreation and Servus Place programs in one place and allows the public one-stop access to all City programming.

Servus Place hosted both CBC and CTV during Q3. CBS 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.

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 will occur throughout October and November. 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.

## Servus Place Quarterly Report Third Quarter 2012

Advertising, Fundraising and Sponsorship Inventory	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	YTD 2012 Actual
Total Spaces Sold	118	156	183	175
Total Complimentary Spaces	8	4	5	4
Total Internal Spaces	10	4	9	9
<b>Total Spaces Used*</b>	<b>136</b>	<b>163</b>	<b>197</b>	<b>189</b>
Total Space Available	204	209	240	240
<b>% of Space Used</b>	<b>67%</b>	<b>78%</b>	<b>82%</b>	<b>79%</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, we 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.

Due to the increased demand for advertising spaces in both Servus Place and the Akinsdale/Kinex Arenas, additional spaces have been added to the inventory. These spaces include; wall signs, entrance wall signs, bulkheads and large format signs in the fieldhouses.

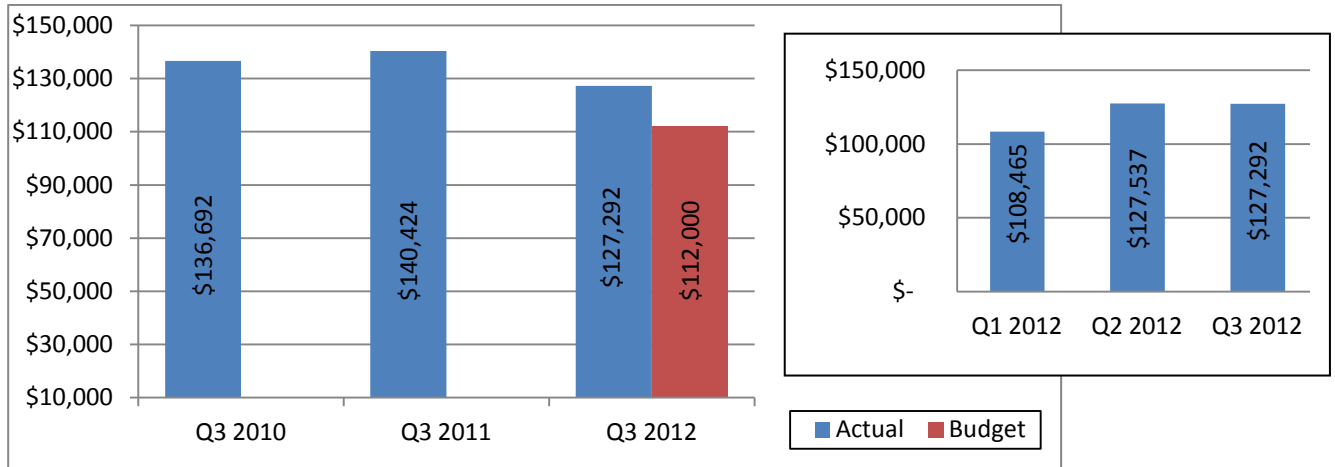
### Q3 2012 Advertising Inventory

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	49	31	28	18	18	3	7	4	25	183
Total Comp Spaces	0	0	0	1	0	0	0	4	0	5
Total Internal Spaces	2	1	1	1	1	0	0	2	1	9
<b>Total Spaces Used</b>	<b>51</b>	<b>32</b>	<b>28</b>	<b>20</b>	<b>19</b>	<b>4</b>	<b>7</b>	<b>11</b>	<b>26</b>	<b>197</b>
Total Space Available	56	40	40	22	22	4	7	13	36	240
<b>% of Space Sold</b>	<b>91%</b>	<b>80%</b>	<b>71%</b>	<b>91%</b>	<b>85%</b>	<b>92%</b>	<b>100%</b>	<b>81%</b>	<b>72%</b>	<b>82%</b>

## Servus Place Quarterly Report Third Quarter 2012

Advertising, Fundraising and Sponsorship Revenue	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
Advertising Revenue	\$ 35,436	\$ 44,637	\$ 49,292	\$ 46,800	\$ 2,492	\$ 144,172	\$ 141,000	\$ 3,172
Fundraising/Sponsorship	\$ 100,750	\$ 95,787	\$ 78,000	\$ 65,200	\$ 12,800	\$ 219,032	\$ 191,000	\$ 28,032
<b>Total Revenue</b>	<b>\$ 136,186</b>	<b>\$ 140,424</b>	<b>\$ 127,292</b>	<b>\$ 112,000</b>	<b>\$ 15,292</b>	<b>\$ 363,294</b>	<b>\$ 332,000</b>	<b>\$ 31,294</b>

### Advertising and Sponsorship



In Q3, Servus Place welcomed ReidBuilt Homes as a new sponsor for the Community Gymnasiums. The addition of Northstar Hyundai, Kingsway Toyota and ReidBuilt Homes has resulted in increased sponsorship revenue.

Advertising revenue is over budget for the quarter due to the addition of the advertising inventory in the Northstar Hyundai arena since the departure of the St. Albert Steel. Advertising and Sponsorship has been adjusted in the forecast by \$40,000 to reflect new signed commitments for sponsorships in the facility.

Advertising and Sponsorship has been adjusted in the forecast by \$40,000 to reflect new signed commitments for sponsorships in the facility.

## Servus Place Quarterly Report Third Quarter 2012

### Retail

Starbucks continues to operate to the standards set out in the agreement with almost 20,000 transactions in Q3 2012. The national Starbucks executives visited the facility and were very pleased with the store and the operations.

Retail	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
Revenue	\$ 95,844	\$ 126,600	\$ (30,756)	\$ 351,040	\$ 469,500	\$ (118,460)
Expenses	\$ 105,522	\$ 116,300	\$ (10,778)	\$ 352,572	\$ 421,400	\$ (68,828)
<b>Subtotal</b>	<b>\$ (9,678)</b>	<b>\$ 10,300</b>	<b>\$ (19,978)</b>	<b>\$ (1,532)</b>	<b>\$ 48,100</b>	<b>\$ (49,632)</b>
Transfer to Reserves	\$ 10,749	\$ (10,800)	\$ 21,549	\$ 32,247	\$ (32,300)	\$ 64,547
<b>Total</b>	<b>\$ (20,427)</b>	<b>\$ (500)</b>	<b>\$ (19,927)</b>	<b>\$ (33,779)</b>	<b>\$ 15,800</b>	<b>\$ (49,579)</b>

Revenue includes all retail sales for the Starbucks store and expenses include all operating costs including wages, lease costs, fees, operating supplies and products.

Transfer to Reserves includes internal dept payment for the capital construction costs as well as a monthly contribution towards the lifecycle replacement fund.

Sales in the retail cost centre are below budgeted projections with corresponding lower operating expenses. Adjustments have been made to the core operating costs to respond to the sales trend resulting in a net operating loss for the quarter of \$9,678 and \$10,749 transferred to the City's reserve fund to pay back the capital costs and to prepare for future equipment replacement through the lifecycle program. This results in a net loss of \$20,427. As anticipated, the summer months saw a drop in revenues however it is expected that the fourth quarter will be on trend with the traffic in the facility and will have a strong bottom line.

The budget was based off estimated traffic, capture rate and average transaction which can only be truly measured by historical trends. As trends and historical information continues to be gathered, the budget will align closer with actuals. Costs continue to be closely managed and adjustments have been made to ensure that the forecasted positive bottom line is realised.

Year end forecast anticipates a net positive operating profit of \$55,000 with \$35,000 transferred to City reserves.

# Servus Place Quarterly Report

## Third Quarter 2012

### Operations

Servus Place is currently undergoing construction of a washroom on the Christenson Developments Track & Training Centre as part of the 55+ Alberta Winter Games Legacy Project and has begun negotiations with Dynamic Sports Physiotherapy on expansion of their lease space.

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.

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.

Janitorial services have 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 effective July 1. This gives us the ability to do deeper cleaning more often and maintain a higher standard of cleanliness. Adjustments have been made to the forecast for personnel costs and contracted services to reflect this.

Other major work that occurred in Q3 includes but is not limited to:

- Finished installation of water bottle filler fountains throughout the facility. These fillers not only make it faster and easier for patrons to fill water bottles but also track the number of bottles that have been saved from the landfill by using them.
- Pressure cleaned all outside entries and washed all exterior windows
- The concrete around the pillars outside the west entrance was replaced due to the breaking up of the concrete was caused by movement in the concrete from thawing and freezing. The concrete around the pillars was breaking away and creating a trip 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.
- Ice was installed Northstar Hyundai Arena and the Kingsway Toyota Leisure Ice.
- In preparation for some parking lot alterations that are happening in Q4, in Q3 all of the cracks in the parking lot were filled.

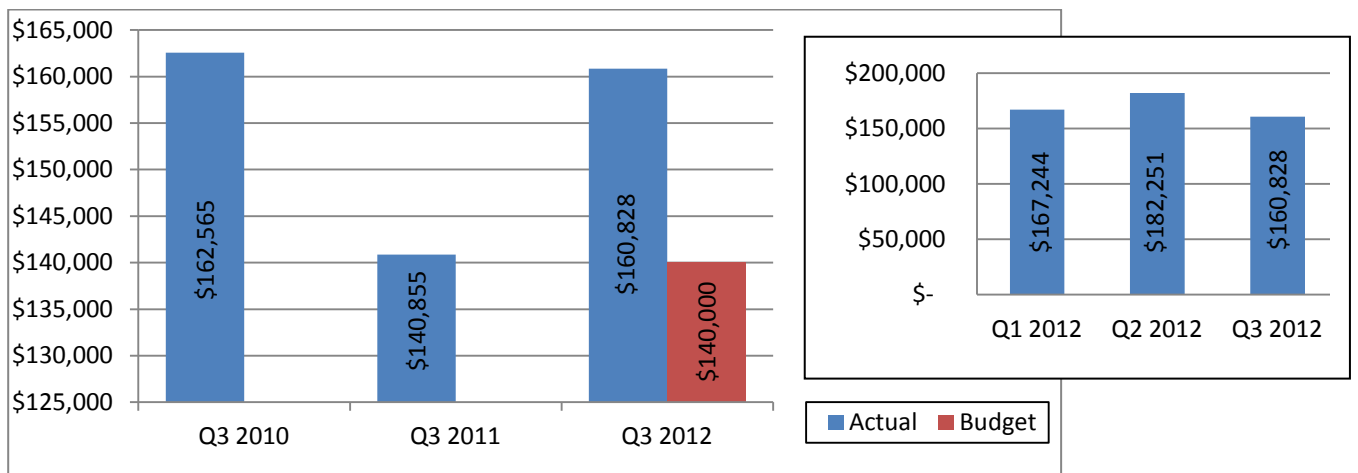
## Servus Place Quarterly Report Third Quarter 2012

### Public Works Internal Contracts

Public Works Internal Contracts	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
	\$ 162,565	\$ 140,855	\$ 160,828	\$ 140,000	\$ 20,828	\$ 510,324	\$ 507,000	\$ 3,324

Public works internal contracts are slightly over for the quarter but on budget for the year. The catch up in this quarter is due to timing of initiatives scheduled for Q2 that were moved to Q3. This area is anticipated to end the year on budget.

**Public Works Internal Contracts**



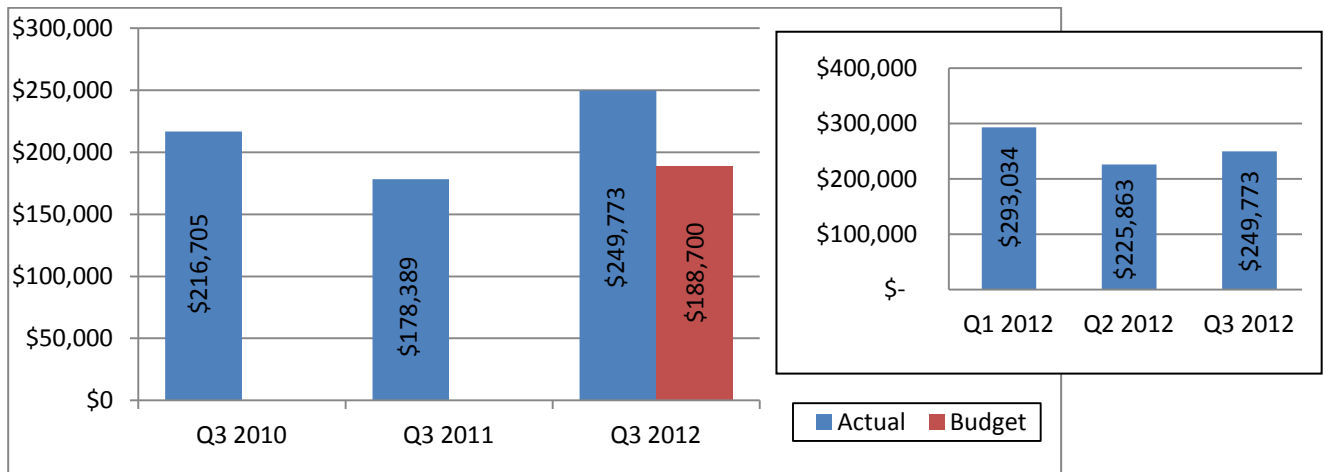
## Servus Place Quarterly Report Third Quarter 2012

### Utilities

Utilities	Q3 2009 Actual	Q3 2010 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
Electricity	\$ 156,578	\$ 114,659	\$ 184,574	\$ 128,000	\$ 56,574	\$ 523,178	\$ 435,000	\$ 88,178
Natural Gas	\$ 32,799	\$ 38,308	\$ 31,723	\$ 36,400	\$ (4,677)	\$ 147,489	\$ 171,400	\$ (23,911)
Water, Wastewater and Solid Waste	\$ 23,897	\$ 23,543	\$ 27,773	\$ 21,000	\$ 6,773	\$ 84,091	\$ 71,000	\$ 13,091
Telephone and Cable	\$ 3,431	\$ 1,879	\$ 5,703	\$ 3,300	\$ 2,403	\$ 13,912	\$ 9,900	\$ 4,012
<b>Total</b>	<b>\$216,705</b>	<b>\$178,389</b>	<b>\$249,773</b>	<b>\$188,700</b>	<b>\$ 61,073</b>	<b>\$768,670</b>	<b>\$687,300</b>	<b>\$ 81,370</b>

Overall utilities ended the quarter over budget by 32.4% due to higher than budgeted utility costs, primarily on electricity and water, wastewater and solid waste. The forecast has been adjusted by \$100,000 to reflect this variance.

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





## Servus Place Quarterly Report Third Quarter 2012

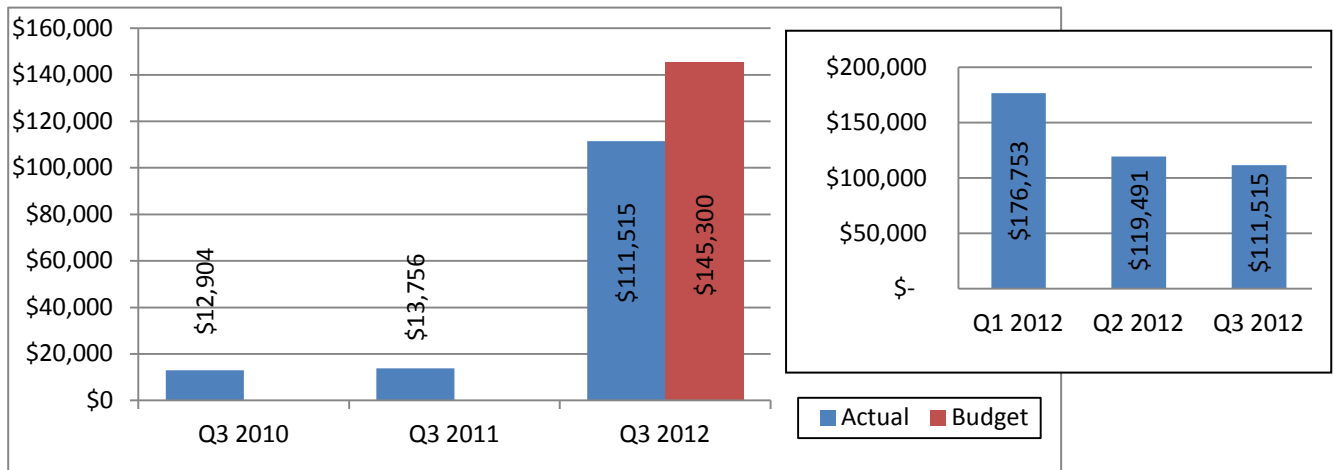
### Commissions & Vending

Commissions and Vending	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
Vending Commission	\$ 4,908	\$ 6,209	\$ 6,710	\$ 10,100	\$ (3,390)	\$ 28,566	\$ 33,900	\$ (5,334)
Locker Total Revenue	\$ 6,540	\$ 6,395	\$ 8,162	\$ 8,600	\$ (438)	\$ 25,590	\$ 26,000	\$ (410)
Guest Services	\$ 798	\$ 675	\$ 962	\$ -	\$ 962	\$ 3,298	\$ 900	\$ 2,398
Miscellaneous	\$ 658	\$ 477	\$ 120	\$ -	\$ 120	\$ 1,170	\$ -	\$ 1,170
Retail Revenue	\$ -	\$ -	\$ 85,561	\$ 126,600	\$ (41,039)	\$ 339,135	\$ 469,500	\$ (130,365)
<b>Total Revenue</b>	<b>\$ 12,904</b>	<b>\$ 13,756</b>	<b>\$ 111,515</b>	<b>\$ 145,300</b>	<b>\$(33,785)</b>	<b>\$ 407,758</b>	<b>\$ 530,300</b>	<b>\$(122,542)</b>

The variance in commissions and vending is primarily due to lower than anticipated revenue from vending 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 29 of this report.

An adjustment of -\$130,000 has been made in the forecast to Commissions and Vending based on reforecasted Starbucks revenue. There is a corresponding decrease in expenses that is also captured in the forecast.

#### Commissions & Vending Revenue



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

## Servus Place Quarterly Report Third Quarter 2012

### Personnel Costs

In September a new Guest Services Coordinator was hired.

The When 2 Work software is currently being piloted by all of Programs & Services staff. 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.

Personnel by Cost Centre	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
Administration	\$ 63,320	\$ 62,554	\$ 63,875	\$ 65,600	\$ (1,725)	\$ 200,411	\$ 196,100	\$ 4,311
Recreation	\$ 167,942	\$ 182,937	\$ 194,394	\$ 214,100	\$ (19,706)	\$ 451,874	\$ 487,900	\$ (36,026)
Fitness	\$ 189,341	\$ 175,847	\$ 185,992	\$ 185,600	\$ 392	\$ 658,299	\$ 622,200	\$ 36,099
Operations	\$ 222,994	\$ 189,521	\$ 130,020	\$ 187,900	\$ (57,880)	\$ 526,878	\$ 566,700	\$ (39,822)
Business & Marketing	\$ 45,133	\$ 53,368	\$ 56,622	\$ 57,000	\$ (378)	\$ 167,071	\$ 167,500	\$ (429)
Bookings and Events	\$ 60,699	\$ 61,139	\$ 65,398	\$ 72,100	\$ (6,702)	\$ 197,753	\$ 211,700	\$ (13,947)
Guest Services	\$ 160,278	\$ 147,924	\$ 216,214	\$ 194,500	\$ 21,714	\$ 583,801	\$ 596,700	\$ (12,899)
Retail	N/A	N/A	\$ 32,625	\$ 40,700	\$ (8,075)	\$ 132,185	\$ 141,700	\$ (9,515)
<b>Subtotal</b>	<b>\$ 909,707</b>	<b>\$ 873,290</b>	<b>\$ 945,140</b>	<b>\$1,017,500</b>	<b>\$(72,360)</b>	<b>\$2,918,272</b>	<b>\$2,990,500</b>	<b>\$ (72,228)</b>
Benefits	\$ 140,901	\$ 135,224	\$ 147,051	\$ 161,000	\$ (13,949)	\$ 449,712	\$ 467,900	\$ (18,188)
<b>Total Personnel Costs</b>	<b>\$1,050,608</b>	<b>\$1,008,514</b>	<b>\$ 1,092,187</b>	<b>\$1,178,500</b>	<b>\$(86,313)</b>	<b>\$3,367,979</b>	<b>\$3,458,400</b>	<b>\$ (90,421)</b>

Recreation personnel costs are under budget due to new casual staff hired on at a lower than budgeted level.

The YTD variance in Fitness personnel costs is primarily due to increased fitness programs and over 400 additional fitness services. 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 from casual janitorial staff to contract staff. This area will end the year under budget.

Booking & Events personnel costs are under budget due to reduced casual hours due to timing of initiatives but will end the year on budget.

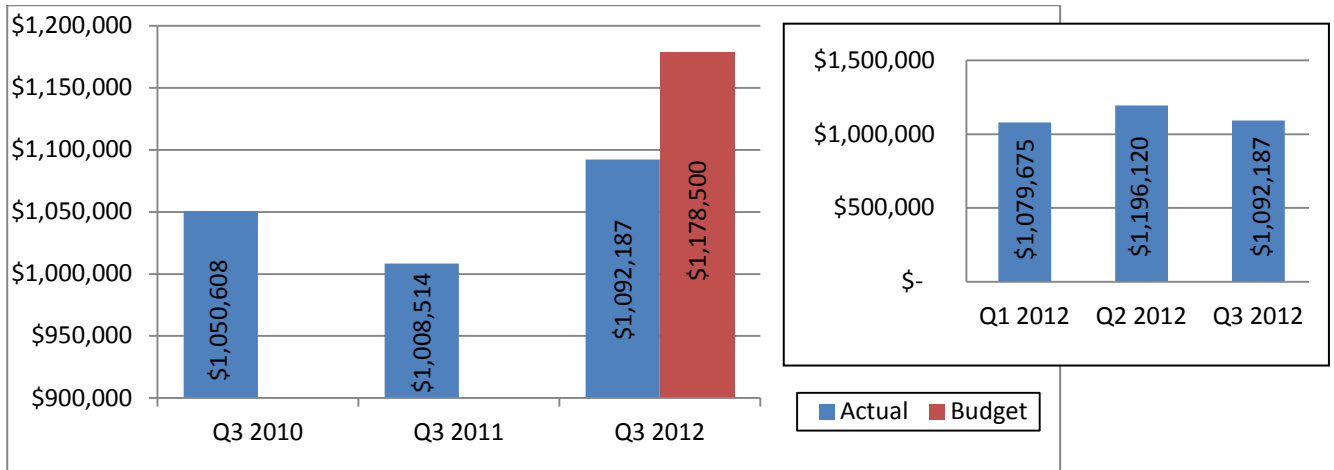
The YTD variance in Guest Services is due to approximately \$30,000 in host and monitor wages that were improperly coded for the first four months of the year due to problems with InView. These wages have now been adjusted, and this area will end the year on budget.

Retail personnel costs variance is due to a reduction in full time staff and a reallocation of some of this cost to casual hours. This area will end the year under budget.

Salaries have been decreased by -\$100,000 in the forecast to account for vacancies in different areas throughout the year and a change in service provision from casual janitorial to contract janitorial.

# Servus Place Quarterly Report Third Quarter 2012

## Personnel Costs



## Servus Place Quarterly Report Third Quarter 2012

### Contracted & General Services

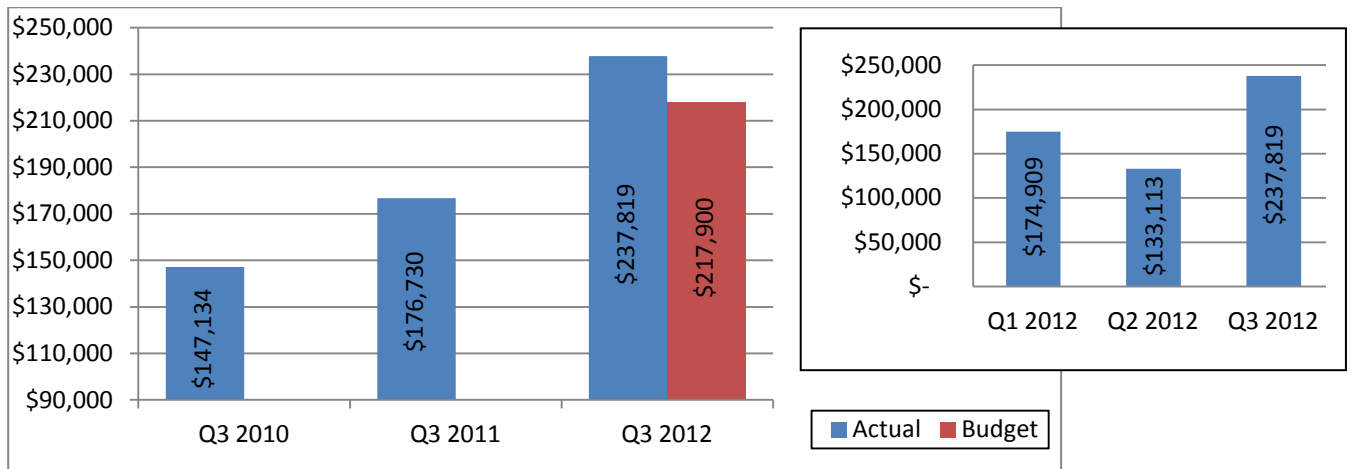
Contracted & General Services	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
	\$ 147,134	\$ 176,730	\$ 237,819	\$ 217,900	\$ 19,919	\$ 545,843	\$ 611,000	\$ (65,161)

The Q3 variance in contracted and general services is primarily in rentals and leases in Administration and Operations and janitorial contracted services due to the adjustments that have been made from casual janitorial to contract janitorial.

The YTD variance in contracted and general services is due to timing of initiatives in advertising and promotions, development and trianing, maintenance and repairs in operations and rentals and leases.

There has been an increase to Contracted and General Services of \$10,000 in the forecast. This adjustment is based on an increase \$50,000 for the change in service provision from casual janitorial to contract janitorial and a decrease of \$40,000 based on lower than budgeted insurance premiums

### Contracted & General Services Expenses



## Servus Place Quarterly Report Third Quarter 2012

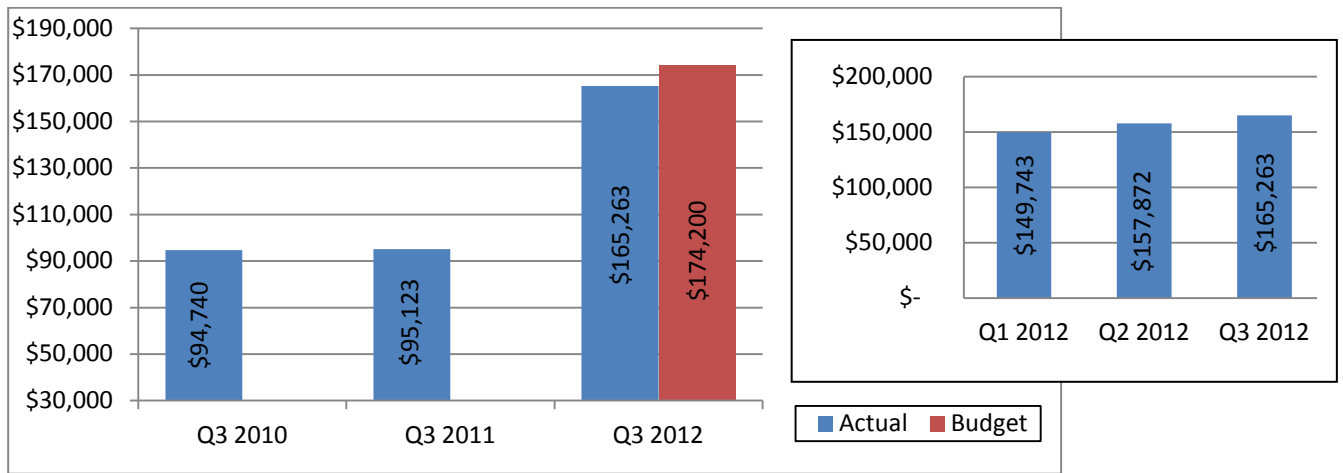
### Materials, Goods & Supplies

Materials, Goods & Supplies	Q3 2010 Actual	Q3 2011 Actual	Q3 2012 Actual	Q3 2012 Budget	Q3 2012 Variance	YTD 2012 Actual	YTD 2012 Budget	YTD 2012 Variance
	\$ 94,740	\$ 95,123	\$ 165,263	\$ 174,200	\$ (8,937)	\$ 472,878	\$ 521,200	\$ (48,322)

Materials, goods and supplies are under budget primarily due to reduced operating supplies for the retail cost centre and timing of purchases in the other business units.

This area is forecasted to end the year \$70,000 under budget due to lower than anticipated Starbucks expenses. This decrease in expenses is reflected on the revenue side under Commissions and Vending. For more detailed information, please see page 29 of this report.

#### Materials, Good & Supplies Expenses



# Servus Place Quarterly Report Third Quarter 2012

## 2012 Forecast

	2012 Department Budget	2012 Department Forecast (Based on Q3 Actuals)	Variance Between Budget and Forecast
Memberships	\$ 2,530,400	\$ 2,530,400	\$ -
Admission Fees	1,284,700	1,309,700	25,000
Lesson Fees	897,900	997,900	100,000
Rentals - Facility	1,561,900	1,611,900	50,000
Advertising/Sponsorship	444,500	484,500	40,000
Sale of Goods (Commission & Vending)	745,100	595,100	(150,000)
Miscellaneous Revenue	13,800	31,800	18,000
<b>Total Revenue</b>	<b>\$ 7,478,300</b>	<b>\$ 7,561,300</b>	<b>\$ 83,000</b>
Personnel Costs	\$ 4,692,300	\$ 4,592,300	(100,000)
Contracted & General Services	823,800	833,800	10,000
Utilities	970,900	1,070,900	100,000
Materials, Goods & Supplies	707,000	637,000	(70,000)
Transfer to Reserves	96,500	96,500	-
Transfer to Operations - Aquatics	775,800	714,200	(61,600)
Transfer to Operations - Public Works	741,100	741,100	-
<b>Total Expenses</b>	<b>\$ 8,807,400</b>	<b>\$ 8,685,800</b>	<b>\$ (121,600)</b>
<b>Operating Surplus (Deficit)</b>	<b>\$ (1,329,100)</b>	<b>\$ (1,124,500)</b>	<b>\$ 204,600</b>
Recovery Rate	85%	87%	2%
<b>Cost Centre 3171</b>			
<b>Total Revenue</b>	<b>\$ 489,700</b>	<b>\$ 509,700</b>	<b>\$ 20,000</b>
<b>Total Expenses</b>	<b>145,500</b>	<b>145,500</b>	<b>-</b>
<b>Operating Surplus (Deficit)</b>	<b>\$ 344,200</b>	<b>\$ 364,200</b>	<b>\$ 20,000</b>
<b>Total Operating Surplus (Deficit)</b>	<b>\$ (984,900)</b>	<b>\$ (760,300)</b>	<b>\$ 224,600</b>

# Servus Place Quarterly Report

## Third Quarter 2012

Based on the Q3 financial information and analysis of trends, Servus Place is forecasting a year end net deficit of \$1,124,500 against a budgeted deficit of \$1,329,100. This is a decrease to the net deficit of \$204,600 and increase to the cost recovery by 2%.

Overall the department is forecasting a \$760,300 deficit against a budgeted deficit of \$984,900.

### Revenue

- Memberships are anticipated to end the year on budget.
- Admission fees are forecasted to end the year above budget by \$25,000
- Lesson fees have been adjusted by \$100,000 to reflect increased participation in recreation summer camps, registered fitness programs, fitness services, specifically in personal training.
- Servus Place rental revenue is forecasted to end the year \$50,000 over budget due to additional lease revenue from sport partners and non-traditional rentals.
- Advertising and Sponsorship has been adjusted by \$40,000 to reflect new signed commitments for sponsorships and advertisement in the facility.
- An adjustment of -\$150,000 has been made to Commissions and Vending based on reforecasted Starbucks revenue. There is a corresponding decrease in expenses.

### Expenses

- Salaries have been decreased by \$100,000 in the forecast to account for vacancies in different areas throughout the year and a change in service provision from casual janitorial to contract janitorial.
- There has been an increase to Contracted and General Services of \$10,000. This adjustment is based on an increase \$50,000 for the change in service provision from casual janitorial to contract janitorial and a decrease of \$40,000 based on lower than budgeted insurance premiums
- Utilities have been increase by \$100,000 to account for higher than anticipated utility costs, primarily on electricity.
- Materials, Goods & Supplies are forecasted to end the year \$70,000 under budget due to lower than anticipated Starbucks revenue. This decrease in expenses is reflected on the revenue side under Commissions and Vending.
- Transfer to Operations – Aquatics is forecasted to end the year \$61,600 under budget based on schedule efficiencies, actual expenses to date and required staffing levels.

### Cost Centre 3171 – Community Facility Rental

- Rental revenue for Akinsdale and Kinex Arenas is forecasted to end the year \$20,000 over budget. While the ammonia was being replaced in Troy Murray and Mark Messier Arenas at Servus Place, ice bookings were moved to Akinsdale and Kinex Arenas. These ice rentals brought in more revenue at this facility than the anticipated dry floor rentals.