

Servus Place Quarterly Report First Quarter 2013

Income Statement of Revenue and Expenditures For the Period Ended March 31, 2013 (Un-Audited)

	2009 Q1 Actual	2010 Q1 Actual	2011 Q1 Actual	2012 Q1 Actual	2013 Q1 Actual	2013 Q1 Budget	2013 Q1 Variance	% Increase/ Decrease
Memberships	651,904	674,166	699,790	712,613	725,584	758,600	(33,016)	-4.4%
Admission Fees	297,889	327,532	363,518	412,417	464,726	430,800	33,926	7.9%
Lesson Fees	146,559	193,445	240,191	261,685	270,635	261,300	9,335	3.6%
Rentals - Facility	444,338	484,479	466,501	463,979	479,713	463,900	15,813	3.4%
Advertising/Sponsorship	126,009	133,892	135,094	108,465	140,260	126,200	14,060	11.1%
Commissions & Vending	26,502	26,373	22,204	176,753	196,121	189,100	7,021	3.7%
Miscellaneous Revenue	10,402	393	13,423	1,399	7,904	8,200	(296)	-3.6%
Total Revenue	1,703,603	1,840,281	1,940,722	2,137,310	2,284,943	2,238,100	46,843	2.1%
Personnel Costs	854,374	1,014,983	1,016,735	1,079,672	1,098,886	1,104,100	(5,214)	-0.5%
Contracted & General Services	161,254	186,728	172,043	174,909	211,038	265,400	(54,362)	-20.5%
Utilities	275,422	248,565	305,307	293,033	239,876	293,100	(53,224)	-18.2%
Materials, Goods & Supplies	105,236	88,463	109,098	149,743	190,383	185,500	4,883	2.6%
Transfer to Reserves	53,700	17,994	16,854	27,387	26,374	24,800	1,574	6.3%
Transfer to Aquatics	181,887	144,071	215,013	138,823	139,976	150,000	(10,024)	-6.7%
Transfer to Public Works	174,234	182,316	203,059	167,244	191,331	217,000	(25,669)	-11.8%
Total Expenditure	1,806,108	1,883,118	2,038,109	2,030,812	2,097,863	2,239,900	(142,037)	-6.3%
Net Surplus (Deficit)	(102,505)	(42,837)	(97,387)	106,498	187,080	(1,800)	188,880	
Recovery Rate	94%	98%	95%	105%	109%	100%	9%	
Cost Centre 3171 Revenue	137,149	145,364	148,667	151,594	148,832	158,700	(9,868)	-6.2%
Cost Centre 3171 Expenses	30,534	31,113	32,843	33,857	36,532	35,700	832	2.3%
Operating Surplus (Deficit)	106,615	114,251	115,824	117,737	112,300	123,000	(10,700)	-8.7%
Total Operating Surplus (Deficit)	4,110	71,414	18,437	224,235	299,380	121,200	178,180	

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Department Overview

During the first quarter of 2013, Servus Place saw increased utilization and strong revenues resulting in a net positive variance and operating surplus of \$187,080.

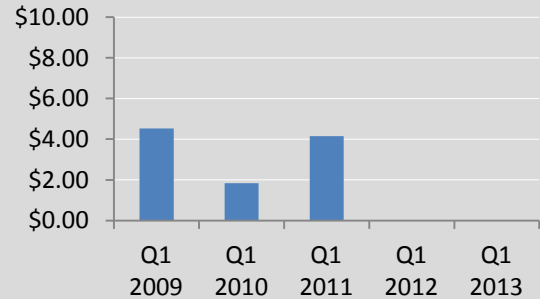
In Q1 2013, the St. Albert tax support for Servus Place per household was \$0.00 due to the fact that Servus Place recorded a surplus in Q1. This is consistent with Q1 of 2012. Historically the first quarter sees strong revenues. Some of the operating surplus is a result of timing of expenditures.

Total revenue for Q1 2013 is \$2,284,943. Total revenue variance for Q1 was \$46,843 (2.0%) above budget projections. Revenue has exceeded budget projections in all areas with the exception of memberships and miscellaneous revenue. Variances in day admissions, lesson fees, facility rentals, advertising and sponsorship and commissions and vending have resulted in a strong Q1.

Although revenue is strong thresholds in usage have been seen in all areas of the facility.

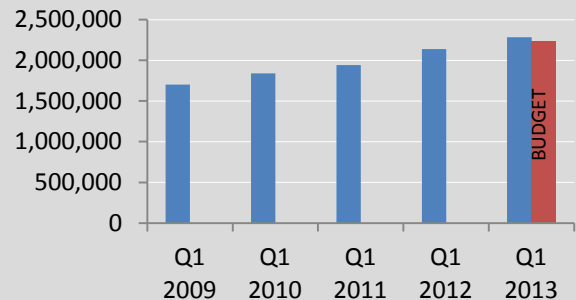
Total expenses for Q1 2013 are \$2,097,863. Total expense variance for Q1 was \$142,037 (-6.3%) below budget projections. Several expense categories trended under budget for Q1 2013, but are anticipated to catch up in the next several months due to timing of initiatives.

St. Albert Tax Support for Servus Place per Household



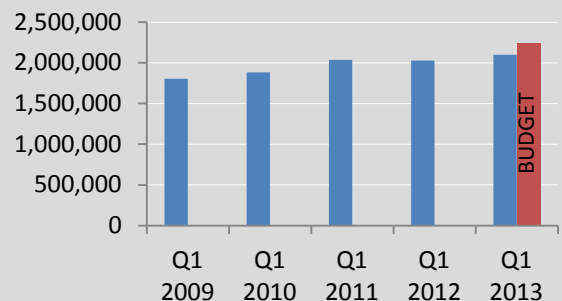
Servus Place Q1 Revenue

+2.0%



Servus Place Q1 Expenses

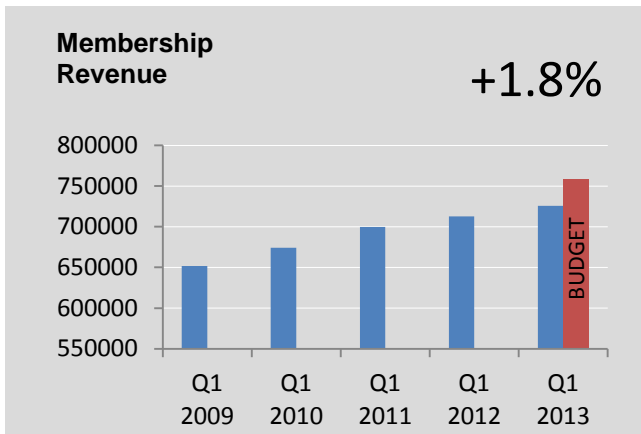
-6.3%



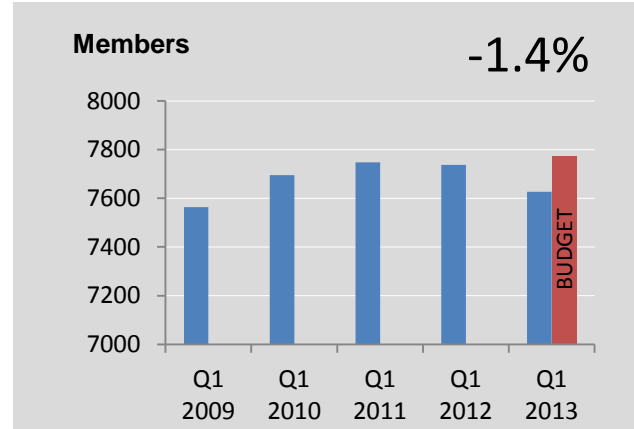
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Guest Services

Servus Place telephone reception continues to be a value added service with over 5218 calls taken in Q1 2013. The non-traditional office hours of the facility provide residents increased opportunity to speak to someone directly during evenings and weekends to answer any questions in regards to the City. Many of the calls are received after 5:00 pm and on weekends when the main switch board at City Hall is closed.



Membership revenue for Q1 2013 is \$725,584 which is under budget by 4.3% for Q1 2013 but slightly over Q1 2012 (1.8%).



Servus Place members of 7,626 are slightly under budget for Q1 and 1.4% below Q1 2012.

The average number of family membership units per month for Q1 2013 is 503, which equates to 5.1 individual members per family membership unit.

Corporate memberships represent 20.0% of the Servus Place memberships. The corporate membership procedure has been reviewed and is currently being rolled out. The Guest Services Coordinator and the Advertising & Sponsorship Coordinator are working on a plan to promote the program to St. Albert businesses. The intranet is being utilized to promote the corporate membership to City employees as well as working with social media to promote on Facebook and Twitter. Staff are working on updating the electronic forms so that corporate memberships can be promoted on the website.

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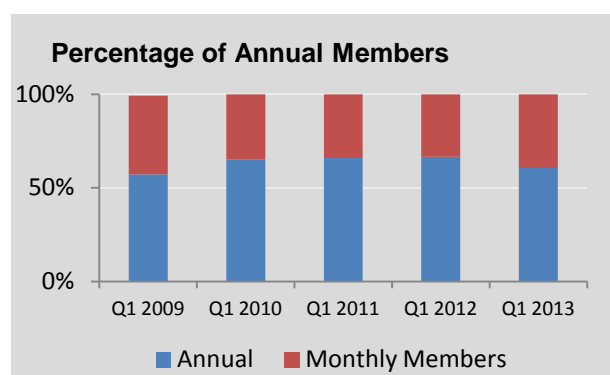
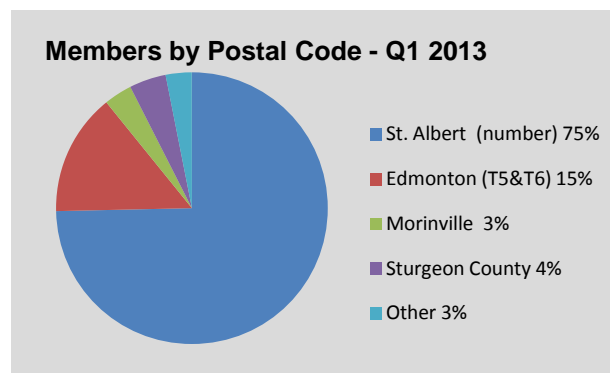
In Q1 2013, the average percentage of members who are St. Albert residents is 75% which is a 2% decrease from Q1 2012. This number has seen gradual decreases over the past few years. The improved accessibility to other communities has led to an increase in the number of members from outside of St. Albert.

The percentage of members that are from Edmonton has seen small growth from 10% in Q1 2012 to 11% in Q1 2013.

In Q1 2013, annual memberships accounted for 61% of the total memberships, a decrease of 6% from Q1 2012. There has been a significant decrease in corporate memberships which are annual membership holders. This area will be a focus in 2013. Corporate members receive a 9.15% discount on annual membership rates.

Annual membership totals are the key indicators of sustained monthly revenues that contribute, as a large driver, to the facility financial model.

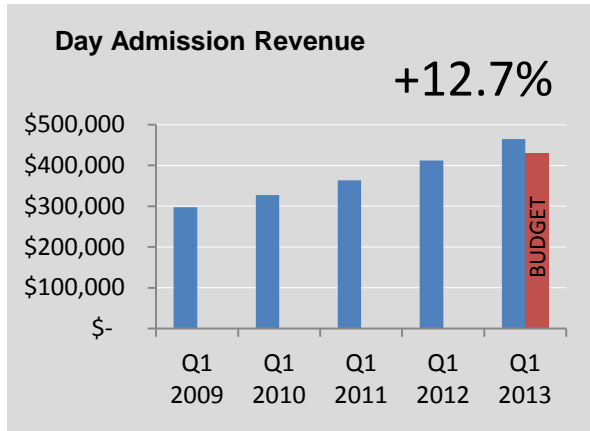
This quarter, 24.8% of Servus Place members were annual members who renewed their membership with no lapse and 25.7% were brand new members (monthly and annual) who have never had a membership before.



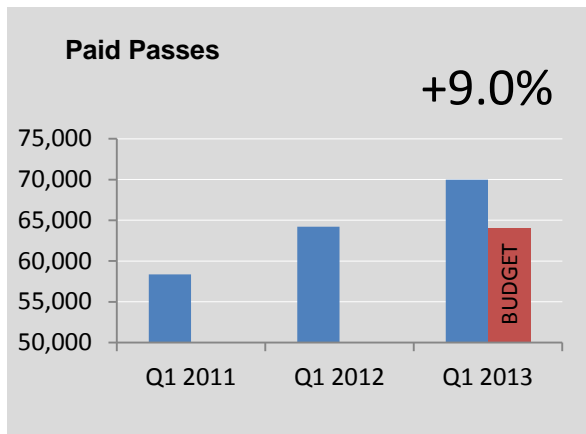
Memberships	Q1 2009 Actual	Q1 2010 Actual	Q1 2011 Actual	Q1 2012 Actual	Q1 2013 Actual	Q1 2013 Budget	Q1 2013 Variance
Adult	3,197	3,259	3,276	3,240	3,148	3,353	-205
Child	788	541	421	372	334	305	29
Family	1,931	2,173	2,331	2,520	2,567	2,515	52
Senior	693	812	864	907	947	914	33
Student	502	532	485	371	354	381	-27
Youth	453	378	371	328	277	305	-27
Total Members	7,563	7,696	7,748	7,737	7,626	7,773	-146
Total Paid Membership Units	6,008	5,982	5,910	5,746	5,562	0	5,562
Corporate Memberships	1,816	2,052	2,030	1,732	1,112	0	1,112
Membership Revenue	\$ 651,942	\$ 674,199	\$ 699,790	\$ 712,613	\$ 725,584	\$ 758,600	\$(33,016)

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Day Admissions



The Day Admission revenue for Q1 2013 is \$464,726 and has increased 12.7% over Q1 2012 due to increase in the number of paid passes.

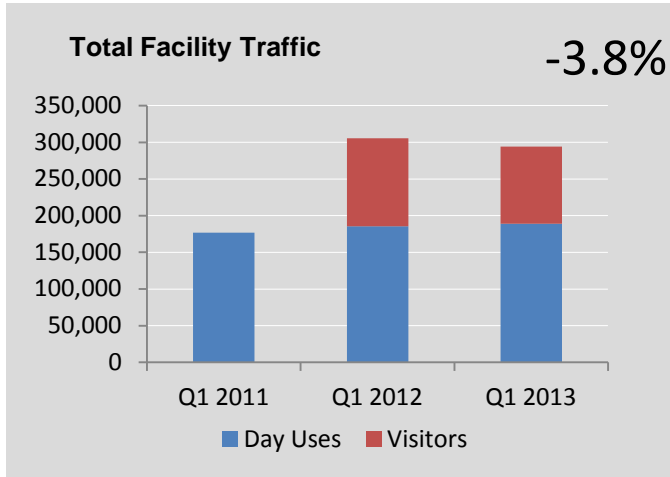


Paid passes are 69,982 for Q1 2013. A significant increase (9.3%) in the number of paid passes has been seen in Q1 2013 primarily in the adult and family membership categories.

Paid Passes are the number of people that purchased a day admission to use the facility. Paid passes information has been collected since 2011 to provide a better indication of the number of individuals paying to access the facility.

Day Admissions	Q1 '09	Q1 '10	Q1 '11	Q1 '12	Q1 '13	Q1 '13 Budget	Q1 '13 Variance
Adult	13,175	13,544	15,288	15,650	17,632	16,002	1,630
Child	15,001	17,468	17,347	19,548	19,827	19,203	624
Family	N/A	N/A	18,292	21,162	24,012	21,123	2,889
Senior	1,225	990	1,206	1,260	1,663	1,281	382
Youth	4,303	4,976	6,244	6,608	6,848	6,402	446
Total Paid Passes	N/A	N/A	58,377	64,228	69,982	64,011	5,971
Total Membership Swipes	114,335	119,298	118,513	121,385	119,132		
Total Day Uses	N/A	N/A	176,890	185,613	189,114		
Paid Pass Revenue	\$ 282,890	\$ 313,980	\$ 347,111	\$ 394,540	\$ 446,543	\$ 411,700	\$ 34,843
Childminding Revenue	\$ 13,013	\$ 12,240	\$ 15,482	\$ 16,734	\$ 17,092	\$ 17,100	\$ (8)
Community Drop-In Program Rev	\$ 1,949	\$ 1,278	\$ 924	\$ 1,142	\$ 1,091	\$ 2,000	\$ (909)
Total Admission Fees Revenue	\$ 297,852	\$ 327,498	\$ 363,517	\$ 412,416	\$ 464,726	\$ 430,800	\$ 33,926

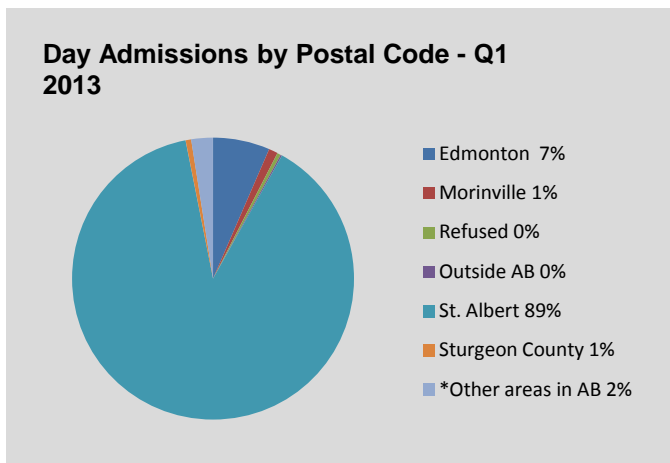
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Overall facility traffic has seen slight decreases from the same period in 2012 with just under 300,000 total people through the facility in Q1 2013 over 2012. The approx. 15,000 less visitors to the facility could be attributed to the several major events that were held at Servus Place in 2012. Servus Place sees an average of 3300 individuals through the facility daily.

For Q1 2013, the highest days of usage were Spring Break (March 25 to 29). The total for the 5 weekdays and the weekend were almost 15,000 day uses which is a 4% increase over the same time last year.

Family Day (February 18) was another admission highlight with 3351 users through the facility, a slight increase over last year.



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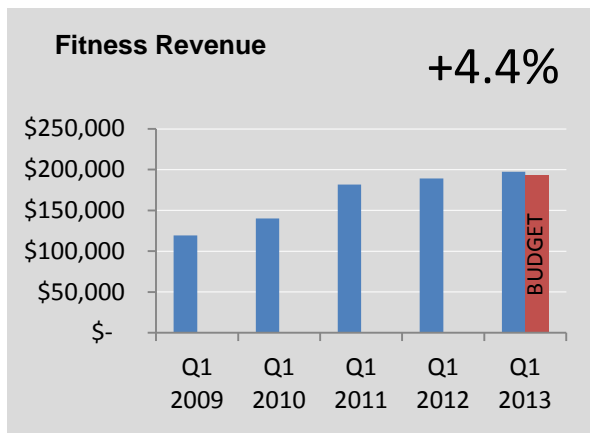
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Lesson Fees

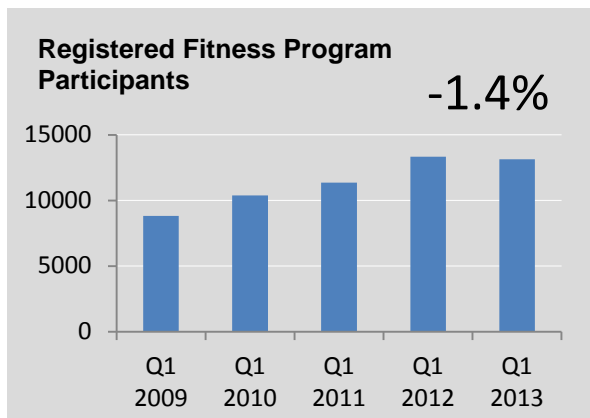
Lesson fees are slightly above plan in the preschool, personal training and dry land conditioning services for the quarter.

In February, Servus Place launched the first online Program Guide which included all programs and services for Recreation and Servus Place programs, including Fountain Park Recreation Centre.

Fitness Programs & Services



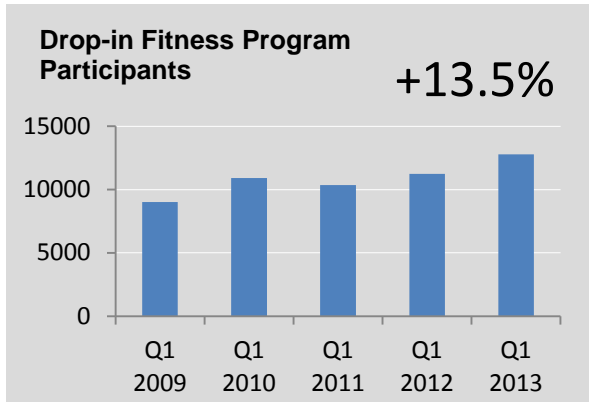
In Q1 2013, fitness program revenue is \$189,070 which is slightly ahead of budget, and 4.4% above Q1 2012. Fitness personal training continues to see significant growth, contributing to the variance, however fitness program registration is currently slightly below budget.



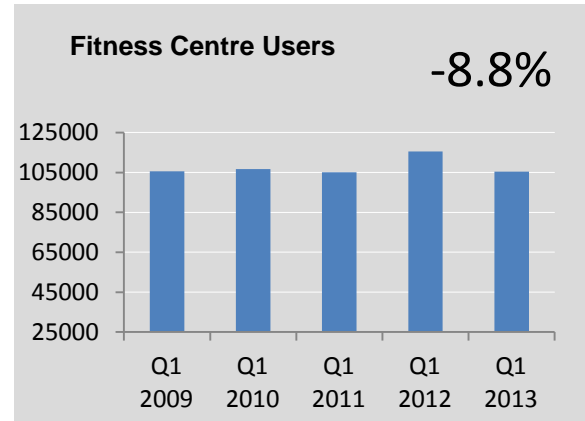
The "Prescription for Health" program is a capital region initiative between municipality and the Primary Care Network to get those with chronic illnesses and need to become active to utilize their local recreation centre to improve their own health. The doctors who are members of the St Albert & Sturgeon Primary Care Network (SASPCN) will provide these individuals with a prescription form to come to Servus Place and redeem it for a free pass and consultation with an in house CSEP-CEP*. Servus Place will continue to determine areas of partnership with SASPCN. * Canadian Society of Exercise Professionals – Certified Exercise Physiologist

Registered fitness program participants are at 13,144 for Q1 2013, a very small decrease (-1.4%) from Q1 2012.

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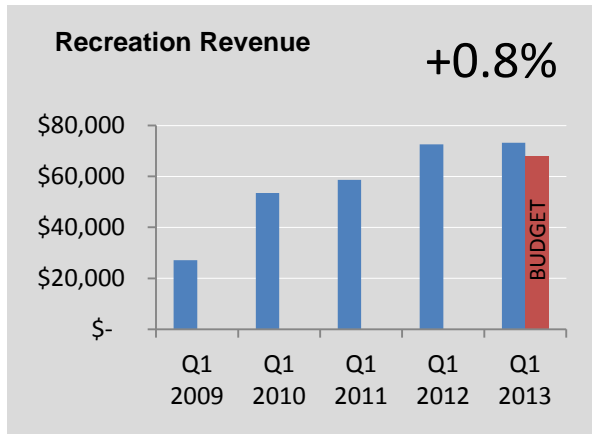
Drop-in participants were 12,771 over Q1 2013 which is an increase of 13.5% over Q1 2012.



In Q1 2013, there were 105,364 which is a decrease of 8.8% from the same period last year. Continued space limitations have impacted usage.

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Recreation Programs & Services



Recreation program revenue for Q1 2013 is \$73,170 which is slightly above budget and Q1 2012 (0.8%).

The Q1 2013 child minding participation continues to see very high numbers in 2013 (3,872 attendees). In response to the 2012 Customer satisfaction survey, Sunday mornings, 9am -12pm were added beginning January 6, 2013. These changes have been well received and have resulted in an additional 211 children for the quarter. The increase in childminding participants does correspond with a significant increase in participation in drop-in fitness classes.

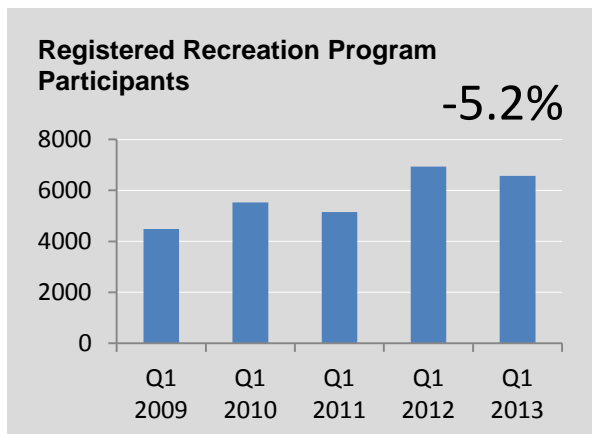
Program evaluations were completed and recreation programs received 100% program satisfaction in Q1. The breakdown was as follows:

- Extremely satisfied 54%, very satisfied 31%, satisfied is 15%.

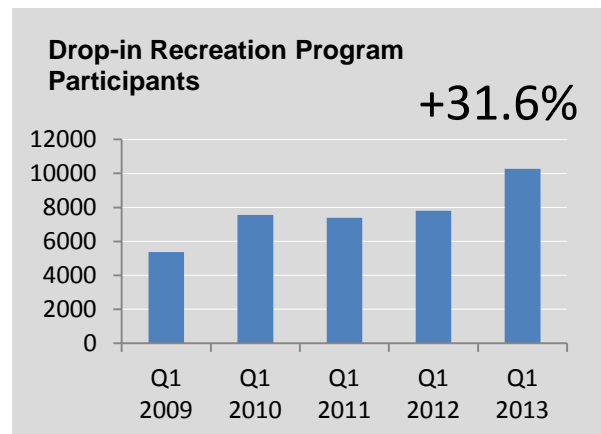
Other highlights from the program evaluations included:

- 92% of parents either strongly agreed or agreed that the instructors were excellent role models for their children.
- 92% either strongly agreed or agreed that the registration process was easy and straightforward.
- 96% either strongly agreed or agreed that their children had fun.

Feedback from the program evaluations is used to ensure that programs are meeting people's expectations. Any feedback about a specific program is shared with the instructors so they can ensure they continue to deliver outstanding programs.



Registered Program participants are 6,572 in Q1 2013 which is a decrease of 5.2% from Q1 2012 due to a reduction in registrations in the 6-12 year old programs.



Drop in Program participants are 10,276 in Q1 2013, an increase of 31.6% from Q1 2012. Parent and tot, Pickleball and Shinny Hockey were all very popular in Q1 2013.

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Servus Place Recreation Programs

Attendance at Youth night doubled in March serving 25-45 youth each evening. Staff who have been coordinating youth night were able to provide a variety of activities that interested the youth. Youth continue to bring friends to the evening which is building the popularity.

A new participant consent form was created with legal and risk management to be used for summer camp programs. The creation of the form was due to the need to inform and get parent permissions for field trips that occur throughout the summer. Discussions with Legal Services and Risk & Insurance Management have resulted in a comprehensive participant consent form which covers such as areas as transportation, medical assistance and photographs.

Over 31,000 individuals took advantage of the spontaneous spaces at Servus Place including the ReidBuilt Community Gymnasium (12,800) and the Kingsway Toyota Indoor Playground (12,600) and Leisure (6,000).

Community Recreation Programs

Preschool programs continued to be extremely successful in the first months of 2013 both at Servus Place and in the community operating at 93% capacity. Successful promotion of these programs continues to be word of mouth from satisfied parents and also promotion by our preschool instructors and the Program Guide. With the popularity of these programs additional spaces in the community are constantly being sought out to run enough programs to meet demand.

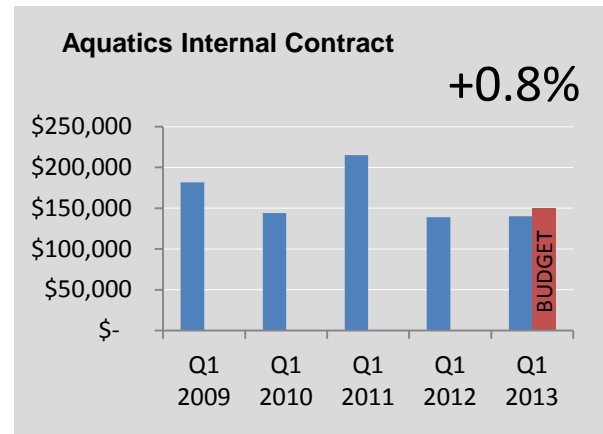
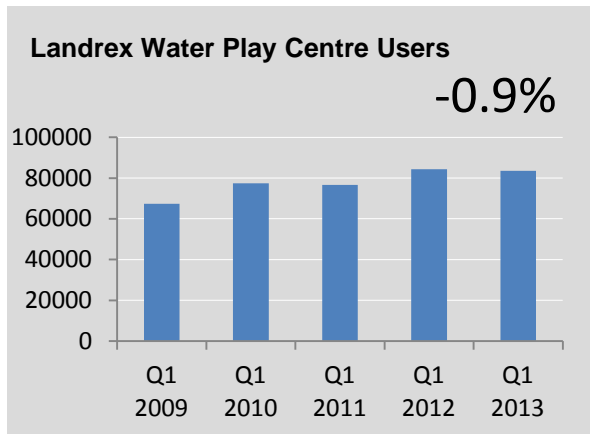
Open houses were held In February for the 2013-2014 preschool season. This was the first year that open houses were offered as a new way to promote our programs with the change to an online brochure.

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Aquatics

In Q1 2013, there were approximately 83,000 users of the Landrex Water Play Centre, which is very close to Q1 2012 (-0.9%). The highest day of use was Family Day with 2187 users. This is a decrease of approximately 500 users from Family Day 2012. Other usage highlights included Easter Monday with 1597 users and March 26 during Spring break which brought in 1731 users.



The Aquatics contract of \$139,975 was under budget for Q1 2013 and 0.8% above Q1 2012 because of some adjustments made in operating practices such as controlled pool backwashes and chemical additions. There were also some savings in regards to staffing due to an influx of new lifeguards replacing more long term staff.

It is anticipated that this transfer payment will end the year slightly under budget resulting in some saving to the Servus Place budget. Year end forecasting will be provided through the Q2 report.

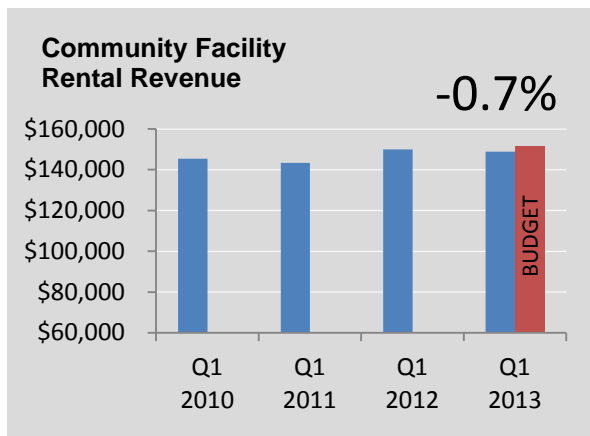
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Booking & Events

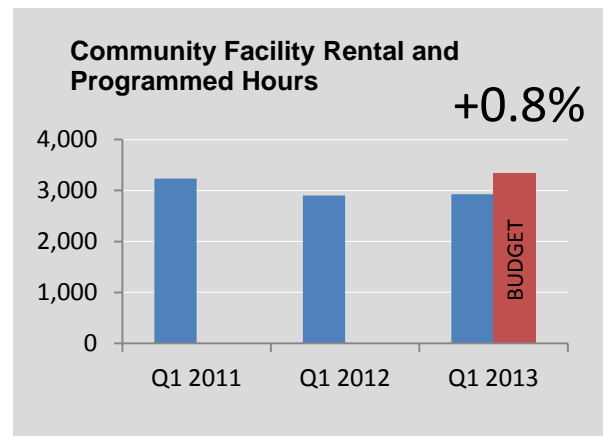
The availability for Fieldhouses, Arenas, Gym Courts, and Riel Field can now be accessed through the Servus Place and City websites. Three staff have completed training so updates on City Website on Field/Arena Closures and other basic information can occur.

Community Facility Rental and Programmed Hours

Recreation has signed an agreement with Fastball St. Albert to begin permanent use of the Willoughby Clubhouse beginning in May. Adjustments to the allocation of this clubhouse and the adjacent field have been made. Re-allocation and communication with affected groups has been completed.



Community recreation facility rental revenue of \$148,831 is slightly under budget and Q1 2012 (-0.7%) due to lower than anticipated revenue for Akinsdale and Kinex Arenas resulting from less use in March by sport partners, particularly during the last 2 weeks.



Rental and programmed hours were 2,928 in Q1 2013 which is above Q1 2012 but slightly below budget due to lower than anticipated use for Akinsdale and Kinex Arenas.

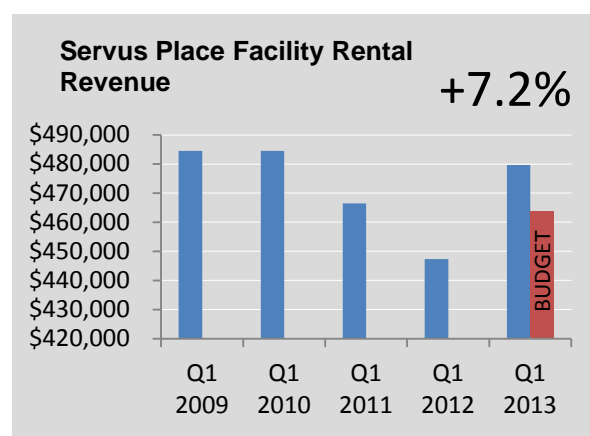
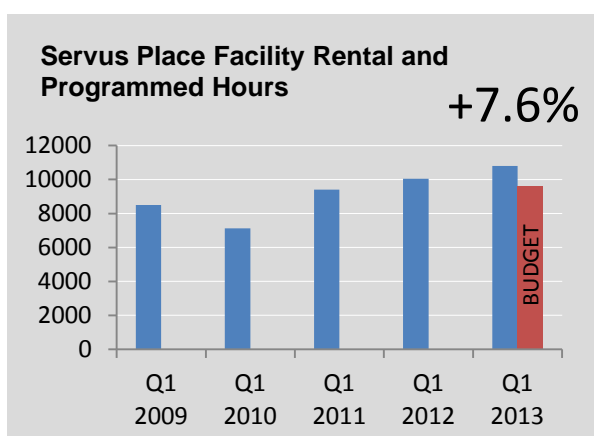
Community Recreation Facilities Rental Revenue	Q1 '10	Q1 '11	Q1 '12	Q1 '13	Q1 '13 Budget	Q1 '13 Variance
10920 Akinsdale/Kinex	\$ 138,421	\$ 138,198	\$ 140,956	\$ 138,624	\$ 143,100	-\$ 4,476
10921 Playfields/Playgrounds	\$ -	\$ -	\$ 1,362	\$ 1,362	\$ -	\$ 1,362
10922 Outdoor Rinks	\$ 5,032	\$ 4,122	\$ 5,848	\$ 7,486	\$ 6,800	\$ 686
10923 Clubhouses	\$ 1,073	\$ 984	\$ 1,138	\$ 1,167	\$ 1,130	\$ 37
10924 Riel Sport Field	\$ 838	\$ -	\$ 612	\$ 193	\$ 630	-\$ 437
Total	\$ 145,364	\$ 143,304	\$ 149,916	\$ 148,832	\$ 151,660	-\$ 2,828

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Servus Place Facility Rental and Programmed Hours

Q1 2012 Events List	Approx. Participants	Approx Spectators	Date
John Reid Memorial Hockey Tournament	320	600	January 17- 20
Edmonton Fencing Club Tournament	150	300	February 2-3
FC Memorial Challenge	100	400	February 8-10
Muscular Dystrophy Fire on Ice – Oilers Alumni Hockey Game	40	400	February 16
SASA Family Day Soccer Tournament	300	400	February 15- 18
SASA Mini Fest Tournament	300	400	February 23-24
Slush Cup Soccer Tournament	350	400	March 1-3
Ringette Provincials - U16A	150	200	March 1-3
Dieter Knobloch Memorial Adult Soccer Tournament	100	150	March 8-10

Booking & Events staff has worked with all sport partners and completed the Spring/Summer Ice and Dry Floor master schedule and the Fall/Winter master schedule. Adjustments to the Fall/Winter schedule will be confirmed in May. Preliminary allocation of Community Fields to SASA, SA Rugby, SAMBA and school programs are complete in relation to Riel Field refurbishment project



Servus Place rental hours (10,804) and revenue (\$479,713) are above Q1 2012 (7.2%) and budget for Q1 2013 due to higher than budgeted revenue for fieldhouses, meeting rooms, leaseholders and parties. This variance is due to increased use by off season training: baseball, lacrosse, football as well casual bookings from non local groups, particularly in February and March. Meeting Rooms slightly above budget due to increases regular weekly users, e.g. (AMA, PCN).

Servus Place Rental Revenue	Q1 '09	Q1 '10	Q1 '11	Q1 '12	Q1 '13	Q1 '13 Budget	Q1 '13 Variance
Arenas	\$ 244,965	\$ 244,965	\$ 246,021	\$ 253,421	\$ 256,788	\$ 260,000	-\$ 3,212
Fieldhouses	\$ 131,809	\$ 131,809	\$ 106,768	\$ 106,428	\$ 119,444	\$ 111,300	\$ 8,144
Gymnasiums	\$ 11,648	\$ 11,648	\$ 13,205	\$ 10,477	\$ 8,632	\$ 8,600	\$ 32
Meeting rooms	\$ 11,101	\$ 11,101	\$ 19,412	\$ 19,867	\$ 17,118	\$ 14,900	\$ 2,218
Leaseholders	\$ 58,425	\$ 58,425	\$ 60,759	\$ 53,999	\$ 57,997	\$ 53,200	\$ 4,797
Party Rentals	\$ 8,539	\$ 8,539	\$ 3,482	\$ 3,150	\$ 2,260	\$ -	\$ 2,260
Refurbishment Charges*	\$ 17,993	\$ 17,993	\$ 16,854	\$ -	\$ 17,475	\$ 15,900	\$ 1,575
Total	\$ 484,479	\$ 484,479	\$ 466,501	\$ 447,341	\$ 479,713	\$ 463,900	\$ 15,813

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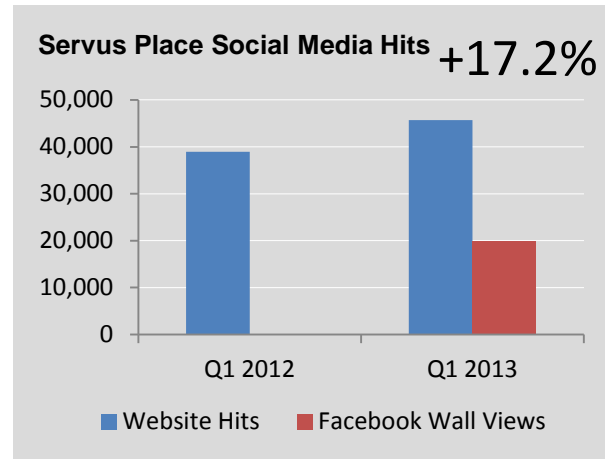
Business & Marketing

The Servus Place Program Guide is now available exclusively online. This implementation has reduced the marketing budget and expense while maintaining sales levels. A new look website was launched along with the recguide.ca website as part of the online guide process. Efforts to deliver an online guide included the development of a recreation guide landing page as well as the enhancement of the Fountain Park Recreation Centre pages on the City of St Albert website.

At the end of Q1 2013, there has been a 21% increase in total registrations and a 49% increase in online registrations over Q1 2012. In Q1 the online registration represents 41% of all program registrations.

The Servus Place website had over 45,000 hits in Q1 with March seeing the highest number of hits (16,622). The increase of 17.2% over the same period last year correlates with the release on the online guide. Mobile web views accounted for 44% of the total web views which is high compared to the industry standard of 17-20%. Facebook and Twitter continue to be a well utilized method of communication with over 32,000 Facebook wall views in the first three months of 2013.

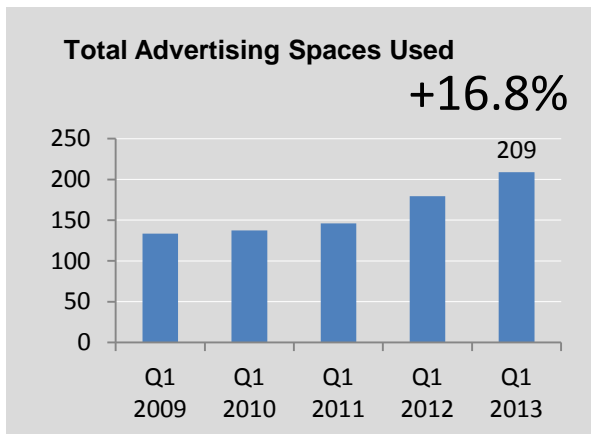
Work began with Economic Development on the CSTA Sport Tourism Economic Assessment Model (STEAM) to generate economic impact data for Servus Place. Surveys were conducted at the John Reid Memorial Tournament, ringette provincials and the soccer Slush Cup. There will be a total of 10 events measured throughout 2013 and the results will be compiled and reported in Q1 of 2014



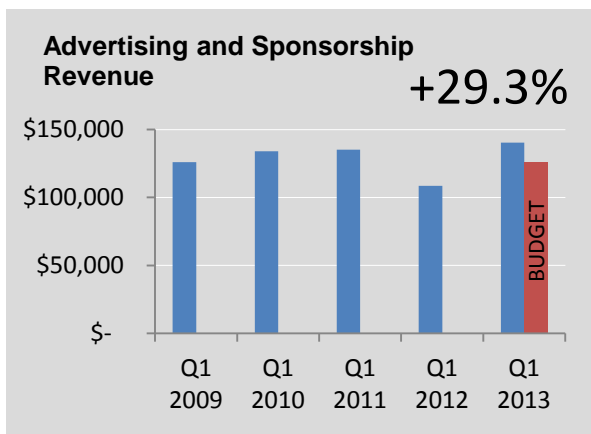
Other work completed by Business & Marketing in Q1 2013 includes:

- Implemented new parking lot signage that fits visual identity.
- Targeted marketing in North Edmonton.

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Advertising sales are above budget by \$8000 due to strong sales in the arenas and fieldhouses. This variance comes despite the reduction in advertising sales based on the transition to the online guide. Advertising revenues are strengthened by having the full availability of the Northstar Arena and the growth in LCD screen advertising.



Sponsorship revenue is over budget by \$6000 due to the addition of Discover Hearing as a new 1-year program sponsor and a one-time sponsorship of Family Day by Kingsway Toyota. Advertising and Sponsorship revenue totalled \$140,260 for Q1 2013 and is 29.3% above Q1 2012.

* 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.

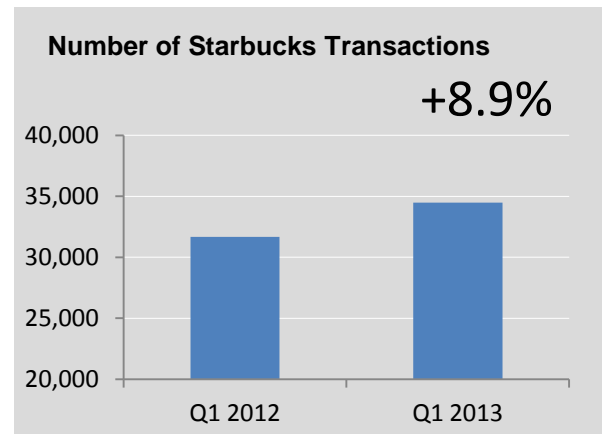
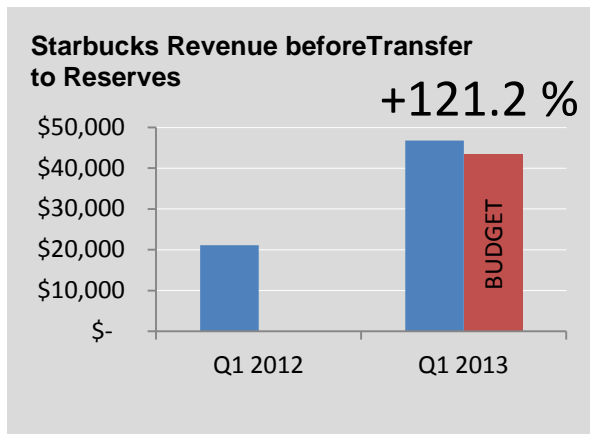
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Retail

Starbucks is operating to the standards as set out in the Licence Agreement, offering a full line of hot and cold beverages, pastries, and merchandise as well as meeting all the customer service and quality standards and expectations of the Starbucks Corporation.

The addition of Starbucks has contributed to an enhanced user experience and reflects upon the social and community gathering opportunities within the facility.

A new cleaning program has been implemented for the store. The continued focus on customer service and cleanliness has shown strong results in both sales and customer services results.



Revenue reflects the total sales for the first three months of 2013 and is 121.2% over Q1 2012 with over 35,000 transactions at an average of \$5.06 per transaction. This is an increase of 3000 transactions (8.9%) over the same period of the previous year and an increase to the average transaction value of almost \$0.15.

Retail Revenue	Q1 '11	Q1 '12	Q1 '13	Q1 '13 Budget	Q1 '13 Variance
Operating Revenue	N/A	\$ 155,241	\$ 174,467	\$ 170,500	\$ 3,967
Operating Expenses	N/A	\$ 134,092	\$ 127,691	\$ 127,000	\$ 691
Subtotal	N/A	\$ 21,149	\$ 46,776	\$ 43,500	\$ 3,276
Transfer To Reserves	N/A	\$ 3,750	\$ 8,900	\$ 8,900	\$ -
Total	N/A	\$ 17,399	\$ 37,876	\$ 34,600	\$ 3,276

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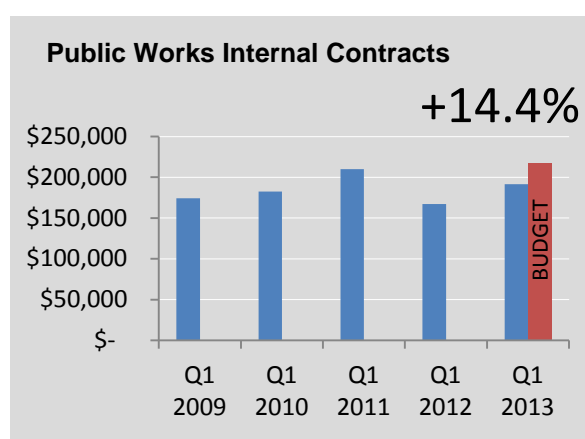
Operations

In Q1 2013, some of the major work that was undertaken by operations staff includes:

- Deep clean of the Northstar Arena and ReidBuilt Gymnasium change rooms.
- Installation of new lockers and bathroom partitions in LWPC men's change room.
- Waxing of the main floor.
- Camera additions completed and DVR upgrade.
- Renewal of the fire alarm inspection contract with Seimens.
- Two card readers were added to the doors at guest services desk and the back of Northstar arena. These card readers are part of a process for improved control of the secure areas and for tracking of access through these areas of the facility

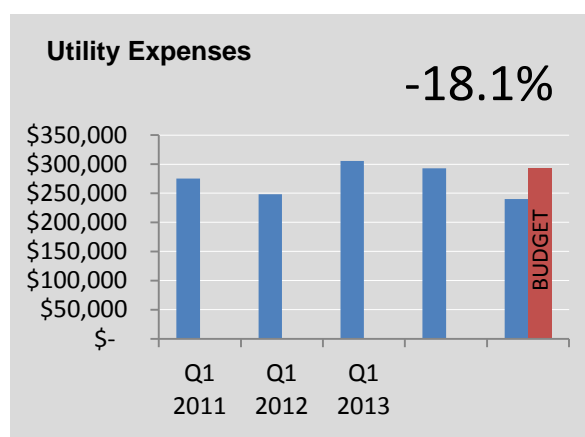
Public Works Internal Contracts

The Transfer to Public Works was \$ 191,331 which is 14.4% above Q1 2012. The variance is due to timing of initiatives. This account is anticipated to end the year on budget.



Utilities

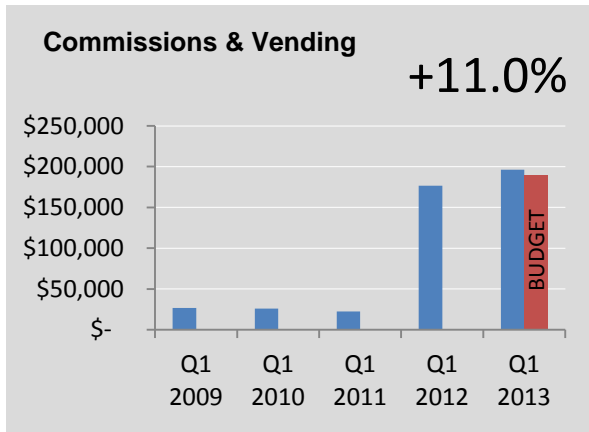
Overall utilities ended the quarter under budget for Q1 and 18.1% below Q1 2012.



Utility Expenses	Q1 '09	Q1 '10	Q1 '11	Q1 '12	Q1 '13	Q1 '13 Budget	Q1 '13 Variance
Electricity	\$ 139,451	\$ 128,200	\$ 170,689	\$ 188,152	\$ 156,479	\$ 194,000	\$ (37,521)
Natural Gas	\$ 114,546	\$ 94,683	\$ 106,646	\$ 71,464	\$ 51,463	\$ 71,200	\$ (19,737)
Water, Wastewater and Solid Waste	\$ 16,692	\$ 21,477	\$ 24,422	\$ 27,741	\$ 27,455	\$ 24,600	\$ 2,855
Telephone and Cable	\$ 4,733	\$ 4,206	\$ 3,550	\$ 5,677	\$ 4,479	\$ 3,300	\$ 1,179
Total	\$ 275,422	\$ 248,566	\$ 305,307	\$ 293,034	\$ 239,876	\$ 293,100	\$ (53,224)

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Commissions & Vending



The budget for commissions and vending significantly increased in Q3 2012 with the addition of Starbucks Revenue to the Servus Place operating budget.

A new 80/20 healthy vending program based on standards from Alberta Health has been incorporated into all facility vending machines. The Business & Marketing Manager has completed a hosted webinar with Alberta Health Services and ARPA on how to roll out a healthy vending plan and is working closely with Alberta Health on a business model for healthy vending. Servus Place also participated in a survey in March to help Alberta Health understand the challenges that both vendors and facilities face.

Commissions and vending was \$ 196122 for Q1 2013 which is 11.0% over Q1 2012. The variance in commissions and vending is primarily due to higher than budgeted revenues in locker revenue, guest services and retail revenue.

Commissions & Vending Revenue	Q1 '09	Q1 '10	Q1 '11	Q1 '12	Q1 '13	Q1 '13 Budget	Q1 '13 Variance
Vending Commission Revenue	\$ 16,066	\$ 15,845	\$ 10,436	\$ 9,913	\$ 10,279	\$ 10,200	\$ 79
Locker Revenue	\$ 8,894	\$ 8,919	\$ 8,948	\$ 10,675	\$ 10,242	\$ 8,700	\$ 1,542
Guest Services	\$ 749	\$ 466	\$ 2,184	\$ 1,454	\$ 1,516	\$ 400	\$ 1,116
Miscellaneous Revenue	\$ 794	\$ 723	\$ 636	\$ 470	\$ 520	\$ -	\$ 520
Retail Revenue	N/A	N/A	N/A	\$ 154,241	\$ 173,565	\$ 169,800	\$ 3,765
Total C&V Revenue	\$ 26,503	\$ 25,953	\$ 22,204	\$ 176,753	\$ 196,122	\$ 189,100	\$ 7,022

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Personnel Costs

Personnel Costs for Q1 2013 are \$1,098,885 which has increased 1.8% from Q1 2012.

Work continues on the development of a Raving Fans refresher program to be piloted with permanent staff in Q2 2013. This program has been identified as a priority for the facility to augment the current Raving Fans program and keep the information fresh for long-term staff.

Staff training in Q12013 included the following:

- All Recreation staff have now received training in Fundamental Movement Skills. In 2013, this program will begin to be implemented for Fitness staff.
- Microsoft Office Suite training for the Operations Coordinator.
- Operations Manager attended the BuildEx Conference.



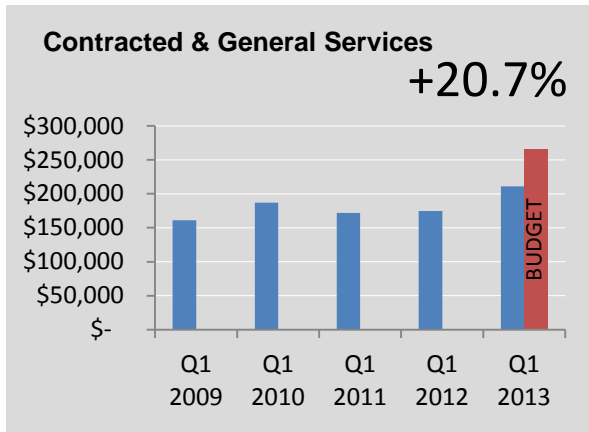
The variance in Fitness personnel costs are due to increased fitness programs, personal training and dry land training. This additional expense is reflected positively under lesson fee revenue.

The variance in retail personnel costs is due to scheduling efficiencies during busy days. Through a focus on staff allocation, the store is able to achieve much higher sales per labour hour while still providing strong customer service and product quality.

Personnel by Cost Centre	Q1 '09	Q1 '10	Q1 '11	Q1 '12	Q1 '13	Q1 '13 Budget	Q1 '13 Variance
Admin	\$ 18,640	\$ 20,080	\$ 20,719	\$ 21,022	\$ 22,011	\$ 21,933	\$ 78
Recreation	\$ 29,785	\$ 39,591	\$ 41,503	\$ 39,385	\$ 44,836	\$ 45,400	-\$ 564
Fitness	\$ 53,728	\$ 66,843	\$ 75,137	\$ 68,878	\$ 77,650	\$ 74,800	\$ 2,850
Operations	\$ 52,448	\$ 79,658	\$ 62,984	\$ 68,348	\$ 51,923	\$ 52,267	-\$ 344
Marketing	\$ 8,861	\$ 16,093	\$ 17,215	\$ 17,942	\$ 18,874	\$ 19,200	-\$ 326
Bookings and Events	\$ 19,816	\$ 20,610	\$ 22,141	\$ 21,305	\$ 25,261	\$ 24,167	\$ 1,094
Guest Services	\$ 64,182	\$ 50,479	\$ 52,846	\$ 55,462	\$ 62,502	\$ 62,200	\$ 302
Retail	\$ -	\$ -	\$ -	\$ 18,771	\$ 13,498	\$ 16,967	-\$ 3,469
Subtotal	\$ 247,460	\$ 293,354	\$ 292,544	\$ 311,114	\$ 316,555	\$ 316,933	-\$ 378
Benefits	\$ 37,331	\$ 44,973	\$ 44,003	\$ 48,778	\$ 49,740	\$ 51,100	-\$ 1,360
Total Personnel Costs	\$ 284,792	\$ 338,327	\$ 336,547	\$ 359,892	\$ 366,295	\$ 368,033	-\$ 1,738

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Contracted & General Services



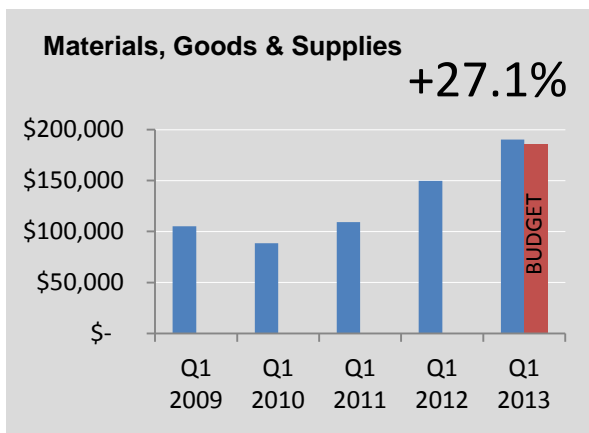
Contracted and general services were \$211,038 for Q1 2013 which is 20.7% above Q1 2012 but slightly under budget for Q1 2013. The variance is due to timing of initiatives in advertising and promotions, repairs and maintenance, janitorial contract and insurance premiums.

Marketing and Promotions is under budget as a result of the transition to the online program guide. The tight timeline and demand on resources associated with this project has resulted in some marketing programs planned for Q1 being reduced to focus on the program guide rollout. It is expected that this will correct throughout the year to finish on budget.

Janitorial contracts are underspent as a result of invoice timing. This account will end the year on budget.

A trend of lower than anticipated costs in insurance premiums has been seen over the last several years.

Materials, Goods & Supplies



Materials, goods and supplies are \$190,383 which is 27.1% above Q1 2012, however, this account is anticipated to end the year on budget. The variance is primarily due to:

- Increased supply costs which correlate to the increased revenue for the retail cost centre.
- Janitorial supplies are over spent in Q1 2013 due to timing of initiatives.