



Healthy

Attractive

Economically  
Viable

*A place where the residents live, grow and prosper*



# 2007 ANNUAL REPORT

*City of Lethbridge*

ALBERTA, CANADA

# VISION

TO BE A HEALTHY, ATTRACTIVE AND  
ECONOMICALLY VIABLE CITY



# MISSION

TO SERVE OUR RESIDENTS AND  
GUESTS, TO PROVIDE LEADERSHIP  
AND TO ASSIST THE COMMUNITY IN  
ACHIEVING THE VISION

The City of Lethbridge Acknowledges:

City Staff  
for their contributions  
to this report

This Annual Report has been prepared  
and compiled by the  
City of Lethbridge  
Financial Services Department.

<http://www.lethbridge.ca>

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December 31, 2007

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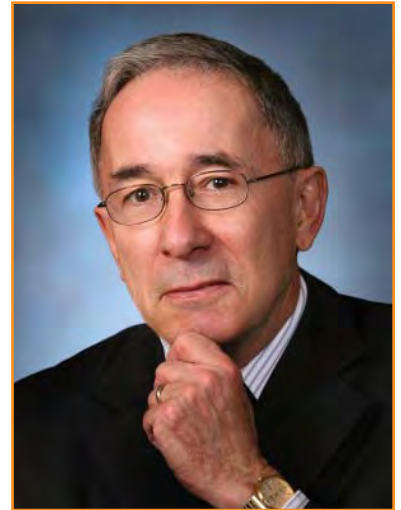
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# Mayor's Message

2007 was a year to remember here in the City of Lethbridge. City Council, Administration and staff made great strides in achieving the goals we had set for the year. While I can't begin to list them all, I'd like to mention a few that I find to be particularly important.

We kicked off the new year by protecting the health of all citizens with a new Smoking By-law. A full year before the provincial regulations came into effect, Lethbridge mandated that all indoor buildings (except personal residences) were to become smoke free. Thanks to the new laws and society's changing attitudes on smoking, we now have a healthier environment for all to enjoy.

In a remote locale just outside Lethbridge, the world's largest and most successful Ammolite mine produces 90% of the world's supply. Ammolite, with its multi-color beauty, is a wonder of nature. Only in this location has the ancient marine fossil and seventy-one million years of tectonic pressure produced the gemstone Ammolite. In 2007, City Council declared Ammolite – one of nature's rarest gems – to be Lethbridge's Official Gemstone.



This is the year that Lethbridge's population topped the 80,000 citizen mark! Up 3.78 percent from the previous count, it's further proof that Lethbridge continues its strong, healthy growth. 2007 building permit figures provide another layer of clarity. Growth in business permits continues to be strong with total residential and commercial construction value increasing by 6% to a total of \$220 million. We have seen an amazing 61% increase in construction value over the past four years.

Maintaining our existing infrastructure and building the required new infrastructure can be a challenge. The 2008–2017 Capital Improvement Program approved this year, lays out our priorities and provides a road map for rational development of the needed projects.

The sod was turned in 2007 on the West Lethbridge Centre. This project is so unique and of such a magnitude that it's one for the record books. It is unique in that we are forging cooperative and long-term partnerships between the Public and Separate School Boards, the Lethbridge Public Library and the City of Lethbridge. It is massive; while looking over the vast tract of empty land, it takes vision to comprehend that West Lethbridge Centre will eventually encompass two schools, a library, acres of sports fields, parks and a large residential area. This project is the largest ever undertaken by the City of Lethbridge and I expect this to be the focal point for the development of Lethbridge for the next fifty years.



However, growth isn't important in just new residential areas. The Downtown is both a source and an expression of community identity and pride. The Heart of Our City Master Plan was approved by City Council in 2007 and represents a milestone in the long-term project to revitalize Downtown Lethbridge. Successful downtowns accommodate a range of commercial, cultural, residential and recreational activities. They are vibrant and prestigious destinations, attracting businesses, residents and tourists. Successful downtowns provide a high level of amenities and economic opportunity for the community at large. This Master Plan provides the framework to guide the future to ensure our downtown becomes just such a coherent, vibrant and economically viable heart which will benefit the area and the entire city.

**Population** 81,692

**Building Permits:** 2,900 Residential \$109 million  
343 Commercial, Industrial, Institutional \$111 million

## Mayor's Message (continued)

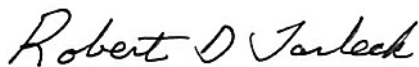
As is the experience in most North American cities, homelessness in Lethbridge is a concern that cannot be ignored. The 2007 Homeless Census, as well as those conducted over the previous years, shows an ever increasing population living in places that are not permanent, healthy and/or sustainable. The complexity of the issue requires a comprehensive approach to end homelessness – simply end it. The work of the Social Housing in Action Committee will be augmented by the four–aldermen City Affordable Housing Committee appointed at the end of 2007.

Also at the end of 2007 the City of Lethbridge joined with twenty–one other municipalities in the Canadian Coalition Against Racism. The signing of the UNESCO Declaration Against Racism and Discrimination will assist the coalition in fostering equality and respect for all citizens. Joining the coalition means making a commitment to exchange ideas and expertise with other organizations and orders of government, and to publicly report the city's progress in combating racism and discrimination.

Election 2007! Every three years an election rumbles through Alberta's municipal governments. As powerful as an earthquake, this public process cracks open the status quo and exposes fresh ideas and leaders. It's a wonderful time for citizens to take an active role in the future of their community. Election 2007 resulted in three new people joining City Council, each of whom will bring a fresh approach along with a new set of experiences, skills and aspirations for their community. The new Council quickly settled in and began extensive planning for their three year term. Before the end of the year, they had hosted a community forum to gather public input in preparation for the new Council's strategic plan entitled, "[Towards a Sustainable Future](#)".

Watch for our 2008 Annual Report; it's sure to pick up where this report left off and continue the story of Lethbridge's success.

Yours truly



Robert D. (Bob) Tarleck, M.A., M.Ed., Ako'Tasi  
Mayor



Lethbridge citizens and Council Members show off the beautiful Nikka Yuko Japanese Garden, as well as the Rocky Mountains at Waterton Provincial Park to visitors from the Borough of Saint–Laurent, Montreal. Lethbridge and Saint–Laurent have been sister cities for more than four decades and exchange groups of citizens each year in an effort to build bridges between the people of Eastern and Western Canada.



## City Council

Back Row: Alderman Liz Iwaskiw, Alderman Leslie Vaala, Alderman Ryan Parker, Alderman Joanne Weadick

Front Row: Alderman Tom Wickersham, Alderman Shaun Ward, Mayor Bob Tarleck, Alderman Barbara Lacey, Alderman Rajko Dodic

## CITY COUNCIL ACHIEVEMENTS FOR THE 2004-2007 TERM OF OFFICE

### Southern Cities Initiative –

- Ongoing liaison between the Medicine Hat Council and Lethbridge City Council
- Two meetings were held in Medicine Hat

### Downtown Social Issues –

- Round Street Building a Better Neighborhood Report examines the extent of social disorder
- Committee formed to implement recommendations

### Transit Services –

- Community Service Standards developed and approved by City Council
- Purchased 16 new low floor buses
- Completed north side terminal
- Harmonized all routes effective July, 2007
- Assumed direct delivery of ParaTransit Services August, 2007
- Completed a Fare Policy Report

### Downtown Redevelopment Plan –

- Vision and Planning Framework prepared
- Guiding Framework and Implementation Strategy developed
- Heart of Our City Master Plan presented at City Council September, 2007
- Action Plan to be developed

### Social Policy –

- Social Policy approved on July, 2005
- Family and Community Support Services Grant Policy revised
- Key areas for improvement include: Community Accessibility, Affordable Housing, Youth, Capacity of Not For Profit Partners and Information/Referral Access

### Budget Process –

- 2006-2008 Operating Budget approved December, 2005
- 2008-2017 Capital Improvement Program approved July, 2007
- Schedule for 2009-2011 Business Planning and Budget established

### Arts Policy –

- Policy approved July, 2007
- Defined the Allied Arts role in coordination and leadership of the Arts in the Community
- Implementation funding included in 2006-2008 Operating Budget

### Affordable Housing –

- Four projects approved working with Federal and Provincial Governments (York Hotel, Gemini, Alec Arms, Atrium – 194 units total)
- Community needs identified
- Funded a rent supplement program

## **Growth Management –**

- Approved by City Council July, 2007
- Amendments to Municipal Development Plan approved October, 2007
- Approved Outline Plans for Areas North of Whoop-Up Drive (The Crossings) and south of Whoop-Up Drive (Copperwood) West of Benton Drive

## **Sports and Recreation Policy –**

- Policy approved by City Council in October, 2007

## **Water Quality and Quantity –**

- Ongoing initiative in partnership with the Oldman Watershed Council (OWC) and Alberta Low Impact Development (ALIDP)

## **Infrastructure Deficit –**

- Inventory listed and complete September, 2005
- Resources allocated for Community Asset Management in 2006-2008 Operating Budget
- City Council priorities established through ten year Capital Improvement Program July, 2007

In addition, through the normal course of directing a large, complex organization, City Council achieved the following:

## **Governance –**

- Approved criteria for Community Capital Grant Program
- Along with other municipalities, successfully lobbied senior governments for sustainable funding (AMIP, CAMRIF, MSI, NDCC, etc.)
- Facilitated designation of Nikka Yuko Japanese Garden as a Historic Site of national significance
- Approved Sidewalk Patio Policy
- Approved Policy for Location of Monuments on City Property
- Approved Policy for Funding Community Twinning Programs
- Updated Investment Policy
- Amended Offsite Levy Bylaw and Rates
- Established mandate for Lethbridge Combative Sports Commission
- Acquired regulated default supply of electric energy through 2011
- Designated ammolite as the official gemstone of Lethbridge
- Lobbied the Edmonton Airport Authority for better access to the Edmonton City Centre Airport
- Improved the City Council decision making process
- Led the City's Centennial Celebrations – May 2006
- Paid off the last tax-supported debenture to Alberta Capital Finance Authority
- Purchased natural gas and electric for City-owned facilities through December 2013
- Amended the Disaster Services Agency Bylaw
- Supported the renewal of the Downtown Main Street Program
- Lobbied the Provincial Government to pass legislation to protect employees from second-hand smoke
- Established an Administrative Governing Board for the outdoor soccer complex
- Approved Salt Management Plan
- Facilitated the celebration of the Alberta Centennial
- Delegated the discretion to determine who received a "Key to the City" to the Mayor
- Approved "self-insurance" of employee disability benefits
- Approved Monument Policy
- Passed "Regulation of Smoking" Bylaw
- Approved Human Resources Policy
- Replaced the Management Information System (MIS)
- Upgraded audio/visual equipment in Council Chambers and City Hall foyer
- Updated Snow and Ice Control Policy
- Amended Downtown Sidewalk Patio Policy
- Secured venue name sponsor for ENMAX Centre
- Heritage Places Policy

## Planning –

- Approved Area Structure Plan for West Lethbridge Phase II
- Approved Recreation & Cultural Facilities Master Plan
- Approved Area Structure Plan for Sherring Business & Industrial Area
- Approved Area Structure Plan for Arbour Ridge
- Approved Strategic Facilities Plan for Emergency Services
- Approved Parks Master Plan
- Approved Bikeways and Pathways Master Plan
- Approved Cemeteries Master Plan

## Infrastructure –

- Acquired 10-year Operating License for Lethbridge Regional Landfill
- Upgraded wastewater treatment plant fine bubble aeration system
- Constructed southeast Lethbridge water reservoir
- Upgraded west Lethbridge water reservoir
- Extended Whoop-Up Drive and trunk services to facilitate construction of West Lethbridge Phase II (The Crossings and Copperwood)
- Constructed north Lethbridge Transit Terminal
- Commenced development of the Sun Ridge Subdivision
- Assisted Lethbridge Judo Club to relocate their DoJo
- Provided financial assistance for construction of new kiosk at Nikka Yuko Japanese Garden
- Upgraded 28th Street North from 26th Avenue North to city limits
- Serviced Phase I of Sherring Business and Industrial Park
- Extended water service to Coalhurst
- Extended water service to Monarch
- Completed Sir Alexander Galt Museum expansion
- University Drive widening project completed
- In partnership with the University of Lethbridge, completed the Wellness Centre and commenced the Community Stadium

## Services –

- Approved Community Plan for Seniors
- Purchased Handi-bus fleet and assumed direct service delivery role
- Approved Winter Maintenance Policy
- Hosted 2007 Scott Tournament of Hearts
- Assisted in relocation of the Soup Kitchen
- Hosted 2006 Federation of Canadian Archers National 3D Outdoor Archery Championships
- Hosted 2006 Alberta Summer Games
- “Contracted in” all utility billing services
- Established service standards for Lethbridge Transit
- Began process to automate garbage collection
- Hosted 2006 Southern Alberta Summer Games
- Approved Fire & Emergency Services Fleet Plan
- Extended ambulance services to Coalhurst
- Approved Henderson Lake Ecosystem Management Plan
- Approved agreements for Provision of Fire Rescue and Ambulance Services to the County of Lethbridge



Back: Alderman Ryan Parker, Alderman Ken Tratch, Alderman Jeff Carlson, Alderman Rajko Dodic  
Front: Alderman Tom Wickersham, Alderman Margaret Simmons, Mayor Bob Tarleck, Alderman Barbara Lacey, Alderman Shaun Ward

In order to set direction for the new Council, the Mayor and Aldermen brought information about community priorities from the 2007 election campaign into their Council visioning session.

The visioning session provided a process that put all the community issues and opportunities on the table, and provided a method for setting priorities among them. With this information in hand, Council then asked residents who participated in a Community visioning session to describe their ideal future for the city. This process resulted in a prioritized and measurable list of goals, and action items for Council's 2007–2010 term of office.

A document entitled "**Towards A Sustainable Future**" was made available to the public in January 2008.

## CITY COUNCIL'S PRIORITIES 2007–2010

### **Affordable Housing –**

To increase the supply of affordable housing units in Lethbridge within three years, in collaboration with other orders of government, Social Housing in Action (SHIA) and other community partners.

### **Environmental Policy and Plan –**

To contain or reduce the community's total impact on the environment.

### **Financial Stewardship –**

To approve a three-year budget that demonstrates fiscal constraint, recognizing the impact on levels of service.

### **Communications Strategy and Plan –**

Effective and regular two-way communication between City Council and the community.

Enhanced level of community engagement.

### **Advocacy on Behalf of the Community –**

Increased, permanent operating fund transfers from provincial and federal government sources.

Continued support from other orders of government for programs and services provided within the city region (military, housing, air services, businesses, non-governmental organizations, etc.).

Greater influence on shaping regulations that affect the city.

### **Strategy for E-Business –**

Greater public access to services and information through appropriate technology.

Infrastructure and the capacity for e-business are in place.

Selected stand-alone business transactions are in place.

### **Downtown Revitalization –**

The downtown will strive to enhance quality of life for all Lethbridge citizens. The city's vibrancy is rooted in its diverse population and accordingly it will strive to be an open, safe, affordable, accessible and welcoming place to people of all walks of life. This social diversity will be embraced and celebrated through urban design, architecture, and the day-to-day function and role of Downtown Lethbridge.

### **Inter-municipal Planning –**

Agreement on orderly development on the perimeter of the city that is mutually beneficial to neighbouring municipalities.

### **Growth Management Strategy –**

Community agreement on the orderly, sustainable development of the community up to the perimeter.

Approved Municipal Development Plan that includes a sustainability plan.

# City Organization



## Legislative and Administrative ORGANIZATION CHART

### CITY COUNCIL

Mayor Bob Tarleck

Alderman Barbara Lacey  
Alderman Ryan Parker  
Alderman Ken Tratch  
Alderman Margaret Simmons

Alderman Jeff Carlson  
Alderman Rajko Dodic  
Alderman Shaun Ward  
Alderman Tom Wickersham

Lethbridge Regional Police Commission  
Lethbridge Public Library Board  
Museum Board  
Other Commissions, Authorities,  
Boards

**CITY MANAGER**  
Bryan Horrocks

**City Clerk**  
Dianne Nemeth

**City Solicitor**  
Doug Hudson

**Communications**  
Elijah Farrell

**Land Development/  
Real Estate**  
Michael Kelly

**Economic  
Development**  
Lorna Kurio

**Corporate Services**  
Garth Sherwin

**Community Services**  
Kathy Hopkins

**Infrastructure Services**  
Doug Hawkins

**Corporate Initiatives**  
Bary Beck

Treasury  
Financial Reporting & Budget  
Long-term Financial Planning  
Purchasing & Stores  
Payroll  
Taxation  
Assessment  
Fleet Management  
Information Technology  
Spatial Data Services  
Records Management / F.O.I.P  
Human Resources  
Business Analysis  
Integrated Risk Management

Transit  
Parks Management  
Nature Centre  
Leisure Services  
Community & Social Development  
Housing  
ENMAX Centre  
Fire/EMS Services  
Public Safety Communications Centre  
Cemeteries  
Planning  
Facility Services  
Development Services  
Building Inspection  
Regulatory Services  
Environmental Services

Transportation  
Public Operations  
Water Treatment Plant  
Wastewater Treatment Plant  
Utilities (Water, Wastewater,  
Electric  
Waste & Recycling Services  
Utility Services  
Stormwater Management)  
Fleet Maintenance  
Urban Construction  
Asset Management

Council Initiatives  
Leadership Team Initiatives  
Strategic Planning  
Business Planning  
Downtown Revitalization

## 1. THE CITY OF LETHBRIDGE AS A "SYSTEM"

A system is defined as a set of related entities that receives INPUTS, adds value to them through CORE PROCESSES to achieve a defined purpose (desired OUTCOMES) for its customers.

## 2. CUSTOMER FOCUSED SERVICES

The purpose of the corporation is to serve and assist the citizens of Lethbridge in achieving the vision. Every action must centre on meeting customer needs.

## 3. RESULTS ORIENTATION

Improved performance is a continuous process based on meaningful, results oriented performance measures.

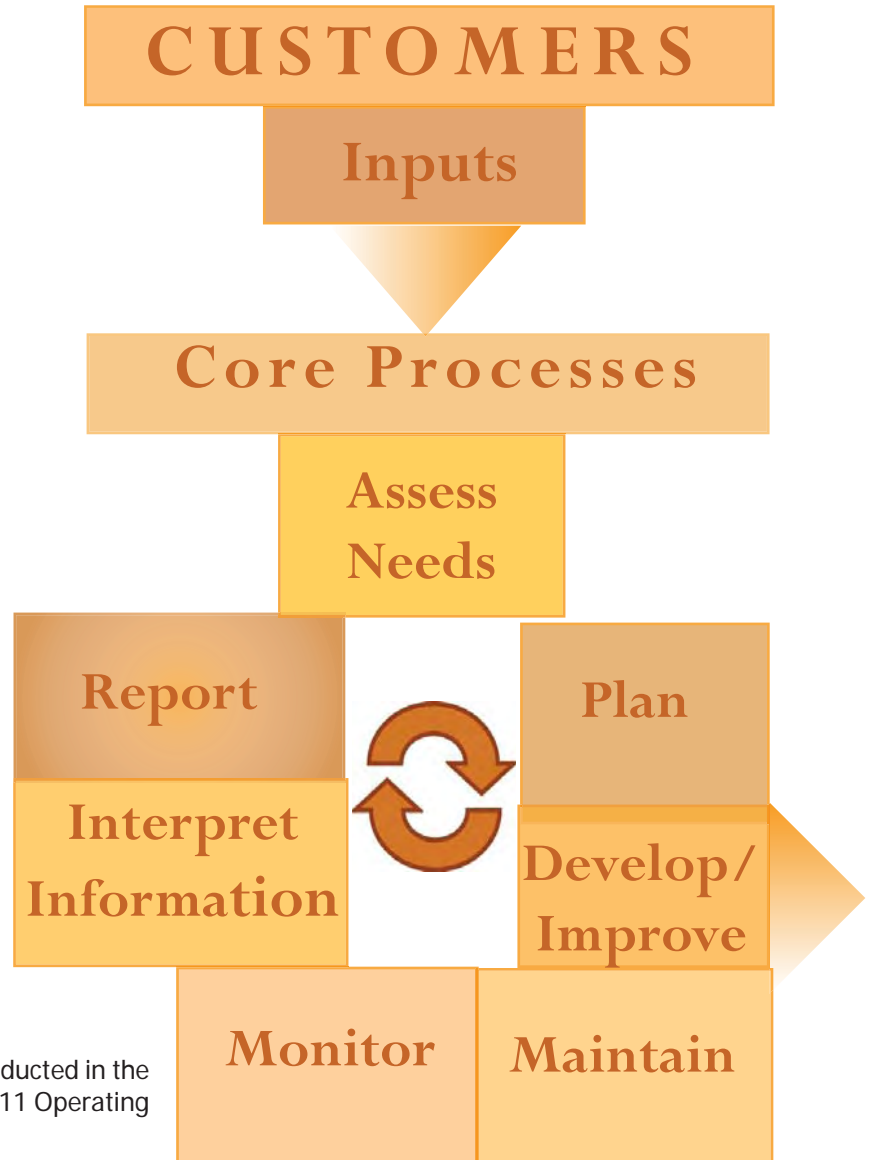
On January 7, 2008 Council approved the following document: *"Towards A Sustainable Future"* as Council's commitment to working toward a future community that truly expresses the vision and values of the citizens. This document strengthens the ability to govern, provide leadership that inspires City staff in delivering services to the community, and to provide citizens with opportunities to contribute and participate. In addition, *"Towards A Sustainable Future"* outlines Council's priorities to be achieved over the next three years.

Another Citizen Satisfaction Survey will be conducted in the Spring of 2008 as a precursor to the 2009–2011 Operating Budget discussions.

Business Units completed business plans with performance measures to ensure the alignment of services in support of the corporate goals and objectives. The inclusion of performance measures further strengthened the linkage between planning, monitoring, reporting and evaluating.

## 4. SUPPORT

City employees are creative, innovative and skilled. Their involvement in corporate decision making is key in making improvements to the processes that serve the community. The Corporation is committed to creating an environment which fosters involvement of all employees in shaping new skills, capabilities and relationships.



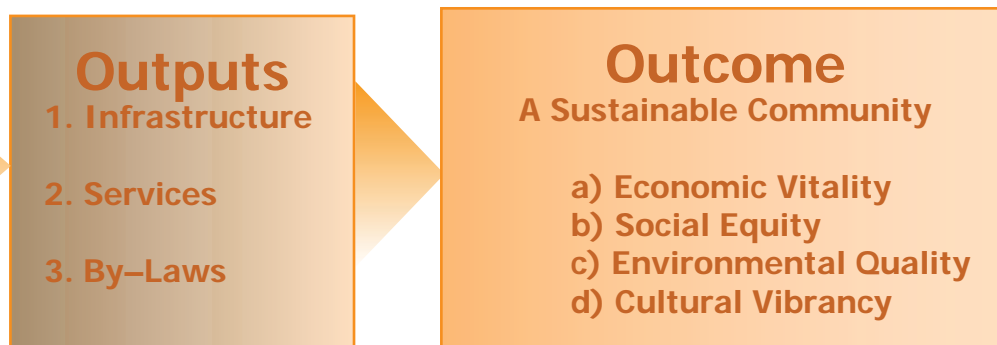
# City Manager's Message

The successes highlighted in this report are a tribute to the vision of City Council, the co-operation of community partners, and the work of dedicated employees who deliver more than 100 services to the community. The City has been proactive in recognizing opportunities, and bringing the right people, skills, and resources together to maximize the benefits of these opportunities for the community. We have also worked with other orders of government to effectively respond to new challenges, and maximize outcomes from the funding resources available to the community. The result is a healthy, attractive and economically viable city and a high quality of life for Lethbridge residents.

2007 marked the beginning of construction on the West Lethbridge Centre high schools and community library project that will become the hub of a new community called The Crossings, and a major new service core for the whole city. There has been continuous improvement in transit service levels, and para-transit services are now being delivered by LA Transit Access-a-ride. The city has purchased land for the development of a new fire hall in the downtown that will ensure emergency services in all parts of this growing city remain within response time guidelines.

A number of Master Plans have been developed which will provide orderly development of recreation, arts and cultural facilities, as well as parks and pathways. Work has started on a review of the Municipal Development Plan (MDP) including a sustainability plan for this growing community. The MDP sets out the land use footprint for the city in the long term. Residents will be invited to participate in this process.

As set out in the 2008–2017 Capital Improvement Program, the city has started work on rebuilding aging public operations facilities to increase efficiency, and better meet environmental, health, and safety standards. On December 31, 2007 financial services staff switched over to a new financial management information system. When fully implemented the new system will provide enhanced information to support City Council and management decision-making, and will help the municipality meet new federal requirements for asset management, and financial reporting.



2007 also saw the election of a new Council who immediately set out their 2007–2010 vision for Lethbridge in an integrated strategic plan called "*Towards A Sustainable Future*". It will continue to be the role of the administration to provide members of Council with the information and advice they need for effective decision-making and governance. It is also the role of the administration to ensure that City Council's vision and direction informs service delivery at every level of the organization, and in every interaction with residents. One measure of our success in service delivery will be to continue to earn citizen satisfaction ratings in the 95% range on future community surveys.

Bryan Horrocks, P. Eng  
City Manager

# Highlights and Achievements



## GALT MUSEUM & ARCHIVES

Following the excitement of the grand re-opening of the Galt Museum & Archives, the Galt Board and Staff began their first full year of normal operations in the newly expanded facility. CEO/Executive Director Ron Ulrich moved to Vancouver in the spring and, following a national search, Susan Burrows-Johnson was welcomed in July as the Galt's new CEO/Executive Director.

The \$2.8 million Growing Our Legacy Capital Campaign officially wrapped up with a donor thank you in October.

The Brick Campaign continues into the future, with over 200 sponsored bricks to be placed once road work is completed around the Galt and Green Acres properties. Part of the outdoor beautification project, it is the final phase of the recent expansion and is in keeping with the Heart of the City Master Plan. The project involves the input of the Galt School of Nursing Alumnae Association and the Lethbridge & District Horticultural Society, along with City Roads and Parks departments.



The Galt Museum Store hosted a number of book launches and signings and, as one of three local outlets for Ammolite, benefited from Council's adoption of Ammolite as Lethbridge's official gemstone. It also carries work by local and area artists, a great selection of locally published books, exhibit related toys and more. The Museum Store is a hopping place as the central information station, membership and ticket sales.

Facility rentals, another growing revenue generating endeavour for the Galt, was a great success in 2007. The service emphasizes the Galt's focus of being a meeting place for community members and visitors. Weddings, lectures, announcements, workshops, meetings, retirement parties and other receptions were held at the Galt in 2007.

In the Discovery Hall's permanent exhibit *Discover Southwestern Alberta*, the Kainai Arbour was enhanced with the addition of *Nitsitapiisinni: Stories and Spaces* – a multi-media exhibit featuring the work of Kainai students which opened on National Aboriginal Day. Additions to other permanent exhibit modules are ongoing, as is the improvement of sound quality.



Three temporary exhibits were produced at the Galt in 2007. The award-winning, traveling exhibit "*Auschwitz: The Eva Brewster Story*" opened on January 29, International Holocaust Remembrance Day, and was shown in Moose Jaw later in the year.

|                 |        |                    |                             |
|-----------------|--------|--------------------|-----------------------------|
| Volunteers      | 279    | Bus program        | 4,628 students<br>200 buses |
| Volunteer Hours | 6,616  | Programs           | 435                         |
| Images Scanned  | 17,336 | Group Participants | 11,780                      |

# Highlights and Achievements

The exhibit was followed by the artwork of Ted Hagell and his grandson, Ron Hagell Jr., in the summer show " *Vanishing Landscapes: E.F. Hagell*", curated by former Galt Director/Curator Wilma Wood. " *Smile! Capturing our lives with cameras*" opened in October and included artifacts, photos and movies belonging to local and area residents.



Exhibits were also created in other parts of the Galt such as the main hallway where Pat Grayston's artwork was displayed during the spring, followed in the summer with paintings by the late Toni Onley, on loan from the Southern Alberta Art Gallery.



The new Recent Acquisitions case highlights new donations (also shown on the Collections pages of [www.galtmuseum.com](http://www.galtmuseum.com)). "Archives Exposed..." exhibits featuring themed archival images were shown in main level meeting rooms. Works selected from the Galt Collections by University of Lethbridge students were highlighted in the lower level foyer throughout the year.

Notable donations of artifacts to the Collections included items like the 1960s-era Shrine from the Taber Buddhist Church and architectural elements salvaged from the former Paramount Theatre. Outgoing loans consisting of materials related to the "Night at the Museum" movie at the Movie Mill and an emergency-communications themed case at Lethbridge City Police headquarters. In addition to undertaking special projects, Collections staff and volunteers fielded hundreds of inquiries for behind-the-scenes tours, object identification and viewing, loans and conservation/registration advice.

Archives staff and dedicated volunteers provided tours to students, handled online, telephone and walk-in research requests, and scanned 17,336 images along with carrying out other projects. Archives clients included clubs and societies, teachers, elementary, secondary, post-secondary and graduate students, genealogists, reporters, business owners, and government employees.

The Education and Visitor Services staff comprising the Coordinator, weekend educators, part-time Blackfoot interpreter, summer students and dedicated volunteers – delivered programs to a record number of 8,103 visiting local and area students, offered weekly Saturday programs, expanded the Café Galt series, offered educational brochures, regular guided hospital and walking tours, treasure hunts and backpacks, and loaned out Memory Boxes and education artifacts. New programs in 2007 were The Curator Presents series and the Cowboy Up Bus Tour and Collections Tours. Attendance in group programs – including all formal public and education programs - was the highest ever recorded for the Galt Museum & Archives, with 11,780 participating in 435 programs. 4,628 students used the bus program with 200 buses booked through LA Transit.

Partnership programs were delivered in conjunction with the Lethbridge Historical Society and Historic Lethbridge Week/ Doors Open Lethbridge, as well as the Allied Arts Council (ArtWalk), Helen Coulee Schuler Centre (Wild Tales on Park Trails tours) and the Cemeteries department (Cemetery Tours). The National Historica Fair was awarded to Lethbridge in 2007, and a local committee led by Honorary Chair Senator Joyce Fairbairn ensured 160 students from across Canada had a great experience.

Special Events staff and volunteers organized a number of well-attended events, including Eggstravaganza, back at the Galt for the first time since 2005. Proceeds from the third annual Scenic Plaza Block Party in August (organized by CBI, Clarica, Community Savings, Galt Museum, Green Acres Foundation and Tim Horton's) were again donated to local food banks. September's Galt Beer Tasting fundraiser was the most successful to date.

Following months of planning sessions involving staff and volunteers and stakeholder surveys, the Board of Directors adopted the newly developed 2007-2014 Strategic Plan in the fall. At the end of the year, Board and staff said goodbye to outgoing Board members with new Board members appointed to begin their term in 2008. Representatives from the City of Lethbridge, the Lethbridge and District Historical Society, and the Friends of the Galt Museum also sit on the Galt Board.

This year, the Galt Museum & Archives was awarded the Alberta Museums Association Programming: Exhibits Award for *Auschwitz: The Eva Brewster Story*, the Alberta Museums Association Collections: Management Award for *Project Homecoming*, and the Lethbridge Chamber of Commerce Business of the Year: Change & Innovation Award. The Board and staff of the Galt Museum & Archives are very appreciative of the many community partners, supporters and 279 volunteers who have supported their endeavours through partnerships, advice, donations and 6,616 hours of volunteer time.

# Highlights and Achievements

## INTEGRATED RISK MANAGEMENT

In 2007, we continued with an integrated business unit model that merged internal service providers from Risk Management, Occupation Health and Safety and Environmental Services, who all share a common set of core values and principles. Occupational health and safety, general risk management and in recent years, environmental strategies have become increasingly important in loss prevention.

An integrated approach allows for a clearly defined mandate, a stronger and more influential corporate presence, an enhanced capacity to monitor compliance, and increased accessibility to resources. Integrated Risk Management creates the systems necessary to proactively reduce losses to people, property and the environment.

In support of Integrated Risk Management, the following accomplishments are noteworthy:

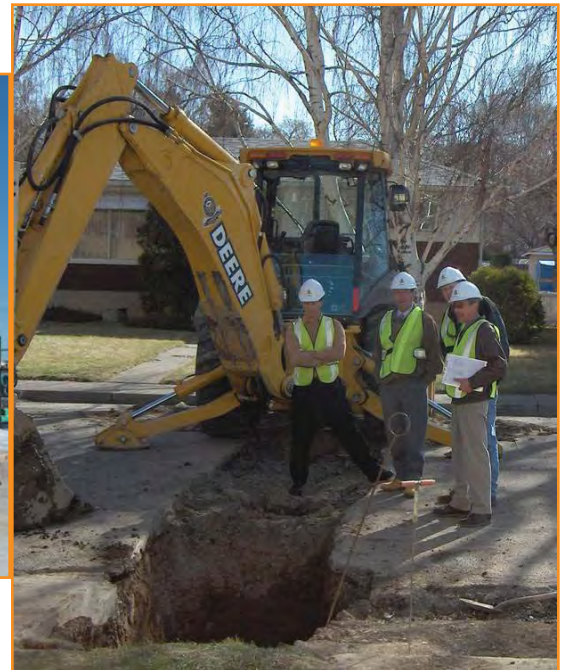
Conducted a Integrated Risk Management customer survey  
- goal to further improve customer service

Conducted a Fleet/Driver Safety Program Audit  
- Identified risks and implemented strategies  
- Developed a driver safety handbook/manual

Participated in:  
- Pandemic planning  
- Substance Release Management Plan

Completed Property Appraisal RFP  
- With the cooperation and assistance of Facility Services

Successful completion of an internal Health and Safety Audit



|                                    |         |                                       |        |
|------------------------------------|---------|---------------------------------------|--------|
| Value of Insured Assets:           | \$674 M | Claims Cost Per Capita:               | \$2.42 |
| Insured Vehicles:                  | 478     | Hours Worked by City Employees        | 2.5 M  |
| Employees:                         | 1,537   | Integrated Risk Management Committees | 19     |
| Insurance Premium Cost Per Capita: | \$16.10 |                                       |        |

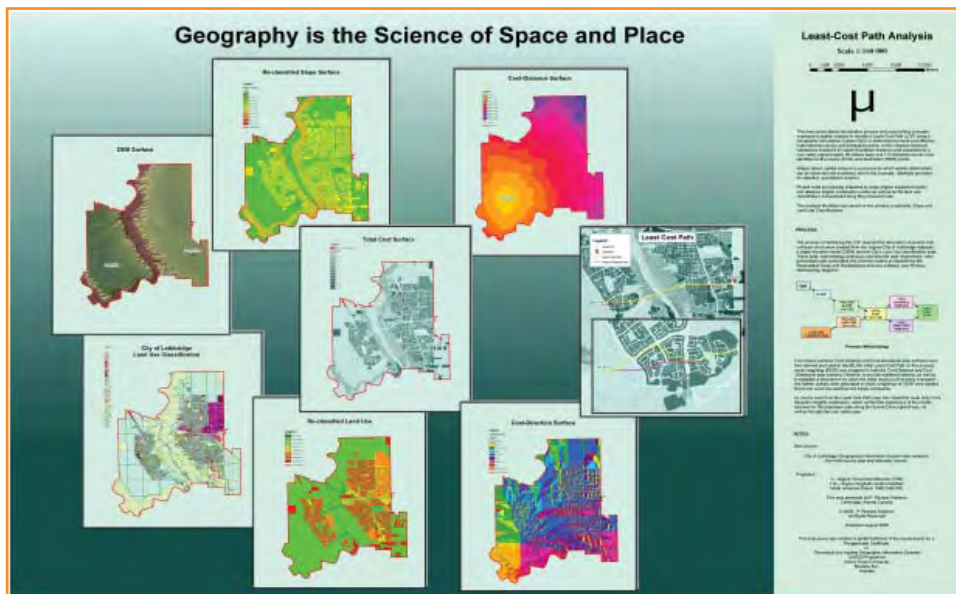
# Highlights and Achievements

## GEOGRAPHIC INFORMATION SYSTEM

In 2007 GIS (Geographic Information System) staff developed the “Interactive WebMap” application which is accessible from the City’s website. This map viewer allows the public to view and search the City’s spatial data and identify the location of such facilities as aquatic/ice centres, golf courses, recycling depots, sports fields and even the City’s extensive park and trail systems. By adding the aerial photography layer, the viewer can also better orient themselves with the facility by accurately visualizing its location relative to known city landmarks and features.

Following the 2007 municipal census, summarized demographics for each of the City’s census tracts were added to the “Interactive WebMap” for quick and easy reference by our residents. Then, using the “Where do I vote?” functionality, the application further assisted residents in the days leading up to the municipal election by identifying polling station locations based on a voters civic address.

In May, two of the City’s GIS staff were recognized with awards at the annual GeoTec Conference held in Calgary. Allen Desjardins received a second place award in the Cartographic category while Richard Andrews received a second place award in the Analytical category. This represents the third time in four years that City GIS staff have received peer recognition for their cartographic achievement.



# Highlights and Achievements



## HELEN SCHULER COULEE CENTRE

The Helen Schuler Coulee Centre, Lethbridge's urban Nature Centre, has been offering visitors a chance to experience nature first-hand since 1982. 30,000 people of all ages experienced and discovered Lethbridge's unique natural environment at the Nature Centre in 2007. Approximately 900 nature programs/experiences were offered through the Helen Schuler Coulee Centre this past year!

On June 6, 2007, the Nature Centre celebrated its 25th Anniversary. Over 1,000 people participated in the various activities held as part of the week long celebrations. The following are some of the important accomplishments celebrated during the 25th Anniversary Week:

- The Helen Schuler Coulee Centre has seen more than 650,000 visitors throughout the past 25 years.
- Nearly 700 individuals from the Lethbridge community have donated more than 50,000 hours through the Nature Centre's volunteer program. These people enjoy sharing their love of nature with others.
- The Centre has hosted more than 76 different nature themed exhibits over the past 25 years.

In 2007, the Nature Centre hosted exhibits on the Night Sky (Astronomy), Grasses of the Lethbridge Area, Animal Feet and Locomotion and Clouds. Nearly 12,000 people dropped in to explore these hands-on seasonal exhibits.

4,500 school children visited the Nature Centre in 2007. School programs link with the Alberta Science curriculum and offer teachers the opportunity to link their classroom learning with the outdoors and natural areas.

13,000 individuals participated in interpreter led programs offered at the Centre in 2007. From multi generational Sunday nature walks to teen programs, and school programs to adult natural history courses, the Helen Schuler Coulee Centre offered a nature interpreter guided program for everyone. Increased special event participation enabled the Nature Centre to reach nearly 3,500 residents.

Summer programs gave Lethbridge residents a chance to learn more about the natural aspects of their city identity, with an increased focus on parkland spaces during the summer months. 8 different city parks were profiled weekly during the months of July and August, in continued partnership with the Galt Museum and Archives. As well, Nature Centre staff hosted nature tables in Henderson Lake, Indian Battle Park, Nicholas Sheran and other city parks throughout the summer months. Thursday evenings in July and August, Nature Centre staff presented Creature Theatre in Galt Gardens. Just over 1,200 people took in the "Nature of Lethbridge" in these off-site park visits.

In 2007, the Nature Centre coordinated a pilot project designed to increase public accessibility to the Oldman river valley and the amenities within both Indian Battle and Nature Reserve parks. Nearly 250 people participated in the 8 day, 2 month long program.



Children doing grass rubbings

# Highlights and Achievements

The Helen Schuler Coulee Centre staff, volunteers and Lethbridge residents celebrated nature by participating in a variety of conservation related projects from community to national level, throughout 2007. Local initiatives included participation in both Water Week and Bridge Day at the University of Lethbridge and hosting events, such as Christmas Craft Evenings and the Annual Re-gifting Event at the Centre. At a provincial level, the Nature Centre was one of Alberta's Green Stops, hosting a wide variety of environmental education based programs during Environment Week. The Nature Centre also participated in the National Pitch-In Canada Program, organizing clean-ups and hosting tours on waste in the natural world. The Great Backyard Bird Count and the TD Trust Shoreline Clean-up are examples of two of the international level conservation programs that the Centre participated in this year.

The Nature Centre completed several projects, with the installation of new interpretive signs at the Elizabeth Hall Wetlands in the fall. A promotional video and display boards for the Centre were completed in 2007. These interpretive tools highlight the history of the Nature Centre and the role that the community has and continues to play in its success. A children's picture book "Who is Helen Schuler" was also completed in 2007.

Lethbridge and area residents volunteered 1,500 hours of their time in a variety of roles at the Centre in 2007. The vibrant volunteer base builds strong links within the community as well as contributes an estimated \$30,000 of gifted time to the Nature Centre annually. These individuals celebrate their love of nature by sharing it with others in their community.



Getting ready for nature walks

|                          |        |                 |       |
|--------------------------|--------|-----------------|-------|
| Visitors                 | 30,000 | Volunteer Hours | 1,500 |
| School Children Attended | 4,500  | Nature Programs | 900   |

# Highlights and Achievements

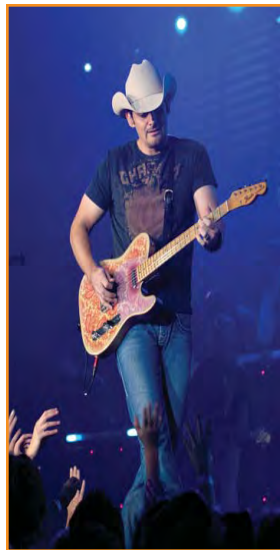
## ENMAX CENTRE

Lethbridge and the surrounding area benefit greatly from the ENMAX Centre's ability to attract a wide variety of diverse events. Thirty-Four years after the official opening, the venue continues to host numerous sporting events, high profile concerts, P.B.R. bull riding, arena cross, monster trucks and many other entertaining events.



Home of the Lethbridge Hurricanes of the Western Hockey League, fans enjoy fast, action packed hockey entertainment. Support of the community owned club continues to grow with corporate sponsorship and patron attendance. During 2007 the hockey club hosted 39 hockey games with more than 137,224 fans in attendance over the season.

In 2007, the ENMAX Centre was proud to attract and host 97 performances or event days with large named entertainers including The Tragically Hip, Snoop Dogg, Barenaked Ladies, Billy Talent, Brad Paisley, "Cats" 25th Anniversary and Blue Man Group. The various special events attracted approximately 145,213 fans.



In addition, the venue played host to the national women's curling championship "Scotties Tournament of Hearts" during 2007. This event attracted 80,000 spectators and numerous media from throughout Canada. Besides providing great entertainment value and national exposure, it is estimated by Economic Development Lethbridge the economic return to our community exceeded \$4.2 million.



During 2007 we confirmed the venue name sponsorship with ENMAX Energy Corporation for a five year term with an option to renew for an additional five years. The sponsorship during the initial five year term will generate \$677,040.00 that will assist the funding required for the ENMAX Centre's capital improvement program.

The ENMAX Centre's Facility and Expansion Plan was presented to City Council and approved to move forward within the Capital Improvement Program. The project started in August, 2007 with an internal start up meeting and the Construction Manager was hired in November. During 2008 the Consultant Team will be selected, design and construction drawings completed and construction will begin in November.

|                                     |              |                |              |
|-------------------------------------|--------------|----------------|--------------|
| Hurricanes                          | 137,224 Fans | Special Events | 145,213 Fans |
| Economic Return Scotties Tournament |              | \$4.2 million  |              |

# Highlights and Achievements

## LA TRANSIT

In 2007, Lethbridge Transit completed the final phase of the restructuring of our services, which commenced in 2002. Using the transit service standards developed in 2006 (and formally adopted by City Council in 2007) as a base, the following improvements were implemented in July, 2007:

- service was restructured in south Lethbridge
- north and south routes were connected to reduce transferring
- evening & weekend services were expanded
- new service to the northeast industrial area was introduced, and
- service was provided every 15 minutes on weekdays between the University of Lethbridge and downtown.



These changes allowed LA Transit to keep pace with city growth, and resulted in more consistent routing, more direct service and less transferring.

In 2007, LA Transit has also conducted a Transit Fare Strategy and Fare Collection Technology Review Study. Phase I of the review recommended a long term transit fare policy, designed to support LA Transit's business objectives. Phase II, to be completed in 2008, will review fare collection system requirements with a view to replacing our current fare collection system with current technology.

## LA Transit ACCESS-A-RIDE ON THE MOVE



On August 1, 2007, LA Transit assumed full planning, design, operating and fleet maintenance responsibilities for the Paratransit services (transit for persons with disabilities) in Lethbridge. Prior to August 1, the service had been operated for over 30 years by the Lethbridge Handi-Bus Association. The new service was renamed Access-A-Ride. LA Transit purchased the Lethbridge Handi-Bus Association fleet and 26 of the 27 Handi-Bus staff came on board as City of Lethbridge employees. This maintained service consistency for the customer, easing the transition process. Since assuming the new responsibilities for the service, Access-A-Ride has worked to increase access to the system for our customers. Access-A-Ride will be working closely with the Accessible Transportation Advisory Committee to review the eligibility criteria for users of the service, and to develop a ride guide to assist customers on how the system functions.

During 2006 and 2007, after extensive consultation with a seniors transportation committee represented by members of Nord-Bridge Seniors Centre and Lethbridge Senior Citizens Organization, LA Transit designed a Seniors Transportation Pilot Project. The service, in which Nord-Bridge owns the specialized vehicle and LA Transit (Access-A-Ride) operates and maintains the vehicle, is scheduled to commence service in early 2008.

With the announcement of the new West High school, LA Transit will be working with Lethbridge School District No. 51 and Holy Spirit Roman Catholic Separate Regional School Division No. 4 to develop a transportation plan for students to access the new school when it opens in September 2010.



**Transit Buses**  
 36 (40' buses)  
 4 (25' buses)  
 2,233,363 Klm traveled  
 1,013,239 Liters of fuel

**School Buses**  
 37 (66-84 passenger buses)  
 4500 Students daily (190 schools)  
 545,323 Klm traveled  
 177,592 Liters of fuel

**Access-a-ride (5 MO.)**  
 Wheel Chair 21,282  
 Ambulatory 35,391  
 276,324 Klm traveled  
 72,706 Liters of fuel

# Highlights and Achievements

## FIRE AND EMERGENCY MEDICAL SERVICES



In 2007, a new 35' heavy rescue vehicle (RV1) was purchased. This apparatus replaced a very tired and overburdened truck not specifically designed to handle our growing rescue responsibilities. RV1, as it is officially known, will meet our community's specialized technical rescue needs today and well into the future.

Along with acquiring the RV1, we initiated a new response model to deliver the fastest and safest response to the segment of calls we prioritize as 'life threatening'. We are now able to send cross-trained Fire fighter/Paramedics to these emergencies in a more timely and consistent manner than ever before.

2007 saw our fleet of frontline ambulances grow by three. Our staff are proud to be serving their community in some of the safest state-of-the-art ambulances available in the country. From high visibility – low voltage LED lighting and specialized storage for fire fighting clothing, to safer stretchers and ergonomic design these units are custom built for our unique dual responsibilities and to meet the needs of our patients.

We also introduced a 5th ambulance during the day to assist in managing our growing peak time calls for service. This new unit has also helped in reducing code red occurrences during the day.



Fire fighters and emergency services personnel gathered at City Hall on September 11th for a memorial service for fallen fire fighters across North America. Several local and provincial dignitaries participated in honoring those individuals that have given their lives in protecting the public.



New regional agreements for both fire and ambulance services were completed with the County of Lethbridge. These agreements will minimize our liability and reflect a reasonable cost recovery for services.

In October, the department responded to a major commercial fire at the Triple M Housing Ltd. manufactured housing plant located at the Lethbridge County Airport. Fire crews were faced with very rapid fire growth, combined with heavy fuel loads within the facility. Fortunately, there were no injuries to fire fighters or plant personnel but the main manufacturing facility was a total loss.

# Highlights and Achievements



Throughout the fall all of our staff were educated and evaluated on the new Care and Treatment Guidelines. This document provides practitioners with the scope of practice and governance to deliver every intervention from basic life support through to advanced care for any medical emergency we encounter.



Our recruiting program proved to be very successful in targeting 16 new staff to our department. The training division was able to adjust the schedule to accommodate two recruit classes, which required balancing our operational training and facilities use.

We were able to start a health and wellness program with the completion of a fitness assessment and training of the first group of our peer fitness trainers. This program is designed to minimize job-related injuries and reduce the long-term health impacts of emergency services personnel.



The fire training tower underwent an upgrade that included structural repairs and the installation of heat dissipating tiling in the burn rooms. This repair is expected to extend the life of the tower for another 15 years.

|                |       |
|----------------|-------|
| EMS Responses  | 9,332 |
| Fire Responses | 2,195 |

|            |     |
|------------|-----|
| Code Red : |     |
| Days       | 108 |
| Nights     | 51  |

# Highlights and Achievements

## LETHBRIDGE REGIONAL POLICE SERVICES

### Facility Sustainability

A major undertaking in 2007 was the reorganization of the workspace within the headquarters of the Service. The Service moved into its present facility in November of 1996. Since that time our employee and volunteer numbers have grown from approximately 140 to more than 230 in 2007. This demand for workspace resulted in a consultative process both internally and externally with representatives of Facility Services to develop an effective response. In 2007 we purchased 30 space efficient work stations and reorganized the Criminal Investigations Division and the Administrative Services Division. The spin off of the new work stations allowed us to use existing workstations and re-develop other areas of the Service.



### Victim – Witness Services Unit

Year 2007 was extremely challenging for Victim/Witness Services in the sense that the local job market was very strong and fewer people were interested in volunteering versus receiving wages! A number of our long term volunteers left for lucrative jobs in other locations and a few were accepted into policing organizations for a career as a police officer. Different tactics were adopted to attract the community into our volunteer program – emphasizing the ability to “make a difference” in peoples’ lives by working as a Crisis Support Worker.

The process of building the program back up to sufficient numbers to continue providing 24/7/365 service took the entire year. In 2007, the VWSU volunteers logged 19,125 hours. As we had experienced for many years, the communities of Lethbridge and Coaldale again responded with their hearts!



### Community & Cultural Liaison Team Unit

In 2007, the Community Resource Unit experienced a substantial change regarding two separate positions; the Community Liaison and Cultural Liaison positions. The two positions were amalgamated into the Community and Cultural Liaison Team, additionally the team was increased by one member to make a three officer Community and Cultural Liaison Team. The duties of the team will remain the same; however, with the increasing population and requests from our community a larger combined team was the result.



#### Regional Policing Population

|            |        |
|------------|--------|
| Lethbridge | 81,692 |
| Coaldale   | 6,177  |

#### LRPS Members

|                          |     |
|--------------------------|-----|
| Authorized sworn members | 141 |
| Non-sworn members        | 40  |
| Volunteers               | 50  |

# Highlights and Achievements



## Training and Professionalism

2007 brought with it some major changes in the area of training, most notably, the expansion of the Unit from a one member unit to a Sergeant and a Constable unit. The development of a three year training plan for all members was the top priority. The additional resources in the Unit has allowed the Service to establish and maintain better recording, tracking, development and delivery of training to its members, and to ensure compliance with both Provincial and CALEA standards. Policing today not only requires commitment and dedication, but continual extensive training and professional development for all police officers. The integration of a three year training plan addresses the expectations placed upon the Service for mandatory training in certain areas, inclusive of scenario-based training, while at the same time developing its own subject-matter experts through annual professional development

## Commitment to Professionalism

During 2007 the LRPS successfully participated in two independent audit processes to assess the quality of its policies, procedures and services. Both audits addressed areas of organizational management, administration of personnel, operations and support services. In February of 2007 the Provincial Standards Committee for the Province of Alberta attended the Service to confirm that the LRPS is in full compliance with all 173 recently introduced Policing Standards. In September, assessors from the independent international organization, Commission for Accredited Law Enforcement Agencies (CALEA) attended the Lethbridge region to review the CALEA Standards. The LRPS has been dedicated to meeting the 446 CALEA Standards since 1997. The three assessors from Police Agencies in both the United States and Canada will be recommending that the LRPS receive its fourth Certificate of CALEA Accreditation in an upcoming conference in March of 2008.

## Traffic Response Unit

The members of the Lethbridge Regional Police Service Traffic Response Unit (TRU) continue to work with various partners in and around Lethbridge to deal with traffic safety. TRU members worked in partnership with the City of Lethbridge Traffic Operations Manager and team to identify and deal with traffic issues brought up by citizens as well as police. Some of the issues were found to be solved by engineering work, however, education and enforcement were needed in other areas.

The TRU members continued to re-enforce their partnerships with other agencies including M.A.D.D., local Sheriffs, RCMP and other police agencies. Monthly S.T.E.P. projects were conducted in order to educate the public and take the necessary enforcement action to attempt to make the roadways of Lethbridge safe for all motorists and pedestrians.



## Recruiting and Retention

In 2007 the Lethbridge Regional Police Service recruited and trained five new police officers through their partnership with the Center for Advancement in Community Justice Police Academy at Lethbridge College. The Service did see four members leave the Service through retirement and resignation, which was down significantly from the nine in 2006.

|                      |        |                            |                 |
|----------------------|--------|----------------------------|-----------------|
| Police 911 Calls     | 32,862 | Police to Population Ratio | 1:623           |
| Calls for Service    | 28,348 | Operational Budget         | \$19,685,800.00 |
| Police Actions Taken | 47,219 |                            |                 |

# Highlights and Achievements

## PUBLIC SAFETY COMMUNICATION CENTER



The Public Safety Communications Centre (PSCC) receives 911 calls and dispatches emergency responders. The PSCC provides this support for the City of Lethbridge Police Service, Lethbridge Fire/EMS Departments and most of the region's fire and EMS agencies. The Centre is staffed 24/7 with professional communications specialists and supervisors using some of the most technologically advanced equipment available.

In 2007, the PSCC hired a new Operations Manager to look after the scheduling, training and operational management of the centre. As well, each of the four teams of employees, has a dedicated shift supervisor accountable for their shift while on duty. These supervisors and their acting supervisors are assisting with the time keeping, coaching, mentoring, team building and continuity of operations in the PSCC.

Training was a key focus in 2007. The staff received training on Emergency Police Dispatch Protocols and update training on Emergency Fire and Emergency Medical protocols. As well, the staff had a host of emergency management training including: Basic Emergency Management, Chemical Biological Radiological Nuclear (CBRN) Training, Emergency Operations Centre Training and Incident Command System Training.

Many of the staff participated in other courses including Respectful Workplace Training, Effective Communications Training, Critical Incident Stress Management (Basic and Advanced), First-Aid Training and Canadian Police Information Centre Training.

In 2008, the remaining staff of the PSCC will be cross-trained - capable of call taking and dispatching all three disciplines – Police, Fire and EMS.



The PSCC celebrated National Telecommunicator Week in April. This event was a first for Lethbridge and was intended to recognize the contribution that 911 call takers and dispatchers make to the community. The PSCC plans on making this an annual event in conjunction with other communications centres across the country.

### Calls Into the PSCC:

|                             |        |
|-----------------------------|--------|
| Fire/EMS Calls for Service: | 18,569 |
| Police Calls for Service:   | 32,862 |
| 911 Calls into the Centre:  | 43,081 |

### Breakdown of 911 Calls for 2007

|                     |     |
|---------------------|-----|
| Residential Phones: | 35% |
| Business Phones:    | 15% |
| Cellular Phones:    | 46% |
| Other :             | 4%  |

# Highlights and Achievements

## LETHBRIDGE PUBLIC LIBRARY

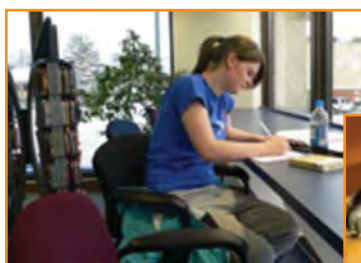
**LETHBRIDGE PUBLIC LIBRARY**  
CONNECTING YOU TO IDEAS

Two bench-mark events occurred in 2007, as the Library moved closer to its service delivery model of providing vibrant library services where people live and gather. A grand opening for the newly designed Downtown Community Branch was held in April and a blustery day sod-turning that included the proposed West Lethbridge Library Community Branch, took place in October. The Library's relevancy in this Google / iPod information age was clearly laid out in a new vision statement: **"To be the community's choice for the pursuit of literacy, leisure, learning and innovation"** and a new tagline **"Connecting YOU to Ideas"**. The tagline was featured on distinct Lethbridge Public Library cards first issued during library month in October.

The tender for the West Lethbridge Centre project was announced in June and Lethbridge residents can look forward a new community library branch in 2010. The West Lethbridge Centre is a unique partnership bringing together public library users of every age and from every sector of the community. Although the City of Lethbridge is funding the \$10.6M required to build, furnish and equip the branch, the Library Board put into place a Fund Development Plan of Action to enable fundraising to ensure collections, community services and program space are state of the art.

**'YSpace'**, a special area for teens in the Downtown building and the proximity of two high schools to the West Lethbridge Community Branch led to the formation of a **Teen Advisory Group (TAG)** in 2007 - inviting young adults between 13 and 17 to share planning for teen programs and YSpace development. The limelight was on TAG at the 3rd Annual Connecting People to Ideas event in October featuring Alberta author Sigmund Brouwer.

Children's Services at the Library continued a campaign to encourage parents of Grade 3 students to obtain a Library card for their child and Kids' Book Club with a Twist was added to Saturday programming. A colourful children's literacy computer was purchased for children from 12 months to age 8. It proved to be a huge hit with young and old alike.



"YSpace" for teens



Children's Literacy computer

Downtown Community Branch opening



Sod Turning at West Lethbridge Centre

The Library increased its 'cool' status with the **Booktique** (used books for sale) a newly opened café - the **Page!break**, a larger screen for movie nights (funding augmented by the Lethbridge Photography Club) and wireless internet for use of laptops and other cellular devices throughout the building. In 2007, over 450,000 people visited the Library's service locations (Main Library and Bookmobile). A total of 878,169 items were used. As a welcoming gathering spot for children, teens and adults of all ages the Library had over 500 programs which attracted over 50,000 people.

Access to a variety of online library services from home, school or the office increased as Internet searches of the Library catalogue and databases that the Library subscribes to totaled 859,746. General visits to the Library homepage ([www.lethbridgepubliclibrary.ca](http://www.lethbridgepubliclibrary.ca)) were 210,419.

Adult program highlights included the residential schools exhibit **'Where are the Children'** partnered with the Southern Alberta Art Gallery in February and March; an astronomy initiative **'The Night Sky Over Lethbridge'** and municipal election forums with candidate information featured on our website.

|                                    |         |
|------------------------------------|---------|
| Visitors (Main Library/Bookmobile) | 450,000 |
| Items Used                         | 878,169 |
| Programs (500)                     | 50,000  |
| Internet Searches                  | 859,746 |
| Homepage Visits                    | 210,419 |

# Highlights and Achievements

## RECREATION & CULTURE

### Sport Policy

In support of City Council's 2004–2007 vision to be a healthy, attractive and economically viable community, a Municipal Sport and Recreation Policy was developed in 2007 to help clearly define our role in supporting an active and healthy sport and recreation community. A steering committee comprised of elected officials, representatives from City of Lethbridge administration and members of the sport and recreation community was tasked with developing a strategic framework to guide policy, resulting in the discussion paper "In Pursuit of a Preferred Future". The community values found in the discussion paper have been thoughtfully considered and firmly entrenched within the municipal Sport and Recreation Policy.



### Sport Council

An idea that has been tossed around for many years got its wings this year with the development of the City's Sport Policy. As indicated by stakeholders through the policy planning process, local sport needed a body that can serve as one unified voice. The solution was to form a Sport Council. Several workshops were held late in 2007 with plans for implementation beginning early in 2008.



### Henderson Stadium Facility Expansion

It started in 2006 and the project was completed in 2007. The Henderson Stadium got a well deserved face–lift and makeover, with additional fencing, a broadcast booth upgrade, development of practice and maintenance areas, administration centre improvements, field development and more.



### Public Art Acquisition Policy

The new Public Art Acquisition Policy was adopted by City Council in 2007, allowing for a 1% allocation of funds from major capital projects to be earmarked for Public Art acquisition either in relation to the project or for future requirements. This fund will expand the artistic profile of our community and supports City Council's goals to make us a vibrant artistic community.



### 2009 55 Plus Winter games

In March 2007, the Lethbridge Sports Bid Committee submitted a bid to host the 2009 Alberta 55 Plus Winter Games. On June 20, the Alberta Sport, Recreation, Parks and Wildlife Foundation rewarded us by announcing that we would be the future host community of the inaugural games, making Lethbridge the "first–ever" to host these games. By fall we had our Chair of the Board in place, who in turn, over the next four months put together his Board of Directors. They will spend the next year planning the games, when over 1,000 participants, their families and spectators will be our guests for four days on February 19th through 22nd, 2009.

# Highlights and Achievements

## West Side Gym Expansion

City Council approved the expansion of the west side separate school gym. This expansion will increase the gym footprint for basketball, volleyball and related hard floor sports.



## Recreation & Culture Master Plan

With the conclusion of the master plan project in 2007, Council was given solid information about the status of all Lethbridge Recreation & Culture facilities. From this plan, Council was able to understand fully the needs in this area and as such approved future expansion for the following projects in the next ten year capital budget:

The Bowman Arts Centre, Southern Alberta Art Gallery (SAAG), Twinned Ice Arena, and the scoping study for potential new Performing Arts Centre).

This shows City Council's commitment to enhancing the art and sports in our community.

## University of Lethbridge Wellness Centre Grand Opening

In partnership with the City of Lethbridge, the new Wellness Centre at the University of Lethbridge opened in 2007. Home to Pronghorn Athletics, students, and the community as a whole, the facility offers prime fitness activities. The City of Lethbridge financial commitment ensures public access to the gym, track, fitness area, climbing wall and pool.

## Football & Track Stadium Project Initiated

Partnerships with the University of Lethbridge have been extremely successful for the City of Lethbridge. Answering the call to another sport and recreation need, was the Council approved Stadium project located on the University campus. Construction on this project started in 2007 and will be home to the Lethbridge Track & Field Club and Football within the city as well as other sports requiring outdoor playing space.

Setting the Scene for the Future.... 2007 was a Policy and Planning year, in which we built:

- Recreation & Culture Facilities Master Plan
- Sport Policy
- Special Event Grant Policy
- Public Art Acquisition Policy

# Highlights and Achievements

## RECREATION & CULTURE (CONTINUED)

### Combative Sports

Lethbridge has seen a steady, healthy increase in the number of Combative Sporting events over the past few years. 2007 brought the largest number of events and spectators with the sport still climbing in popularity. Lethbridge is fast becoming a leader in the support of these types of competitions.

### Expansion In Summer Ice Programming

Ice sport schools expanded in 2007, resulting in enough demand to keep two ice surfaces open. These schools and programs provide a unique summer activity for those who enjoy ice sports.

### Development of a Special Event Grant

The Community Event Support Program got its legs late in 2007. The intent of the program is to provide funding to help create strong healthy events in our community by assisting community, not-for-profit organizations maintain traditional events while initiating and developing new events.

### The "Buck Starts Here" Funding Conference

The City of Lethbridge recently hosted a day where not for profit organizations could review the grants and programs available to them. In excess of 120 not for profit organizations attended this one day workshop.

### Alberta Parks and Recreation Conference Committee

The City's Recreation, Parks and Culture and the Social Planning departments teamed up to put together the 2007 Alberta Recreation and Parks Conference program for the annual conference, which was held in Lake Louise in October. A large contingent of southern Alberta presenters showcased this part of the province and in particular the city in a variety of sessions over the three days.

This year's was the largest conference ever, with over 500 delegates.



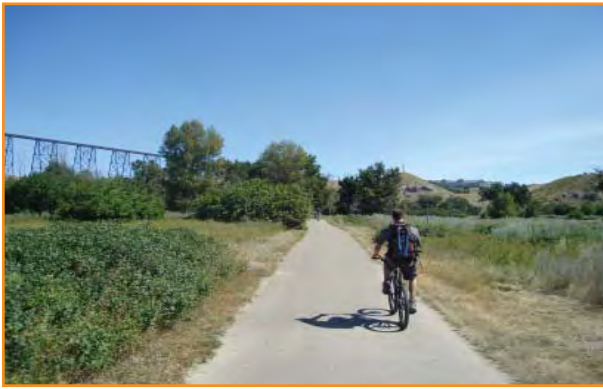
10 Community Group Projects received over \$465,000.00 in Funding Support in 2007

Over half a million people (574,064 ppl) utilized 13,170 hours of community ice time in our arenas in 2007

# Highlights and Achievements

## PARKS

### Parks Master Plan Bikeways and Pathways Plan



The City of Lethbridge is defined by a comprehensive parks system which includes two regional parks with an extensive river valley park presence. Quality of life is often measured by the amenities found in a city that make it a desirable place to work, play and raise families.

Parks Management is guided by the vision, "To be a healthy, attractive and economically viable city," as articulated in our Strategic Plans. The City has recognized and seized the opportunity to proactively develop a Parks Master Plan and a Bikeways and Pathways Master Plan to guide future park development, protect natural assets, increase accessibility

and re-develop these assets to meet current and future needs. Integral to the development of the Master Plan was a fully integrated public consultation process that actively engaged the community in decision making and planning.

### Indian Battle Park Stairs

This project included removal of the old wooden stairs and installing new metal stairs on the north side of the lookout. The new route to the lookout was completed using creative construction methods as it disturbed very little of the natural vegetation during construction. The builder used the existing CPR train bridge as inspiration in designing the metal stairs and the design fits well into the river valley park.



### Communities in Bloom

The Communities in Bloom Committee was formed to represent the community at large and the City of Lethbridge. To contribute to the cleanliness of the city, major efforts were made to make the "Pitch in Challenge" successful. The hanging flower basket program was expanded to 50 in an effort to beautify the downtown area. The committee hosted a delegation of judges who looked at the city and awarded the City of Lethbridge with a 5 Bloom award, the highest award possible in the National competition. The committee has been very engaged in planning for the City to host the 2008 National Parks and Grounds Symposium and Awards Ceremonies in September 2008.



### Nikka Yuko Japanese Garden Anniversary

On July 14, 2007 a "40th Anniversary" celebration took place at the Nikka Yuko Japanese Garden. Included in the celebration was the Grand Opening of the Visitor's Centre which was completed in the spring of 2007. Dignitaries attended from as far away as Japan and included the Landscape Architect who designed the garden.

Parks and Open space in Lethbridge (2,345 hectares) is approximately the same size as 68,000 residential yards

Lethbridge is home to:

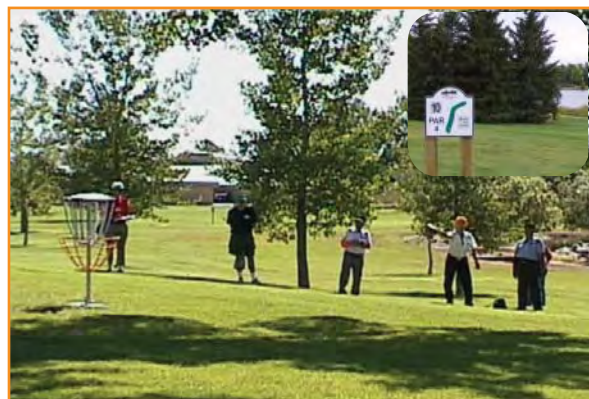
- 108 playgrounds with a replacement value of \$8.6 M
- 230 irrigation systems with a replacement value of \$35 M
- 143 Km of pathway with a replacement value of \$18.9 M

# Highlights and Achievements

## PARKS (CONTINUED)

### Nicholas Sheran Park Disc Golf Course Upgrade

The disc golf course in Nicholas Sheran Park was redesigned to improve the playability and the degree of difficulty of the course. New placement of tee boxes and baskets reduced conflict with other park use as well as making the course more functional to all levels of play. The improvements included new signs and tee box markers and lengthening the course to be the longest disc golf course in Canada. The new course was the venue for the 2007 Alberta Disc Golf Tournament.



### Henderson Lake Park Dock Project

The docks at Henderson Lake Park were increased in area to allow for additional mooring and public space during events. The addition of two new wings allows for an additional four boats to be moored bringing the total of eight slips available at the same time. At the 2007 Dragon Boat Festival, the extra dock space was well utilized and was appreciated by the festival organizers.



### Play Unit Replacement Program

Two play units were replaced last year under this program. Kinsmen and Gyro Parks had the play units removed and replaced. The program removed play units that no longer met CSA standards for play equipment. The renewal process includes the community as the stakeholder.



### Nicholas Sheran Irrigation Pump Station

Pumps, motors and controls were changed out. Replacement of the equipment will reduce future maintenance costs through the use of the variable speed drives and provides a product that is compatible with existing infrastructure resulting in improved performance.

### Treated Effluent Irrigation at Peenaquim Softball Valley

Installation of a new pump station at the Sewage Treatment Plant enables using treated effluent for irrigation for the softball fields at Peenaquim Park. Outcomes include higher efficiency of the pumps, decreased wear on the parts due to softer water, increased productivity due to fewer pump shut downs, reduced maintenance time and healthy turf resulting in a better product for the users of Peenaquim Park. The use of treated effluent reduces the demand on the City's fresh water supply.



### Mountain View Cemetery Irrigation Automation

Phase 2 of the automation project changes the irrigation delivery method from an above ground, manual move surface pipe system to an underground automatic system, resulting in less manpower required for daily operations and a consistent amount of water applied at the right time, creating optimized turf growth and water use efficiencies. The completed project will produce a pumping station capable of meeting the design criteria, reduce maintenance and provide an improved level of performance.

# Highlights and Achievements

## CEMETERY

### Grave Leveling Project

In 2006, a concentrated effort was made to re-establish the surface of the cemetery across existing graves due to the natural tendency for graves to settle. This has provided the public and staff a much safer access to plots and to further assist in maintenance programs. In 2006 approximately 2000 graves were restored.

With the success in 2006, this project was continued in to 2007 where approximately 2800 more graves were restored to a more aesthetically pleasing, functional appearance. Cemetery Operations will continue this project in 2008.



### Archmount Cemetery Drainage Study

Archmount Cemetery, one of three existing cemeteries in the City, is located in West Lethbridge on Westside Drive. The lie of the cemetery, its soil conditions, high water table and past irrigation practices have all contributed to the problematic water conditions in Archmount Cemetery. An Engineering Consultant was retained to undertake a study to determine methods of lowering the water table and secondly, to implement improved irrigation practices to help correct these problems. The results of the study will be used to implement a drainage plan in 2008.



### Future Cemetery Planning

Cemeteries in Lethbridge have existed since 1883 when the first formal cemetery was established in the river bottom by a Roman Catholic mission. Currently there are three cemeteries in Lethbridge; St. Patrick's, Archmount and Mountain View. St. Patrick's is considered full or inactive and both Archmount and Mountain View are nearing capacity. If the current level of sales continues, the cemeteries will only have about five to seven (5 to 7) years worth of space.

Cemetery Management has been working on a new Cemetery Plan, initially discussing and analyzing different scenarios for the future. This will help guide us in planning for appropriate interment options, identifying trends in the industry and to optimize land use and better target revenues. We will continue to meet community expectations and to make improvements in our operations.



### Cemetery Trees and Shrubs

Cemetery operations have cultivated another partnership with Parks Operations, particularly the Urban Forestry Operations. Trees and shrubs maintenance within our cemeteries has been moved to Parks Operations so that the same level of care and maintenance can be given to the cemetery trees and shrubs as the rest of the Parks system. The trees and shrubs have been included in the Urban Forestry inventory and will be put on a regularly scheduled pruning program. This will be an ongoing process.



Of the 30,800 Cemetery plots in Lethbridge all but approximately 7,000 are used.

# Highlights and Achievements

## PUBLIC OPERATIONS

During the first week of June, Parks Operations staff work with different youth groups to teach them the fundamentals of flower planting and to build a sense of community spirit and pride. The Boys and Girls Club plant at the club house located at Adams Park. The Brownies plant at the Henderson Lake Park Rose Garden and the Girl Guides plant at Nicholas Sheran swimming pool. This is a yearly program that was started by the Brownies in 1992 to get their gardening badge.



A crew of ten Parks Operations summer staff maintains over 400 ornamental shrub beds within our park areas during the summer season.



Pathways and shrub beds are maintained and upgraded during the summer season.



The City of Lethbridge recognizes its obligation to protect all bodies of water by incorporating a sound Operations and Management Plan through various means.



The removal of accumulated debris, weed control of armor shoring, short term aquatic weed control, the monitoring and adjustment of water levels is carried out by Parks Operations staff. Parks Operations also work closely with Amenity Maintenance with the installation, maintenance, operation and removal of water acidifiers and circulators.

# Highlights and Achievements



In 2007, projects sponsored or partnered by the Communities in Bloom Committee included the spring and fall Plant Exchange at the City Hall complex, the Front Yard of the Week recognition program, hanging baskets for the downtown business district and the Spring Litter Blitz.

Our final mark from the 2007 Judging Tour was 88.45% an increase from 2006. The City of Lethbridge received 5 Blooms and special mention for "Citizen Recognition".



Parks Operations set up an "Equipment Display" at Galt Gardens as part of the Judging Tour. This display was also open to the public, with staff available for questions related to equipment or park operations.



The Communities in Bloom Committee is hosting the 2008 Parks and Grounds Symposium and Awards Ceremony in September and its many volunteers are presently working hard in preparing for this significant event in our city.

Park Audits are conducted randomly bi-weekly throughout the summer months by Parks Operations foreman. These foremen represent all aspects of parks maintenance and can contribute a variety of expert observations. The Park Audit is a valuable tool/program that can identify hazards, problems and short-comings in the park while assigning an overall score with corrective actions and responsibilities.



# Highlights and Achievements

## REAL ESTATE AND LAND DEVELOPMENT

### RESIDENTIAL



RiverStone continues to be one of the Lethbridge's most popular residential subdivision developments. In early summer a total of 57 lots were released in Phase 10 and were completely sold out. This brings the total number of developed lots to 642 since the subdivision started in 2000.

In 2008, RiverStone will see both Phase 12 (40 lots) and Phase 15 (approximately 40 lots) released in the spring to early summer. Phase 12 will be a continuation of lot product that the public has seen in previous phases; however, Phase 15 will feature larger lots and some lots with panoramic coulee views.



SunRidge has really taken off in 2007. Phase 2 (99 lots) was the original release and 94% of the lots have building permits issued to date. Phase 1A (61 lots) has a high number of building permits issued – 80% and Phase 1B (64 lots) has building permits issued to 35% of the lots. 2007 also saw the start of a 48 unit multifamily site; scheduled to be completed in 2008. Phase 3A will be the next release in SunRidge scheduled for late spring of 2008.

## The Crossings

The Crossings, formerly known as Benton Crossing, has seen a tremendous amount of activity with the completion of site grading and the installation of storm water piping to connect the integrated sports field and storm water management facilities together. October saw the construction start on the high schools and library. These two key projects will be at the centre of the development.

The name of the subdivision has changed to "The Crossings". The new name denotes that the area is to be a gathering space where people can cross paths to enjoy a pedestrian friendly community that promotes densification, commercial enterprise along with education and culture.



# Highlights and Achievements

## BUSINESS & INDUSTRIAL



Servicing work has come to near completion in the area with only a small amount of landscaping and entry features to be done in the spring of 2008. Two significant events occurred in 2007, the first being the opening of the new Wal-Mart site in November and the second being the sale of 25.7 acres of land to Triple M Housing. These events will bring both services and employment opportunities into the area.



2000–2007 642 lots sold RiverStone

2004–2007 224 lots sold SunRidge

2007 Construction starts 2 schools & library in The Crossings

2007 Wal-Mart opens in Sherring Business & Industrial Park

# Highlights and Achievements

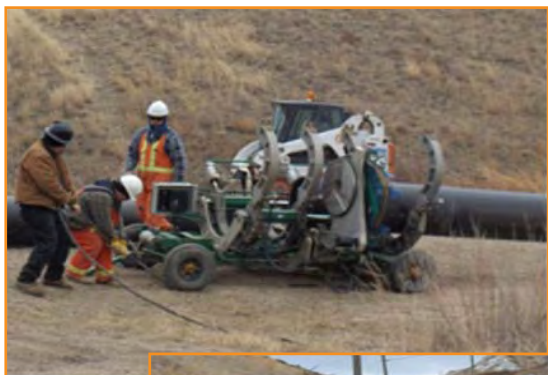
## INFRASTRUCTURE SERVICES

### Legacy Ridge stage 2 & 3 Stormwater Drypond

During 2007, the major portion of work required to provide storm water management to portions of the Legacy Ridge Development and Hardieville was completed. The project was a combined effort involving two developers, and multiple departments of the City of Lethbridge. Funding for the project came from Offsite Levies, Water and Waste Water Utilities as well as from the benefiting developers. The total value of the project is estimated at \$1.7 million dollars.



### Sanitary Sewer Main Replacement Project to the Wastewater Treatment Plant



This project replaced a sanitary main in the coulee upstream of the wastewater treatment plant that collapsed due to high concentrations of H<sub>2</sub>S gas that corroded the concrete pipe. The Water & Wastewater Construction crew took on the task of renewing the sewer main in the winter months. The new pipe was made of High Density Polyethylene (HDPE) pipe because of its resistance to H<sub>2</sub>S gas corrosion. Special training and equipment was needed to butt-fuse the pipe joints. The total length of the renewal was approximately 2000 metres and was complicated by bends in the natural lay of the coulee, steep grades and cold weather. This was the first time city crews had performed an installation of this type and did an excellent job.

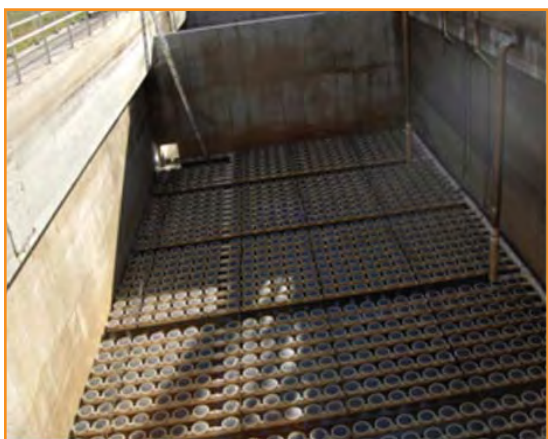


### New Southeast Reservoir

Construction of the new water storage reservoir and pump station in Southeast Lethbridge was completed in the summer of 2007. The \$8.5 million project improves delivery pressures and fire protection in existing and new neighbourhoods in the area. The underground concrete structure is capable of storing up to 24 million liters of potable water.



### Fine Bubble Aeration Project Wastewater Treatment Plant



New air diffusers to deliver smaller (fine) bubbles were installed into the plant bioreactors in 2007 to further improve the oxygen transfer to the bacteria making the system more efficient. An earlier phase of this project included the replacement of three old 900 kilowatt blowers with higher efficiency models of the same size. The benefits of the \$3.6 million project include reduced power consumption, lower maintenance costs and increased plant capacity.

# Highlights and Achievements

## INFRASTRUCTURE SERVICES

### Pathway Rehabilitation Program

In 2007, the Pathway Maintenance Program involved the rehabilitation of approximately 9 kilometers of the City of Lethbridge's asphalt and shale pathway networks. As well, in 2006, the City of Lethbridge continued to build an inventory system that, upon completion, will be used to analyze and assess the condition of the 130 kilometers of pathways that exist within the city. The city spends \$175,000 annually on pathway maintenance.



### Sidewalk Rehabilitation Program

In 2007, the Sidewalk Rehabilitation Program consisted of the replacement of approximately 2.9 kilometers of sidewalk, the replacement and new installation of approximately 70 wheelchair accessibility ramps and the grinding of potential "tripping" hazards in over 4,500 locations. The locations for major sidewalk replacements can be found in the City's annual "What's in the Works" map. The City of Lethbridge performs a condition assessment on approximately one-fifth of its sidewalk system annually through the use of a sidewalk inventory system.

### Overlay Program

In 2007, the Asphalt Overlay Program consisted of approximately 9.9km of pavement rehabilitation of selected arterial, collector and local roadways throughout the city. This Overlay Program rehabilitates approximately 5% of the city's total roadway network annually. As well, preventative maintenance testing is performed on one-third of the city's entire roadwork annually.



### Arterial Improvements

Improvements to 26th Avenue North and 28th Street North altering the driving lanes to full ultimate roadway adjacent to the new commercial development in Sherring Industrial and Business Park, including the Wal-Mart store.

Intersection and traffic signalization were also added to reduce traffic congestion to the City's newest commercial and industrial developments.

### EXISTING INFRASTRUCTURE

| Neighbourhoods |        | Arterials |       |
|----------------|--------|-----------|-------|
| Street lights  | 85,000 | Lights    | 3,000 |
| Sidewalks      | 426km  | Sidewalks | 35km  |
| Lanes          | 194Km  | Roadways  | 86km  |
| Pathways       | 8.3KM  | Pathways  | 30km  |

## WASTE & RECYCLING

The purpose of the City of Lethbridge Waste and Recycling Services is to provide the community with an integrated and sustainable waste management system so as to maintain a clean, healthy urban environment.

Waste & Recycling Services promotes sustainability in the community by developing a number of programs that provide waste reduction options.



Yard Waste



Although grass recycling and composting programs in the city have been successful, it was believed that even higher rates of organics diversion were possible. In the spring of 2006, the City piloted its first grass drop-off site. This site was so well received that the pilot was expanded to include leaves and other yard waste, and two more sites were erected. This pilot was made successful through the collaboration of Community Services which provided site locations, Waste & Recycling Services which installed and operated the sites, and the Parks Department which composted the material. Through this collaboration, it is estimated that 420,000 kilograms of yard waste was collected for composting.

### Recycling Depots

Seven recycling depots are located conveniently throughout the City of Lethbridge and accept newspaper, cardboard, plastic, metal and glass.

In 2007 Waste & Recycling Services introduced new plastic bag recycling containers at each of the seven recycling depots.



### Toxic/EWaste

Waste & Recycling Services also provides opportunities for Lethbridge residents to safely dispose of household hazardous waste and e-waste by offering Toxic/EWaste Round-ups seven times a year between April and October.



## Lethbridge Pitch-in Canada "20 minute makeover" 2007

The City of Lethbridge and Communities in Bloom partnered to expand the pitch-in program for 2007. The program focuses on a "20 minute makeover" of our community, school grounds, businesses and commercial and residential areas. In 2007, there were 10,000 participants in Lethbridge.



## Waste Reduction Master Plan Residential Customer Survey

The City of Lethbridge conducted a survey which is step one of a Waste Reduction Master Planning process. 839 individuals completed the survey. The goal of the Master Plan is to reduce waste disposed at the landfill and ensure the most effective use of resources. The information collected will be used for consideration in planning, budgeting and developing future waste reduction programs.

In October 2007, the Government of Alberta announced its long-term waste strategy, "Too Good to Waste", with a goal of reducing material disposed of in landfills. Alberta leads the country in per capita disposal of municipal solid waste. Currently, around 80% of waste is disposed of at the landfill with only 20% being recycled or recovered. The Government of Alberta recognizes that at least 80% of material currently disposed of at municipal landfills could be put to some productive use, resulting in less than 20% disposal at the landfill. Strategies and actions to achieve this outcome would move Albertans towards a more sustainable position.

The City of Lethbridge is committed to environmental sustainability and has engaged Sonnevera International Corp. to prepare a Waste Reduction Master Plan that will assist in conserving resources. This plan will evaluate current programs and propose options that will reduce overall landfill disposal.



420,000 Kilograms yard waste collected for compost

7 Recycling Depots

7 Toxic/EWaste Round-Ups

# Highlights and Achievements

## ENVIRONMENTAL SERVICES

### Enviroscope

Environmental Services newsletter, *Enviroscope* was created in 2005 and publishes 4 issues annually. *Enviroscope* newsletter was created to provide a diverse audience access to information related to environmental management and urban sustainability in Southern Alberta. As a forum for sharing ideas and promoting sustainability, this publication aims to illustrate eco-minded concepts that are relevant to the community of Lethbridge.

### The Lethbridge H<sub>2</sub>O Challenge

During June and July 2007, Environmental Services offered one free outdoor water conservation kit to the first 50 households who joined the Lethbridge H<sub>2</sub>O Challenge.

Environmental Services, City of Lethbridge kicked off their new water program June 8th during Environment Week. The program, The Lethbridge H<sub>2</sub>O Challenge, targeted outdoor water conservation during the summer months. The challenge was designed to provide information and tools for households interested in saving water and practicing "greener" gardening techniques.



### Making of a Constructed Wetland

SunRidge is Lethbridge's first BuiltGreen subdivision. Developed by the City, each home in the subdivision is expected to meet BuiltGreen standards (LEED Bronze). Solar panels provide power for lights at major intersections and for a community trash compactor.

Water in the ponds comes from Lethbridge Northern Irrigation District (LNID) to create this unique constructed wetland park. The Oldman Watershed Council is sponsoring a series of 10 wetland interpretive signs, and these were unveiled as the kick-off to Environment Week.



### Lethbridge Urban Stewardship Lab

This event was a fun mini film festival on urban farming, sustainability, organic gardening and much more. Three films were screened, refreshments and information on community programs such as the Lethbridge H<sub>2</sub>O Challenge, the Lethbridge Green Map project and The Urban Farming Society.



Soap Weed

### Waves of Changes - University of Lethbridge and LPIRG (Lethbridge Public Interest Research Group)

Environmental Services hosted a xeriscaping display at the Water Display Show on Wednesday January 24th, 2007.

Xeriscape is a combination of seven common-sense gardening principles that save water while creating a lush and colorful landscape:

Plan & Design, Practical Turf Areas, Low Water Plants, Soil Amendments, Use of Mulches, Irrigation, Landscape.

# Highlights and Achievements

## University of Lethbridge Bridge Days 2007

Environmental Services hosted an educational booth at the University of Lethbridge Environmental Fair. The display featured a large map of Lethbridge where participants could add tags listing green/eco/sustainable/recycling... etcetera locations in Lethbridge. This activity marked the beginning of a greenmap project for Lethbridge. Additionally at the display, there was information on Lethbridge tap water, water conservation, xeriscaping, World Water Day and water use at home. At the booth, 100 Lethbridge Tap Water bottles were distributed to appreciative students.



## Yellow Fish Road Program

The City of Lethbridge partnered with Trout Unlimited and the Oldman Watershed Council to educate residents about stormwater through the Yellow Fish Road program. Youth aged 7 to 15 competed to paint the most yellow fish on storm drains and deliver yellow fish door hangers to surrounding homes. The fish and slogan "no dumping" remind residents that anything dumped down a storm drain or run off from their yards ends up directly in the Oldman River, untreated. 82 youth volunteers and 18 adults from the 1st Lethbridge Pathfinders and It's a BLAST painted 182 fish around the city and delivered 702 door hangers. The winning team that painted the most fish won a three month pass to the City's pools and skating rinks. A wind up pizza party was also held to thank all the youth and adult volunteers.



## The Home and Garden Show 2007

The Lethbridge Environment Week Committee and the Oldman Watershed Council Urban Team hosted a large display on water conservation, wetlands and xeriscaping at this year's Home & Garden Show. A rainbarrel was given out as one of the many draw prizes.

## The 12 Green Days of Christmas

Over 12 days, the City of Lethbridge shared some fun and festive tips to help the community save time, resources and the environment while celebrating their joyful holiday traditions. The campaign consisted of radio adds to link individuals with the City of Lethbridge website.

On December 23rd, a draw was held for a "12 Days" gift basket that contained the following items: homemade and fair trade Christmas decorations, LED string lights, an indoor Norfolk pine plant, fabric gift bags, a free range chicken and some locally produced veggies, a gift certificate for 10,000 Villages (a fair trade store in Lethbridge), a gift certificate to a used book store, an adoption of an arctic animal, a composter and two packs of compact fluorescent light bulbs.



## ECONOMIC DEVELOPMENT

### Lethbridge Ranked in the Top 10 of National Survey for Best to Invest Canada

Lethbridge has ranked in the top 10 of the “Best to Invest Canada 2007” rankings as published by **Site Selection Magazine**. The city of Lethbridge tied at No. 9 in the Overall Top Canadian Metro category. Alberta was also cited in the results as the most competitive Canadian province.

Tied with Lethbridge in Overall Top Canadian Metro category are Vancouver, British Columbia; Charlottetown, Prince Edward Island; and St. John’s, Newfoundland. First, second and third place rankings were awarded to Toronto, Ontario; Montreal, Quebec; and Edmonton, Alberta respectively. The Overall Top Canadian Metro category is measured by the number of new corporate projects and expansions in the city.

This is a validation of the attributes of our city as well as our ability to attract and retain business and industry investors. Their choice of Lethbridge as the place to establish or grow their business means Lethbridge has a solid foundation for industry growth and that our city is competitive with major centres across Canada.

### In 2007, City Council declared Ammolite – one of nature’s rarest gems – to be Lethbridge’s Official Gemstone



“Rare and beautiful with iridescent colours ranging from the brightest red to radiant blue.”

First discovered in southern Alberta in 1978 and given official gemstone status in 1981, Ammolite, with its glorious colours, is truly a wonder of nature. It is formed from Ammonites, which are an ancient marine fossil. Although fossilized ammonites are found worldwide, it is only in this one isolated region in southern Alberta that this deposit produces the gemstone Ammolite. Seventy-one million years of tectonic pressure, heat and mineralization have resulted in the formation of this geological wonder. The supply of this gemstone is extremely limited and, with only this one area for mining, Lethbridge is home to one of nature’s rarest gems, Ammolite.

### Canadian Antiques Roadshow comes to Lethbridge

During the winter, Economic Development Lethbridge and the City of Lethbridge worked together to win the bid to host the Canadian Antiques Roadshow. Taped in May from the Lethbridge & District Exhibition (who generously donated the space and time) the event attracted nearly 2,000 antiques enthusiasts. As they waited in line to have their treasures appraised they enjoyed visiting and interacting with Roadshow staff including host Valerie Pringle. The first show aired in November to approximately 500,000 viewers with a great opening filmed at Fort Whoop-Up. The remainder of the shows will air in 2008 during prime season. The national media exposure of the Canadian Antiques Roadshow for five Lethbridge shows is anticipated to be nearly \$2.5 million.



The Roadshow appraisers were impressed to see what they call “true antiques” at the Lethbridge event; these are pieces that have been passed down from generation to generation and the family story has its roots in the piece. Lethbridge was the only city on the six-city tour to have five instead of four shows taped. The quality of the artifacts and their stories, along with the great array they had to choose from, were contributing factors. The Roadshow staff claimed that the team of 25 Lethbridge volunteers were the best they have worked with in Canadian Antiques Roadshow history!

# Audit Committee

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Lethbridge City Council is responsible for ensuring that City Administration fulfils its responsibilities for financial reporting, internal control and risk management. To assist City Council with these responsibilities, a City Council appointed Audit Committee has been established, primarily to:

- Monitor the Internal Controls over Financial Reporting (ICFR) including the policies, procedures and internal control mechanisms in place to ensure the accuracy, completeness and timely preparation of the City's financial reports and financial statements
- Monitor the independence and performance of the Auditors
- Provide an avenue of communication among City Council, Administration and the Auditors
- Identify and monitor the principal risks that could impact financial reporting of the City
- Oversee risk management including risk identification, analysis and management procedures to minimize the City's exposure to loss

The City's Audit Committee oversees the activities of the external auditors to help ensure Administration's accountability to Council. The Audit Committee reviews the audit plan, year-end audit results, summary of audit differences, the Auditor's report and the management letter. To fulfil the City's provincially legislated audit requirements, the Committee engaged the external auditor, KPMG <sub>LLP</sub> who carried out the audit of the City of Lethbridge's financial statements, in accordance with generally accepted auditing standards. The external auditors have full and unrestricted access to the Audit Committee to discuss their audit and related findings, as to the integrity of the City's financial statements and related processes.

Other key activities completed by the Audit Committee during the year included:

- Considered internal controls and financial risks facing the City, including information technology systems
- Reviewed annual financial statements, discussed these with Administration and Auditors and recommended approval to City Council
- Discussed the appropriateness of accounting principles, critical accounting policies and management judgments and estimates
- Reviewed legal matters with the City Solicitor
- Reviewed financial personnel succession planning
- Participated in education sessions related to effective internal controls
- Discussed upcoming accounting regulation changes and how they will affect future financial reporting

The Audit Committee membership consists of the Mayor and four Council members one of whom acts as an alternate.

The Audit Committee maintains formal, comprehensive Terms of Reference which it reviews, at a minimum, in April in the year of a municipal election to ensure they reflect best governance practices.



Rajko Dodic  
Alderman  
Chairman, Audit Committee  
April 3, 2008

**For the Year Ended December 31, 2007**

**His Worship, Mayor R. D. Tarleck  
And Members of Council of the  
City of Lethbridge**

The City of Lethbridge's 2007 Annual Report provides information to taxpayers and other members of the public about the City's 2007 financial performance. In addition, this report describes some of the City's major financial policies, provides an assessment of the City's general economic condition and highlights some of our accomplishments.

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of the City of Lethbridge and all other information contained in the annual report are prepared and presented by management, which is responsible for their accuracy, objectivity and completeness. The responsibility includes presenting the statements in accordance with Canadian generally accepted accounting principles for local governments and in conformance to the requirements of the Municipal Government Act of the Province of Alberta. The preparation of the statements necessarily involves the use of estimates, which are made using careful judgment.

Management is responsible for maintaining a system of internal controls designed to provide reasonable assurance as to the reliability of financial information and the safeguarding of assets.

City Council has the ultimate responsibility for these financial statements. City Council oversees management's responsibilities for financial reporting through an Audit Committee, which is composed of the Mayor, and four aldermen, one of whom acts as an alternate. The Audit Committee reviews the financial statements and recommends them to City Council for approval.

To carry out its duties, the Audit Committee reviews the annual financial statements, as well as issues related to them. The Audit Committee also assesses the effectiveness of internal controls over the accounting and financial reporting systems. The Audit Committee's review of financial reports includes an assessment of key management estimates and judgments material to the financial results.

KPMG<sub>LLP</sub>, the external auditor appointed by City Council has audited our financial statements. They have full unrestricted access to the Audit Committee to discuss their findings, including the fairness of financial reporting and the adequacy of internal controls.

## OPERATING RESULTS

December 31, 2007, marks the end of the second year of the City of Lethbridge's three year budget cycle (for the years 2006 to 2008). To accommodate the three year budget cycle, Business Units are expected to operate within their approved 36 month budget. As reflected in the Summary of Fiscal Principles, Practices and Policies, if there is a shortfall in the first two years, Business Units are expected to overcome the deficit by adjusting expenditures in the following year (2008); and if the first two years experience resulted in a net surplus, the Business Units have the ability to carry over the surplus to assist their operations in the final year. As part of this model, any corporate surplus from 2007 is transferred to the Municipal Revenue Stabilization Reserve (MRSR).

The General Fund generated a 2007 Corporate surplus of \$1.4 million (2006 – \$2.4 million). The largest contribution to this surplus was higher than budgeted property taxes, revenues from construction permits and development fees, and lower than anticipated costs for employee benefits. This surplus will be transferred to the MRSR. The net carry forward (to 2008–2009) for the General Fund Business units equals \$1.8 million (or approximately 2% of the 2007 budget).

For 2007, the Utility Fund experienced a surplus of \$2,529,000 (2006 – \$826,000). This surplus was primarily attributable to the Electric Utility operations .

## CAPITAL EXPENDITURES

During 2007, \$64.4 million (2006, \$77.2 million) was expended on capital. A summary of the most significant expenditures is as follows:

|  |            |            |
|--|------------|------------|
| Subdivision development  |            | 25,646,796 |
| Residential Subdivisions (Copperwood, SunRidge, RiverStone)    | 10,329,200 |            |
| Sherring Business and Industrial Park                          | 9,835,700  |            |
| The Crossings  | 5,481,896  |            |
| Electric Capital Projects                                      |            | 9,183,500  |
| West Lethbridge Center - Integrated Storm Water / Sportsfields |            | 4,803,800  |
| 26 Av 28-31 St N Upgrade                                       |            | 4,510,900  |
| Land Purchase - College Farms                                  |            | 3,201,400  |
| Vehicle & Equipment Purchases                                  |            | 2,341,300  |
| Downtown Fire Station - land purchase                          |            | 2,234,300  |
| Watermain Renewal Program                                      |            | 1,598,200  |
| Regional Wellness Centre                                       |            | 1,500,000  |
| Galt Gardens - Rotary Centennial Plaza                         |            | 1,156,600  |
| Capital Asset Management Project                               |            | 1,117,200  |
| 2007 Arterials   |            | 927,300    |
| 2007 Sidewalk Renewal & Boulevard Construction                 |            | 895,500    |
| Southeast Reservoir  |            | 747,900    |
| SHIA Phase II Project  |            | 697,000    |
| 43 Street South - Hwy 4 - Hwy 5 South Gate                     |            | 690,800    |
| 2007 Street Upgrading  |            | 684,900    |
| West Lethbridge Library  |            | 651,600    |
| University Dr Whoop Up - McGill Blv                            |            | 598,800    |
| University Dr Top Lift Paving                                  |            | 562,900    |

In June of 2007, City Council approved the 2008-2017 Capital Improvement Program (CIP). This CIP combines city funding with grants and other funding to advance projects totalling \$260 million over the three years from 2008-2011. The completed and proposed capital projects continue to address infrastructure needs and growth of the City of Lethbridge.

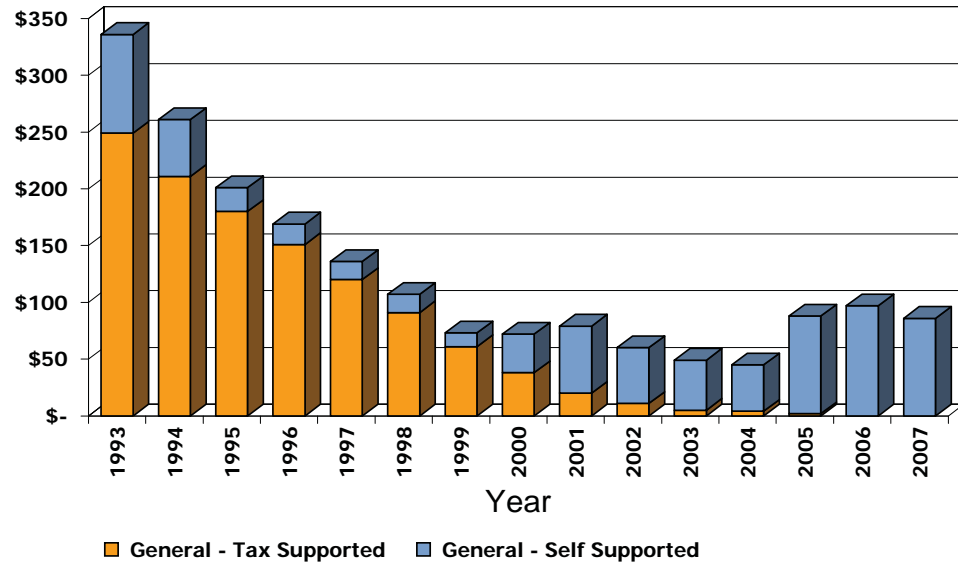
## FINANCIAL POLICIES

Lethbridge has a proven track record of prudent, yet innovative financial management. Over the past few years Council has adopted several long-term financial policies necessary to ensure that the City of Lethbridge continues to offer an attractive tax and utility rate environment to businesses and our citizens. These policies have been included in a compendium document called "Summary of Fiscal Principles, Practices, and Policies".

### Debt Management/ Pay-As-You-Go

During the period of high growth/investment in the late 1970's and 1980's, the City borrowed extensively to fund these capital costs. Our debt peaked in 1989 at a level of \$76.9 million. In 1989, City Council adopted a policy of Pay-As-You-Go financing for general municipal (non-utility) capital expenditures. A complementary policy was that of utilizing City reserves to internally finance larger capital works. Since these policies were introduced, no additional tax supported debentures have been issued, and Lethbridge became free of its tax supported debt by May 2006.

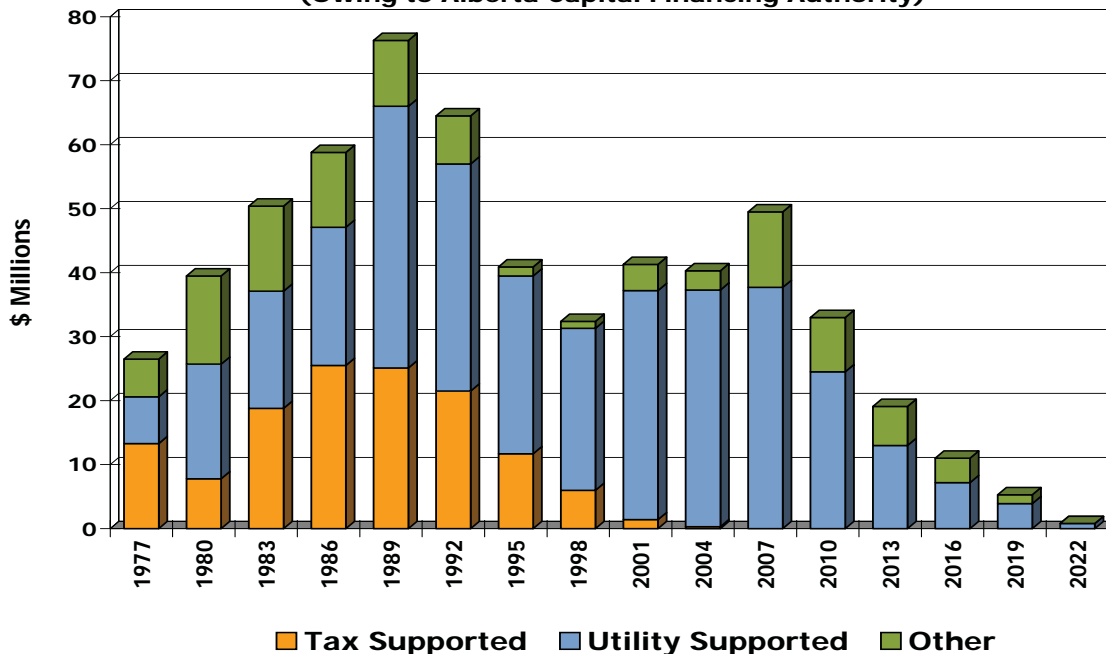
### Debt per Capita General Fund



Under this program, the level of capital expenditure is controlled; however, because maintenance is recognized as a high priority, the City's existing infrastructure and facilities are not being compromised. During this time frame, the City has also completed a number of significant capital projects including a new City Hall, a new Police Station, Indoor Soccer Complex, Museum Expansion Cogeneration facility at the Wastewater Treatment Plant, replacement of the river valley Electrical Substation, and several significant roadway improvements, including Mayor Magrath Drive and University Drive widening.

### Total Debt

(Owing to Alberta Capital Financing Authority)



## INVESTMENT POLICY

The City of Lethbridge's investment policy was recently recertified by the Association of Public Treasurers of United States and Canada. Our investment policy provides direction on all investment matters with overall objectives of safety, liquidity, return on investment, and maintaining public trust.

The City of Lethbridge maintains a significant investment portfolio. The size of this portfolio fluctuates from year to year depending on requirements for internal financing for capital projects. Nevertheless, it represents a significant source of capital for City investment income. All investment income is credited to the Municipal Revenue Stabilization Reserve, which is used to stabilize the effects of fluctuating investment revenues on the operating budget.

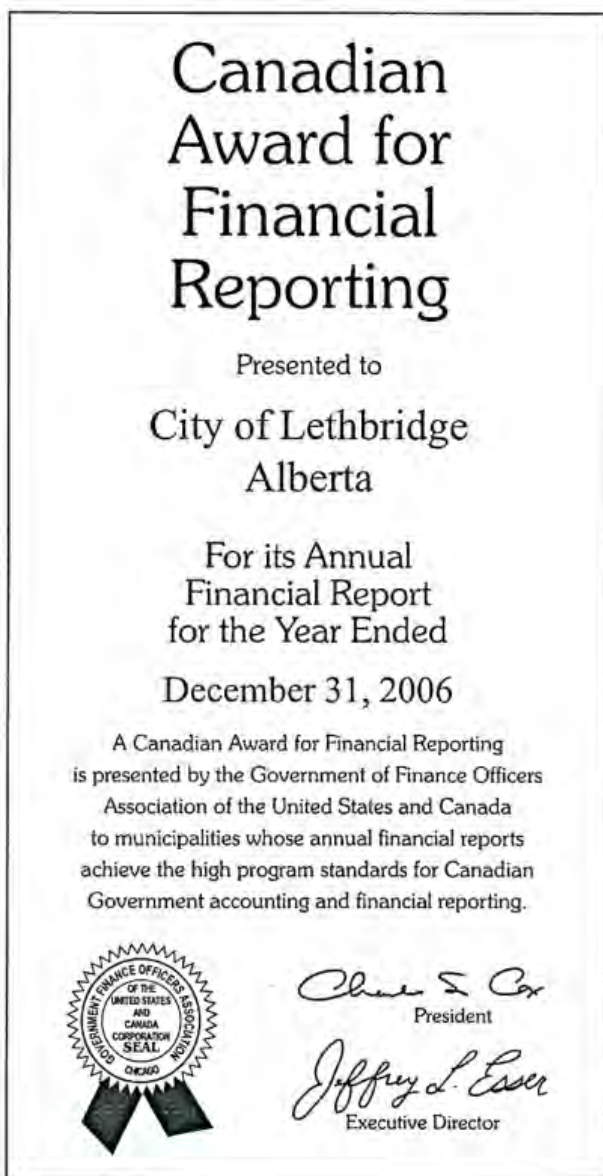


## CANADIAN AWARD FOR FINANCIAL REPORTING

For the eleventh consecutive year, the Government Finance Officers Association (GFOA) of the United States and Canada presented the Canadian Award for Financial Reporting to the City of Lethbridge for its annual financial report for the fiscal year ended December 31, 2006. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to receive a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

The Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements. As part of our continuing effort to achieve reporting excellence, we will submit this 2007 annual financial report to the GFOA for review.



## ECONOMIC CONDITIONS

Strong industrial and commercial growth continues to support growth in the residential sector, as people come to the city to work and stay to enjoy the quality of life in Lethbridge. In 2007, the total value of building permits issued by the City grew from \$207 million to \$220 million, up 6% over 2006.

This rise in the value of building permits is a demonstration of the sustainable vitality of this community. It means we are achieving our goal of building a development friendly city, while continuing to maintain our quality of life valued by our residents. The whole of the development and construction industry is inter-related, each contributing to a healthy community and a healthy economy. Employment opportunities provided by new industry and construction, supports the demand for services and the housing market. The dollar value of these building permits is an indicator of the city's success in attracting its share of the economic boom experience by the Province as a whole.

In 2007, 2,900 permits were issued with a total value of just under \$109 million for residential construction. Although the residential real estate sector saw the average price of homes increase to \$264,600; the number of homes sold decreased by 7%. As well, Lethbridge had continued growth in the commercial, industrial and institutional sectors with 396 permits issued for these sectors and a construction value of over \$111 million.

The regional unemployment rate continued to be low with December 2007 at 4.3%; again below the national average of 5.9%. Vacancy rates in 2007 were extremely low at 0.4%.

## CONCLUSION

The results of our second year of the 2006–2008 budget cycle are very pleasing. The Business Units performed very responsibly and are the reason for our success. In addition to the financial results, the Corporation was able to redirect significant hours of preparation, study and debate of the budget to completing some of City Council's priorities and strategic goals.

The City's strong financial position is a reflection of Council's commitment to the prudent, yet innovative long term financial policies that have served us so well. As we look to the future, it is essential that we do not rest on our past accomplishments. Instead, we must continue to be innovative in balancing long-term fiscal responsibility with customer needs.

The issues of "infrastructure deficit" and "municipal sustainability" are recognized by all levels of government as significant issues for Canadian municipalities. The federal government through changes to its GST rebate program and the New Deal for Canadian Cities (gas tax revenue sharing program and the special transit grant) has committed to long-term, predictable funding for municipalities. The Provincial Municipal Sustainability Initiative (MSI) will provide capital funding over a ten year period to 2017 to assist in meeting growth-related challenges and enhance long-term sustainability. In addition, the City of Lethbridge continues to benefit from the Alberta Municipal Infrastructure Program Grant. These long term funding relationships with the Federal and Provincial governments along with City Council's commitment to strategic infrastructure investment will be of great value in helping the City of Lethbridge address its infrastructure deficit and deal with the pressures of a growing community.

In closing, I am confident the City of Lethbridge is well positioned to face any challenge, make the most of its opportunities, preserve its outstanding quality of life, and generally demonstrate that Lethbridge is **THE** place to live and do business.

Respectfully submitted,



Garth Sherwin, CA  
Chief Financial Officer  
April 3, 2008



# Management Report

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The 2007 Annual Report of the City of Lethbridge, including the financial statements, is the responsibility of management.

The financial statements are prepared by management, using the accounting principles disclosed in the notes to these statements. They include some amounts that are based on the best estimates and judgements of management. Financial data elsewhere in the report is consistent with that in the financial statements.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

City Council fulfils its responsibility for financial reporting through its Audit Committee. The Audit Committee consists of the Mayor and four Aldermen, one of whom acts as an alternate, who meet to review financial controls and reporting matters.

KPMG<sub>LLP</sub> has been appointed by City Council to express an opinion on the City's consolidated financial statements. Their report follows.



**Garth Sherwin, CA**  
**Director of Corporate Services**  
**and Chief Financial Officer**  
**April 3, 2008**



# Auditors' Report

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To His Worship the Mayor and Members of Council of  
The City of Lethbridge

We have audited the consolidated balance sheet of the City of Lethbridge as at December 31, 2007 and the consolidated statements of revenues and expenditures and cash flows for the year then ended. These financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City of Lethbridge as at December 31, 2007 and the results of its financial activities and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants  
Lethbridge, Canada  
November 27, 2008



# Consolidated Balance Sheet

As at December 31, 2007 (in thousands of dollars)

|  |             | 2007       | 2006       |
|--|-------------|------------|------------|
| <b>FINANCIAL ASSETS</b>                  |             |            |            |
| Cash and cash equivalents                | - Note 2    | \$ 20,684  | \$ 7,651   |
| Investments                              | - Note 3    | 124,420    | 119,173    |
| Receivables                              | - Note 4    | 25,560     | 23,511     |
| Land held for resale                     |             | 23,148     | 14,996     |
| CentreSite investment                    | - Note 5    | 7,198      | 7,132      |
| Loans and advances                       |             | 395        | 467        |
| Other assets                             |             | 1,123      | 1,323      |
|  |             | 202,528    | 174,253    |
| <b>LIABILITIES</b>                       |             |            |            |
| Accounts payable and accrued liabilities | - Note 6    | 26,516     | 22,064     |
| Employee benefit obligations             | - Note 7    | 10,221     | 9,260      |
| Deferred revenue                         | - Note 8    | 64,530     | 45,578     |
| Due to CentreSite                        |             | 459        | 377        |
| Deposits and other liabilities           |             | 6,532      | 5,085      |
| Agreements payable                       | - Note 9    | 708        | 1,969      |
| Debenture debt                           | - Note 10   | 49,529     | 52,927     |
|  |             | 158,495    | 137,260    |
| <b>NET FINANCIAL ASSETS</b>              |             | 44,033     | 36,993     |
| <b>PHYSICAL ASSETS</b>                   |             |            |            |
| Inventory held for consumption           |             | 6,340      | 5,137      |
| Capital assets                           | - Note 11   | 896,128    | 843,428    |
|  |             | 902,468    | 848,565    |
| <b>NET ASSETS</b>                        |             | \$ 946,501 | \$ 885,558 |
| <b>MUNICIPAL POSITION</b>                |             |            |            |
| Fund balances:                           |             |            |            |
| Operating fund:                          |             |            |            |
| Accumulated surplus                      | - Note 13   | \$ 5,779   | \$ 3,702   |
| Land held for resale                     |             | 13,827     | 10,542     |
| CentreSite investment                    |             | 7,198      | 7,132      |
| Unfunded vacation pay                    |             | (6,917)    | (6,272)    |
| Inventory held for consumption           |             | (6,340)    | (5,137)    |
|  |             | 13,547     | 9,967      |
| Capital fund                             | - Exhibit 2 | 37,048     | 35,278     |
| Reserves                                 | - Note 14   | 42,967     | 44,675     |
|  |             | 93,562     | 89,920     |
| Equity in physical assets                |             |            |            |
| Inventory held for consumption           |             | 6,340      | 5,137      |
| Equity in capital assets                 |             | 846,599    | 790,501    |
|  |             | 852,939    | 795,638    |
| <b>NET MUNICIPAL POSITION</b>            |             | \$ 946,501 | \$ 885,558 |

Commitments - Note 18

The accompanying notes and exhibits form an integral part of these Financial Statements

# *Consolidated Statement of Revenues and Expenditures*

For the year ended December 31, 2007 (in thousands of dollars)

|  |             | 2007            | Budget<br>(Unaudited) | 2006            |
|--|-------------|-----------------|-----------------------|-----------------|
| <b>REVENUES</b>  |             |                 |                       |                 |
| Net taxes  | - Exhibit 7 | \$ 67,325       | \$ 66,891             | \$ 61,463       |
| Capital revenues   | - Exhibit 2 | 20,290          | 20,290                | 23,034          |
| Return on investments                                    |             | 3,356           | 3,480                 | 3,185           |
| Investment Valuation Allowance                           | - Note 3    | (5,700)         | -                     | -               |
| Provincial unconditional transfers                       |             | 2,447           | 1,119                 | 2,447           |
| Other  |             | 19,704          | 19,564                | 21,108          |
|  |             | <b>107,422</b>  | <b>111,344</b>        | <b>111,237</b>  |
| <b>SALE OF GOODS AND SERVICES</b>                        |             |                 |                       |                 |
| Electric   |             | 53,694          | 50,515                | 46,447          |
| Water  |             | 16,801          | 14,925                | 16,797          |
| Wastewater   |             | 12,595          | 12,281                | 13,239          |
| Transportation services                                  |             | 13,308          | 12,268                | 13,015          |
| Waste services   |             | 11,329          | 10,304                | 11,537          |
| General government services                              |             | 8,960           | 8,233                 | 8,106           |
| Protective services                                      |             | 9,166           | 7,508                 | 8,226           |
| Leisure and human services                               |             | 8,215           | 5,063                 | 7,834           |
| Family support and social services                       |             | 2,241           | 2,154                 | 2,220           |
| Development services                                     |             | 1,152           | 1,150                 | 1,172           |
|  |             | <b>137,461</b>  | <b>124,401</b>        | <b>128,593</b>  |
|  |             | <b>244,883</b>  | <b>235,745</b>        | <b>239,830</b>  |
| <b>EXPENDITURES</b>                                      |             |                 |                       |                 |
| Operating  |             |                 |                       |                 |
| Protective services                                      |             | 41,658          | 42,075                | 39,029          |
| Leisure and human services                               |             | 24,222          | 21,752                | 22,950          |
| Electric   |             | 40,006          | 38,053                | 36,357          |
| Transportation services                                  |             | 20,620          | 19,373                | 18,453          |
| General government services                              |             | 13,063          | 15,101                | 12,141          |
| Water  |             | 10,973          | 8,742                 | 10,928          |
| Waste services   |             | 8,931           | 8,243                 | 10,934          |
| Wastewater   |             | 7,581           | 7,300                 | 8,131           |
| Family support and social services                       |             | 3,113           | 3,205                 | 2,833           |
| Development services                                     |             | 3,286           | 3,654                 | 3,111           |
|  |             | <b>173,453</b>  | <b>167,498</b>        | <b>164,867</b>  |
| Capital  |             |                 |                       |                 |
| General  |             | 46,024          | 46,024                | 46,513          |
| Utility  |             | 18,366          | 18,366                | 30,702          |
|  | - Exhibit 2 | 64,390          | 64,390                | 77,215          |
|  | - Note 16   | 237,843         | 231,888               | 242,082         |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b> |             |                 |                       |                 |
|  |             | 7,040           | 3,857                 | (2,252)         |
| Debenture debt issued                                    |             | 1,750           | 1,750                 | 16,041          |
| Debenture debt principal redeemed                        |             | (5,148)         | (5,069)               | (5,097)         |
| Change in fund balances                                  |             | 3,642           | 538                   | 8,692           |
| Transfer from accumulated surplus                        |             | -               | -                     | 93              |
| Transfers to reserves from operations                    |             | (9,260)         | (9,598)               | (14,215)        |
| Transfers from accumulated surplus to operations         |             | 1,893           | (508)                 | 2,559           |
| Transfers from reserves to capital                       |             | 10,968          | 10,968                | 8,096           |
| Change in capital fund                                   |             | (1,770)         | (1,180)               | (3,269)         |
| Change in inventory held for consumption                 |             | 1,203           | -                     | 1,115           |
| Change in other operating funds                          |             | (2,706)         | -                     | 156             |
| <b>CONSOLIDATED SURPLUS FOR THE YEAR</b>                 | - Note 12   | <b>\$ 3,970</b> | <b>\$ 220</b>         | <b>\$ 3,227</b> |

The accompanying notes form an integral part of these Financial Statements

# Consolidated Statement of Cash Flows

For the year ended December 31, 2007 (in thousands of dollars)

|   | 2007      | 2006       |
|---|-----------|------------|
| <b>CASH FLOWS FROM (USED IN):</b>                 |           |            |
| <b>Operations</b>                                 |           |            |
| Excess (deficiency) of revenues over expenditures | \$ 7,040  | \$ (2,252) |
| Decrease (increase) in non-cash financial assets  |           |            |
| Receivables                                       | (2,049)   | (1,922)    |
| Land held for resale                              | (8,152)   | 34         |
| Loans and advances                                | 72        | 101        |
| Other assets                                      | 200       | (440)      |
| Increase (decrease) in non-cash liabilities       |           |            |
| Accounts payable and accrued liabilities          | 4,452     | 478        |
| Employee benefit obligation                       | 961       | 632        |
| Deferred revenue                                  | 18,952    | 13,051     |
| Due to centreSite                                 | 82        | -          |
| Deposits and other liabilities                    | 1,447     | 1,101      |
|   | 23,005    | 10,783     |
| <b>Investing</b>                                  |           |            |
| Investments                                       | (5,247)   | (16,976)   |
| CentreSite investment                             | (66)      | 227        |
|   | (5,313)   | (16,749)   |
| <b>Financing</b>                                  |           |            |
| Debenture debt issued                             | 1,750     | 16,041     |
| Debenture debt principal redeemed                 | (5,148)   | (5,097)    |
| Agreements payable                                | (1,261)   | (845)      |
|   | (4,659)   | 10,099     |
| Change in cash and cash equivalents               | 13,033    | 4,133      |
| Cash and cash equivalents, beginning of year      | 7,651     | 3,518      |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>     | \$ 20,684 | \$ 7,651   |

- Note 2

The accompanying notes and exhibits form an integral part of these Financial Statements

# Consolidated Schedule of Operating Fund Activities

For the year ended December 31, 2007 (in thousands of dollars)

## Exhibit 1

|   | 2007      | Budget<br>(Unaudited) | 2006      |
|---|-----------|-----------------------|-----------|
| <b>REVENUES</b>                                   |           |                       |           |
| Net taxes - Exhibit 7                             | \$ 67,325 | \$ 66,891             | \$ 61,463 |
| Sale of land                                      | 16,582    | 16,582                | 18,086    |
| Gas company franchise                             | 2,638     | 2,547                 | 2,582     |
| Return on investments                             | 3,356     | 3,480                 | 3,185     |
| Investment Valuation Allowance - Note 3           | (5,700)   | -                     | -         |
| Provincial unconditional transfers                | 2,447     | 1,119                 | 2,447     |
| Penalties and costs                               | 430       | 375                   | 373       |
| Other   | 54        | 60                    | 66        |
|   | 87,132    | 91,054                | 88,202    |
| <b>SALE OF GOODS AND SERVICES</b>                 |           |                       |           |
| Electric  | 53,694    | 50,515                | 46,447    |
| Water   | 16,801    | 14,925                | 16,797    |
| Wastewater  | 12,595    | 12,281                | 13,239    |
| Transportation services                           | 13,308    | 12,268                | 13,015    |
| Waste services                                    | 11,329    | 10,304                | 11,537    |
| General government services                       | 8,960     | 8,233                 | 8,106     |
| Protective services                               | 9,166     | 7,508                 | 8,226     |
| Leisure and human services                        | 8,215     | 5,063                 | 7,834     |
| Family support and social services                | 2,241     | 2,154                 | 2,220     |
| Development services                              | 1,152     | 1,150                 | 1,172     |
|   | 137,461   | 124,401               | 128,593   |
|   | 224,593   | 215,455               | 216,795   |
| <b>EXPENDITURES</b>                               |           |                       |           |
| Protective services                               | 41,658    | 42,075                | 39,029    |
| Leisure and human services                        | 24,222    | 21,752                | 22,950    |
| Transportation services                           | 20,620    | 19,373                | 18,453    |
| Electric  | 40,006    | 38,053                | 36,357    |
| General government services                       | 13,063    | 15,101                | 12,141    |
| Water   | 10,973    | 8,742                 | 10,928    |
| Waste services                                    | 8,931     | 8,243                 | 10,934    |
| Wastewater  | 7,581     | 7,300                 | 8,131     |
| Family support and social services                | 3,113     | 3,205                 | 2,833     |
| Development services                              | 3,286     | 3,654                 | 3,111     |
|   | 173,453   | 167,498               | 164,867   |
| <b>EXCESS OF REVENUE OVER EXPENDITURES</b>        | 51,140    | 47,957                | 51,928    |
| Net interfund transfers                           |           |                       |           |
| To capital fund                                   | (33,279)  | (32,562)              | (33,433)  |
| To reserves                                       | (9,260)   | (11,999)              | (14,215)  |
| Debenture debt principal redeemed                 | (5,021)   | (5,069)               | (4,976)   |
| Change in fund balance                            | 3,580     | (1,673)               | (696)     |
| Accumulated surplus, beginning of year            | 3,702     | 3,702                 | 3,127     |
| Change in inventory held for consumption          | 1,203     | -                     | 1,115     |
| Change in other operating funds                   | (2,706)   | -                     | 156       |
| <b>ACCUMULATED SURPLUS, END OF YEAR</b> - Note 13 | \$ 5,779  | \$ 2,029              | \$ 3,702  |

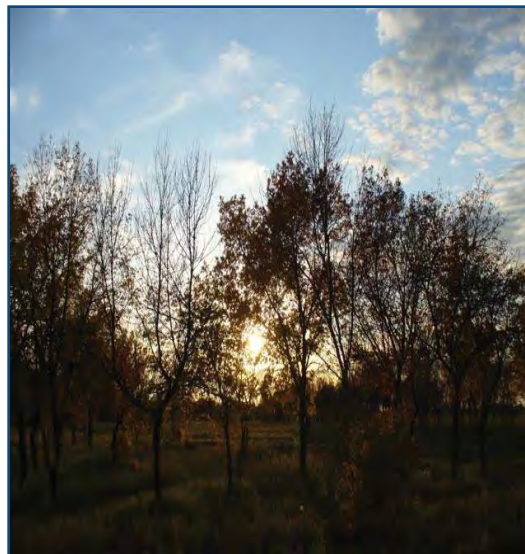
The accompanying notes and exhibits form an integral part of these Financial Statements

# *Consolidated Schedule of Capital Fund Activities*

For the year ended December 31, 2007 (in thousands of dollars)

## Exhibit 2

|  | 2007      | Budget<br>(Unaudited) | 2006      |
|--|-----------|-----------------------|-----------|
| <b>REVENUES</b>  |           |                       |           |
| Provincial and federal transfers                         | \$ 8,177  | \$ 8,177              | \$ 12,795 |
| Developer payments                                       | 5,895     | 5,895                 | 6,504     |
| Proceeds from disposal of capital assets                 | 279       | 279                   | 383       |
| Other  | 5,939     | 5,939                 | 3,352     |
|  | 20,290    | 20,290                | 23,034    |
| <b>EXPENDITURES</b>                                      |           |                       |           |
| Engineering structures                                   | 25,724    | 25,724                | 36,441    |
| Buildings  | 2,385     | 2,385                 | 7,266     |
| Vehicles   | 2,659     | 2,659                 | 5,946     |
| Subdivision development                                  | 24,702    | 24,702                | 16,600    |
| Machinery and equipment                                  | 3,613     | 3,613                 | 3,815     |
| Land   | 2,963     | 2,963                 | 156       |
| Other  | 2,344     | 2,344                 | 6,991     |
| - Note 16  | 64,390    | 64,390                | 77,215    |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b> | (44,100)  | (44,100)              | (54,181)  |
| Net interfund transfers                                  |           |                       |           |
| From operating fund                                      | 33,279    | 32,562                | 33,433    |
| From reserves  | 10,968    | 10,968                | 8,096     |
| Debenture debt issued                                    | 1,750     | 1,750                 | 16,041    |
| Debenture debt principal redeemed                        | (127)     | -                     | (120)     |
| Change in fund balance                                   | 1,770     | 1,180                 | 3,269     |
| Balance, beginning of year                               | 35,278    | 35,278                | 32,009    |
| <b>BALANCE, END OF YEAR</b>                              | \$ 37,048 | \$ 36,458             | \$ 35,278 |



The accompanying notes and exhibits form an integral part of these Financial Statements

# *Consolidated Schedule of Reserves*

For the year ended December 31, 2007 (in thousands of dollars)

## Exhibit 3

|                                   | 2007             | Budget<br>(Unaudited) | 2006             |
|-----------------------------------|------------------|-----------------------|------------------|
| <b>BALANCE, BEGINNING OF YEAR</b> | \$ 44,675        | \$ 44,675             | \$ 38,556        |
| Changes in fund balance           |                  |                       |                  |
| Net transfer from operating fund  | 9,260            | 11,999                | 14,215           |
| Net transfer to capital fund      | (10,968)         | (10,968)              | (8,096)          |
| Change in fund balance            | (1,708)          | 1,031                 | 6,119            |
| <b>BALANCE, END OF YEAR</b>       | <b>\$ 42,967</b> | <b>\$ 45,706</b>      | <b>\$ 44,675</b> |

- Note 14



The accompanying notes and exhibits form an integral part of these Financial Statements

## 1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City of Lethbridge (the "City") are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the City are as follows:

### a. Reporting Entity -

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, and changes in fund balances and in financial position of the reporting entity which comprises all the organizations and committees that are accountable to City Council for the administration of their financial affairs and resources and are owned or controlled by the City. Interdepartmental and organizational transactions and balances are eliminated.

The statement of taxes levied also includes requisitions collected on behalf of and transferred to education and other external organizations that are not part of the municipal reporting entity.

In addition, a joint venture has been accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for joint ventures. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform with those of the City, and inter-organizational transactions and balances are not eliminated. The corporation accounted for in this manner was the Copperwood Development Corporation.

### b. Basis of Accounting -

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers are recognized in the financial statements as revenues in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, the municipality has met any eligibility criteria, and reasonable estimates of the amounts can be made.

Expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

### c. Fund Accounting -

Municipal funds for both General and Utility Operations consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate equity account. Proceeds from sales of land are recorded as operating fund revenues.

### d. Investments -

Investments are comprised of investments in qualifying institutions as defined in the City's investment policy and consist primarily of money market instruments such as bankers' acceptances, government bonds and commercial paper.

All investments held are purchased with the intention to hold to maturity, or until market conditions render alternative investments more attractive. Long-term investments are recorded at cost. Where an impairment in value is other than a temporary decline, the investment is written down to recognize the loss. Investment premiums and discounts arising on the purchase of fixed term securities are amortized proportionately over the period to maturity.

### e. Inventories -

Inventories of materials and supplies are valued at the lower of cost or net realizable value with cost determined by the average cost method.

### f. Land Held for Resale -

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes cost for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and levelling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads and street lighting are recorded as capital assets under their respective function.

December 31, 2007 (in thousands of dollars)

## SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### g. Tangible Capital Assets -

Effective January 1, 2007, the City adopted Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants with respect to the disclosure of tangible capital assets for local governments. PSG-7 provides transitional guidance on presenting information related to tangible capital assets until Section 3150 - Tangible Capital Assets of the Public Sector Accounting Handbook comes into effect on January 1, 2009.

The City of Lethbridge is preparing for and will fully implement the change by the 2009 reporting year. During 2007, the City continued to work towards compliance with the new recommendations for accounting for tangible capital assets. As of December 31, 2007 the City has obtained an asset listing and partial values for land, land improvements, buildings, equipment and furnishings, engineered structures, and vehicles. Revised internal capitalization policies have been drafted and will be approved in 2008, consistent with the future requirement for 2009 implementation. Work is underway to revise the related budgeting process, validate all tangible capital assets values along with the associated accumulated amortization and asset useful lives, and implement a new capital asset system module to support the future information requirements. Where actual historical costs are unavailable, estimates will be consistently applied. The effects of these changes have not been calculated or disclosed in the statements.

### h. Depreciation -

As of January 1, 2007, depreciation for electric assets is presented in the financial statements as a capital expenditure. Amortization for all other land improvements, buildings, engineered structures, machinery and equipment and vehicle assets are expected to be presented in the December 31, 2009 financial statements and will be calculated on a straight line basis over an assets estimated useful life as follows:

| Asset Class               | Years |
|---------------------------|-------|
| Land improvements         | 15-25 |
| Buildings                 | 25-50 |
| Engineered structures     |       |
| Roadway system            | 20-60 |
| Water system              | 45-75 |
| Wastewater system         | 45-75 |
| Storm system              | 45-75 |
| Electricity system        | 12-60 |
| Equipment and furnishings | 5-25  |
| Vehicles                  | 10-40 |

### i. Equity in Capital Assets -

Equity in capital assets represents the City's net investment in its total capital assets, after deducting the portion financed by debentures.

### j. Employee Future Benefits -

The City is a member of defined benefit multi-employer and multiple employer pension plans covering substantially all of its employees. Pension contributions are accounted for using defined contribution accounting, wherein contributions for current and past service pension benefits are recorded as expenditures in the year in which they become due.

### k. Reserves -

Reserves are established at the discretion of City Council to set aside funds for future operating and capital expenditures.

December 31, 2007 (in thousands of dollars)

## SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### I. Use of Estimates -

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

### m. Over-levies and Under-levies -

Over-levies and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

### n. Landfill Closure and Post-Closure Care -

The Alberta Environmental Protection and Enhancement Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is being provided for over the estimated remaining life of the landfill site based on usage (see note 6).

## 2. CASH AND CASH EQUIVALENTS

|   | 2007      | 2006     |
|---|-----------|----------|
| Cash  | \$ 2,689  | \$ 5,172 |
| Investments with original maturities less than 3 months | 17,995    | 2,479    |
|   | \$ 20,684 | \$ 7,651 |

## 3. INVESTMENTS

|                        | 2007       |                       | 2006       |            |
|------------------------|------------|-----------------------|------------|------------|
|                        | Cost       | Market <sup>(1)</sup> | Cost       | Market     |
| Short-term investments | \$ 35,688  | \$ 35,697             | \$ 53,447  | \$ 53,448  |
| Long-term investments  | 88,732     | 87,239                | 65,726     | 64,651     |
|                        | \$ 124,420 | \$ 122,936            | \$ 119,173 | \$ 118,099 |

<sup>(1)</sup> In the absence of an active market for third-party structured ABCP, its market value is disclosed as the net carrying value as detailed below.

Investments mature at various dates between January 15, 2008 and October 15, 2017 and have an average effective annual yield of 4.32% (2006 - 4.28%).

Investments include \$46,362 (2006 - \$29,135) in externally restricted amounts which must be used for specified capital projects.

### Third-Party Structured Asset-Backed Commercial Paper (ABCP)

At December 31, 2007 the City of Lethbridge held third-party structured asset-backed commercial paper ("ABCP") with a maturity value of \$31,000. These investments, purchased at a cost of \$30,257 from May to July 2007, had original maturity dates ranging from September 2007 to March 2008. As a result of liquidity issues in the ABCP market, these investments did not settle on maturity. The City's ABCP have not traded in the market since August 2007 and accordingly there are no quoted market values available. The City did not accrue interest income on the ABCP investments in 2007.

## INVESTMENTS (continued)

When these ABCP investments were originally purchased by the City of Lethbridge, they were rated R1 high, the highest credit rating offered by the Dominion Bond Rating Service. Accordingly, the ABCP satisfied all requirements of the City of Lethbridge investment policy and the Municipal Government Act.

ABCP refers to short-term investments, with underlying assets such as mortgages, car loans, credit card receivables, and mortgage-backed securities. The Canadian market for third-party or non-bank structured ABCP suffered a liquidity disruption in mid-August 2007 when certain third party sponsors of ABCP programs were unable to meet the funding requirements of maturing obligations with funds from new or existing investors or from drawing on liquidity arrangements. A group of market participants, representing banks, asset providers and major investors, agreed to work collectively to restructure this market segment. This agreement, which came to be known as the Montreal Accord (the "Accord"), provided for a standstill period during which participating investors would not demand repayment of their ABCP investments as they matured and the commercial paper issuers would not make liquidity calls to their liquidity providers. Participants to the Accord also agreed in principle to conversion of the ABCP notes into longer-term floating-rate notes with maturities corresponding to those of the underlying assets. In September 2007 the Pan-Canadian Investors Committee ("Investors Committee") was established to oversee the orderly restructuring of these instruments during this standstill period.

### Anticipated Restructuring – Montreal Accord

Effective March 17, 2008 a court order was put into place that committed investors not to take any action that would precipitate an event of default. During that week, the Committee announced the details of a restructuring plan (the "Plan"). On April 25, 2008 investors overwhelmingly approved the Plan. The Plan, with an amendment that would allow certain investors, under specified conditions to pursue claims of fraud against ABCP dealers, was sanctioned by the Ontario Superior Court of Justice on June 5, 2008. Some investors made motions to the Court of Appeal for Ontario for relief that included the dismissal of the application to sanction the amended Plan. The Court of Appeal for Ontario dismissed the appeal on August 18, 2008. A few investors further sought leave to appeal to the Supreme Court of Canada, however the Court denied leave to appeal on September 19, 2008. The Investors Committee have subsequently indicated that they have made significant progress toward settling issues and completing the required documentation to implement the restructuring.

This Plan provides for comprehensive restructuring of all the outstanding third-party debt obligations (the affected ABCP) under the Accord. Investors' holdings of ABCP notes will be pooled with those of other investors into one of two entities the Investors Committee refers to as "master asset vehicles" (or MAV1 and MAV2); the City will participate in MAV2. Notes backed by ineligible assets will be restructured separately as Ineligible Assets ("IA") Tracking Notes. After the restructuring, the City of Lethbridge expects to receive replacement notes with par values of approximately:

|                   |              |
|-------------------|--------------|
| Class A-1         | \$ 8,698     |
| Class A-2         | 14,387       |
| Class B           | 2,432        |
| Class C           | 789          |
| IA Tracking Notes | <u>4,694</u> |
|                   | \$31,000     |

Class A-1 and A-2, comprising approximately 75% of the restructured notes, are expected to obtain a high credit rating ("AA"), while Class B and C notes are not expected to be rated. IA Tracking Notes will have a rate of return and a maturity based on the related underlying assets. There has been no indication whether the IA Tracking Notes will be rated.

As the City's investments in ABCP (that are subject to the Montreal Accord and the Plan) are no longer current in nature, these investments are classified as long-term investments.

### Valuation – Montreal Accord

In the continued absence of an active market for the third-party structured ABCP subject to the Montreal Accord, the City of Lethbridge has estimated the carrying value of these investments as at December 31, 2007 using a probability-weighted valuation model. The valuation takes into consideration a successful restructuring, the specific attributes of each class of note as specified in the Plan, general market observations and publicly available information up to the date of finalization of the financial statements. Based on the valuation method used, the City of Lethbridge has recorded a valuation allowance of \$5,700 which is reflected as a separate charge in the Consolidated Statement of Revenues and Expenditures.

December 31, 2007 (in thousands of dollars)

## INVESTMENTS (continued)

The resulting net carrying value of \$24,557 is included in the long term investments balance of \$88,732 above and is calculated as follows:

|                     |              |
|---------------------|--------------|
| Original Cost       | \$30,257     |
| Valuation Allowance | <u>5,700</u> |
| Net Carrying Value  | \$24,557     |

### Measurement Uncertainty

The ongoing nature of the restructuring negotiations contributes to a lack of certainty regarding the outcome of the restructuring process. This lack of certainty, in turn, contributes to measurement uncertainty in management's best estimate of the carrying value of the City's current ABCP investments. Since the eventual timing and amount of future cash flows attributable to these assets may vary from management's current best estimates, it is possible that the ultimate carrying value of these assets may vary from current estimates and that the magnitude of any such difference could be material to our financial results.

## 4. RECEIVABLES

|                                | General   | Utility   | Total     |           |
|--------------------------------|-----------|-----------|-----------|-----------|
|                                |           |           | 2007      | 2006      |
| Trade                          | \$ 6,270  | \$ 15,015 | \$ 21,285 | \$ 17,926 |
| Other government               | 4,888     | -         | 4,888     | 5,569     |
| Taxes                          | 1,302     | -         | 1,302     | 1,569     |
|                                | 12,460    | 15,015    | 27,475    | 25,064    |
| Allowance for doubtful amounts | 1,251     | 664       | 1,915     | 1,553     |
|                                | \$ 11,209 | \$ 14,351 | \$ 25,560 | \$ 23,511 |

## 5. CENTRESITE INVESTMENT

CentreSite is a joint venture between the Province of Alberta and the City, which was formed to develop land acquired when the Canadian Pacific Railway yard was moved from the Lethbridge City centre. The operations of CentreSite currently include a long-term lease.

The investment in CentreSite is accounted for on the modified equity basis. Equity allocations or refunds, and net income or losses are allocated 60% to the Province of Alberta and 40% to the City.

|                                     | 2007     | 2006     |
|-------------------------------------|----------|----------|
| Balance, beginning of year          | \$ 7,132 | \$ 7,359 |
| City share of CentreSite net income | 251      | (25)     |
| Equity Refund                       | (185)    | (202)    |
|                                     | \$ 7,198 | \$ 7,132 |

## 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

|                     | General   | Utility   | Total     |           |
|---------------------|-----------|-----------|-----------|-----------|
|                     |           |           | 2007      | 2006      |
| Trade payables      | \$ 13,639 | \$ 5,377  | \$ 19,016 | \$ 16,386 |
| Accrued liabilities | 5,100     | 1,233 (1) | 6,333     | 4,599     |
| Other government    | 1,167     | -         | 1,167     | 1,079     |
|                     | \$ 19,906 | \$ 6,610  | \$ 26,516 | \$ 22,064 |

(1) Landfill Closure and Post-Closure Liability

December 31, 2007 (in thousands of dollars)

## ACCOUNTS PAYABLE AND ACCRUED LIABILITIES *(continued)*

Included in accounts payable and accrued liabilities is \$1,234 (2006 - \$742) of estimated total landfill closure and post-closure care costs. The accrued liability is fully funded. The liability is recognized over the life of the landfill using the net present value of the total estimated costs of closure and post-closure care. These costs have been prorated on the basis of the current capacity in cubic meters utilized over the total estimated capacity of the site. The present value of the estimated closure and post-closure costs was discounted at the City's average long-term borrowing rate.

The remaining capacity of the approved phases is estimated at 3.3 (2006 - 3.4) million cubic meters which will be reached in approximately 12-14 years. Closure will involve covering the site with topsoil and vegetation, drainage control, and installing ground water monitoring wells. Post-closure care activities for phases currently under operation is expected to occur for 25 years and will involve surface and ground water monitoring, maintenance of drainage structures, monitoring leachate and landfill gas, and landfill cover maintenance.

The remaining closure costs and post-closure costs to be recognized have been estimated at \$1,218 (2006 - \$788). The following summarizes the total net present value of the estimated costs of closure and post-closure care:

|  | 2007     | 2006   |
|--|----------|--------|
| Estimated closure costs  | \$ 1,073 | \$ 855 |
| Estimated post-closure costs   | 1,379    | 675    |
| Total estimated costs  | 2,452    | 1,530  |
| Amount accrued to December 31  | (1,234)  | (742)  |
| Balance of estimated costs to accrue over the remaining life of the landfill | \$ 1,218 | \$ 788 |

## 7. EMPLOYEE BENEFIT OBLIGATIONS

|                          | General  | Utility  | 2007      | 2006     |
|--------------------------|----------|----------|-----------|----------|
| Vacation and overtime    | \$ 7,338 | \$ 1,146 | \$ 8,484  | \$ 7,799 |
| Sick pay                 | 522      | -        | 522       | 458      |
| Post-employment benefits | 1,215    | -        | 1,215     | 1,003    |
|                          | \$ 9,075 | \$ 1,146 | \$ 10,221 | \$ 9,260 |

### Vacation and Overtime

The vacation and overtime liability is comprised of vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year.

### Sick Pay

The sick pay liability is comprised of sick pay that police employees are deferring to future years. Employees have either earned the benefits or are entitled to them within the next budgetary year.

### Post-employment Benefits

In December 2002, City Council approved the participation of the City of Lethbridge in the MuniSERP program, a plan available through the Alberta Urban Municipalities Association (AUMA). This plan is a supplemental employee retirement plan (SERP) that provides supplementary benefits to a prescribed class of employees in excess of the limits of the Income Tax Act (Canada). The total current and past service liability to the City to December 31, 2007 are estimated at \$1,215 (2006 - \$1,003). This amount changes as a result of interest on the liability, changes in membership, aging of the employees within the prescribed class, and other demographic experience.

The cost of post retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of salary and benefit escalation and retirement ages of employees. The City makes provision for its accrued SERP obligation by earmarking a portion of its assets.

# Notes to the Consolidated Financial Statements (continued)

December 31, 2007 (in thousands of dollars)

## 8. DEFERRED REVENUE

|                          |     | 2007   |    | 2006   |
|--------------------------|-----|--------|----|--------|
| Deferred revenue         | \$  | 1,783  | \$ | 1,763  |
| Provincial contributions | (1) | 46,362 |    | 29,135 |
| Prepaid taxes            |     | 16,385 |    | 14,680 |
|                          | \$  | 64,530 | \$ | 45,578 |

(1) Provincial contributions consist mainly of \$33,596 (2006 - \$24,400) Alberta Municipal Infrastructure Program grant, \$6,025 (2006 - \$3,800) Basic Capital grant and \$2 (2006 - \$63) Alberta Community Development grant for the Lethbridge Public Library.

## 9. AGREEMENTS PAYABLE

The City of Lethbridge has entered into agreements to purchase three separate parcels of land for future residential and industrial park developments. The lands have been recorded in Land Held for Resale.

|   |    | 2007 |    | 2006  |
|---|----|------|----|-------|
| Agreement 1 - North Lethbridge industrial | \$ | -    | \$ | 843   |
| Agreement 2 - West Lethbridge residential |    | 535  |    | 787   |
| Agreement 3 - West Lethbridge residential |    | 173  |    | 339   |
|   | \$ | 708  | \$ | 1,969 |

Principal and interest repayments are as follows:

|      | Principal | Interest | Total  |
|------|-----------|----------|--------|
| 2008 | \$ 435    | \$ 28    | \$ 463 |
| 2009 | 273       | 11       | 284    |
|      | \$ 708    | \$ 39    | \$ 747 |

### Agreement 1

On November 21, 2002 the City of Lethbridge purchased 468.34 acres of land held for future industrial park subdivision. Under the terms of the agreement, the balance was paid fully in 2007.

### Agreement 2

On April 26, 2004 the City of Lethbridge purchased 81.13 acres of land held for future residential subdivision in West Lethbridge. Under the terms of the agreement, payments are made in five annual installments ending in 2009.

### Agreement 3

On April 22, 2004 the City of Lethbridge purchased 80.06 acres of land held for future residential subdivision in West Lethbridge. Under the terms of the agreement, payments are made in four annual installments ending in 2008.

# Notes to the Consolidated Financial Statements (continued)

December 31, 2007 (in thousands of dollars)

## 10. DEBENTURE DEBT

|                          |    | 2007   |    | 2006   |
|--------------------------|----|--------|----|--------|
| General - self supported | \$ | 7,066  | \$ | 7,626  |
| Utilities                |    | 42,463 |    | 45,301 |
|                          | \$ | 49,529 | \$ | 52,927 |

Principal and interest repayments are as follows:

|                  | Principal | Interest  | Total     |
|------------------|-----------|-----------|-----------|
| 2008             | \$ 5,542  | \$ 2,483  | \$ 8,025  |
| 2009             | 5,589     | 2,227     | 7,816     |
| 2010             | 5,330     | 1,977     | 7,307     |
| 2011             | 4,908     | 1,725     | 6,633     |
| 2012             | 4,569     | 1,474     | 6,043     |
| 2013 to maturity | 23,591    | 5,505     | 29,096    |
|                  | \$ 49,529 | \$ 15,391 | \$ 64,920 |

Debenture debt is repayable to the Alberta Capital Finance Authority. Existing debentures mature in annual amounts to the year 2023. Other than a \$99 interest free loan, interest rates on these debentures range from 3.55% to 6.75% per annum. The Province of Alberta rebates part of the interest paid on qualifying debentures. Debenture debt is issued on the credit and security of the City of Lethbridge at large.

Interest on long-term debt amounted to \$ 2,541 (2006 - \$2,366).

The City's total cash payments for interest were \$2,502 (2006 - \$2,302).

## 11. CAPITAL ASSETS

|                                    | General <sup>(1)</sup> | Utility <sup>(1)</sup> | 2007 <sup>(1)</sup> | Total      | 2006 <sup>(1)</sup> |
|------------------------------------|------------------------|------------------------|---------------------|------------|---------------------|
| Engineering structures             | \$ 307,054             | \$ 303,344             | \$ 610,398          | \$ 574,911 |                     |
| Buildings                          | 108,489                | 77,614                 | 186,103             | 183,718    |                     |
| Vehicles                           | 40,093                 | 72                     | 40,165              | 40,442     |                     |
| Land                               | 23,892                 | 1,351                  | 25,243              | 22,280     |                     |
| Equipment and furnishings          | 20,045                 | 3,696                  | 23,741              | 22,651     |                     |
| Subdivision development            | 33,208                 | 7,093                  | 40,301              | 24,776     |                     |
|                                    | 532,781                | 393,170                | 925,951             | 868,778    |                     |
| Accumulated depreciation - Note 1h | -                      | 29,823                 | 29,823              | 25,350     |                     |
|                                    | \$ 532,781             | \$ 363,347             | \$ 896,128          | \$ 843,428 |                     |

<sup>(1)</sup> Refer to Note 1 g.

Amortization of assets in the amount of \$4,473 has been recorded as a capital expenditure in the financial statements for electric assets only.

# *Notes to the Consolidated Financial Statements (continued)*

December 31, 2007 (in thousands of dollars)

## 12. CONSOLIDATED SURPLUS FOR THE YEAR

As is common for municipal governments, the General Fund budget is prepared on a balanced basis, however the budgets for the individual Utility operations in any year may be prepared to reflect a budgeted surplus or deficit. Details of surpluses, deficits and corresponding budgets are disclosed as follows:

|                | 2007<br>Actual<br>Surplus<br>(Deficit) | 2007<br>Budgeted<br>Surplus<br>(Deficit) | 2006<br>Actual<br>Surplus<br>(Deficit) |
|----------------|--|--|--|
|                |  | (unaudited)                              |  |
| General        | \$ 1,441                               | \$ -                                     | \$ 2,401                               |
| Water          | 491                                    | 244                                      | 1,065                                  |
| Wastewater     | 343                                    | -  | 82                                     |
| Waste services | 175                                    | (24)                                     | 187                                    |
| Electric       | 1,520                                  | -  | (508)                                  |
|                | \$ 3,970                               | \$ 220                                   | \$ 3,227                               |

## 13. ACCUMULATED SURPLUS

|                | Balance<br>2006 | Appropriations<br>and<br>Adjustments | 2007<br>Surplus<br>(Deficit) | Balance<br>2007 |
|----------------|-----------------|--------------------------------------|------------------------------|-----------------|
| General        | \$ 2,401        | \$ (2,401)                           | \$ 1,441                     | \$ 1,441        |
| Water          | 1,070           | -                                    | 491                          | 1,561           |
| Wastewater     | 133             | -                                    | 343                          | 476             |
| Waste services | 606             | -                                    | 175                          | 781             |
| Electric       | (508)           | 508                                  | 1,520                        | 1,520           |
|                | \$ 3,702        | \$ (1,893)                           | \$ 3,970                     | \$ 5,779        |

General Fund and Electric Utility surpluses and deficits of the prior year are transferred to the Municipal Revenue Stabilization Reserve in the current year. The 2007 General Fund accumulated surplus of \$1,441 and Electric Utility accumulated surplus of \$1,520 will be transferred to the Municipal Revenue Stabilization Reserve in 2008.



# Notes to the Consolidated Financial Statements *(continued)*

December 31, 2007 (in thousands of dollars)

## 14. RESERVES

|   | 2007      | 2006      |
|---|-----------|-----------|
| <b>OPERATING</b>                                  |           |           |
| Budget Appropriations                             | \$ 16,393 | \$ 18,385 |
| Municipal Revenue Stabilization Reserve (Note 15) | 1,157     | 7,752     |
| Insurance   | 1,372     | 847       |
| Urban Parks                                       | 1,359     | 795       |
| Cemeteries  | 590       | 497       |
| Mayor Magrath Drive Beautification                | 97        | 90        |
| Snow Removal                                      | 30        | 577       |
| Acquisition of Local Art Work                     | -         | 8         |
|   | 20,998    | 28,951    |
| <b>CAPITAL</b>                                    |           |           |
| Fleet Services                                    | 11,352    | 6,646     |
| Major Capital Projects                            | 3,845     | 2,475     |
| Community Lighting                                | 1,939     | 1,569     |
| Real Estate Holdings                              | 1,635     | 1,512     |
| Acquire Off Street Parking                        | 1,220     | 1,160     |
| Transit Bus                                       | 948       | 936       |
| Community Reserve Fund                            | 688       | 657       |
| Central Business District Land Acquisition        | 278       | 728       |
| School Bus  | 64        | 41        |
|   | 21,969    | 15,724    |
|   | \$ 42,967 | \$ 44,675 |



# Notes to the Consolidated Financial Statements (continued)

December 31, 2007 (in thousands of dollars)

## 15. MUNICIPAL REVENUE STABILIZATION RESERVE

The purpose of this reserve is to stabilize the effects of fluctuating interest revenues and General Fund operating surpluses and deficits on annual taxation requirements. All General Fund and Electric Utility surpluses of prior years, return on investments, municipal consent and access fee/franchise fee and by-law enforcement revenue surpluses, CentreSite equity refunds, internal financing recoveries and other allocations from General Operations are added to the reserve. Any General Fund and Electric Utility deficits of prior years, municipal consent and access fee/franchise fee and by-law enforcement revenue shortfalls, budgeted allocations to General Fund operations, one time expenditures and internal financing advances are charged to the reserve. The transactions affecting the reserve for the year ended December 31, 2007 are as follows:

|  | 2007     | 2006     |
|--|----------|----------|
| Balance, beginning of year                                     | \$ 7,752 | \$ 6,584 |
| Add: Recovery of internal financing                            | 8,298    | 9,036    |
| Allocation from electric capital (depreciation)                | 7,871    | 5,606    |
| Municipal consent and access fee - electric                    | 6,019    | 5,165    |
| Return on investment - electric                                | 3,415    | 3,237    |
| Investment income  | 3,239    | 3,077    |
| Prior year general fund operating surplus (Exhibit 6)          | 2,401    | 1,607    |
| By-law enforcement revenue surplus                             | 429      | 354      |
| ATCO franchise fee surplus                                     | 228      | 171      |
| CentreSite equity refund                                       | 185      | 201      |
| Other  | 12       | 27       |
| Prior year electric operating surplus                          | -        | 952      |
| Electric refunds   | -        | 21       |
|  | 39,849   | 36,038   |
| Less: Electric wire service - allocation to general operations | 8,200    | 8,200    |
| Allocation to electric distribution capital projects           | 7,871    | 4,614    |
| Investment Valuation Allowance                                 | 5,700    | -        |
| Allocation to general operations                               | 3,500    | 3,038    |
| Prior year electric operating deficit                          | 508      | -        |
| Discounts on tax installment payment plan                      | 465      | 321      |
| Other  | 356      | 689      |
| Land purchase - Southgate                                      | -        | 2,555    |
| Electric meter purchase  | -        | 992      |
| Front-end financing:   |          |          |
| Museum expansion (fundraising)                                 | -        | 417      |
| Internal financing advances:                                   |          |          |
| Land purchase  | 3,201    | -        |
| Sherring industrial park - phase 1                             | 5,500    | -        |
| Residential subdivisions                                       | 1,769    | -        |
| Management information system (MIS) project                    | 751      | -        |
| Local improvement - lane paving                                | 404      | 349      |
| Mountview cemetery office                                      | 206      | -        |
| Police technology  | 158      | 835      |
| Cemetery gravesite restoration                                 | 103      | 114      |
| Wellness centre  | -        | 3,375    |
| Landfill cell development                                      | -        | 1,000    |
| Museum expansion - fundraising                                 | -        | 651      |
| Industrial wastewater facility local improvement               | -        | 570      |
| Lethbridge Soup Kitchen  | -        | 316      |
| Utility trailers and excavation shoring                        | -        | 250      |
|  | 38,692   | 28,286   |
| Balance, end of year   | \$ 1,157 | \$ 7,752 |

# Notes to the Consolidated Financial Statements (continued)

December 31, 2007 (in thousands of dollars)

## 16. EXPENDITURES BY OBJECT

|   | 2007       | Budget<br>(unaudited) | 2006       |
|---|------------|-----------------------|------------|
| Salaries, wages and benefits            | \$ 85,761  | \$ 86,608             | \$ 77,813  |
| Materials, supplies and utilities       | 48,891     | 40,924                | 48,734     |
| Contracted and general services         | 30,983     | 30,430                | 31,339     |
| Debenture debt interest                 | 2,540      | 2,534                 | 2,366      |
| Grants to individuals and organizations | 2,013      | 2,071                 | 2,130      |
| Financial charges                       | 662        | 476                   | 556        |
| Other                                   | 2,603      | 4,455                 | 1,929      |
|   | 173,453    | 167,498               | 164,867    |
| Capital                                 | 64,390     | 64,390                | 77,215     |
|   | \$ 237,843 | \$ 231,888            | \$ 242,082 |

## 17. DEBT LIMITS

Section 276 (2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 375/94 for the City be disclosed as follows:

|   | 2007       | 2006       |
|---|------------|------------|
| Total debt limit                                  | \$ 363,723 | \$ 316,365 |
| Total debt  | 49,529     | 52,927     |
| Debt limit unused                                 | \$ 314,194 | \$ 263,438 |
| Percentage of debt to debt limit                  | 13.62%     | 16.73%     |
| Service on debt limit                             | \$ 60,621  | \$ 52,728  |
| Service on debt (principal and interest payments) | 8,025      | 7,790      |
| Service on debt limit unused                      | \$ 52,596  | \$ 44,938  |
| Percent of debt service to service limit          | 13.24%     | 14.77%     |

The debt limit is calculated at 1.5 times the revenue of the City (as defined in Alberta Regulations 375/94) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs.

## 18. COMMITMENTS

### a. Contracts -

As at December 31, 2007 the City has committed funds on various capital projects in progress. The funds committed by contract and the estimated costs to complete those projects are as follows:

| Description   | Funds<br>Committed | Estimated costs<br>to complete <sup>(1)</sup> |
|---|--------------------|---|
| West side Substation                                      | \$ 8,070           | \$ 10,200                                     |
| The Crossings   | 5,268              | 14,046  |
| RiverStone  | 3,390              | 25,614  |
| Sherring Industrial Park                                  | 3,108              | 28,704  |
| SunRidge  | 2,023              | 26,510  |
| West Lethbridge Library                                   | 1,992              | 2,800   |
| University Drive - Whoop-Up - McGill Blvd                 | 591                | 1,500   |
| Mayor Magrath Drive South of Scenic Drive 34 Avenue South | 591                | 200   |
| Whoop-Up Drive - Blackfoot Road to west of Benton Drive   | 475                | 475   |
| Downtown Revitalization Galt Gardens Water Feature        | 441                | 441   |
| 28th Street North - Landfill access                       | 403                | 403   |
|   | \$ 26,352          | \$ 110,893                                    |

<sup>(1)</sup> Total estimated costs to complete includes funds committed as at December 31, 2007 plus estimated costs to

December 31, 2007 (in thousands of dollars)

## COMMITMENTS (Continued)

complete the project which are not yet committed by contract. These costs may be funded by both the City and external sources.

In addition to the above, the City has projects planned in its Capital Improvement Program for which no funds have been committed by contract as at December 31, 2007.

### b. Regional Water Agreement -

As approved by City Council on June 14, 1999, the City has entered into an agreement to supply water to the Lethbridge Regional Water Services Commission. Under the terms of the agreement in effect, as amended, until January 31, 2030 the City has agreed, subject to specified events deemed to be beyond the control of the City, to supply a maximum of 18.5 million litres per day at a pressure of 55 pounds per square inch at the point of delivery to the water feedermain.

### c. Fee for Service Contracts -

The City has entered into various contracts whereby third party agencies provide services to the community on behalf of the City of Lethbridge. These fee for service contracts vary in their length, terms and conditions.

#### i) Recreation Excellence -

On September 12, 2005, the City entered into a six year contract with Recreation Excellence to provide aquatic programs, office operations, water quality system management, general maintenance, repair and replacement for interior facility maintenance, related aquatic services, and lifeguarding requirements on behalf of the City. The contract expires on September 5, 2011 and includes the operation of Nicholas Sheran, Stan Siwik, Fritz Sick, and Henderson swimming pools. Both parties have agreed to open the contract for negotiation of rates for the period from September 2009-2011.

#### ii) BFI Canada Inc. -

On December 16, 2003, the City entered into a five year contract with BFI Canada Inc. to operate the Lethbridge Regional Landfill. The contract is from December 1, 2003 to November 30, 2008 with an option for the City to extend the contract for an additional two years. Under the contract for 2007, the City has committed to pay a charge of \$105 per month. In addition, the City will pay a charge of \$1.46 (one dollar and 46 cents) per tonne of all materials received at the landfill to a maximum of 150,000 tonnes per year and \$6.72 (six dollars and 72 cents) per tonne in excess of 150,000 tonnes per year. The contract includes an annual escalator of 3% on the monthly and tonnage charges.

#### iii) Commissionaires (Southern Alberta) -

On March 16, 2007 the City entered into a three year contract with Commissionaires (Southern Alberta) to operate the Lethbridge Regional Landfill Scale House. The contract is from March 16, 2007 to March 15, 2010 with an option for the City to extend the contract for an additional two years. Under the terms of the contract, the City is to pay \$83 annually.

#### iv) Other -

The City has entered into various other contracts in the normal course of operations.

## 19. PENSION PLANS

Employees of the City qualify to belong to one or more of the following defined-benefit pension plans:

### a. Local Authorities Pension Plan -

Employees of the City, with the exception of police officers, participate in the Local Authorities Pension Plan ("LAPP"), a multi-employer plan covered by the Alberta Public Sector Pension Plans Act. The Plan serves about 168,000 people and 477 employers in Alberta. The plan is financed by employer and employee contributions and investment earnings of the LAPP funds.

## PENSION PLANS (Continued)

At December 31, 2006 the LAPP disclosed an actuarial deficit of \$747,000 (2005 - \$864,000).

The City is required to make current service contributions to the LAPP of 7.75% of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings ("YMPE") and 10.64% for the excess. Employees are required to make current service contributions of 6.75% to the YMPE and 9.64% for any portion of pensionable salary over the YMPE.

Total current and past service contributions by the City to the LAPP in 2007 were \$4,347 (2006 - \$3,971). Total current and past service contributions by the employees of the City were \$3,723 (2006 - \$3,367).

### b. Special Forces Pension Plan -

Police officers employed by the City participate in the Special Forces Pension Plan ("SFPP"), a multi-employer plan covered by the Alberta Public Sector Pension Plans Act. The plan serves about 5,300 people and 7 employers in Alberta. The plan is financed by employer and employee contributions and investment earnings of the SFPP funds.

At December 31, 2006 the SFPP disclosed an actuarial surplus of \$33,300 (2005 - \$67,300 deficit).

The contribution rates for 2007 were 11.11% (2006 - 11.11%) of pensionable earnings for the City and 10.01% (2006 - 10.01%) of pensionable salaries for police officers. Total current and past service contributions by the City to the SFPP in 2007 were \$1,172 (2006 - \$1,025). Total current and past service contributions by the police officers to the SFPP were \$1,034 (2006 - \$910).

### c. APEX Supplementary Pension Plan -

The APEX supplementary pension plan, an Alberta Urban Municipalities Association (AUMA) sponsored defined benefit pension plan covered under the provisions of the Alberta Employment Pension Plans Act, commenced on January 1, 2003 and provides supplementary pension benefits to a prescribed class of employees. The plan supplements the Local Authorities Pension Plan.

Contributions are made by the prescribed class of employees and the City. Employees and the City are required to make current service contributions to APEX of 2.5% (2006 - 2.5%) and 3.0% (2006 - 3.0%) respectively of pensionable earnings up to \$111 (2006 - \$106).

Total current service contributions by the City to APEX in 2007 were \$284 (2006 - \$260). Total current service contributions by the employees of the City were \$212 (2006 - \$211).

The cost of post-retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of salary and benefit escalation and retirement ages of employees. The cost of post-retirement benefits are fully funded.

# Notes to the Consolidated Financial Statements (continued)

December 31, 2007 (in thousands of dollars)

## 20. SALARY AND BENEFITS

Disclosure of salaries and benefits for elected municipal officials, the chief administrative officer and designated officers as required by provincial regulation is as follows:

|                                    | Number<br>of<br>Persons | Salary | Benefits<br>&<br>Allowances | 2007   | 2006   |
|------------------------------------|-------------------------|--------|-----------------------------|--------|--------|
| Mayor:                             |                         |        |                             |        |        |
| R. Tarleck                         | 1                       | \$ 52  | \$ 33                       | \$ 85  | \$ 82  |
| Aldermen:                          |                         |        |                             |        |        |
| J. Carlson                         | 1                       | 3      | 2                           | 5      | -      |
| R. Dodic                           | 1                       | 15     | 13                          | 28     | 28     |
| L. Iwaskiw                         | 1                       | 13     | 10                          | 23     | 28     |
| B. Lacey                           | 1                       | 15     | 12                          | 27     | 29     |
| R. Parker                          | 1                       | 16     | 13                          | 29     | 28     |
| M. Simmons                         | 1                       | 3      | 2                           | 5      | -      |
| K. Tratch                          | 1                       | 3      | 2                           | 5      | -      |
| L. Vaala                           | 1                       | 13     | 11                          | 24     | 28     |
| S. Ward                            | 1                       | 16     | 13                          | 29     | 29     |
| J. Weadick                         | 1                       | 14     | 11                          | 25     | 29     |
| T. Wickersham                      | 1                       | 16     | 13                          | 29     | 28     |
|                                    | 11                      | \$ 127 | \$ 102                      | \$ 229 | \$ 227 |
| City Manager                       | 1                       | \$ 169 | \$ 22                       | \$ 191 | \$ 178 |
| Designated Officers <sup>(1)</sup> | 4                       | \$ 448 | \$ 79                       | \$ 527 | \$ 509 |

<sup>(1)</sup> Designated Officers include the City Assessor, City Clerk, City Solicitor, and Chief Financial Officer.

Aldermen who perform the duties of Deputy Mayor on a rotational basis have their salaries adjusted accordingly. Salary includes regular base pay, per diem amounts and any other direct cash remuneration. Benefits and allowances include the employer's share of all employee benefits, contributions or payments made on behalf of employees, and the employer's share of the costs of any additional taxable benefits.

## 21. FINANCIAL INSTRUMENTS

Unless otherwise noted, the fair value of financial instruments approximates their carrying value. It is management's opinion that the City is not exposed to significant interest, currency or credit risk arising from financial instruments.

## 22. CONTRIBUTIONS RECEIVABLE

Contributions receivable are reflected in amounts due from other governments in Receivables, Note 4.

### Galt Gardens Project:

The City of Lethbridge has been awarded a grant in the amount of \$250 from the Alberta Government's Centennial Legacies Grant Program, under a contribution agreement dated April 6, 2005. The grant funds and corresponding monthly interest have been allocated by the Alberta Government to their Consolidated Cash Investment Trust Fund exclusively for the purpose of the Galt Gardens Project.

## CONTRIBUTIONS RECEIVABLE (Continued)

As of December 31, 2007, \$38 of the total \$250 plus interest of \$14 has been recorded as a contribution receivable. These funds will be forwarded to the City upon Certification grant was released to the City of Lethbridge in accordance with the agreement and recognized as revenue. The remaining \$212 plus interest of \$26 has been recorded as a contribution receivable. These funds will be forwarded to the City upon certification that the project milestones, key dates and activities have been completed as described in the Galt Gardens Project Capital Plan.

|   |        |
|---|--------|
| Galt Gardens Project:   |        |
| Alberta Centennial Legacies Grant                                 | \$ 250 |
| Funds received and expended                                       | (38)   |
| Interest earned   | 26     |
| Alberta Centennial Legacies grant funding receivable, end of year | \$ 238 |

## 23. CONTINGENT LIABILITIES

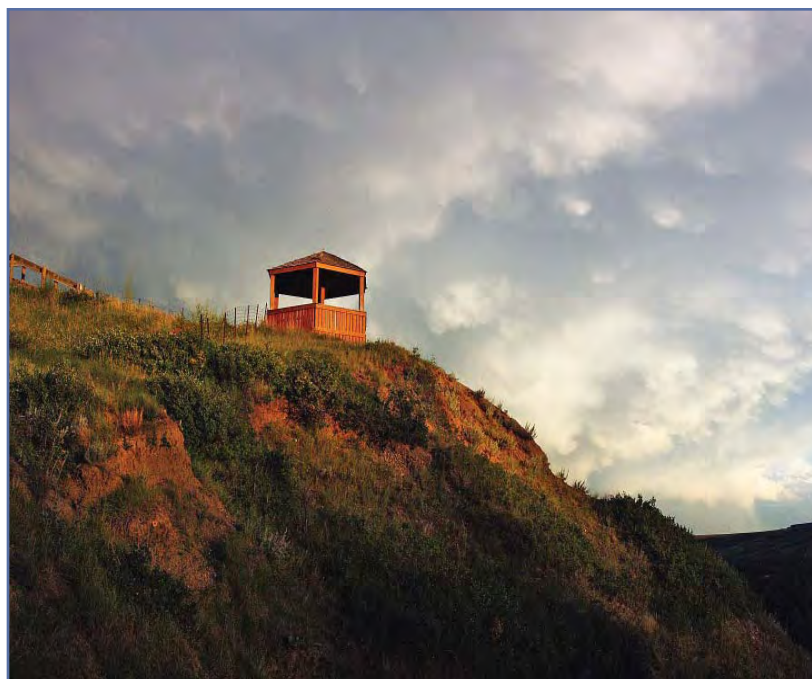
The City of Lethbridge owns properties that may contain environmental contamination and require site reclamation. The amount of any such obligations has not been determined.

## 24. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

## 25. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by City Council.



# General Fund Balance Sheet

As at December 31, 2007 (in thousands of dollars)

## Exhibit 4

|  |             | 2007       | 2006       |
|--|-------------|------------|------------|
| <b>FINANCIAL ASSETS</b>                  |             |            |            |
| Cash and cash equivalents                | - Note 2    | \$ 20,684  | \$ 7,651   |
| Investments                              | - Note 3    | 124,420    | 119,173    |
| Receivables                              | - Note 4    | 11,209     | 11,650     |
| Due from (to) utility fund               | - Exhibit 8 | 4,206      | 1,922      |
| Land held for resale                     |             | 23,148     | 14,996     |
| CentreSite investment                    | - Note 5    | 7,198      | 7,132      |
| Loans and advances                       |             | 395        | 467        |
| Other assets                             |             | 765        | 677        |
|  |             | 192,025    | 163,668    |
| <b>LIABILITIES</b>                       |             |            |            |
| Accounts payable and accrued liabilities | - Note 6    | 19,906     | 15,849     |
| Employee benefit obligations             |             | 9,075      | 8,176      |
| Deferred revenue                         | - Note 8    | 64,530     | 45,578     |
| Due to CentreSite                        |             | 459        | 377        |
| Deposits and other liabilities           |             | 6,010      | 4,878      |
| Agreements payable                       | - Note 9    | 708        | 1,969      |
| Debenture debt                           | - Note 10   | 7,066      | 7,626      |
|  |             | 107,754    | 84,453     |
| <b>NET FINANCIAL ASSETS</b>              |             | 84,271     | 79,215     |
| <b>PHYSICAL ASSETS</b>                   |             |            |            |
| Inventory held for consumption           |             | 1,381      | 1,439      |
| Capital assets                           | - Note 11   | 532,781    | 493,468    |
|  |             | 534,162    | 494,907    |
| <b>NET ASSETS</b>                        |             | \$ 618,433 | \$ 574,122 |
| <b>MUNICIPAL POSITION</b>                |             |            |            |
| Fund balances:                           |             |            |            |
| Operating fund                           |             |            |            |
| Accumulated surplus                      | - Exhibit 6 | \$ 1,441   | \$ 2,401   |
| Land held for resale                     |             | 13,827     | 10,542     |
| CentreSite investment                    |             | 7,198      | 7,132      |
| Unfunded vacation pay                    |             | (6,322)    | (5,705)    |
| Inventory held for consumption           |             | (1,381)    | (1,439)    |
|  |             | 14,763     | 12,931     |
| Capital fund                             |             | 35,287     | 30,235     |
| Reserves                                 |             | 41,287     | 43,675     |
|  |             | 91,337     | 86,841     |
| Equity in physical assets                |             |            |            |
| Inventory held for consumption           |             | 1,381      | 1,439      |
| Equity in capital assets                 |             | 525,715    | 485,842    |
|  |             | 527,096    | 487,281    |
| <b>NET MUNICIPAL POSITION</b>            |             | \$ 618,433 | \$ 574,122 |

# General Fund Statement of Revenues and Expenditures

For the year ended December 31, 2007 (in thousands of dollars)

## Exhibit 5

|   |             | 2007      | Budget<br>(Unaudited) | 2006      |
|---|-------------|-----------|-----------------------|-----------|
| <b>GENERAL MUNICIPAL REVENUES</b>           |             |           |                       |           |
| Net taxes                                   | - Exhibit 7 | \$ 67,325 | \$ 66,891             | \$ 61,463 |
| Return on investments                       |             | 3,356     | 3,480                 | 3,185     |
| Investment Valuation Allowance              |             | (5,700)   | -                     | -         |
| Provincial unconditional transfers          |             | 2,447     | 1,119                 | 2,447     |
| Gas company franchise                       |             | 2,638     | 2,547                 | 2,582     |
| Penalties and costs                         |             | 430       | 375                   | 373       |
| Sale of land                                |             | 16,582    | 16,582                | 18,086    |
| Other                                       |             | 54        | 60                    | 66        |
|   |             | 87,132    | 91,054                | 88,202    |
| <b>FUNCTIONALIZED OPERATIONS:</b>           |             |           |                       |           |
| <b>GENERAL GOVERNMENT SERVICES</b>          |             |           |                       |           |
| Council and other legislative               |             | (5,741)   | (4,875)               | (5,167)   |
| General administration                      |             | 9,984     | 12,392                | 9,350     |
|   |             | 4,243     | 7,517                 | 4,183     |
| <b>PROTECTIVE SERVICES</b>                  |             |           |                       |           |
| Police                                      |             | 18,454    | 18,597                | 17,777    |
| Fire  |             | 10,649    | 11,854                | 10,587    |
| Disaster services                           |             | (18)      | 4                     | 8         |
| Ambulance                                   |             | 3,375     | 2,916                 | 2,343     |
| Protective inspections                      |             | (1,453)   | (529)                 | (1,314)   |
| Other protection                            |             | 1,485     | 1,725                 | 1,402     |
|   |             | 32,492    | 34,567                | 30,803    |
| <b>TRANSPORTATION SERVICES</b>              |             |           |                       |           |
| Engineering services administration         |             | 301       | 420                   | 189       |
| Fleet services                              |             | (2,845)   | (2,370)               | (2,654)   |
| Roads, walks, lighting, parking             |             | 3,442     | 3,240                 | 2,765     |
| Storm sewers                                |             | 269       | 252                   | 200       |
| Transit                                     |             | 6,149     | 5,601                 | 4,943     |
|   |             | 7,316     | 7,143                 | 5,443     |
| <b>FAMILY SUPPORT AND SOCIAL SERVICES</b>   |             |           |                       |           |
| Family and community support services       |             | 491       | 609                   | 353       |
| Cemeteries                                  |             | 327       | 379                   | 227       |
| Other public health                         |             | 79        | 106                   | 59        |
|   |             | 897       | 1,094                 | 639       |
| <b>DEVELOPMENT SERVICES</b>                 |             |           |                       |           |
| Planning                                    |             | 159       | 494                   | 48        |
| Economic development                        |             | 1,759     | 1,650                 | 1,718     |
| Public housing                              |             | 216       | 360                   | 173       |
|   |             | 2,134     | 2,504                 | 1,939     |
| <b>LEISURE AND HUMAN SERVICES</b>           |             |           |                       |           |
| Administration                              |             | 965       | 1,321                 | 1,103     |
| Recreation facilities and programs          |             | 10,550    | 11,799                | 9,854     |
| Cultural facilities and programs            |             | 4,956     | 5,206                 | 4,617     |
|   |             | 16,471    | 18,326                | 15,574    |
|   |             | 63,553    | 71,151                | 58,581    |
| <b>EXCESS OF REVENUES OVER EXPENDITURES</b> |             |           |                       |           |
| Allocation from utility fund                |             | 1,789     | 1,582                 | 1,661     |
| Net transfers from (to) reserves            |             | 4,593     | 1,782                 | (2,531)   |
| Net transfers from capital                  |             | 990       | 3,421                 | 3,881     |
| Provision for capital assets                |             | (25,713)  | (25,633)              | (29,676)  |
| Debenture debt principal redeemed           |             | (1,007)   | (1,055)               | (833)     |
| Change in inventory held for consumption    |             | (58)      | -                     | 221       |
| Change in other operating funds             |             | (2,732)   | -                     | 57        |
| <b>SURPLUS FOR THE YEAR</b>                 | - Exhibit 6 | \$ 1,441  | \$ -                  | \$ 2,401  |

# General Fund Statement of Accumulated Operating Surplus

For the year ended December 31, 2007 (in thousands of dollars)

## Exhibit 6

|   |                    | 2007            | 2006            |
|---|--------------------|-----------------|-----------------|
| BALANCE, BEGINNING OF YEAR  |                    | \$ 2,401        | \$ 1,607        |
| Less: Appropriation to<br>Municipal Revenue Stabilization Reserve | - Note 15          | (2,401)         | (1,607)         |
| Add: Surplus for the year   | - Exhibit 5        | 1,441           | 2,401           |
| <b>BALANCE, END OF YEAR</b>                                       | <b>- Exhibit 4</b> | <b>\$ 1,441</b> | <b>\$ 2,401</b> |



# General Fund Statement of Taxes Levied

For the year ended December 31, 2007 (in thousands of dollars)

## Exhibit 7

|  | 2007      | 2006      |
|--|-----------|-----------|
| <b>TOTAL TAXES LEVIED</b>                        |           |           |
| Real property taxes                              | \$ 90,970 | \$ 84,175 |
| Special assessments and local improvements       | 2,729     | 2,420     |
| Business taxes (BRZ)                             | 160       | 166       |
| Grants in lieu of taxes                          |           |           |
| Federal  | 165       | 160       |
| Provincial                                       | 1,507     | 1,405     |
|  | 95,531    | 88,326    |
| Less: Special requisition transfers:             |           |           |
| Alberta School Foundation Fund                   | 20,399    | 19,651    |
| Holy Spirit RCSR 4                               | 4,043     | 3,970     |
| Green Acres Foundation                           | 869       | 654       |
| Downtown Lethbridge Business Revitalization Zone | 168       | 168       |
|  | 25,479    | 24,443    |
| <b>TAXATION FOR MUNICIPAL PURPOSES</b>           | 70,052    | 63,883    |
| Less: Special levies:                            |           |           |
| Local improvements                               | 408       | 263       |
| Street maintenance frontage taxes                | 2,319     | 2,157     |
|  | 2,727     | 2,420     |
| <b>NET TAXES</b>                                 | \$ 67,325 | \$ 61,463 |

- Exhibits 1 & 5



# Utility Fund Balance Sheet

As at December 31, 2007 (in thousands of dollars)

## Exhibit 8

|  |             | WATER      |           | WASTEWATER |            |
|--|-------------|------------|-----------|------------|------------|
|  |             | 2007       | 2006      | 2007       | 2006       |
| <b>FINANCIAL ASSETS</b>                  |             |            |           |            |            |
| Receivables                              | - Note 4    | \$ 2,448   | \$ 2,410  | \$ 2,108   | \$ 1,928   |
| Other assets                             |             | -          | -         | -          | -          |
|  |             | 2,448      | 2,410     | 2,108      | 1,928      |
| <b>LIABILITIES</b>                       |             |            |           |            |            |
| Accounts payable and accrued liabilities | - Note 6    | 543        | 1,639     | 542        | 535        |
| Employee benefit obligations             |             | 253        | 243       | 229        | 222        |
| Due to (from) general fund               | - Exhibit 4 | (707)      | (2,184)   | (1,643)    | (390)      |
| Deposits and other liabilities           |             | -          | 8         | 202        | 193        |
| Debenture debt                           | - Note 10   | 16,231     | 16,901    | 8,897      | 9,972      |
|  |             | 16,320     | 16,607    | 8,227      | 10,532     |
| <b>NET FINANCIAL ASSETS (DEBT)</b>       |             | (13,872)   | (14,197)  | (6,119)    | (8,604)    |
| <b>PHYSICAL ASSETS</b>                   |             |            |           |            |            |
| Inventory for consumption                |             | 408        | 350       | 82         | 74         |
| Capital assets                           | - Note 11   | 115,496    | 110,995   | 118,643    | 114,411    |
|  |             | 115,904    | 111,345   | 118,725    | 114,485    |
| <b>NET ASSETS</b>                        |             | \$ 102,032 | \$ 97,148 | \$ 112,606 | \$ 105,881 |
| <b>MUNICIPAL POSITION</b>                |             |            |           |            |            |
| Fund balances:                           |             |            |           |            |            |
| Operating fund                           |             |            |           |            |            |
| Accumulated surplus (deficit)            | - Note 13   | \$ 1,561   | \$ 1,070  | \$ 476     | \$ 133     |
| Unfunded vacation pay                    |             | (253)      | (243)     | (229)      | (217)      |
| Inventory held for consumption           |             | (408)      | (350)     | (82)       | (74)       |
|  |             | 900        | 477       | 165        | (158)      |
| Capital fund                             |             |            |           |            |            |
| Reserves                                 |             | 1,195      | 1,677     | 2,314      | 1,373      |
|  |             | 264        | 550       | 299        | 153        |
|  |             | 2,359      | 2,704     | 2,778      | 1,368      |
| Equity in physical assets                |             |            |           |            |            |
| Inventory held for consumption           |             | 408        | 350       | 82         | 74         |
| Equity in capital assets                 |             | 99,265     | 94,094    | 109,746    | 104,439    |
|  |             | 99,673     | 94,444    | 109,828    | 104,513    |
| <b>NET MUNICIPAL POSITION</b>            |             | \$ 102,032 | \$ 97,148 | \$ 112,606 | \$ 105,881 |

# Utility Fund Balance Sheet

For the year ended December 31, 2007 (in thousands of dollars)

| WASTE SERVICES |          | ELECTRIC   |            | TOTAL      |            |
|----------------|----------|------------|------------|------------|------------|
| 2007           | 2006     | 2007       | 2006       | 2007       | 2006       |
| \$ 1,231       | \$ 1,157 | \$ 8,564   | \$ 6,366   | \$ 14,351  | \$ 11,861  |
| -              | -        | 358        | 646        | 358        | 646        |
| 1,231          | 1,157    | 8,922      | 7,012      | 14,709     | 12,507     |
| 1,793          | 1,421    | 3,732      | 2,620      | 6,610      | 6,215      |
| 113            | 107      | 551        | 512        | 1,146      | 1,084      |
| (1,451)        | (1,303)  | 8,007      | 5,799      | 4,206      | 1,922      |
| -              | -        | 320        | 6          | 522        | 207        |
| 17,335         | 18,428   | -          | -          | 42,463     | 45,301     |
| 17,790         | 18,653   | 12,610     | 8,937      | 54,947     | 54,729     |
| (16,559)       | (17,496) | (3,688)    | (1,925)    | (40,238)   | (42,222)   |
| -              | -        | 4,469      | 3,274      | 4,959      | 3,698      |
| 22,720         | 22,358   | 106,488    | 102,196    | 363,347    | 349,960    |
| 22,720         | 22,358   | 110,957    | 105,470    | 368,306    | 353,658    |
| \$ 6,161       | \$ 4,862 | \$ 107,269 | \$ 103,545 | \$ 328,068 | \$ 311,436 |
| \$ 781         | \$ 606   | \$ 1,520   | \$ (508)   | \$ 4,338   | \$ 1,301   |
| (113)          | (107)    | -          | -          | (595)      | (567)      |
| -              | -        | (4,469)    | (3,274)    | (4,959)    | (3,698)    |
| 668            | 499      | (2,949)    | (3,782)    | (1,216)    | (2,964)    |
| (135)          | 269      | (1,613)    | 1,724      | 1,761      | 5,043      |
| 243            | 164      | 874        | 133        | 1,680      | 1,000      |
| 776            | 932      | (3,688)    | (1,925)    | 2,225      | 3,079      |
| -              | -        | 4,469      | 3,274      | 4,959      | 3,698      |
| 5,385          | 3,930    | 106,488    | 102,196    | 320,884    | 304,659    |
| 5,385          | 3,930    | 110,957    | 105,470    | 325,843    | 308,357    |
| \$ 6,161       | \$ 4,862 | \$ 107,269 | \$ 103,545 | \$ 328,068 | \$ 311,436 |

# *Utility Fund Statement of Revenues and Expenditures*

For the year ended December 31, 2007 (in thousands of dollars)

## Exhibit 9

|   | WATER    |          | WASTEWATER |          |
|---|----------|----------|------------|----------|
|   | 2007     | 2006     | 2007       | 2006     |
| <b>REVENUES</b>                                   |          |          |            |          |
| Sale of goods and services                        |          |          |            |          |
| Residential                                       | \$ 9,507 | \$ 9,073 | \$ 6,420   | \$ 6,328 |
| Commercial  | 5,523    | 5,340    | 4,020      | 4,022    |
| Industrial  | -        | -        | 1,747      | 1,648    |
| Municipal consent and access fee                  | -        | -        | -          | -        |
| Transmission credits                              | -        | -        | -          | -        |
| Regional  | 945      | 896      | 9          | 13       |
| Street lighting and traffic signals               | -        | -        | -          | -        |
| Other   | 35       | 17       | 185        | 177      |
|   | 16,010   | 15,326   | 12,381     | 12,188   |
| <b>FUNCTIONALIZED REVENUES:</b>                   |          |          |            |          |
| Capitalized recoveries                            | 485      | 419      | -          | -        |
| Federal conditional transfers                     | -        | -        | -          | -        |
| Provincial conditional transfers                  | -        | -        | -          | -        |
| Other   | 422      | 1,169    | 330        | 1,167    |
|   | 16,917   | 16,914   | 12,711     | 13,355   |
| <b>EXPENDITURES</b>                               |          |          |            |          |
| Net operations                                    |          |          |            |          |
| Administration                                    | 1,572    | 1,508    | 1,280      | 1,227    |
| Purification and treatment                        | 3,928    | 3,607    | 3,720      | 3,490    |
| Engineering, metering and inspection              | 719      | 521      | 259        | 188      |
| Transmission and distribution                     | 2,896    | 2,706    | -          | -        |
| Collection systems                                | -        | -        | 1,556      | 1,360    |
| Waste services recycling                          | -        | -        | -          | -        |
| Clean-up campaign                                 | -        | -        | -          | -        |
| Landfill  | -        | -        | -          | -        |
| Debenture financing                               | 672      | 575      | 312        | 351      |
| Customer services                                 | 1,077    | 1,864    | 373        | 1,453    |
| Fiscal services                                   | 115      | 158      | 112        | 95       |
|   | 10,979   | 10,939   | 7,612      | 8,164    |
| <b>EXCESS OF REVENUES OVER EXPENDITURES</b>       | 5,938    | 5,975    | 5,099      | 5,191    |
| Allocation to general fund                        | (1,278)  | (1,225)  | -          | -        |
| Transfer from accumulated surplus                 | -        | -        | -          | 93       |
| Net transfers from (to) reserves                  | 9        | (281)    | (1,858)    | (1,318)  |
| Net transfers from (to) capital                   | -        | -        | -          | -        |
| Provision for capital assets                      | (2,717)  | (2,287)  | (1,524)    | (1,779)  |
| Debenture debt principal redeemed                 | (1,527)  | (1,181)  | (1,394)    | (2,135)  |
| Change in inventory held for consumption          | 58       | 22       | 8          | 4        |
| Change in other operating funds                   | 8        | 42       | 12         | 26       |
| <b>SURPLUS (DEFICIT) FOR THE YEAR</b>             | 491      | 1,065    | 343        | 82       |
| Accumulated surplus (deficit), beginning of year  | 1,070    | 5        | 133        | 144      |
| Transfer (to) from general reserves               | -        | -        | -          | -        |
| Transfer (to) from utility capital                | -        | -        | -          | -        |
| Transfer (to) from utility operations             | -        | -        | -          | (93)     |
| <b>ACCUMULATED SURPLUS (DEFICIT), END OF YEAR</b> | \$ 1,561 | \$ 1,070 | \$ 476     | \$ 133   |

# Utility Fund Statement of Revenues and Expenditures

For the year ended December 31, 2007 (in thousands of dollars)

| WASTE SERVICES |          | ELECTRIC  |           | TOTAL     |             |           |
|----------------|----------|-----------|-----------|-----------|-------------|-----------|
| 2007           | 2006     | 2007      | 2006      | 2007      | Budget      | 2006      |
|                |          |           |           |           | (Unaudited) |           |
| \$ 10,571      | \$ 9,658 | \$ 21,811 | \$ 21,724 | \$ 48,309 | \$ 51,126   | \$ 46,783 |
| 587            | 528      | 6,504     | 5,416     | 16,634    | 11,964      | 15,306    |
| -              | -        | 8,118     | 6,239     | 9,865     | 8,773       | 7,887     |
| -              | -        | 6,643     | 5,690     | 6,643     | 6,586       | 5,690     |
| -              | -        | 4,392     | 4,227     | 4,392     | 4,588       | 4,227     |
| -              | -        | -         | -         | 954       | 907         | 909       |
| -              | -        | 1,243     | 1,005     | 1,243     | 1,098       | 1,005     |
| -              | -        | 232       | 93        | 452       | 307         | 287       |
| 11,158         | 10,186   | 48,943    | 44,394    | 88,492    | 85,349      | 82,094    |
| 14             | -        | 2,488     | 2,005     | 2,987     | 3,166       | 2,424     |
| -              | -        | -         | -         | -         | -           | -         |
| -              | 306      | -         | -         | -         | -           | 306       |
| 176            | 1,065    | 2,686     | 480       | 3,614     | 3,261       | 3,881     |
| 11,348         | 11,557   | 54,117    | 46,879    | 95,093    | 91,776      | 88,705    |
| 279            | 489      | 1,003     | 458       | 4,134     | 3,912       | 3,682     |
| -              | -        | -         | -         | 7,648     | 7,189       | 7,097     |
| -              | -        | 574       | 368       | 1,552     | 1,641       | 1,077     |
| -              | -        | 34,524    | 33,543    | 37,420    | 35,447      | 36,249    |
| 2,941          | 4,097    | -         | -         | 4,497     | 3,753       | 5,457     |
| 1,013          | 956      | -         | -         | 1,013     | 1,113       | 956       |
| 467            | 374      | -         | -         | 467       | 557         | 374       |
| 3,955          | 3,917    | -         | -         | 3,955     | 3,434       | 3,917     |
| -              | -        | -         | -         | 984       | 930         | 926       |
| 165            | 980      | 3,578     | 831       | 5,193     | 4,220       | 5,128     |
| 111            | 121      | 331       | 1,161     | 669       | 1,526       | 1,535     |
| 8,931          | 10,934   | 40,010    | 36,361    | 67,532    | 63,722      | 66,398    |
| 2,417          | 623      | 14,107    | 10,518    | 27,561    | 28,054      | 22,307    |
| (511)          | (436)    | -         | -         | (1,789)   | (1,582)     | (1,661)   |
| -              | -        | -         | -         | -         | -           | 93        |
| (593)          | 880      | (9,518)   | (8,406)   | (11,960)  | (11,888)    | (9,125)   |
| 119            | 1,870    | (4,212)   | (3,488)   | (4,093)   | (5,564)     | (1,618)   |
| (170)          | (1,954)  | (52)      | -         | (4,463)   | (4,786)     | (6,020)   |
| (1,093)        | (827)    | -         | -         | (4,014)   | (4,014)     | (4,143)   |
| -              | -        | 1,195     | 868       | 1,261     | -           | 894       |
| 6              | 31       | -         | -         | 26        | -           | 99        |
| 175            | 187      | 1,520     | (508)     | 2,529     | 220         | 826       |
| 606            | 419      | (508)     | 952       | 1,301     | 1,301       | 1,520     |
| -              | -        | 508       | (952)     | 508       | 508         | (952)     |
| -              | -        | -         | -         | -         | -           | -         |
| -              | -        | -         | -         | -         | -           | (93)      |
| \$ 781         | \$ 606   | \$ 1,520  | \$ (508)  | \$ 4,338  | \$ 2,029    | \$ 1,301  |

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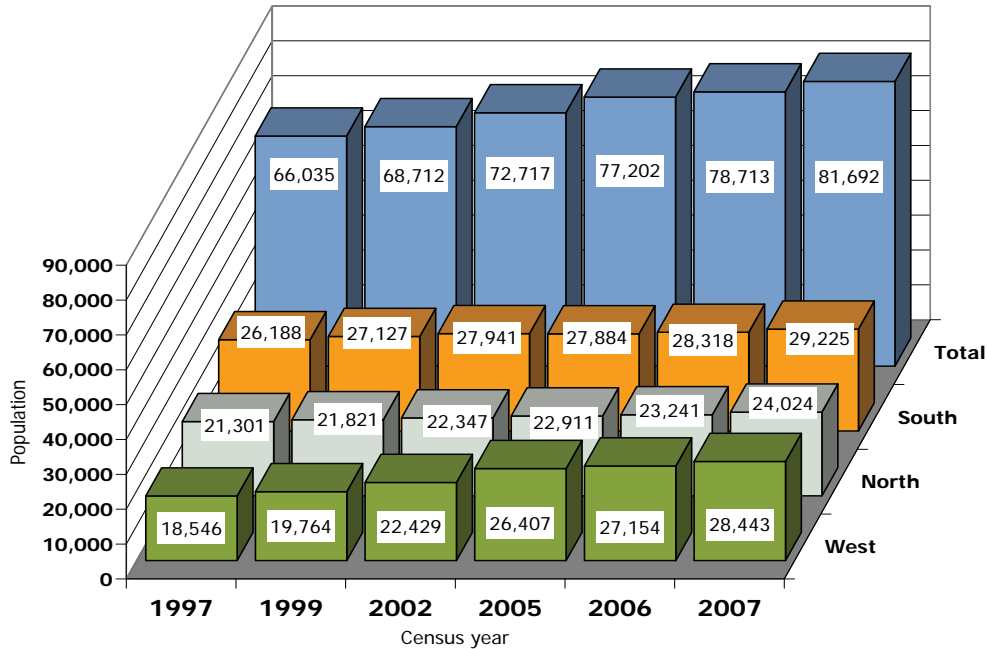
# *Statistics*

*(unaudited)*



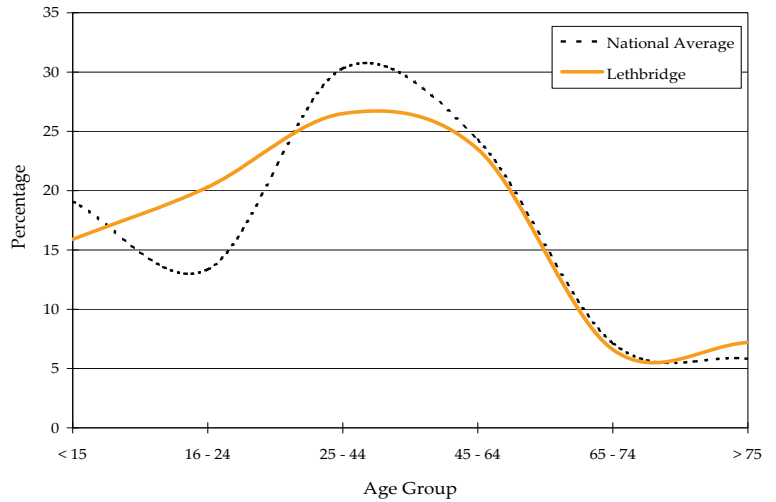
# Population and Building Permits

## Population By Location

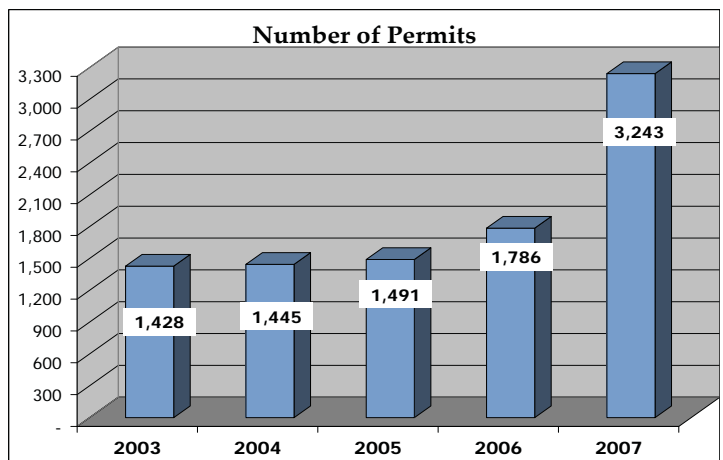
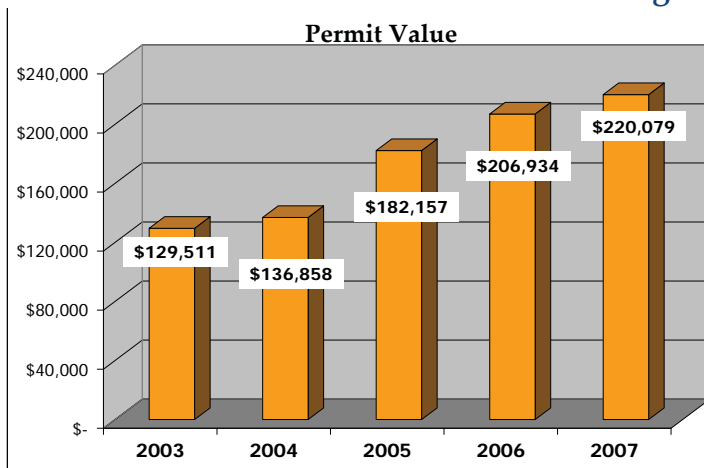


## Population By Age Group

| Age Group | Percentage |            |                  |
|-----------|------------|------------|------------------|
|           | Population | Lethbridge | National Average |
| < 15      | 12,970     | 15.9       | 19.1             |
| 16 - 24   | 16,610     | 20.3       | 13.4             |
| 25 - 44   | 21,616     | 26.5       | 30.3             |
| 45 - 64   | 19,203     | 23.5       | 24.3             |
| 65 - 74   | 5,428      | 6.6        | 7.1              |
| > 75      | 5,865      | 7.2        | 5.8              |
|           | 81,692     | 100.0      | 100.0            |



## Building Permits Issued

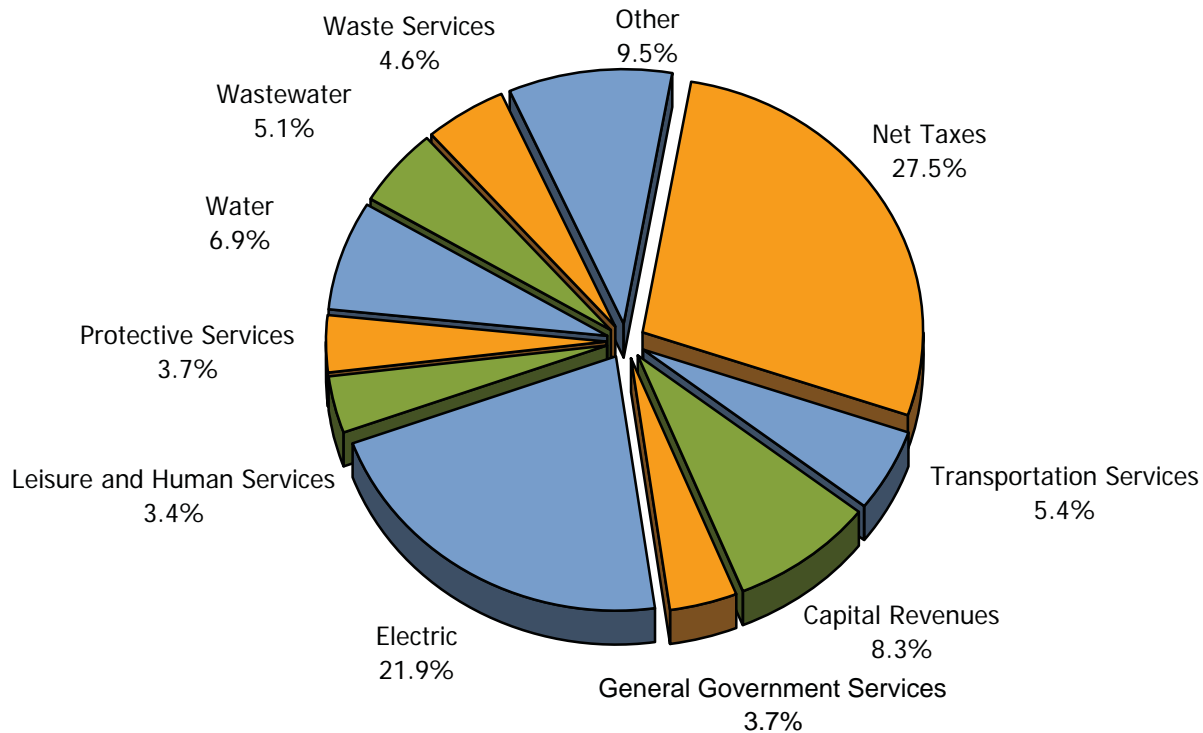


# Schedule of Consolidated Revenues

For the years ended December 31, 2003 - 2007  
(in thousands of dollars)

|                                    | 2007              | 2006              | 2005              | 2004              | 2003              |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>REVENUES</b>                    |                   |                   |                   |                   |                   |
| Net taxes                          | \$ 67,325         | \$ 61,463         | \$ 54,916         | \$ 50,112         | \$ 45,656         |
| Capital revenues                   | 20,290            | 23,034            | 13,599            | 14,972            | 11,337            |
| Return on investments              | 3,356             | 3,185             | 3,383             | 2,490             | 2,262             |
| Investment Valuation Allowance     | (5,700)           |                   |                   |                   |                   |
| Provincial unconditional transfers | 2,447             | 2,447             | 2,447             | 1,120             | 1,766             |
| Other                              | 19,704            | 21,108            | 11,095            | 9,928             | 10,837            |
|                                    | 107,422           | 111,237           | 85,440            | 78,622            | 71,858            |
| <b>SALE OF GOODS AND SERVICES</b>  |                   |                   |                   |                   |                   |
| Electric                           | 53,694            | 46,447            | 28,711            | 27,767            | 27,232            |
| Water                              | 16,801            | 16,797            | 15,065            | 13,904            | 14,137            |
| Wastewater                         | 12,595            | 13,239            | 11,421            | 11,790            | 10,902            |
| Transportation services            | 13,308            | 13,015            | 11,545            | 11,433            | 10,829            |
| Waste services                     | 11,329            | 11,537            | 9,206             | 8,839             | 7,435             |
| General government services        | 8,960             | 8,106             | 9,020             | 7,870             | 6,692             |
| Protective services                | 9,166             | 8,226             | 7,679             | 6,655             | 6,139             |
| Leisure and human services         | 8,215             | 7,834             | 7,314             | 5,807             | 5,468             |
| Family support and social services | 2,241             | 2,220             | 2,122             | 2,042             | 1,946             |
| Development services               | 1,152             | 1,172             | 961               | 965               | 823               |
|                                    | 137,461           | 128,593           | 103,044           | 97,072            | 91,603            |
| <b>TOTAL REVENUES</b>              | <b>\$ 244,883</b> | <b>\$ 239,830</b> | <b>\$ 188,484</b> | <b>\$ 175,694</b> | <b>\$ 163,461</b> |

**2007 Gross Revenues**

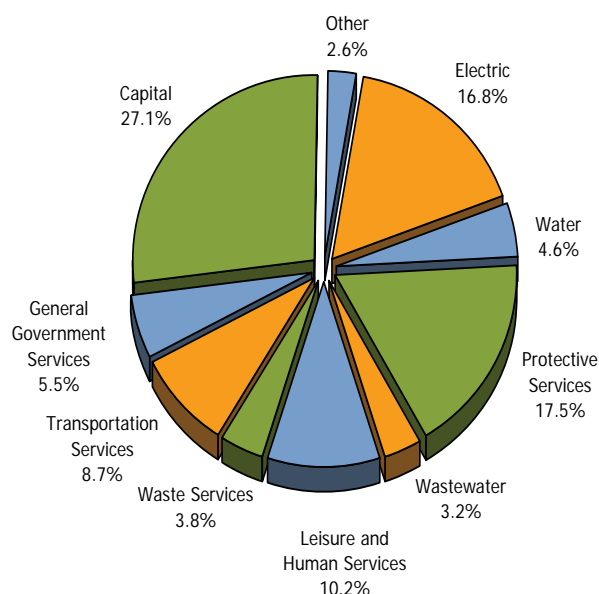


# Schedule of Consolidated Expenditures

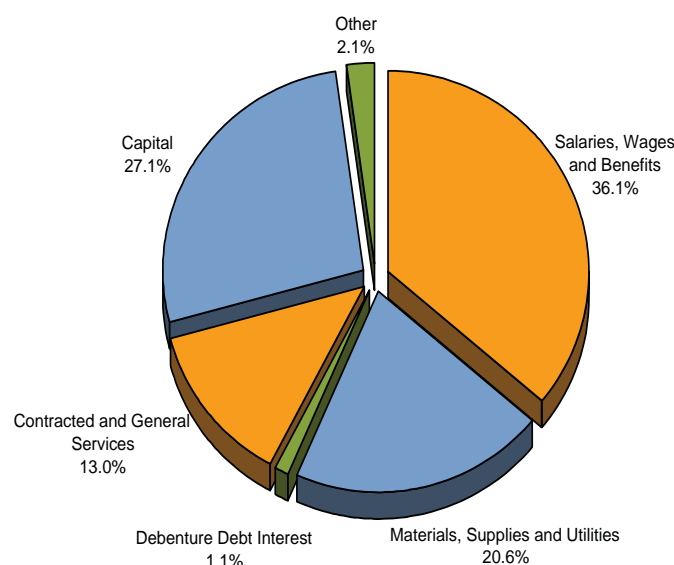
For the years ended December 31, 2003 - 2007  
(in thousands of dollars)

|                                       | 2007              | 2006              | 2005              | 2004              | 2003              |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>EXPENDITURES BY FUNCTION</b>       |                   |                   |                   |                   |                   |
| Protective services                   | \$ 41,658         | \$ 39,029         | \$ 35,281         | \$ 33,060         | \$ 30,793         |
| Leisure and human services            | 24,222            | 22,950            | 20,295            | 17,612            | 16,319            |
| Electric                              | 40,006            | 36,357            | 15,519            | 12,440            | 12,113            |
| Transportation services               | 20,620            | 18,453            | 16,095            | 14,637            | 14,035            |
| General government services           | 13,063            | 12,141            | 10,954            | 10,093            | 10,607            |
| Water                                 | 10,973            | 10,928            | 9,768             | 8,526             | 8,760             |
| Waste services                        | 8,931             | 10,934            | 8,015             | 7,370             | 7,098             |
| Wastewater                            | 7,581             | 8,131             | 6,599             | 6,815             | 6,249             |
| Family support and social services    | 3,113             | 2,833             | 2,850             | 2,579             | 2,437             |
| Development services                  | 3,286             | 3,111             | 2,556             | 2,478             | 1,894             |
| General capital                       | 46,024            | 46,513            | 39,391            | 29,983            | 22,320            |
| Utility capital                       | 18,366            | 30,702            | 15,579            | 10,960            | 23,870            |
| <b>TOTAL EXPENDITURES BY FUNCTION</b> | <b>\$ 237,843</b> | <b>\$ 242,082</b> | <b>\$ 182,902</b> | <b>\$ 156,553</b> | <b>\$ 156,495</b> |

2007 Gross Expenditures by Function



2007 Gross Expenditures by Object



|   | 2007              | 2006              | 2005              | 2004              | 2003              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>EXPENDITURES BY OBJECT</b>           |                   |                   |                   |                   |                   |
| Salaries, wages and benefits            | \$ 85,761         | \$ 77,813         | \$ 71,315         | \$ 66,554         | \$ 61,493         |
| Materials, supplies and utilities       | 48,891            | 48,734            | 24,369            | 21,200            | 21,323            |
| Contracted and general services         | 30,983            | 31,339            | 26,690            | 21,699            | 21,484            |
| Debt and debt interest                  | 2,540             | 2,366             | 2,247             | 2,613             | 2,454             |
| Grants to individuals and organizations | 2,013             | 2,130             | 1,654             | 1,699             | 1,729             |
| Financial charges                       | 662               | 556               | 422               | 474               | 408               |
| Other                                   | 2,603             | 1,929             | 1,235             | 1,371             | 1,414             |
|   | 173,453           | 164,867           | 127,932           | 115,610           | 110,305           |
| Capital                                 | 64,390            | 77,215            | 77,215            | 54,970            | 40,943            |
| <b>TOTAL EXPENDITURES BY OBJECT</b>     | <b>\$ 237,843</b> | <b>\$ 242,082</b> | <b>\$ 205,147</b> | <b>\$ 170,580</b> | <b>\$ 151,248</b> |

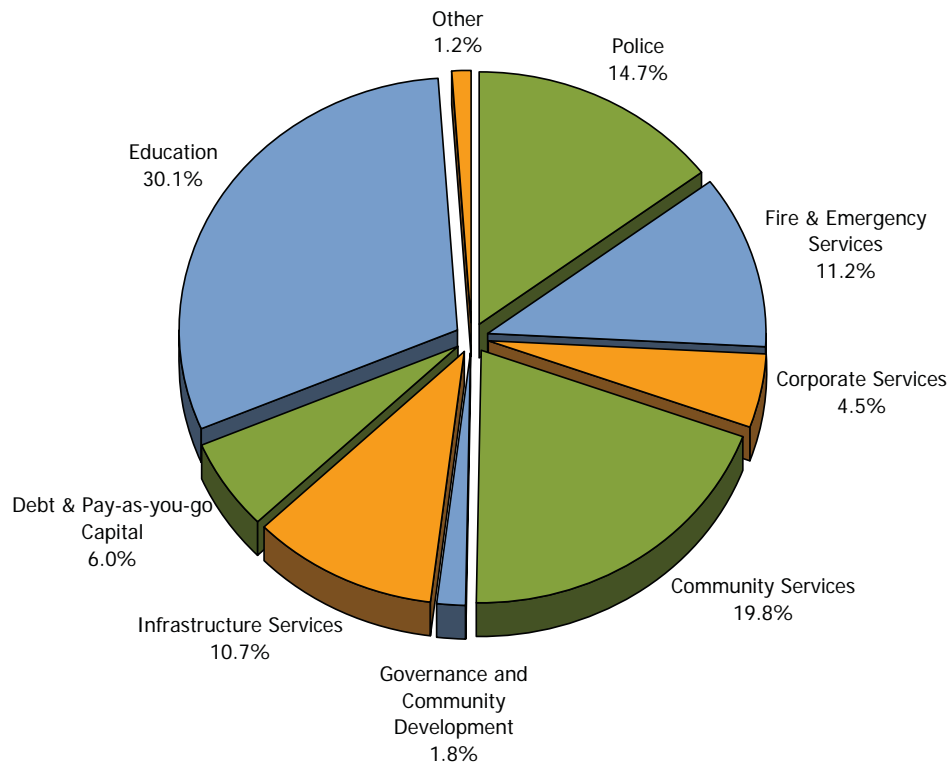
# Taxation and Assessment

For the years ended December 31, 2003 - 2007  
(in thousands of dollars)

## Property Tax Levy

|                                | 2007             | 2006             | 2005             | 2004             | 2003             |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|
| Real Property                  |                  |                  |                  |                  |                  |
| Municipal                      | \$ 66,024        | \$ 59,917        | \$ 53,904        | \$ 48,779        | \$ 44,126        |
| Education                      | 24,084           | 23,611           | 23,094           | 23,077           | 22,442           |
| Other                          | 862              | 647              | 642              | 636              | 636              |
| Total Real Property            | 90,970           | 84,175           | 77,640           | 72,492           | 67,204           |
| Special Assessments            | 2,729            | 2,420            | 2,438            | 2,410            | 2,296            |
| Business Taxes (BRZ)           | 160              | 166              | 161              | 155              | 147              |
| <b>TOTAL CURRENT YEAR LEVY</b> | <b>\$ 93,859</b> | <b>\$ 86,761</b> | <b>\$ 80,239</b> | <b>\$ 75,057</b> | <b>\$ 69,647</b> |
| Current Taxes Collected        | \$ 93,349        | \$ 85,774        | \$ 79,252        | \$ 74,165        | \$ 68,734        |
| % of Current Taxes Collected   | 99.5%            | 98.9%            | 98.8%            | 98.8%            | 98.7%            |

## Allocation of Residential Property Tax Dollars



## Taxable Assessment (in thousands of dollars)

|                                 | 2007                | 2006                | 2005                | 2004                | 2003                |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Residential                     | \$ 5,184,767        | \$ 4,332,118        | \$ 3,718,770        | \$ 3,376,495        | \$ 3,146,391        |
| Apartments                      | 288,600             | 250,273             | 243,930             | 220,231             | 204,718             |
| Commercial and Industrial       | 1,437,710           | 1,211,518           | 1,069,983           | 984,102             | 901,666             |
| <b>TOTAL TAXABLE ASSESSMENT</b> | <b>\$ 6,911,077</b> | <b>\$ 5,793,909</b> | <b>\$ 5,032,683</b> | <b>\$ 4,580,828</b> | <b>\$ 4,252,775</b> |

# Schedule of Debenture Debt

As At December 31, 2003 - 2007  
(in thousands of dollars, except for per capita)

|  | 2007              | 2006              | 2005              | 2004              | 2003              |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>GENERAL</b>                                       |                   |                   |                   |                   |                   |
| Tax supported  |                   |                   |                   |                   |                   |
| Highways   | \$ -              | \$ -              | \$ 75             | \$ 128            | \$ 175            |
| Municipal buildings                                  | -                 | -                 | -                 | -                 | 52                |
| Land   | -                 | -                 | 96                | 136               | 172               |
|  | -                 | -                 | 171               | 264               | 399               |
| Self supported                                       |                   |                   |                   |                   |                   |
| Industrial park servicing                            | 5,456             | 5,755             | 4,200             | -                 | -                 |
| Lethbridge Health Unit                               | -                 | -                 | -                 | 151               | 164               |
| Lethbridge and District Exhibition                   | 822               | 911               | 995               | 1,074             | 1,148             |
| Lethbridge Softball Valley complex                   | 99                | 137               | 172               | -                 | -                 |
| Local improvements                                   | 689               | 823               | 1,241             | 1,753             | 1,901             |
|  | 7,066             | 7,626             | 6,608             | 2,978             | 3,213             |
|  | 7,066             | 7,626             | 6,779             | 3,242             | 3,612             |
| <b>UTILITIES</b>                                     |                   |                   |                   |                   |                   |
| Water  | 13,374            | 13,901            | 11,132            | 10,260            | 11,926            |
| Wastewater   | 7,202             | 8,622             | 6,807             | 8,728             | 10,569            |
| Solid waste  | 17,335            | 18,428            | 17,265            | 18,042            | 18,772            |
| Offsites   | 4,552             | 4,350             | -                 | -                 | -                 |
|  | 42,463            | 45,301            | 35,204            | 37,030            | 41,267            |
| <b>TOTAL GENERAL AND UTILITIES DEBT</b>              | <b>\$ 49,529</b>  | <b>\$ 52,927</b>  | <b>\$ 41,983</b>  | <b>\$ 40,272</b>  | <b>\$ 44,879</b>  |
| <b>POPULATION</b>                                    | <b>81,692</b>     | <b>78,713</b>     | <b>77,202</b>     | <b>72,717</b>     | <b>72,717</b>     |
| <b>DEBENTURE DEBT PER CAPITA</b>                     |                   |                   |                   |                   |                   |
| General - Mill rate supported                        | \$ -              | \$ -              | \$ 2              | \$ 4              | \$ 5              |
| General - self supported                             | 86                | 97                | 86                | 41                | 44                |
| Utilities  | 520               | 576               | 456               | 509               | 568               |
|  | \$ 606            | \$ 673            | \$ 544            | \$ 554            | \$ 617            |
| <b>MILL RATE SUPPORTED DEBENTURE DEBT:</b>           |                   |                   |                   |                   |                   |
| Annual Debt Charges                                  | \$ -              | \$ 190            | \$ 121            | \$ 448            | \$ 679            |
| % of Gross General Revenue                           | 0.00%             | 0.15%             | 0.11%             | 0.48%             | 0.86%             |
| % of Gross General Expenditures                      | 0.00%             | 0.15%             | 0.11%             | 0.49%             | 0.86%             |
| <b>DEBT LIMIT (as per Municipal Government Act):</b> |                   |                   |                   |                   |                   |
| Total debt limit                                     | \$ 363,723        | \$ 316,365        | \$ 272,837        | \$ 251,891        | \$ 234,270        |
| Total debt (above)                                   | 49,529            | 52,927            | 41,983            | 40,272            | 44,879            |
| <b>DEBT LIMIT UNUSED</b>                             | <b>\$ 314,194</b> | <b>\$ 263,438</b> | <b>\$ 230,854</b> | <b>\$ 211,619</b> | <b>\$ 189,391</b> |
| Percentage of debt limit used                        | 13.6%             | 16.7%             | 15.4%             | 16.0%             | 19.2%             |

# Capital Expenditures and Funding Sources

For the years ended December 31, 2003 - 2007  
(in thousands of dollars)

## Schedule of Capital Expenditures

|                                   | 2007             | 2006             | 2005             | 2004             | 2003             |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|
| Engineering structures            | \$ 25,724        | \$ 36,441        | \$ 29,742        | \$ 22,929        | \$ 28,307        |
| Subdivision development           | 24,702           | 16,600           | 8,012            | 6,441            | 3,520            |
| Machinery & equipment             | 3,613            | 3,815            | 1,281            | 2,676            | 1,530            |
| Buildings                         | 2,385            | 7,266            | 6,099            | 2,399            | 7,870            |
| Vehicles                          | 2,659            | 5,946            | 5,616            | 4,100            | 4,063            |
| Land                              | 2,963            | 156              | 2,787            | 1,065            | 760              |
| Other                             | 2,344            | 6,991            | 1,433            | 1,333            | 140              |
| <b>TOTAL CAPITAL EXPENDITURES</b> | <b>\$ 64,390</b> | <b>\$ 77,215</b> | <b>\$ 54,970</b> | <b>\$ 40,943</b> | <b>\$ 46,190</b> |

## Schedule of Funding Sources for Capital Expenditures

|   | 2007             | 2006             | 2005             | 2004             | 2003             |
|---|------------------|------------------|------------------|------------------|------------------|
| Operations                                | \$ 33,716        | \$ 33,433        | \$ 20,716        | \$ 18,941        | \$ 21,635        |
| Reserve                                   | 10,968           | 8,096            | 21,941           | 5,926            | 9,055            |
| Provincial grant                          | 7,048            | 6,517            | 4,841            | 6,269            | 4,782            |
| Developer payments                        | 5,895            | 6,504            | 3,782            | 4,579            | 3,139            |
| Other                                     | 3,279            | 1,733            | 2,528            | 1,966            | 1,119            |
| Return on investment                      | 2,096            | 1,499            | 273              | 118              | 8                |
| Debentures                                | 1,750            | 16,041           | 6,990            | 1,781            | 13,821           |
| Federal grant                             | 1,129            | 6,278            | 1,351            | 1,097            | 2,048            |
| Sale of fixed assets                      | 279              | 383              | 576              | 857              | 104              |
| Current year (under)/ over expended funds | (1,770)          | (3,269)          | (8,028)          | (591)            | (9,521)          |
| <b>TOTAL BY FUNDING SOURCE</b>            | <b>\$ 64,390</b> | <b>\$ 77,215</b> | <b>\$ 54,970</b> | <b>\$ 40,943</b> | <b>\$ 46,190</b> |

# Schedule of Reserves

For the years ended December 31, 2003 - 2007  
(in thousands of dollars)

|  | 2007             | 2006             | 2005             | 2004             | 2003             |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>OPERATING</b>                           |                  |                  |                  |                  |                  |
| Budget Appropriations                      | \$ 16,393        | \$ 17,384        | \$ 17,815        | \$ 15,311        | \$ 14,597        |
| Insurance                                  | 1,372            | 847              | 607              | 542              | 431              |
| Urban Parks                                | 1,359            | 795              | 884              | 441              | 198              |
| Municipal revenue Stabilization            | 1,158            | 7,752            | 6,584            | 11,848           | 2,602            |
| Cemeteries                                 | 589              | 497              | 386              | 431              | 326              |
| Mayor Magrath Drive Beautification         | 97               | 90               | 83               | 78               | 73               |
| Snow Removal                               | 30               | 577              | 545              | 522              | 394              |
| Acquisition of Local Art Work              | -                | 8                | 8                | 8                | 8                |
|  | 20,998           | 27,950           | 26,912           | 29,181           | 18,629           |
| <b>CAPITAL</b>                             |                  |                  |                  |                  |                  |
| Fleet Services                             | 11,352           | 6,646            | 3,698            | 4,319            | 2,500            |
| Major Capital Projects                     | 3,845            | 2,475            | 2,407            | 397              | 187              |
| Community Lighting                         | 1,939            | 1,569            | 1,482            | 1,289            | 942              |
| Real Estate Holdings                       | 1,635            | 1,512            | 1,367            | 1,365            | 319              |
| Acquire Off Street Parking                 | 1,221            | 1,160            | 968              | 812              | 665              |
| Transit Bus                                | 948              | 936              | 344              | 306              | 332              |
| Community Reserve Fund                     | 688              | 657              | 631              | 552              | 238              |
| Central Business District Land Acquisition | 278              | 728              | 734              | 280              | 310              |
| School Bus                                 | 64               | 41               | 13               | 84               | 4                |
|  | 21,970           | 15,724           | 11,644           | 9,404            | 5,497            |
| <b>TOTAL RESERVES</b>                      | <b>\$ 42,968</b> | <b>\$ 43,674</b> | <b>\$ 38,556</b> | <b>\$ 38,585</b> | <b>\$ 24,126</b> |



# Schedule of Government Transfers

For the years ended December 31, 2003 - 2007  
(in thousands of dollars)

|   | 2007             |                 |                  | 2006             | 2005             | 2004             | 2003             |
|---|------------------|-----------------|------------------|------------------|------------------|------------------|------------------|
|   | Provincial       | Federal         | Total            |                  |                  |                  |                  |
| <b>UNCONDITIONAL</b>                        |                  |                 |                  |                  |                  |                  |                  |
| <b>UNCONDITIONAL TRANSFERS</b>              |                  |                 |                  |                  |                  |                  |                  |
| Municipal assistance                        | \$ 430           | \$ -            | \$ 430           | \$ 430           | \$ 430           | \$ 430           | \$ 430           |
| Transit                                     | 202              | -               | 202              | 202              | 202              | 202              | 202              |
| Urban parks                                 | 487              | -               | 487              | 487              | 487              | 487              | 487              |
| Ambulance                                   | 1,328            | -               | 1,328            | 1,328            | 1,328            | -                | -                |
|   | 2,447            | -               | 2,447            | 2,447            | 2,447            | 1,119            | 1,119            |
| Payments in lieu of taxes                   | 1,673            | -               | 1,673            | 1,565            | 1,602            | 1,667            | 1,659            |
|   | 4,120            | -               | 4,120            | 4,012            | 4,049            | 2,786            | 2,778            |
| <b>CONDITIONAL OPERATING</b>                |                  |                 |                  |                  |                  |                  |                  |
| <b>GENERAL</b>                              |                  |                 |                  |                  |                  |                  |                  |
| Family and community support services       | 1,704            | -               | 1,704            | 1,602            | 1,540            | 1,505            | 1,447            |
| Police                                      | 1,314            | -               | 1,314            | 1,181            | 1,163            | 1,163            | 647              |
| Alberta Municipal Infrastructure            | 1,519            | -               | 1,519            | 1,017            | -                | -                | -                |
| Lethbridge public library                   | 331              | -               | 331              | 400              | 312              | 312              | 337              |
| Community facility enhancement program      | 2                | -               | 2                | 125              | 19               | -                | -                |
| Basic capital transportation - operations   | 88               | -               | 88               | 100              | 112              | 382              | 165              |
| Victim / witness services unit              | 100              | -               | 100              | 100              | 100              | 57               | 54               |
| Disaster recovery (2002 flood)              | -                | -               | -                | 86               | 180              | -                | 1                |
| Police - miscellaneous                      | 33               | 3               | 36               | 91               | 55               | 8                | 40               |
| Fetal alcohol syndrome program              | 98               | -               | 98               | 84               | 82               | 83               | 76               |
| Other                                       | 44               | -               | 44               | 160              | 219              | 164              | 19               |
| Alberta mainstreet program                  | 80               | 1               | 81               | 66               | 90               | 125              | 106              |
| Adult literacy program                      | 69               | -               | 69               | 59               | 59               | 56               | 63               |
| Library - miscellaneous                     | 61               | -               | 61               | 21               | 13               | 48               | 22               |
| ALERT program                               | 22               | -               | 22               | 18               | 22               | 20               | 20               |
| STEP program                                | 24               | -               | 24               | 18               | 19               | 10               | 15               |
| Federal Gas tax sharing                     | -                | 129             | 129              | 257              | -                | -                | -                |
| Canada Day celebrations                     | -                | 4               | 4                | 3                | 4                | 2                | 2                |
| Infrastructure Canada Ab. program -interest | -                | -               | -                | -                | -                | 131              | -                |
| Municipal heritage program                  | 40               | -               | 40               | -                | -                | -                | -                |
| SHIA - community social housing             | -                | -               | -                | -                | -                | 80               | 770              |
| Museum - miscellaneous                      | -                | -               | -                | -                | 11               | 29               | 32               |
| Museum freeman exhibit                      | -                | -               | -                | -                | -                | -                | 40               |
|   | 5,529            | 137             | 5,666            | 5,388            | 4,000            | 4,175            | 3,856            |
| <b>UTILITY</b>                              |                  |                 |                  |                  |                  |                  |                  |
| Interest rate stabilization                 | -                | -               | -                | -                | 22               | 50               | 75               |
|   | -                | -               | -                | -                | 22               | 50               | 75               |
|   | 5,529            | 137             | 5,666            | 5,388            | 4,022            | 4,225            | 3,931            |
| <b>CONDITIONAL CAPITAL</b>                  |                  |                 |                  |                  |                  |                  |                  |
| <b>GENERAL</b>                              |                  |                 |                  |                  |                  |                  |                  |
| Alberta Municipal Infrastructure            | 3,462            | -               | 3,462            | 2,933            | -                | -                | -                |
| Basic capital transportation                | 2,535            | -               | 2,535            | 2,257            | 2,362            | 1,728            | 3,893            |
| City special transportation (MM Dr. S.)     | (19)             | -               | (19)             | 775              | 990              | 3,904            | -                |
| Galt museum expansion                       | -                | -               | -                | 293              | 1,966            | 820              | 665              |
| CAMRIF                                      | 607              | 607             | 1,214            | -                | -                | -                | -                |
| Other                                       | 37               | -               | 37               | 143              | -                | 6                | -                |
| Community Facility Enhancement              | 250              | -               | 250              | 119              | 70               | 125              | -                |
| SHIA - homeless shelter, resource centre    | 176              | 522             | 698              | 400              | 804              | 537              | 1,077            |
| Federal Gas tax sharing                     | -                | -               | -                | 5,875            | -                | -                | -                |
| Galt gardens                                | -                | -               | -                | -                | -                | 226              | -                |
| Library expansion                           | -                | -               | -                | -                | -                | 20               | -                |
| Infrastructure Canada Alberta prog. (ICAP)  | -                | -               | -                | -                | -                | -                | 1,195            |
|   | 7,048            | 1,129           | 8,177            | 12,795           | 6,192            | 7,366            | 6,830            |
| <b>TOTAL GOVERNMENT TRANSFERS</b>           | <b>\$ 16,697</b> | <b>\$ 1,266</b> | <b>\$ 17,963</b> | <b>\$ 22,195</b> | <b>\$ 14,263</b> | <b>\$ 14,377</b> | <b>\$ 13,539</b> |

Government transfers are recognized in the financial statements as revenues in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, the municipality has met any eligibility criteria, and reasonable estimates of the amounts can be made.