

2014 ANNUAL REPORT

December 31, 2014



City of Lethbridge

Alberta, Canada

City of Lethbridge

Report for the year ended December 31, 2014

Contents

Corporate

- 2 Mayor's Message
- 3 City Organization
- 4 2013 - 2017 City Council
- 10 City Manager's Message
- 13 Audit Committee Report
- 14 Chief Financial Officer Report

Audited Financial Statements

- 27 Management Report
- 28 Independent Auditors' Report
- 29 Consolidated Statement of Financial Position
- 30 Consolidated Statement of Operations
- 31 Consolidated Statement of Net Financial Assets
- 32 Consolidated Statement of Cashflows
- 33 Consolidated Schedule of Unrestricted Surplus
- 34 Schedule of Net Taxes
- 35 Schedule of Tangible Capital Assets
- 36 Schedule of Segmented Reporting
- 38 Notes to the Consolidated Financial Statements

Statistics (unaudited)

- 61 Population and Building Permits
- 62 Exhibit of Consolidated Revenue
- 63 Exhibit of Consolidated Expenses
- 64 Exhibit of Taxation and Assessment
- 65 Exhibit of Debenture Debt
- 66 Exhibit of Capital Spending
- 66 Exhibit of Net Financial Assets
- 67 Exhibit of Reserves
- 67 Exhibit of Municipal Equity
- 68 Exhibit of Government Transfers
- 68 Exhibit of Annual Unemployment Rates

Highlights & Achievements

- 70 Boards & Commissions
 - 70 Galt Museum & Archives
 - 75 Lethbridge Public Library
 - 79 Lethbridge Regional Police Service
- 83 Community Services
 - 83 Lethbridge Fire & Emergency Services
 - 89 ENMAX Centre
 - 91 Helen Schuler Nature Centre
 - 95 Recreation & Culture
 - 98 Community & Social Development
 - 102 Lethbridge Transit
- 104 Infrastructure Services
 - 104 Electric Utility
 - 106 Water & Wastewater Utility
 - 108 Waste & Recycling Services
 - 114 Parks Management
 - 120 Transportation
 - 122 Urban Construction
- 123 Planning & Development Services
- 132 Economic Development
- 133 Land Development & Real Estate



Mayor's Message



The Annual Report provides an overview of the array of services the City of Lethbridge provides to city residents. This report also provides summaries and photographs of the capital projects that were completed or undertaken during 2014. Additionally, the various departments of the City as well as Boards and Commissions are afforded an opportunity to highlight their accomplishments during the year.

The year 2014 was eventful and productive for Lethbridge City Council. We entered the year facing significant challenges regarding the prospect of new urban oil and gas drilling as well as a provincial initiative to centralize regional ambulance dispatch centres. As a result of strong leadership and advocacy by City Council coupled with strong engagement by Lethbridge residents, we were successful on both fronts. We continue to seek a stronger voice for municipalities on drilling activities proposed within their urban boundaries, and we have embarked on a new partnership with the province which will see Lethbridge continue to provide ambulance dispatch services for our region.

The year also brought several challenges. In February, we experienced the tragic loss of Councillor Wade Galloway. In March, we faced a serious water crisis, and heavy rains in June created flooding in the Oldman River valley as well as in some city neighbourhoods.

Following a by-election in May, we welcomed Councillor Bridget Mearns to Council. And soon afterward, we unveiled our 2014-2017 City Council Strategic Plan, which identifies our collective goals and priorities for our term on Council. In the latter part of 2014, much of our energy was focused on the development of our new four-year operating budget. Community input in our budget process was highly important to City Council. We sought out new avenues for public input which included a new on-line tool as well as opportunities for face-to-face engagement with our local business community.

The Annual Report also contains the Audited Consolidated Financial Statements of the City as well as the Independent Auditors' Report prepared by our auditors, the accounting firm KPMG_{LLP}. In a clear and concise format, the Statements provide an overview of the City's financial position. In addition, Notes to the Statements provide additional detail. The last part of the Annual Report contains interesting statistics about Lethbridge including our population, building permits issued, demographics, and various other information of interest to our community.

The 2014 Annual Report demonstrates Lethbridge's ongoing commitment to ensuring our community remains one of the best cities to live in Canada. I trust you will find this Annual Report very informative.

Chris Spearman - Mayor

City Organization



City of Lethbridge

Legislative and Administrative ORGANIZATION CHART

RESIDENTS

CITY COUNCIL

Mayor Chris Spearman

Councillor Jeff Carlson	Councillor Liz Iwaskiw
Councillor Jeff Coffman	Councillor Joe Mauro
Councillor Bridget Mearns	Councillor Rob Miyashiro
Councillor Blaine Hyggen	Councillor Ryan Parker

CITY MANAGER
Garth Sherwin

Lethbridge Regional Police Commission
Lethbridge Public Library Board
Sir Alexander Galt Museum Board

Director of City Manager's Office
Kathy Hopkins

Supporting Council's Strategic Priorities
Communications & Marketing
Regional & Intergovernmental Relations
Corporate Strategic Planning

Land Development/ Real Estate
Michael Kelly

City Solicitor
Tim Jorgensen

City Clerk
Aleta Neufeld

Director of Corporate Services
Corey Wight

Treasury
Payroll
Taxation & Assessment
Purchasing & Stores
Information Technology
Human Resources
Risk Management/Insurance
Financial Reporting & Budget
Long-term Financial Planning

Director of Community Services
Bary Beck

Lethbridge Transit
Nature Centre
Recreation & Culture
Social & Community Development
ENMAX Centre
Fire/EMS Services
Cemeteries
Facility Services
Regulatory Services

Director of Infrastructure Services
Doug Hawkins

Transportation Planning
Public Operations
Water Treatment Plant
Wastewater Treatment Plant
Utilities (Water, Wastewater, Electric Distribution, Sanitation, Landfill, Waste & Recycling)
Storm Sewer
Utilities Customer Care
Urban Construction
Asset Management
Parks
Fleet Services

Director of Planning & Development Services
Jeff Greene

Intermunicipal Planning
Community Planning
Downtown Revitalization
Development Services
Building Inspection

12/31/2014



Back Row: Councillor Liz Iwaskiw, Councillor Joe Mauro, Councillor Bridget Mearns, Councillor Rob Miyashiro
Front Row: Councillor Jeff Coffman, Councillor Jeff Carlson, Mayor Chris Spearman, Councillor Blaine Hygen
Councillor Ryan Parker

STRATEGIC PLAN 2014 - 2017

VISION *

We will continue to work together to ensure that Lethbridge demonstrates active leadership in environmental stewardship and innovation and is recognized as being a safe, healthy, vibrant, prosperous, economically viable place where all people can fully participate in community life.

*(Community Vision from the Integrated Community Sustainability Plan/Municipal Development Plan)

MISSION

Respecting the framework of the Community Vision, City Council will serve and inspire the community through:

- Strong leadership
- Decisiveness
- Measurable actions



City Council Priorities

Values

Values are the enduring principles or beliefs that guide individual and collective behaviour and relationships. These are the norms that guide the actions of City Council. These principles are essential to how Council members interact with each other, with administration and with the community.

Respect:

- We respect individual differences as well as citizens' rights and responsibilities
- We respect the Offices of Mayor and Councillor as well as the collective role of City Council in the community
- We respect the democratic processes and decisions of City Council

Citizen Focused:

- We encourage citizen participation
- We support diversity
- We are empathetic

Open and Accessible:

- We are open minded
- We are inclusive
- We make ourselves available to citizens
- We make information easily accessible

Accountable:

- We take responsibility for our words and actions
- We develop well-considered policy

Leadership

- We are responsible, innovative and decisive
- We are ethical stewards

If we live by these values, we build a foundation of integrity and trust.



City Council Priorities

In the winter and spring of 2014, City Council held a series of facilitated sessions to set strategic goals for their term. Our 2014-2017 Strategic Plan was formally approved in June 2014, and significant accomplishments were made toward the plan's six strategic goals:

Strategic Goal #1

City Council embraces its role as government leaders of the corporation by strengthening the process of governance

- 1.1 City Council demonstrates governance excellence through leadership and setting clear direction**
- 1.2 City Council encourages and enhances citizen engagement**
- 1.3 We advocate on behalf of our community**

Actions and Decisions in Support of this goal:

- Began a comprehensive review of all City Council policies to ensure they reflect the current views of Council and the community.
- Approved investments, within the 2015-2018 Operating Budget, in support of community priorities identified in the 2014-2017 City Council Strategic Plan and the 2014 Community Satisfaction Survey.
- Citizen engagement was enhanced leading up to Operating Budget deliberations through the introduction of a new on-line tool to encourage broader input as well as opportunities for face-to-face engagement with our local business community.
- Advocated successfully for our community on key issues of urban drilling and regional ambulance dispatch consolidation.
- Allocated resources for the formation of an ad hoc citizen panel with the mandate to review the merits and costs of expanding City Councillor positions to full-time from part-time.
- Supported the principle of encouraging public engagement on initiatives important to the community.

Strategic Goal #2

City Council demonstrates financial stewardship

Actions and Decisions in Support of this goal:

- Approved the participation of the City of Lethbridge in Phase 2 of Municipal Benchmarking Initiative with other Alberta cities.
- Increased the frequency of financial reporting from annual to three times per year and added new requirements for regular reports from administration on performance measurement.



City Council Priorities

Strategic Goal #3

City Council stewards Lethbridge toward a well-designed city by ensuring quality urban design

- 3.1 We strive for a well-designed city through proactive planning**
- 3.2 We are pursuing a more balanced approach to urban transportation options that includes pedestrians, cyclists and public transit users**
- 3.3 We enhance the vibrancy and liveability of our downtown**

Actions and Decisions in Support of this goal:

- Approved the establishment of a Land-Use Bylaw Review Committee that will seek to streamline development processes, reduce the number of residential land-use districts, and ensure they are more clearly defined.
- Celebrated the opening of the updated and expanded Lethbridge Transit facility.
- Authorized administration to apply for a total of nearly \$21 million in provincial GreenTRIP grants which would help fund bus replacements and fleet expansion over the next 10 years as well as technology upgrades.
- Approved the purchase of Mobile Data Terminals for Lethbridge Transit buses which will improve service reliability and provide real-time information for customers on bus locations and arrivals.
- Approved operating resources to better meet the demand for Access-A-Ride service by adding a total of 190 trips per week by 2016.
- Approved operating resources to expand Transit service into the Blackwolf area in 2018.
- Approved a new Heart of Our City Activity Grant program to enhance downtown vibrancy through arts and cultural events.
- Approved a new Heart of Our City Housing Incentive Program to encourage the development of new downtown dwellings.



City Council Priorities

Strategic Goal #4

City Council fosters a safe, healthy and vibrant community through inclusive policies, recreational and cultural opportunities and collaboration

4.1 We foster an environment of inclusivity and provide a welcoming community for all residents and visitors

4.2 We enrich the city as an exciting and active place to live, visit and do business

Actions and Decisions in Support of this goal:

- Committed to developing diversity training for City of Lethbridge staff and City Council members.
- Created a new Fee Assistance Program to aid financially challenged city residents in accessing Recreation and Culture programs.
- Expanded an already approved capital project for a leisure aquatic centre to include all remaining elements for a full leisure complex.
- The Comprehensive Plan for major commercial development at Crossings was approved by the Municipal Planning Commission.
- Secured the right to host a leg of the Tour of Alberta international cycling event in Lethbridge.
- Unanimously supported Lethbridge's bid to host the 2019 Canada Winter Games.
- Established a Tourism Committee to lead the development of a Destination Management Plan.
- Allocated resources for Intelligent Community initiative to develop and implement an open data strategy as well as a strategy to improve community broadband access.
- Celebrated the opening of the expanded Helen Schuler Nature Centre
- Celebrated the opening of the SLP Skate Park.



City Council Priorities

Strategic Goal #5

City Council takes a leadership role in the protection and preservation of our natural environment in Lethbridge

5.1 We lead in the efficient use of resources and land

5.2 We conserve and enhance the unique character of the Oldman River Valley through Lethbridge

Actions and Decisions in Support of this goal:

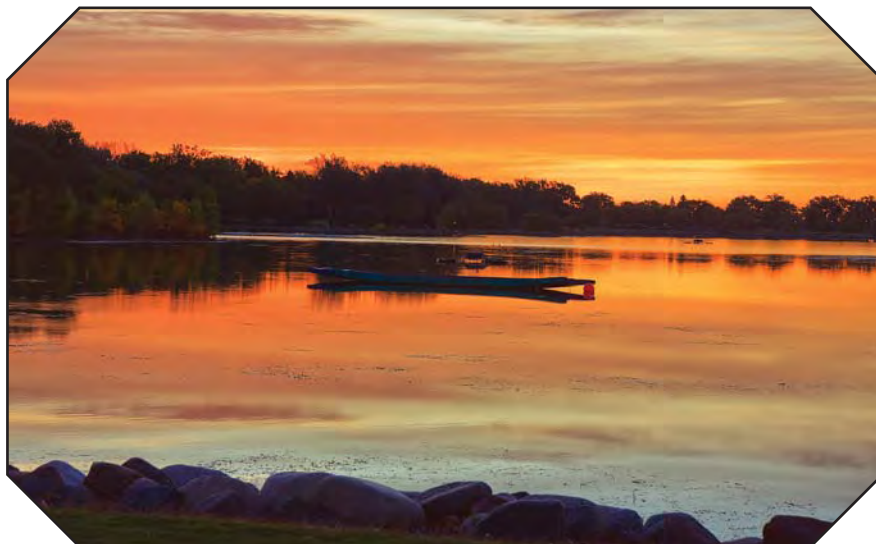
- Initiated discussion on curbside recycling service model options as a means of expanding upon existing waste diversion efforts.
- Initiated the development of a comprehensive River Valley Master Plan to guide how the Oldman River valley is used in the future, balancing residents' desire to enjoy using the valley with the need to preserve the area's eco-diversity.
- Celebrated the completion of a new West Lethbridge Snow Dump, which significantly reduces transportation requirements for snow removal.

Strategic Goal #6

City Council fosters strong relationships with neighbouring communities through collaboration

Actions and Decisions in Support of this goal:

- Continued to participate with Lethbridge County on an Inter-Municipal Development Plan that will manage future growth.
- Reached a new Fire Services Agreement with Lethbridge County.
- Appointed members of City Council to the joint Airport Governance Committee with representatives of Lethbridge County.



City Manager's Message



On behalf of the City of Lethbridge Administration, I am pleased to present the 2014 Annual Report.

This report is a summary of accomplishments made possible by the efforts of a committed City Council, engaged residents and dedicated City employees.

In the 2014 Edition of KPMG's Guide in International Business Location Costs, Lethbridge was compared to 124 cities in 10 countries on business costs and other competitiveness factors. Lethbridge currently ranks 23/124 cities for the lowest cost index, 20/32 Canadian cities for lowest costs overall, and second lowest costs among Alberta cities, proving Lethbridge is an attractive place to do business and the future prediction of steady economic growth.

In 2014, we made every effort to continue this growth, through the construction of public buildings to provide new services for the community. We opened the newly renovated and expanded Helen Schuler Nature Centre, celebrated the renovations at the Lethbridge Animal Shelter and opened the new SLP Skate Park. We connected existing bikeways and pathways across the City and created a new off leash dog training area. In addition, renovations to municipal facilities such as the Public Operations site and the Transit building were completed.

Construction continues in the city with the Crossings neighborhood residential & commercial planning, the expansion of the Lethbridge Regional Police building, and the Crossings Leisure Complex Phase One (Twin Ice Arena & Curling Centre).

If I could sum up 2014 in one word, it would be engagement. We are focused on learning and understanding the needs of our residents. We believe strongly that the voices of our customers should aid in guiding future planning. City Council and Administration established a new public engagement process for residents to provide input into the 2015-2018 Operating Budget, approved in December. Several opportunities to connect with council members and staff were coordinated including planning studies, information sessions, open houses & public workshops, a park naming survey, an IPSOS Reid Citizen Satisfaction survey, one by-election and the annual census.

I am pleased to share positive results from the Citizen Satisfaction survey with 98% of the respondents reporting the overall quality of life in Lethbridge was very good/good and 93% were satisfied/somewhat satisfied with the programs and services offered. It is our commitment to work strategically, thoughtfully and collaboratively to earn the trust, respect and confidence of our community to push that bar just a bit higher!

While the need for municipal services continues to grow along with our 93,000+ population, we are working behind the scenes to build capacity to meet those expanding needs. As we welcome newcomers to Lethbridge, we need to find inclusive ways to be innovative, creative and accountable to those we serve. I am proud of the efforts made daily to foster an environment where employees contribute to their full potential, and to see staff proud of their contributions as they continue to provide the high level of public service that City Council and Administration expect and residents deserve.

The organization remains focused on building strong community relationships, seamless customer service, ensuring services are delivered efficiently and effectively, attending to the culture of public service and maintaining a solid financial position for the future. In conjunction with Alberta's move to a four year City Council term of office, the City of Lethbridge adopted a four year budget cycle. As in previous years our financial position remains strong and demonstrates the commitment of Council and staff to continued responsible financial management and respect for the taxpayers' contribution.

As we review 2014, I am reminded of key successes including the Lethbridge Fire & Emergency Services Team receiving Qmentum Accreditation, the development of a Mobility and Accessibility Plan, a successful annual Safety Audit and the hosting of the first leg of the Tour of Alberta.

City Manager's Message

We continue to have high expectations in the work we do, and there is much of it ahead. I look forward to Lethbridge hosting the 2015 Alberta 55+ Winter Games, the 2015 Lieutenant-Governor of Alberta Distinguished Artists Awards and the 2015 Skate Canada International. We will start construction on the eagerly anticipated regional park in North Lethbridge this year and complete the design for Phase Two of the Crossings Leisure Complex (Aquatic Centre & Field House), the largest project in the City's history.

As we set to work this year I am appreciative of the vision set by City Council, the participation of our residents and businesses and to our City staff for their exemplary efforts and commitment to serving Lethbridge.



Garth Sherwin, C.A.
City Manager



AUDIT COMMITTEE & CHIEF FINANCIAL OFFICER REPORTS



Audit Committee

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 external Auditors
- Provide an avenue of communication among City Council, Administration and the Independent Auditors
- Identify and monitor the principal risks that could impact financial reporting of the City
- Oversee risk management including risk identification, analysis and managements 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 Independent Auditors' report and the management letter. To fulfill the City's provincially legislated audit requirements, the Committee engaged the external auditor, KPMG LLP 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
- Reviewed annual financial statements, discussed these with Administration and Independent 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 Year End Unaudited Financial Information and Schedules
- Reviewed and revised the financial reporting schedule
- Reviewed and amended the Audit Committee's Terms of Reference and recommended approval to City Council
- Reviewed the succession planning for the CAO position
- Reviewed the City Investment Policy and recommended a number of changes to City Council, including criteria for selection and approval of investment firms and representatives
- Reviewed the City Whistleblower Policy
- Participated in education sessions related to Unaudited Financial Information, Continuous Controls Monitoring of Financial Reporting, Internal Controls, and future changes to public sector accounting standards including PSAS 3260 - Liability for Contaminated Sites

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

2014 Audit Committee Members

Councillor J. Coffman (Chair)

Mayor C. Spearman

Councillor J. Mauro

Councillor R. Miyashiro

Councillor R. Parker (Alternate)

April 13, 2015

Report from Chief Financial Officer

For the Year Ended December 31, 2014

**His Worship, Mayor Chris Spearman
And Members of Council of the
City of Lethbridge**



The 2014 Annual Report of the City of Lethbridge provides information to all members of the public about the City's 2014 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 public sector accounting standards 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 consolidated financial statements. City Council oversees management's responsibilities for financial reporting through an Audit Committee, which is composed of the Mayor, and four councillors, one of whom acts as an alternate. The Audit Committee reviews the consolidated financial statements and recommends them to City Council for approval.

To carry out its duties, the Audit Committee reviews the annual consolidated 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_{LLP}, the external auditor appointed by City Council has audited our financial statements and their Independent Auditors' Report is attached. 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.



Report from Chief Financial Officer

Consolidated Statement of Financial Position

The overall financial position of The City of Lethbridge remained strong through 2014 with year-end Net Financial Assets totaling \$61.8 million (2013 - \$27.9 million). This positive Net Financial Assets number is an indicator of the ability of the City of Lethbridge to meet its obligations and continue to provide services into the future.

The increase in net financial assets over the course of the year relates primarily to planning for capital projects during 2014. The City of Lethbridge is currently involved in several large scale projects, resulting in reduced construction activity while procurement and planning phases are completed for these projects. An increase in construction activity levels is anticipated once these large projects move into the construction phase. This temporary decrease in investment in capital projects has resulted in an increase in total cash and investments of \$26.3 million, a decrease in debenture debt of \$5.4 million and a decrease in accounts payable of \$7.9 million, all of which factor into the overall increase in Net Financial Assets.

The investment in capital assets resulted in an increase in Tangible Capital Assets by \$68.7 million during 2014. The most significant 2014 investments in tangible capital assets are listed below:

	2014 Expenditures
Facilities	
Crossings Ice Complex (2014-2023 D-7)	\$ 10,754,600
Lethbridge Regional Police Headquarters Expansion (2014-2023 D-6)	5,284,900
Transit Facility Expansion (2011-2020 D-25)	4,587,700
ENMAX Air Conditioning (2014-2023 D-23)	1,250,900
Public Operations Facility (2011-2020 D-7)	855,300
Henderson Outdoor Pool (2014-2023 D-13 Amended March 2, 2015)	801,100
Infrastructure	
* Water Main Renewals (Operating Budget)	4,588,300
28 Street North (Mayor Magrath Drive to 26 Avenue North) (2011-2020 C-30)	3,849,900
* Sewer Lining Program (Operating Budget)	2,870,300
Metis Trail - Includes Deep Utilities (2014-2023 CO-7 & EO-1 Amended Sept 2014)	2,781,600
Exhibition Infrastructure Upgrades (2014-2023 D-9)	2,688,900
Residential Subdivisions (SunRidge, RiverStone, Crossings)	2,563,800
* Electric Switchgear Replacement (2014-2023 F-6)	2,439,100
Electric Cable Replacement (2014-2023 F-15)	2,397,300
SE Regional Lift Station (2014-2023 EO-2)	2,296,500
43 Street North (Highway 3 to 9 Avenue North) (2011-2020 C-17)	2,129,000
26 Avenue North (Scenic Drive to 28 Street North) (2011-2020 C-18)	2,036,600
Traffic & Pedestrian Signals (2014-2023 CO-1)	1,930,200
Advanced Metering Infrastructure (2014-2023 F-17)	1,588,500
* Sanitary Sewer (2A Avenue North & 26 Street North) (Operating Budget)	1,526,700
Storm Outfall Rehabilitation (Operating Budget)	1,489,100
* Park Lighting Replacement (2014-2023 D-19)	1,210,800
* Mayor Magrath Drive (40 Avenue South to City Limit) (2014-2023 CO-2)	1,068,700
* Arterial Roadways (2014-2023 C-9)	1,024,700
Parks Asset Management (2014-2023 D-5)	1,012,800
* Street Upgrading (Operating Budget)	919,500
Northwest Substation for Additional Capacity (2014-2023 F-4)	913,400
* Lane Drainage Improvements (Operating Budget)	912,200

Report from Chief Financial Officer

Consolidated Statement of Operations

The Consolidated Statement of Operations outlines revenues earned by the City and the expenses incurred to provide municipal services.

Revenue and Expenses (thousands of \$)	
Revenue	
2014 actual	412,404
2013 actual	391,707
Variance	20,697
Expenses	
2014 actual	311,146
2013 actual	289,733
Variance	21,413

The overall operating revenues increased by \$20.7 million. The majority of this increase came as a result of land sale revenue, which increased by \$18.6 million from 2013. This increase was primarily due to the sale of commercial property in the Crossings subdivision development of \$9.5 million, as well as \$9.1 million in residential lot sales (construction in 2013 was delayed due to weather conditions, resulting in completion in 2014). The remaining net increases of \$2.1 million in consolidated operating revenue, was due to increased growth across other revenue sources.

Operating expenses increased in 2014 by \$21.4 million. Contributing factors to this increase include an increase in amortization of tangible capital assets of \$10.0 million, personnel costs of \$6.7 million, contracted & general services of \$5.4 million and partially offset by net decreases of \$0.7 in other expense categories.

Consolidated Annual Unrestricted Surplus

During 2014, the City realized an annual unrestricted surplus of \$5.0 million as summarized on the Consolidated Schedule of Unrestricted Surplus – Schedule 1. This amount is derived by taking the excess of revenue over expenses in the amount of \$101.3 million as previously shown on the Consolidated Statement of Operations, and reducing it by the change in the equity in tangible capital assets of \$74.1 million (represented by the net acquisition of tangible capital assets of \$68.7 million and the net reduction of debenture debt of \$5.4 million), by the \$19.6 million increase in funding for capital construction and by \$2.6 million related to changes in other equity balances.



Report from Chief Financial Officer

The General Fund and Utility Fund Operating Results are summarized under the following areas:

Consolidated Annual Unrestricted Surplus

(thousands of \$)

	Actual Surplus (Deficit)	Budgeted Surplus	Variance
General Fund			
2014 Corporate Accounts	2,258	-	2,258
2014 Business Unit Operations	473	-	473
	2,731	-	2,731
2012-2013 Business Unit Operations	978	-	978
Total General Fund	3,709	-	3,709
Utilities			
Water	(38)	-	(38)
Wastewater	493	-	493
Waste Services	720	549	171
Electric	130	425	(295)
Total Utilities	1,305	974	331
	5,014	974	4,040

The values in the following analytical review are shown in whole dollars.

GENERAL FUND OPERATING RESULTS

Corporate Accounts Surplus of \$2,257,900 - Specific positive and negative budget variances resulting from factors not attributable to the business unit management (e.g. windfall revenues and utility costs on city facilities) are reported as a corporate responsibility.

By City policy, the corporate portion of the General Fund surplus accrues to the Municipal Revenue Stabilization Reserve.

The major contributors to this corporate accounts surplus are summarized as follows:

Employee Benefit accounts - ended the year with a surplus balance of approximately \$268,700. The most significant contributing factors are lower than anticipated rates for medical and dental coverage and favorable WCB rates.

Property tax and general revenues - ended the year with a positive variance of \$1,514,200.

Property Taxes - ended the year with a positive variance of \$1,469,300. This was due to a combination of factors. Community growth was higher than budgeted by \$634,100 due mainly to higher than anticipated growth in commercial properties as well as higher than anticipated growth in educational residential properties of \$225,100. The City realized higher than anticipated property tax revenue from Grant-in-lieu properties of \$120,100. In addition, interim and supplementary taxes ended the year in a positive position of \$330,000 and assessment appeals were lower than budgeted, resulting in a positive variance of \$160,000.

General Revenues - ended the year with a positive variance of \$44,900. This positive variance was mainly due to greater than budgeted penalties on property taxes, positive variances in general revenue accounts and partially offset by a lower than budgeted transfer from the Water Utility to General Operations.

Report from Chief Financial Officer

GENERAL FUND OPERATING RESULTS Continued

Permit, development & license revenues - ended the year with a negative variance of \$(43,900). Business License revenues have a negative variance of \$(30,300) due to timing differences between the growth of business licenses and the re-structuring of license fees for commercial and home occupational businesses. Building permit revenues ended the year with a negative variance of \$(13,600) due to timing differences in construction start dates.

Corporate fuel costs - ended the year with a positive variance of \$301,300. This was due primarily to lower than budgeted fuel prices.

9-1-1 Grant Program - ended the year with a positive variance of \$242,700. The City received unbudgeted 9-1-1 Grant Program funding commencing in June of 2014, which offset budgeted tax support operating costs. This has resulted in a corresponding one time tax savings equal to the value of the grant in 2014. The ongoing grant has been included in the 2015-2018 budget.

Utility costs for tax supported City facilities - ended the year with a negative variance of \$(37,400). The individual utilities ended the year with the following variances: positive variance in Natural Gas of \$79,000, negative variance in Electrical of \$(191,100), and a positive variance in City Utilities (water and waste services) of \$74,700. The variance in electrical is due to increased transmission rates.

General Fund - Business Unit Operations

Business Unit Accounts ended the year with a positive variance of \$473,600 (which represents 0.3% of the Business Units' budgets).

Significant areas contributing to the general fund business unit variances are described below:

Boards and Commissions

Lethbridge Regional Police Services (LRPS) - ended the year in a balanced position as a result of applying Police Commission approved prior year carry overs to operational expenditures of \$(426,300). The net over expenditures was a result of a requirement to increase security services by \$(200,000) in order to house prisoners within the LRPS facility due to a recent decision of the Alberta Solicitor General to no longer allow use of the Remand Centre for prisoner detention, the need for additional polygraph service of \$(30,000) for newly hired staff, legal expenses for ongoing investigations of \$(50,000), recruiting costs of \$(50,000), and other general operating costs of \$(96,300).

Public Library - ended the year with a positive variance of \$8,300 due to higher than anticipated revenues from grants, fines & fees and miscellaneous income combined with under expenditures in library materials, security and special services.

General Government and Corporate Services

Mayor & City Council Office - ended the year with a positive variance of \$28,700 due to lower than budgeted travel and convention expenses.

Assessment & Taxation - ended the year with a positive variance of \$51,800 due to temporary staffing vacancies resulting from a maternity leave and a long-term illness. The department is fully staffed in 2015.

Financial Services - ended the year with a positive variance of \$46,000 due to under expenditures in banking and other financing charges

Report from Chief Financial Officer

Community Services

Community & Social Development - Family and Community Support Services (FCSS) has been approved by the Province to expend the amount of \$21,300 from the 2014 grant in 2015. These amounts have been carried forward to 2015.

ENMAX Centre - ended the year with a negative variance of \$(62,100). This was due to lower than expected attendance resulting in a shortfall of food and beverage sales.

Fire & Emergency Services - ended the year with a positive variance of \$95,300 in general operations. The 2014 recruit class, ambulances, consumables and equipment required for the Alberta Health Services service increase on December 1, 2014 was funded through Alberta Health revenue

Recreation & Culture - ended the year with a negative variance of \$(36,700).

Regulatory Services - ended the year with a positive variance of \$43,800. Animal control had a positive variance of \$65,000 which was mainly due to reduced operating expenses during building construction and dog license fee revenue. Regulatory Services general expenditures had a \$(21,200) negative variance.

Transit and Accessible Transportation - ended the year with a positive variance of \$155,600.

Transit - ended the year with a positive variance of \$223,100. Transit was able to reduce the cost of warranty on smart card software maintenance by \$45,800 through contract negotiations. Advertising and fare revenues had a positive variance of \$48,300. Operating costs were under budget by \$129,000 due to improved attendance management, training programs that were curtailed due to building construction and purchasing efficiencies for uniforms.

Access-A-Ride (AAR) - ended the year with a negative variance of \$(67,500). A revenue shortfall of \$(134,800) indicates that expectations of ridership were estimated higher than the system can currently manage. AAR had an positive variance in operations of \$67,300 that partially offset the revenue shortfall.

Planning and Development Services

Planning and Development Services - ended the year with a positive variance of \$1,100. This was as a result of revenue shortfalls being offset by under expenditures through a conscious decision to control operating expenditures to match decreased volumes.



Report from Chief Financial Officer

UTILITY FUND OPERATING RESULTS

Waste Services is comprised of Solid Waste Services, Recycling Services and Landfill Operations

Solid Waste Services - ended the year with a positive variance of \$29,200. The variance was due to factors as follows:

- i) The Clean City Programs finished the year in a positive position of \$131,000 due to under expenditures in the Large Item Service program of \$110,000, the City Property Clean-Up program of \$10,000 and the Fall Leaf collection program of approximately \$11,000
- ii) Commercial collection expenses ended the year with a positive variance of \$49,200. This is due to costs associated with dumping commercial waste at the landfill being lower than budget as well as a reduction in replacement bin purchases
- iii) Residential collection expenditures ended the year with a positive variance of \$48,000 due primarily to a lower than budgeted amount spent on bin replacements as well as lower than budgeted equipment repair and servicing charges.
- iv) Waste Services Administration and Accounting finished the year with a negative variance of \$(15,400) due to a greater than budgeted amount of engineering studies.
- v) Revenues ended the year with a negative variance of \$(183,600). Residential revenues ended the year in a slight positive variance of \$12,900, but were offset by a negative variance of \$(196,500) in the Commercial class.

Recycling Services - ended the year with a positive variance of \$2,100. The major factors that contributed to this variance are as follows:

- i) Residential Waste Diversion programs finished the year with a positive variance of \$156,400. The Hazardous Waste Diversion programs (E-waste, Toxic waste and Paint) ended the year with a negative variance of \$(42,700). The Organic Waste Diversion programs (Chipping, Green waste, Christmas Tree and Fall Leaf Collection) collectively ended the year with a negative variance of \$(95,000). These negative variances were offset by a 294,100 positive variance in the recycling depots operations. This is largely due to greater efficiencies associated with operating the new centralized recycling stations (the 2012-2014 operating budget was based on the previous operating model associated with operating a number of smaller recycling stations throughout the City).
- ii) Waste prevention (education and green waste) accounts finished the year with a positive variance of \$33,800 due to a reduction in costs relating to Environmental Week activities.
- iii) The Commercial Recycling program ended the year with a positive variance due of \$7,900 to decreased equipment and supplies charges.
- iv) Waste Reduction recycling revenues finished the year with a negative variance of \$(38,000) due to lower than budgeted residential growth.
- v) An increased transfer of funds of \$(158,000) were applied to 2014 CIP E-12 - Recycling Depot - to reduce planned borrowing and its associated costs.

Landfill Operations - ended the year with a positive variance of \$138,300. The major factors that contributed to this are as follows:

- i) Landfill operating costs were under budget by \$74,500 due to a reduction in landfill contractual service costs.
- ii) Net revenues were greater than anticipated by \$47,700 (0.53%).
- iii) Debenture Debt - payments and financial charges were slightly lower than budgeted by \$16,100 due to a lower than budgeted amount of borrowing required for landfill upgrades.

Report from Chief Financial Officer

Wastewater Operations - ended the year with a positive variance of \$492,800. The major contributing factors to this are as follows:

- i) Commercial, Regional and Industrial revenues realized during the year were higher than budgeted by \$619,100. This positive variance is the result of higher than usual sewage loading from industry. Industrial customers can mitigate the additional costs through more diligent wastewater pre- treatment.
- ii) Wastewater Collection accounts ended the year with a positive variance of \$220,200. During 2014, there were increased efforts directed towards the repair and maintenance of sanitary service connections. However these were more than offset by under expenditures in sanitary main repair and wastewater utility locates.
- iii) Wastewater Engineering and Technical Support ended the year with a positive variance of \$50,900 due primarily to a temporarily unfilled position.
- iv) Wastewater Administration accounts ended the year with a positive variance of \$48,500 due primarily to lower than budgeted charges from Utility Services for meter data management services.
- v) Wastewater treatment plant (WWTP) maintenance and process operations ended 2014 with a negative variance of \$(50,900) due primarily to over expenditures to the annual sludge removal program.
- vi) Wastewater lifecycle renewal programs had a negative variance of \$(395,000) as additional funds were applied to fund the 2014 Sanitary Sewer Re-lining program.

Water Operations - ended the year with a negative variance of \$(37,800). The major contributing factors to this are as follows:

- i) Water Distribution System operations ended the 2014 year with a negative variance of \$(182,800) due primarily to an increased amount of preventative and corrective maintenance to the water distribution system.
- ii) Water Treatment Plant ended the year with a negative variance of \$(164,800) due primarily to weather events in March and June which caused unusually muddy water to be drawn from the Oldman River requiring increased chemical treatment of the raw water supply .
- iii) Water revenues ended the year with a negative variance of \$(39,400) (0.20% of budget).
- iv) Water Administration accounts ended with a positive variance of \$82,300 due primarily to lower than budgeted charges from Utility Services for meter data management services.
- v) Water Engineering and Technical Support ended the year with a positive variance of \$107,200 due to temporary staff vacancies.
- vi) Debenture Debt – payments and financial charges had a positive variance of \$159,700 due to a lower than budgeted amount of borrowing required for water capital upgrades.

Report from Chief Financial Officer

UTILITY FUND OPERATING RESULTS Continued

Electric Utility - The Electric Utility generated a negative variance of \$(294,800) from operations for the 2014 fiscal year.

Regulated Rate - sales of electricity under the Regulated Rate Option experienced a negative variance of \$(440,000). The month of July came in at a loss which was due to being under hedged, resulting in having to purchase more energy for customers at higher open market prices. Also, since the budget was prepared in 2011, the Department of Energy has removed the Utility's ability to purchase long term hedges which limits the stability of wholesale energy costs.

Distribution Tariff - ended the year with a negative variance of \$(435,000). This can be attributed to an overall decrease in the amount of energy consumed by customers in the City. Residential customers showed a 2% decrease in consumption while commercial customers reduced consumption by 7.5% when compared to 2013. Industrial customers increased consumption by less than ½ of 1%. At this time it is unclear whether this can be attributed to weather or other factors.

Fibre Operations - ended the year with a positive variance of \$20,000 due to an increase in customer requirements for service.

Transmission Tariff - experienced a positive variance of \$560,200 primarily due to a reduction in maintenance costs for substations and transmission lines. This can be attributed to significant capital work being done over the past few years creating a more reliable system. The capital workload has also reduced the number of employee hours available for maintenance.

Additional details regarding the City's 2014 operations can be found on our website (www.lethbridge.ca) in the report titled "Unaudited 2014 Year End Financial Information".



Report from Chief Financial Officer

FINANCIAL POLICIES

Lethbridge has a proven track record of prudent, yet innovative financial management. City 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”.

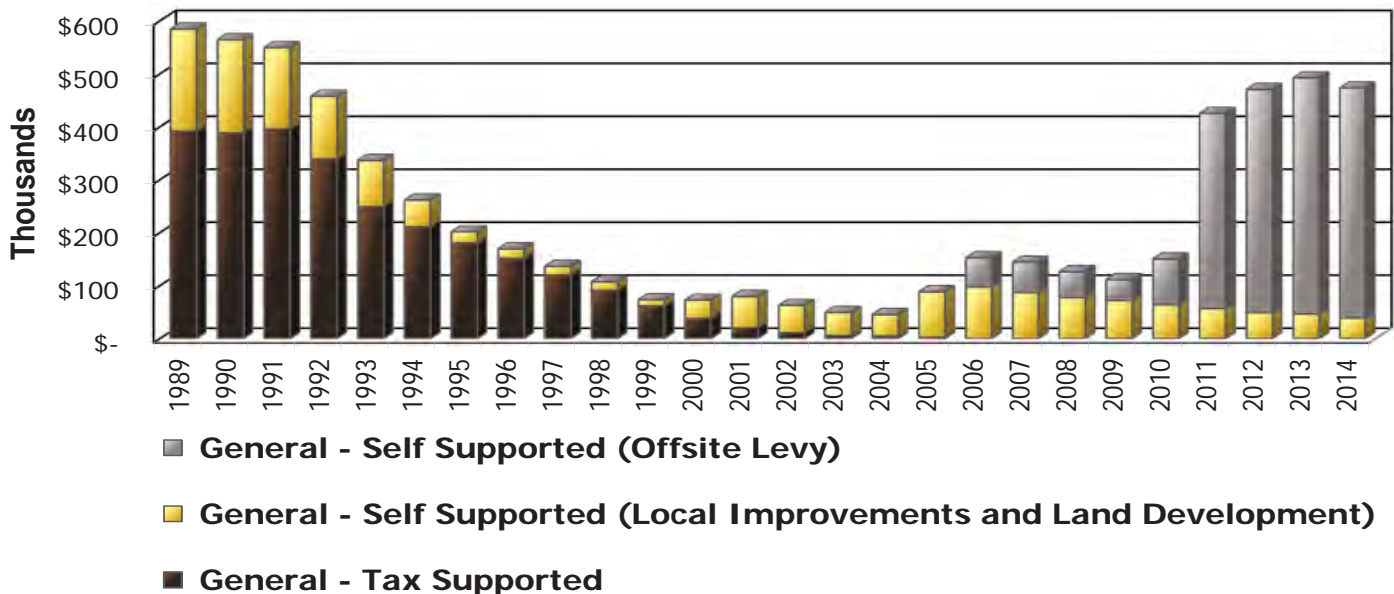
Debt Management/ Pay-As-You-Go

During the period of high growth/investment in the late 1970’s and 1980’s, the City borrowed extensively to fund 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 external debt in May 2006.

Since the beginning of this program in 1989, 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 without taking on additional tax supported external debt.

The general fund continues to require external borrowing for “self supported” activities such as Local Improvements, Land Development, and Developer Offsite Levy projects. Its activities are termed self supported because the debt repayments are made directly from the revenues of these activities and are not paid from property taxes. Significant Offsite Levy borrowings have been required to fund projects that will support growth in our community for coming decades. The payments on these borrowings will be funded by Offsite Levies.

Debt per Capita General Fund



Report from Chief Financial Officer

INVESTMENT MANAGEMENT

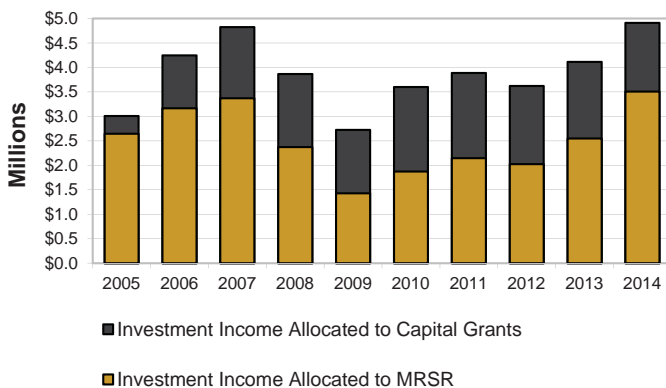
The City of Lethbridge uses investments to provide a return on public funds while they are held by the City. These funds consist of reserves, capital funds, Provincial and Federal grants, and operating funds. The funds are invested between the time of their receipt and their use to maximize the opportunity of investment returns to the City of Lethbridge. The timing of these transactions, as well as the size of reserves and the amount of internal financing approved are the main factors influencing the size of the investment portfolio. The increase in the average portfolio in recent years is due to the receipt of various capital grants.

The investment activities of the City are governed by the Municipal Government Act (MGA) and an investment policy which has been adopted by City Council.

The City of Lethbridge maintains a significant investment portfolio. The average size of the portfolio in 2014 was \$235 million.

The 2014 gross interest income earned from the portfolio was \$4,825,300. The City's average portfolio yield of 1.96% was higher than the Government of Canada 3-year Benchmark yield of 1.15%.

Total Investment Income



Canadian Award for Financial Reporting

Presented to
City of Lethbridge
Alberta

For its Annual
Financial Report
for the Year Ended

December 31, 2013

Jeffrey P. Egan
Executive Director/CEO

CANADIAN AWARD FOR FINANCIAL REPORTING

For the eighteenth consecutive year, The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to City of Lethbridge for its annual financial report for the fiscal year ended December 31, 2013. 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 be awarded 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 should 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.

A 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, and we are submitting it to GFOA.

Report from Chief Financial Officer

ECONOMIC CONDITIONS

Lethbridge's economy continues to perform well. The annual unemployment rate in the Lethbridge region is consistently stable and low at 3.8% (2013 4.3%) versus the national average of 6.9% (2012 7.1%).

There was a total of \$241.2 million in building permit construction value in 2014. While this figure is down 3% from the 2013 figure (\$242 million), it is important to note that it still represents the second highest figure on record. The two year combined total of \$488.5 million constitutes the highest such total on record, and is 6% higher than the next closest combined total (\$463 million in 2008 and 2009). This figure is indicative of a strong construction landscape in Lethbridge.

The City of Lethbridge continues to grow with the official 2014 census results at 93,004, an increase of 2.86% over the 2013 municipal census numbers. The population in Lethbridge is based on a younger age demographic than many other parts of the province – and not just because of our two sizable post-secondary institutions. Even after completing their post-secondary education, many younger people choose to live and work in Lethbridge because of our attractive lifestyle and diverse employment opportunities. Lethbridge offers a modest cost of living, temperate climate, excellent schools, short commute times and an abundance of housing options all within a caring community.

The industry diversity in our city creates a business environment for success today and potential for future development. While existing sectors continue to thrive and grow, new and emerging sectors add strength and vitality to the business landscape. The latest edition of the Competitive Alternatives Study by KPMG found Lethbridge to have comparatively lower cost indices across several sectors including: manufacturing, research and development, and software design. Long-term business success in our city is directly linked to the competitive advantage of lower business costs in day-to-day operations

CONCLUSION

The City of Lethbridge continues to enjoy a strong financial position as evidenced by net financial assets of \$61.8 million at the end of 2014. This enviable position flows from the efforts of City Council and their ongoing commitment to sound financial policies. Of equal importance is the outstanding service our staff provide to the community year after year. This combination of sound financial position and conscientious customer service make Lethbridge a great place to live and bode well for the future of our community.

Respectfully submitted,



Corey Wight, C.A.
Director of Corporate Services/City Treasurer
April 13, 2015



AUDITED FINANCIAL STATEMENTS



Management's Responsibility for Reporting

The City of Lethbridge's management is responsible for the preparation, accuracy, objectivity, and integrity of the accompanying consolidated financial statements and the notes thereto. Management believes that the consolidated financial statements present fairly the City's financial position as at December 31, 2014 and the results of its operations for the year then ended.

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards. The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

The City Council carries out its responsibilities for review of the consolidated financial statements principally through its Audit Committee. This committee meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Audit Committee with and without the presence of management. The City Council has approved the consolidated financial statements.

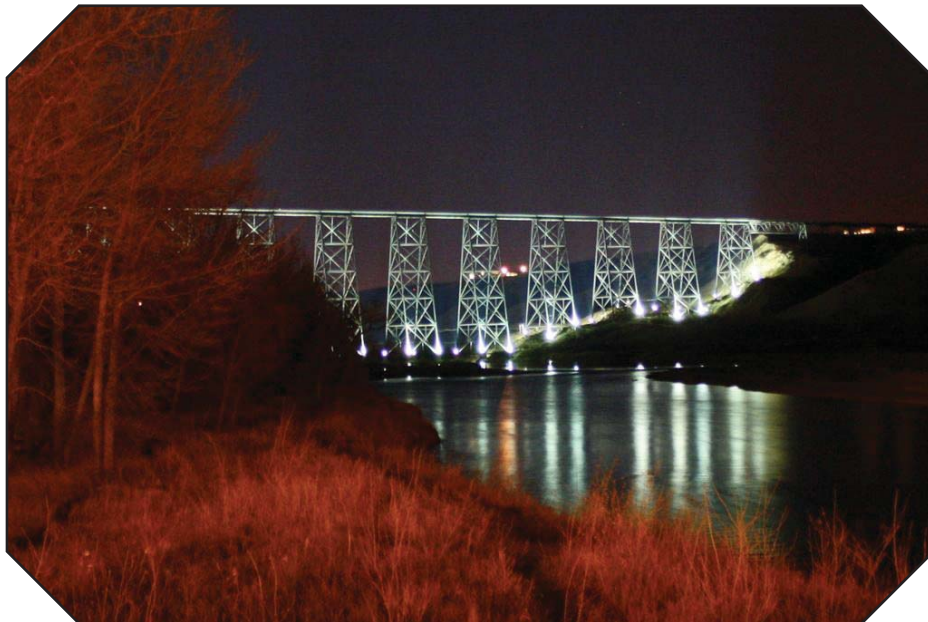
The consolidated financial statements have been audited by the independent firm of KPMG_{LLP} Chartered Accountants. Their report to His Worship the Mayor with the members of Council of the City of Lethbridge, outlines the scope of their examination and provides their opinion on the consolidated financial statements.



City Manager
April 13, 2015



City Treasurer



Independent Auditors' Report

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

We have audited the accompanying consolidated financial statements of the City of Lethbridge ("the Entity"), which comprise the consolidated statement of financial position as at December 31, 2014 and the consolidated statements of operations, net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Lethbridge as at December 31, 2014, and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Accountants
Lethbridge, Canada
April 13, 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014
(in thousands of dollars)



		2014	2013
FINANCIAL ASSETS			
Cash and cash equivalents	Note 3	\$ 25,641	\$ 29,726
Investments	Note 4	220,528	190,131
Receivables	Note 5	33,485	46,498
Loans and advances		4,409	3,550
Deposits		973	219
Land held for resale		628	879
		285,664	271,003
LIABILITIES			
Accounts payable and accrued liabilities	Note 6	35,458	43,355
Employee benefit obligations	Note 7	12,745	12,483
Deferred revenue	Note 8	91,170	98,818
Deposits and other liabilities		13,360	11,912
Debenture debt	Note 9	71,141	76,521
		223,874	243,089
NET FINANCIAL ASSETS		61,790	27,914
NON-FINANCIAL ASSETS			
Inventories held for consumption		9,143	10,063
Prepaid expenses		1,659	1,359
Land held for resale		24,920	25,602
Tangible capital assets	Schedule 3 & Note 11	1,241,916	1,173,232
		1,277,638	1,210,256
MUNICIPAL EQUITY		\$ 1,339,428	\$ 1,238,170
Commitments (Note 20)			
Contingent liabilities (Note 24)			

The accompanying notes and schedules form an integral part of these Consolidated Financial Statements.

**CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



		2014	2014 Budget	2013
REVENUE				
Sales and user charges		\$ 163,591	\$ 162,530	\$ 161,926
Net taxes	Schedule 2	112,829	111,359	103,247
Government transfers	Note 18	50,945	56,519	56,795
Sale of land		26,476	26,615	7,859
Contributed assets		21,955	-	30,010
Return on investments		9,622	8,420	3,431
Fines and penalties		6,040	8,254	6,612
Gas company franchise fee		4,843	4,105	4,642
Licenses and permits		4,474	4,707	4,645
Special municipal levies		3,250	3,252	3,115
Other		8,379	7,348	9,425
		412,404	393,109	391,707
EXPENSES				
	Note 19			
Protective Services		70,728	71,759	65,953
Electric		61,605	64,007	55,019
Infrastructure & Transportation Services		51,299	59,161	48,843
Leisure & Human Services		48,313	46,432	42,278
General Government Services		22,228	25,407	22,105
Water		17,087	16,722	16,476
Wastewater		12,591	13,046	11,902
Development Services		12,148	13,158	12,627
Waste Services		11,440	11,939	10,853
Family Support & Social Services		3,707	3,911	3,677
		311,146	325,542	289,733
EXCESS OF REVENUE OVER EXPENSES	Schedule 1 & 4	101,258	67,567	101,974
MUNICIPAL EQUITY, BEGINNING OF YEAR		1,238,170	1,238,170	1,136,196
MUNICIPAL EQUITY, END OF YEAR	Note 13	\$ 1,339,428	\$ 1,305,737	\$ 1,238,170

The accompanying notes and schedules form an integral part of these Consolidated Financial Statements.

**CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



	2014	2014 Budget	2013
EXCESS OF REVENUE OVER EXPENSES	\$ 101,258	\$ 67,567	\$ 101,974
Change related to tangible capital assets			
Acquisition of tangible capital assets	(93,659)	(80,671)	(110,189)
Contributed assets	(21,955)	-	(30,010)
Proceeds on disposal of tangible capital assets	332	-	314
Amortization of tangible capital assets	46,064	38,926	36,016
Loss on disposal of tangible capital assets	534	-	2,131
	(68,684)	(41,745)	(101,738)
Change related to other non-financial assets			
Acquisition of inventories held for consumption	(17,597)	-	(23,100)
Acquisition of prepaid expenses	(1,657)	-	(1,330)
Use of land held for resale	682	-	(3,906)
Use of inventories held for consumption	18,517	-	21,929
Use of prepaid assets	1,357	-	1,372
	1,302	-	(5,035)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	33,876	25,822	(4,799)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	27,914	27,914	32,713
NET FINANCIAL ASSETS, END OF YEAR	\$ 61,790	\$ 53,736	\$ 27,914

The accompanying notes and schedules form an integral part of these Consolidated Financial Statements.

**CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



	2014	2013
NET INFLOW (OUTFLOW) OF CASH		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 101,258	\$ 101,974
Items not involving cash		
Amortization of tangible capital assets	46,064	36,016
Loss on disposal of tangible capital assets	534	2,131
Tangible capital assets received as contributions	(21,955)	(30,010)
Changes to financial assets		
Decrease (increase) in receivables	13,013	(9,796)
Decrease (increase) in other financial assets	(1,362)	(1,275)
Changes to non-financial assets		
Decrease (increase) in prepaid expenses	(300)	42
Decrease (increase) in inventory held for consumption	920	(1,171)
Decrease (increase) in land held for resale	682	(3,906)
Changes to liabilities		
Increase (decrease) in accounts payable and accrued liabilities	(7,897)	4,413
Increase (decrease) in employee benefit obligation	262	112
Increase (decrease) in deferred revenue	(7,648)	(6,671)
Increase (decrease) in deposits and other liabilities	1,448	732
	125,019	92,591
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(93,659)	(110,189)
Proceeds on disposal of tangible capital assets	332	314
	(93,327)	(109,875)
INVESTING ACTIVITIES		
Decrease (increase) in investments	(30,397)	23,847
FINANCING ACTIVITIES		
Debenture debt issued	4,300	10,840
Debenture debt principal redeemed	(9,680)	(9,203)
	(5,380)	1,637
CHANGE IN CASH AND CASH EQUIVALENTS DURING YEAR	(4,085)	8,200
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	29,726	21,526
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 25,641	\$ 29,726

The accompanying notes and schedules form an integral part of these Consolidated Financial Statements.

CONSOLIDATED SCHEDULE OF UNRESTRICTED SURPLUS
AS AT DECEMBER 31, 2014
(in thousands of dollars)
Schedule 1



	2014	2014 Budget	2013
EXCESS OF REVENUE OVER EXPENSES	\$ 101,258	\$ 67,567	\$ 101,974
Unrestricted balances			
Transfer (to) from prior year surplus to (from) reserves	(181)	-	2,286
Unfunded			
Change in unfunded vacation pay	101	-	151
Transfer to (from) equity in inventories held for consumption	(920)	-	1,171
Transfer to (from) equity in prepaid expenses	300	-	(42)
Restricted balances			
Transfer (to) reserves	(3,337)	(15,655)	(1,908)
Transfer (to) from capital fund	(19,556)	(8,690)	3,160
Equity in non-financial assets			
Change in land held for resale	793	-	(4,403)
Change in tangible capital assets	(74,064)	(42,249)	(100,101)
Change in inventories held for consumption	920	-	(1,171)
Change in prepaid expenses	(300)	-	42
CONSOLIDATED ANNUAL UNRESTRICTED SURPLUS	\$ 5,014	\$ 973	\$ 1,159

SCHEDULE OF NET TAXES
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)
Schedule 2



	2014	2013
NET TAXES		
Real property taxes	\$ 142,965	\$ 134,612
Special assessments	3,250	3,115
Business taxes (BRZ)	207	176
Grants in lieu of taxes		
Federal	193	212
Provincial	2,038	1,976
	148,653	140,091
Less special requisition transfers		
Alberta School Foundation Fund	26,056	27,055
Holy Spirit RCSR 4	4,882	5,076
Green Acres Foundation	1,438	1,400
Downtown Lethbridge Business Revitalization Zone	198	198
	32,574	33,729
TAXATION FOR MUNICIPAL PURPOSES	116,079	106,362
Less special levies		
Street maintenance frontage taxes	3,250	3,115
NET TAXES	\$ 112,829	\$ 103,247

**SCHEDULE OF TANGIBLE CAPITAL ASSETS
AS AT DECEMBER 31, 2014
(in thousands of dollars)
Schedule 3**



	Land	Land Improvements	Buildings	Infrastructure	Equipment & Furnishings	Vehicles	Assets Under Construction	2014	2013
COST									
BALANCE, BEGINNING OF YEAR	\$ 92,383	\$ 60,186	\$ 282,076	\$ 1,019,205	\$ 92,134	\$ 59,250	\$ 72,858	\$ 1,678,092	\$ 1,547,051
Acquisition of tangible capital assets	831	9,543	18,828	80,875	4,516	1,902	(881)	115,614	140,199
Disposal of tangible capital assets	-	(970)	(348)	(7,745)	(706)	(1,302)	-	(11,071)	(9,158)
BALANCE, END OF YEAR	93,214	68,759	300,556	1,092,335	95,944	59,850	71,977	1,782,635	1,678,092
ACCUMULATED AMORTIZATION									
BALANCE, BEGINNING OF YEAR	-	(22,156)	(89,122)	(319,805)	(47,832)	(25,945)	-	(504,860)	(475,557)
Annual Amortization	-	(3,115)	(6,118)	(27,264)	(5,345)	(4,222)	-	(46,064)	(36,016)
Accumulated amortization on disposals	-	805	213	7,539	576	1,072	-	10,205	6,713
BALANCE, END OF YEAR	-	(24,466)	(95,027)	(339,530)	(52,601)	(29,095)	-	(540,719)	(504,860)
TOTAL NET BOOK VALUE	\$ 93,214	\$ 44,293	\$ 205,529	\$ 752,805	\$ 43,343	\$ 30,755	\$ 71,977	\$ 1,241,916	\$ 1,173,232

**SCHEDULE OF SEGMENTED REPORTING
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)
Schedule 4**



	General Municipal Revenue	Protective Services	Infrastructure & Transportation Services	Leisure & Human Services
REVENUE				
Sales and user charges	\$ -	\$ 12,536	\$ 12,084	\$ 10,075
Net taxes	112,829	-	-	-
Government transfers	-	5,853	15,094	16,534
Sale of land	-	-	-	-
Contributed assets	-	-	14,382	1,498
Return on investments	3,755	-	4,513	906
Fines and penalties	582	62	419	-
Gas company franchise fee	4,843	-	-	-
Licenses and permits	-	3,702	26	746
Special municipal levies	-	-	2,894	356
Other	67	1,803	1,040	1,300
	122,076	23,956	50,452	31,415
EXPENSES				
Salaries, wages and benefits	-	46,849	18,805	16,466
Materials, supplies and utilities	-	1,955	11,424	4,824
Contracted and general services	-	5,227	8,243	10,839
Amortization of tangible capital assets	-	1,605	15,560	4,835
Transfers to individuals and organizations	-	31	-	3,043
Debenture debt interest	-	-	1,182	-
Financial charges	-	265	271	175
Interdepartmental transfers (net)	-	14,839	(1,175)	8,274
Expenses recovered from capital	-	(229)	(3,797)	(352)
Other	-	186	786	209
	-	70,728	51,299	48,313
EXCESS OF REVENUE OVER EXPENSES	122,076	(46,772)	(847)	(16,898)
Change in unrestricted balances	656	73	(76)	192
Transfer from (to) reserves	(780)	11,955	(4,518)	5,418
Transfer from (to) internal segments	2,645	(587)	7,173	4,498
Transfer from (to) capital fund	-	(12,055)	7,068	(11,581)
Change in equity in non-financial assets	-	(4,420)	(31,865)	(14,433)
UNRESTRICTED SURPLUS (DEFICIT)	\$ 124,597	\$ (51,806)	\$ (23,065)	\$ (32,804)

**SCHEDULE OF SEGMENTED REPORTING
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)
Schedule 4**



General Government Services	Development Services	Family Support & Social Services	Utilities	2014	2013
\$ 551	\$ 3,168	\$ 905	\$ 124,272	\$ 163,591	\$ 161,926
-	-	-	-	112,829	103,247
3,415	5,480	1,970	2,599	50,945	56,795
-	26,476	-	-	26,476	7,859
-	(5,616)	-	11,691	21,955	30,010
303	126	19	-	9,622	3,431
4,977	-	-	-	6,040	6,612
-	-	-	-	4,843	4,642
-	-	-	-	4,474	4,645
-	-	-	-	3,250	3,115
3,188	387	34	560	8,379	9,425
12,434	30,021	2,928	139,122	412,404	391,707
41,920	2,597	891	18,327	145,855	139,084
4,545	194	105	40,375	63,422	65,690
9,912	2,023	1,978	12,103	50,325	44,984
2,310	3	99	21,652	46,064	36,016
768	5,196	1	-	9,039	8,544
10	144	-	1,204	2,540	2,688
368	-	10	(24)	1,065	1,009
(38,300)	460	623	15,279	-	-
(161)	(748)	-	(6,377)	(11,664)	(12,897)
856	2,279	-	184	4,500	4,615
22,228	12,148	3,707	102,723	311,146	289,733
(9,794)	17,873	(779)	36,399	101,258	101,974
232	22	(9)	(1,790)	(700)	3,566
6,699	(3,278)	(393)	(18,440)	(3,337)	(1,908)
(6,554)	(4,797)	-	(2,378)	-	-
(1,849)	(15,643)	-	14,504	(19,556)	3,160
1,915	3,052	90	(26,990)	(72,651)	(105,633)
\$ (9,351)	\$ (2,771)	\$ (1,091)	\$ 1,305	\$ 5,014	\$ 1,159

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City of Lethbridge (the "City") are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board (PSAB) 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, revenue and expenses 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 inter-entity accounts and transactions and balances are eliminated on consolidation.

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

Interests in joint ventures and other government enterprises are accounted for using the proportionate consolidation method.

b. Basis of Accounting

The City follows the accrual method of accounting for revenue and expenses. Revenue is recognized in the year in which it is earned and measurable. Expenses are recognized as they are incurred and measurable as a result of goods or services and/or the creation of a legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

c. Tax Revenue

Tax revenue results from non-exchange transactions that are paid to governments in accordance with the laws and regulations established to provide revenue to the government for public services. The revenue is recognized when the tax has been authorized and the taxable event has occurred.

d. Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the financial statements as revenue in the period in which events given rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met and reasonable estimates of the amounts can be determined.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



1. SIGNIFICANT ACCOUNTING POLICIES (continued)

e. 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 Guaranteed Investment Certificates (GICs), government bonds and term receipts.

All investments held are purchased with the intention to hold to maturity, or until market conditions render alternative investments more attractive.

Investments are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of investments. Where impairment in value is other than a temporary decline, a valuation allowance is recorded.

f. Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Inventories held for consumption

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

(ii) 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 leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads and street lighting are recorded as tangible capital assets under their respective function. Land held for resale is classified as a financial asset when the land is in a condition to be sold, is marketed for sale and is reasonably anticipated that the land will be sold within one year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



1. SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Non-financial Assets (continued)

(iii) **Tangible capital assets**

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets, excluding land and landfill sites, are amortized on a straight line basis over the estimated useful lives as follows:

Asset	Years
Land improvements	15 - 40
Buildings	25 - 75
Infrastructure	
Roadways	20 - 75
Water system	45 - 75
Wastewater system	45 - 75
Storm system	45 - 75
Electricity system	20 - 35
Equipment and furnishings	5 - 40
Vehicles	5 - 25

Tangible capital assets under construction or development are reported as assets under construction with no amortization recorded until the asset is available for productive use.

(iv) **Equity in tangible capital assets**

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

(v) **Contributed assets**

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Contributed assets are comprised mainly of contributions from privately developed subdivisions including water systems, wastewater systems, storm systems, roads and parks.

(vi) **Works of art and cultural and historic assets**

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

g. Employee Future Benefits

The City is a member of defined benefit multi-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 expenses in the year in which they become due.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



1. SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Use of Estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

i. Requisition Over-levies and Under-levies

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

j. 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.

2. FUTURE ACCOUNTING PRONOUNCEMENTS

Liability for contaminated sites:

The Public Sector Accounting Standards Board (PSAB) approved section PS 3260. This section establishes standards for reporting a liability associated with the remediation of certain contaminated sites. The section is effective for years beginning on or after April 1, 2014. The City has not yet adopted this standard or determined the effect of the adoption of this standard on its financial statements.

3. CASH & CASH EQUIVALENTS

	2014	2013
Cash	\$ 3,641	\$ 3,618
Cash equivalents	22,000	26,108
	\$ 25,641	\$ 29,726

Cash includes cash on hand and balances with financial institutions.

Cash equivalents are comprised of short term deposits and guaranteed investment certificates with original maturities less than three months. The cash equivalents shown above have an average effective annual yield of 1.50% (2013 1.50%).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



4. INVESTMENTS

	2014		2013	
	Carrying Value	Market	Carrying Value	Market
Short term investments	\$ 103,892	\$ 103,892	\$ 113,037	\$ 113,041
Long term investments ⁽¹⁾	116,636	116,875	77,094	77,142
	\$ 220,528	\$ 220,767	\$ 190,131	\$ 190,183

Investments mature at various dates between January 15, 2015 and June 2, 2024 and have an average effective annual yield of 2.06% (2013 1.49%).

Investments include \$59,413 (2013 \$65,785) in externally restricted amounts which must be used for specified capital projects.

(1) Floating-rate notes

Included in long term investments are floating-rate notes with a net carrying value of \$18,736 which were received in exchange for asset-backed commercial paper (ABCP).

Prior to August 2007, the City invested in short term third-party structured ABCP with a face value of \$30,257. When these ABCP investments were purchased, they were rated "R1 (high)" by an independent rating agency, which is the highest possible rating. These investments, purchased between May and July 2007, had original maturity dates ranging from September 2007 to March 2008. In August 2007, the Canadian market for ABCP suffered a liquidity disruption and as a result the City's ABCP investments did not settle on maturity.

Subsequent to this disruption, a Pan Canadian Investors Committee was established to oversee the orderly restructuring of these instruments. On January 21, 2009, the ABCP restructuring plan was implemented. Pursuant to the terms of the plan, the City's short term ABCP was exchanged for longer term floating-rate notes (notes) with the face value approximating the original ABCP investments in the amount of \$30,257. These investments mature no earlier than the scheduled termination dates of the underlying assets.

Included in the original investment of \$30,257 was \$7,967 of unrated notes which had yields and repayment dates which were subject to the performance of the underlying assets. In November 2009, the City reached an agreement with National Bank that provided the City an option, through a financing solution, to receive approximately 75% of the January 21, 2009 face value of the unrated notes. This option was exercised in October 2010.

The City currently owns \$8,395 Class A-1 notes which are currently rated "AA (low)" by the DBRS Limited and \$13,895 Class A-2 notes which are currently rated "A (low)". The Class A-1 and A-2 notes bear interest, floating at the Banker Acceptance rate less 0.5% and generally have an expected repayment date of January 22, 2017.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



4. INVESTMENTS (CONTINUED)

The City has estimated the carrying value of these investments as at December 31, 2014 using a probability-weighted discounted cash flow valuation model. The resulting net carrying value of \$18,736 is calculated as follows:

Original face value	\$ 30,257	
Face value of exercised option	<u>(7,967)</u>	
Current face value		22,290
Original valuation allowance	(5,700)	
Valuation allowance of exercise option	<u>2,146</u>	
Valuation allowance on current face value		<u>(3,554)</u>
Net carrying value	<u>\$ 18,736</u>	

5. RECEIVABLES

	2014	2013
Trade accounts receivable	\$ 31,117	\$ 36,817
Taxes receivable	2,712	2,634
Other government receivables	4,085	11,102
	<u>37,914</u>	<u>50,553</u>
Allowance for doubtful amounts	<u>(4,429)</u>	<u>(4,055)</u>
	<u>\$ 33,485</u>	<u>\$ 46,498</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



6. ACCOUNTS PAYABLE & ACCRUED LIABILITIES

	2014	2013
Trade accounts payable	\$ 21,072	\$ 28,505
Accrued liabilities	8,463	8,758
Environmental liabilities ⁽¹⁾	4,445	4,150
Other government	1,478	1,942
	\$ 35,458	\$ 43,355

(1) Environmental liabilities

Included in accounts payable and accrued liabilities is \$4,445 (2013 \$4,150) of estimated total landfill closure and post-closure care costs.

The estimated total liability is based on the sum of discounted future cash flows for closure and post-closure costs discounted at the City's average long term borrowing rate and assuming annual inflation of 3%.

The accrued environmental liability is based on the cumulative capacity used at year end compared to the estimated total capacity of the landfill site. The remaining capacity of the approved phases is estimated at 1.9 (2013 2.1) million cubic meters which will be reached in approximately 7-8 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 after closure 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 \$1,838 (2013 \$1,970). The following summarizes the total net present value of the estimated costs of closure and post-closure care:

	2014	2013
Estimated closure costs	\$ 1,648	\$ 1,638
Estimated post-closure costs	4,635	4,482
Total estimated costs	6,283	6,120
Amount accrued to December 31	(4,445)	(4,150)
Balance of estimated costs to accrue over the remaining life of the landfill	\$ 1,838	\$ 1,970

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



7. EMPLOYEE BENEFIT OBLIGATIONS

	2014	2013
Vacation and overtime	\$ 11,690	\$ 11,434
Sick pay	968	958
Post employment benefits	87	91
	\$ 12,745	\$ 12,483

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 (and are vested) or are entitled to them within the next budgetary year.

8. DEFERRED REVENUE

	2014	2013
Deferred revenue	\$ 3,628	\$ 3,115
Government contributions ⁽¹⁾	59,413	69,483
Prepaid taxes	28,129	26,220
	\$ 91,170	\$ 98,818

⁽¹⁾ Government contributions in deferred revenue consist of the following:

	2013 Balance	Grants Received & Interest Recognized	Government Transfer Revenue	2014 Balance
Basic Municipal Transportation Grant	\$ 22,381	\$ 5,844	\$ (5,364)	\$ 22,861
Municipal Sustainability Initiative Grant	19,460	16,284	(11,727)	24,017
Alberta Municipal Infrastructure Program	12,457	(4,342)	(8,115)	-
Federal Gas Tax Fund	8,688	(766)	(3,809)	4,113
Other Grants	6,497	23,855	(21,930)	8,422
	\$ 69,483	\$ 40,875	\$ (50,945)	\$ 59,413

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)



9. DEBENTURE DEBT

	2014	2013
General - self supported	\$ 43,980	\$ 44,492
Utilities	27,161	32,029
	\$ 71,141	\$ 76,521

Principal and interest repayments are as follows:

	Principal	Interest	Total
2015	\$ 8,500	\$ 2,311	\$ 10,811
2016	8,501	2,053	10,554
2017	7,875	1,796	9,671
2018	6,303	1,559	7,862
2019	5,495	1,348	6,843
2020 to maturity	34,467	5,231	39,698
	\$ 71,141	\$ 14,298	\$ 85,439

Debenture debt is repayable to the Alberta Capital Finance Authority. Existing debentures mature in annual amounts to the year 2032. Interest rates on these debentures range from 1.37% to 6.25% per annum. Debenture debt is issued on the credit and security of the City at large.

Interest expense on long-term debt amounted to \$2,540 (2013 \$2,688).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



10. DEBT LIMITS

Section 276 (2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the City be disclosed as follows:

	2014	2013
Total debt limit	\$ 520,159	\$ 474,023
Debenture debt	(71,141)	(76,521)
Debt limit unused	449,018	397,502
Percentage of debt to debt limit	13.68 %	16.14 %
Service on debt limit	86,693	79,004
Service debt (principal and interest payment)	(10,811)	(12,229)
Service on debt limit unused	75,882	66,775
Percentage of service on debt limit used	12.47 %	15.48 %

The debt limit is calculated at 1.5 times the revenue of the City as defined in Alberta Regulations 255/2000 (consolidate revenue less capital grant revenue, less contributed asset revenue, less loans to non-profit organizations and controlled corporations) 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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



11. TANGIBLE CAPITAL ASSETS

	2014	2013
Net Book Value		
Land	\$ 93,214	\$ 92,383
Land improvements	44,293	38,030
Buildings	205,529	192,954
Infrastructure		
Roadways	353,822	336,913
Water system	162,136	152,900
Wastewater system	133,135	122,546
Waster services system	530	555
Electrical system	103,182	86,486
Equipment and furnishings	43,343	44,302
Vehicles	30,755	33,305
Assets under construction	71,977	72,858
	\$ 1,241,916	\$ 1,173,232

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$21,955 (2013 \$30,010). This amount is comprised of land in the amount of \$842 (2013 \$1,766), land improvements in the amount of \$746 (2013 \$1,373), infrastructure in the amount of \$20,253 (2013 \$26,812) and equipment and furnishings in the amount of \$114 (2013 \$59).

The City capitalized \$350 (2013 \$637) in interest during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)



12. ANNUAL UNRESTRICTED SURPLUS

As is common for municipal governments, the General Operations 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:

	2014 Actual Surplus (Deficit)	2014 Budgeted Surplus	2013 Actual Surplus (Deficit)
General	\$ 3,709	\$ -	\$ 656
Utilities			
Water	(38)	-	153
Wastewater	493	-	612
Waste Services	720	549	575
Electric	130	425	(837)
Total Utilities	1,305	974	503
	\$ 5,014	\$ 974	\$ 1,159

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



13. MUNICIPAL EQUITY

Municipal equity consists of unrestricted and restricted balances and equity in non-financial assets as follows:

	2014	2013
Unrestricted balances		
Unrestricted surplus (Note 14)	\$ 11,589	\$ 6,394
Unfunded		
Vacation pay	(9,242)	(9,141)
Inventories held for consumption	(9,143)	(10,063)
Prepaid expenses	(1,659)	(1,359)
Restricted balances		
Reserves (Note 15)	70,744	67,407
Capital fund	74,874	55,318
Equity in non-financial assets		
Land held for resale	20,688	21,481
Inventories held for consumption	9,143	10,063
Prepaid expenses	1,659	1,359
Tangible capital assets (Note 17)	1,170,775	1,096,711
	\$ 1,339,428	\$ 1,238,170

14. ACCUMULATED UNRESTRICTED SURPLUS

General Operations and Electric Utility surpluses and deficits of the prior year are transferred to the Municipal Revenue Stabilization Reserve in the current year. The 2014 General Operations accumulated surplus of \$3,709 and Electric Utility accumulated deficit of \$130 will be transferred to the Municipal Revenue Stabilization Reserve in 2015.

	2013 Balance	Appropriations & Adjustments	2014 Surplus (Deficit)	2014 Balance
City general	\$ 656	\$ (656)	\$ 3,709	\$ 3,709
Water	2,038	-	(38)	2,000
Wastewater	1,674	-	493	2,167
Waste Services	2,863	-	720	3,583
Electric	(837)	837	130	130
	\$ 6,394	\$ 181	\$ 5,014	\$ 11,589

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



15. RESERVES

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

	2014	2013
Operating		
Budget Appropriations	\$ 13,632	\$ 14,665
Municipal Revenue Stabilization (Note 16)	11,505	13,097
Insurance	3,288	3,073
Cemeteries	1,309	1,013
Urban Parks	1,097	744
Mayor Magrath Drive Beautification	106	106
	30,937	32,698
Capital		
Fleet Services	21,441	19,312
Real Estate Holdings	4,560	4,435
Major Capital Projects	4,540	2,737
Community Lighting	3,937	3,296
Acquire Off Street Parking	2,515	2,298
Transit Bus	1,252	1,088
Community Reserve Fund	1,133	1,112
Central Business District Land Acquisition	429	431
	39,807	34,709
	\$ 70,744	\$ 67,407

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



16. MUNICIPAL REVENUE STABILIZATION RESERVE

The purpose of this reserve is to stabilize the effects of fluctuating interest revenue and General Operations surpluses and deficits on annual taxation requirements. All General Operations 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 Operations and Electric Utility deficits of prior years, allocation to Electric capital projects, municipal consent and access fee/franchise fee and by-law enforcement revenue shortfalls, budgeted allocations to General Operations, one time expenses and internal financing advances are charged to the reserve. The transactions affecting the reserve for the year ended December 31, 2014 are as follows:

	2014	2013
Balance, beginning of year	\$ 13,097	\$ 15,414
Add: Allocation from Electric Capital	27,029	-
Municipal consent and access fee (electric)	9,280	9,412
Recovery of internal financing	7,104	5,208
Return on investment (electric)	6,187	5,523
Investment and interest income (net of trust allocations)	3,686	3,047
Gas company franchise fee revenue (net of allocation to operations)	1,433	1,232
Emergency Medical Services (EMS) Transition	978	2,249
Prior Year General Operating Surplus	656	1,542
Snow Removal	495	-
CentreSite distribution allocation	278	284
2012 Electric Utility operating surplus	-	744
	70,223	44,655
Less: Allocation to Electric capital projects	23,025	12,685
Internal financing advances	17,337	2,237
Electric Utility - allocation to General Operations	9,750	9,750
Allocation to General Operations	5,250	5,250
By-law enforcement revenue (net of allocation to operations)	1,179	273
One time allocations	843	634
2013 Electric Operating Deficit	837	-
Allocation for Tax Installment Payment Plan discounts	346	325
Other allocations	151	151
Allocation for snow removal	-	253
	58,718	31,558
Balance, end of year	\$ 11,505	\$ 13,097

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



17. EQUITY IN TANGIBLE CAPITAL ASSETS

	2014	2013
Tangible capital assets (Schedule 3)	\$ 1,782,635	\$ 1,678,092
Accumulated amortization (Schedule 3)	(540,719)	(504,860)
Debenture debt (Note 9)	(71,141)	(76,521)
	\$ 1,170,775	\$ 1,096,711

18. GOVERNMENT TRANSFERS

	2014	2013
Operating		
Provincial	\$ 11,222	\$ 13,508
Federal	455	1,155
Capital		
Provincial	32,580	30,480
Federal	6,688	11,652
	\$ 50,945	\$ 56,795

19. EXPENSES BY OBJECT

	2014	2013
Salaries, wages and benefits	\$ 145,855	\$ 139,084
Materials, supplies and utilities	63,422	65,690
Contracted and general services	50,325	44,984
Amortization of tangible capital assets	46,064	36,016
Transfers to individuals and organizations	9,039	8,544
Debenture debt interest	2,540	2,688
Financial charges	1,065	1,009
Other ⁽¹⁾	(7,164)	(8,282)
	\$ 311,146	\$ 289,733

⁽¹⁾ Other expenses include the recovery of costs charged to capital projects.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



20. COMMITMENTS

a. Contracts

As at December 31, 2014 the City has committed funds on various capital projects in progress and capital assets. The funds committed by contract and the estimated costs to complete those projects are as follows:

	Funds Committed	Estimated Cost to Complete
Buildings		
Crossings Ice Complex	\$ 21,145	\$ 22,876
LRPS Headquarters Expansion	20,104	22,230
Aquatics/Leisure Centre	5,124	109,377
Infrastructure		
Underground Cable Replacement	7,449	7,449
Metis Trail (Walsh Dr to Whoop Up Dr) Stage 1	6,159	13,102
Metis Trail Deep Utilities (Garry Dr to Whoop Up Dr) Northwest	4,996	7,134
43rd St N (Hwy 3 - 9th Ave N)	4,421	5,936
Auto Meter Reading & Advanced Metering System	4,393	12,606
5th Ave, 26th Ave & 28th St Arterial Corridor Improvements	3,091	6,450
The Crossings	1,609	24,772
Riverstone	1,178	13,359
North Regional Park	887	21,279
2014 Sewer Lining	608	608
2014 Irrigation Automation	572	572
Tandem Dump/Plow/Sander Trucks	565	565
	\$ 82,301	\$ 268,315

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, 2014.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



20. COMMITMENTS (CONTINUED)

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. These fee for service contracts vary in their length, terms and conditions.

21. PENSION AND RETIREMENT PLANS

Employees of the City qualify to belong to one or more of the following defined-benefit pension or retirement 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 231,000 people and 418 employers in Alberta. The plan is financed by employer and employee contributions and investment earnings of the LAPP funds.

The City is required to make current service contributions to the LAPP of 11.39% of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings (YMPE) and 15.84% for the excess. Employees are required to make current service contributions of 10.39% to the YMPE and 14.84% for any portion of pensionable salary over the YMPE.

Total current and past service contributions by the City to the LAPP were \$10,460 (2013 \$9,219). Total current and past service contributions by the employees of the City were \$8,790 (2013 \$8,152).

At December 31, 2013 the LAPP disclosed an actuarial deficit of \$4.86 billion (2012 \$4.98 billion); the 2014 LAPP actuarial balance was not available at the date of this report.

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 6,712 people and 7 employers in Alberta. The plan is financed by employer and employee contributions and investment earnings of the SFPP funds.

The contribution rates for 2014 were 14.55% (2013 14.55%) of pensionable earnings for the City and 13.45% (2013 13.45%) of pensionable salaries for police officers.

Total current and past service contributions by the City to the SFPP were \$2,476 (2013 \$2,275). Total current and past service contributions by the police officers to the SFPP were \$2,086 (2013 \$2,105).

At December 31, 2013 the SFPP disclosed an actuarial deficit of \$220,470 (2012 \$498,852); the 2014 SFPP actuarial balance was not available at the date of this report.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



21. PENSION AND RETIREMENT PLANS (CONTINUED)

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% (2013 2.5%) and 3.0% (2013 3.0%) respectively of pensionable earnings up to \$128 (2013 \$135).

Total current service contributions by the City to APEX in 2014 were \$460 (2013 \$441). Total current service contributions by the employees of the City were \$370 (2013 \$358).

d. Muniserp Supplementary Employee Retirement Plan

In December 2002, City Council approved the participation of the City 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 whose retirement income would be affected by the Income Tax Act cap on pension contributions. The supplementary benefit takes the form of a lump sum cash payment upon retirement or death. MuniSERP supplements APEX and LAPP and is a voluntary, non-contributory, non-registered defined benefit employee retirement plan. The retirement benefit expense recorded by the City in the year is \$220 (2013 \$234).

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. An actuarial valuation was completed on December 31, 2013. The significant actuarial assumptions in measuring the accrued benefit obligation are as follows: expected discount rate of 5.00%, expected salary escalations of 4.00% per year and inflation rate of 2.50%.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



22. SALARY & BENEFITS

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

	Number of Persons	Salary	Benefits & Allowances	2014	2013
Mayor					
Dodic, R	-	\$ -	\$ -	\$ -	\$ 104
Spearman, C	1	74	45	119	19
	1	74	45	119	123
Aldermen					
Carlson, J	1	33	21	54	52
Coffman, J	1	29	22	51	48
Ellis, F	-	-	-	-	42
Galloway, W	1	4	3	7	8
Hyggen, B	1	34	21	55	8
Iwaskiw, L	1	31	20	51	49
Mauro, J	1	28	21	49	49
Mearns, B	1	19	14	33	42
Miyashiro, R	1	29	21	50	7
Parker, R	1	34	22	56	52
Wickersham, T	-	-	-	-	47
	9	\$ 241	\$ 165	\$ 406	\$ 404
City Manager	1	\$ 298	\$ 48	\$ 346	\$ 334
Designated Officers ⁽¹⁾	4	\$ 739	\$ 147	\$ 886	\$ 836

⁽¹⁾ Designated Officers include the City Assessor, City Clerk, City Solicitor, and the City Treasurer.

Councillors 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.

23. FINANCIAL INSTRUMENTS

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



24. CONTINGENT LIABILITIES

The City of Lethbridge owns properties that may contain environmental contamination and require site reclamation. The amount of any such obligations are not practically estimable.

25. SEGMENTED DISCLOSURES

The Schedule of Segmented Reporting – Schedule 4 has been prepared in accordance with PS 2700 Segmented Disclosures. Segmented disclosures are intended to help users of the financial statements identify the resources allocated to support major governments activities and allow the user to make more informed judgments regarding the government reporting entity.

Segmented information has been identified based upon functional activities provided by the City. For each reported segment, revenue and expenses represent amounts directly attributable to the functional activity and amounts allocated on a reasonable basis. The functional areas that have been separately disclosed in the segmented information, along with services they provide are as follows:

a. General Municipal Revenue

General Municipal Revenue includes net taxes, fines and penalties, return on investments, government transfers and franchise fees.

b. Protective Services

Protective Services includes dispatch, police, fire, disaster services, ambulance, inspection services, business licenses, parking enforcement, regulatory services and animal control.

c. Infrastructure & Transportation Services

Infrastructure & Transportation Services includes engineering services, fleet, roadway and parking services, storm sewers and transit.

d. Leisure & Human Services

Leisure & Human Services includes recreational and cultural facilities and programs. Also includes library, museum, and parks maintenance.

e. General Government Services

General Government Services includes council, legislative and general administration.

f. Development Services

Development Services includes economic development, planning, public housing and land development.

g. Family Support & Social Services

Family Support & Social Services includes community and family support, cemeteries and other public health support.

h. Utilities

Utilities includes water, wastewater, electric and waste services, the latter of which encompasses recycling and landfill.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(in thousands of dollars)**



26. COMPARATIVE INFORMATION

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

27. BUDGET INFORMATION

The 2012 - 2014 Operating Budget was approved by City Council on November 28, 2011.

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by City Council.

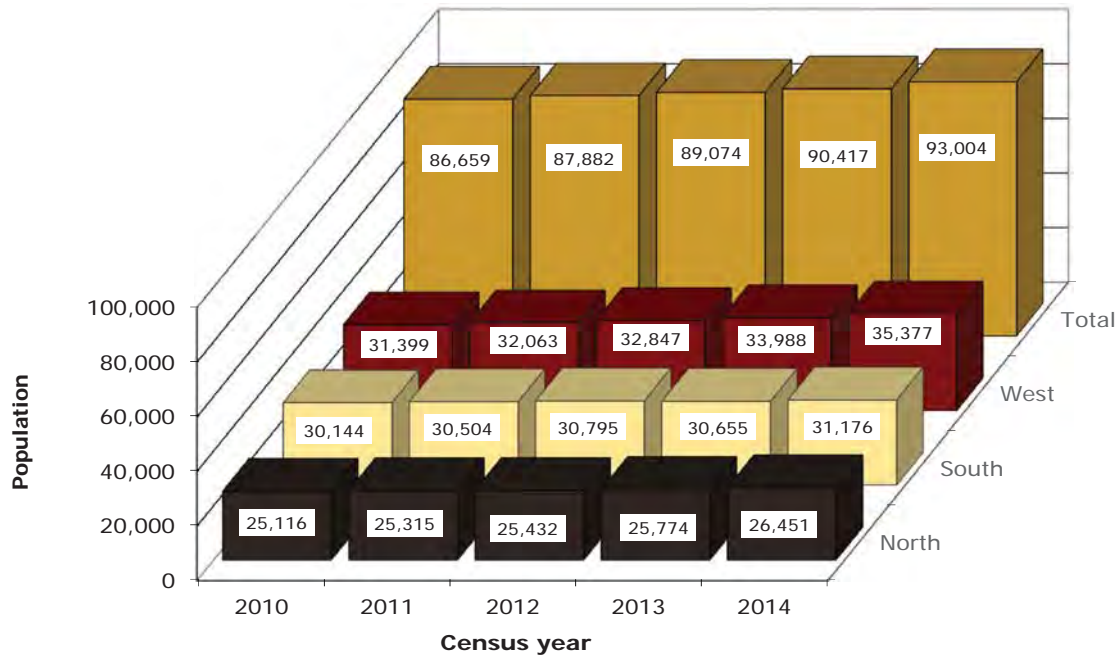
STATISTICS

(UNAUDITED)

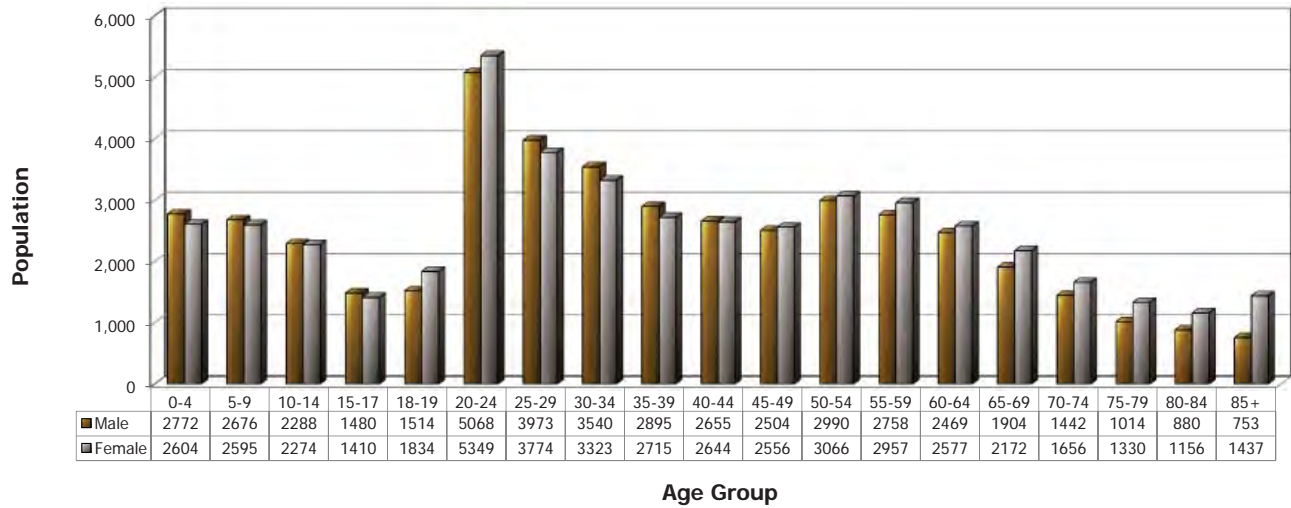


Population and Building Permits

Population by Location



Population by Age & Gender



Building Permits Issued

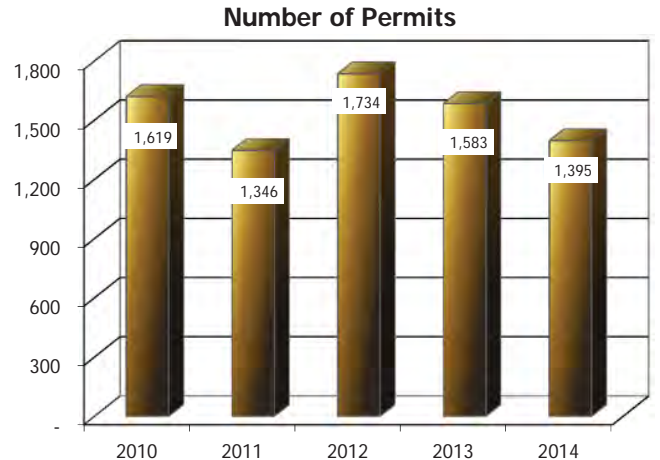
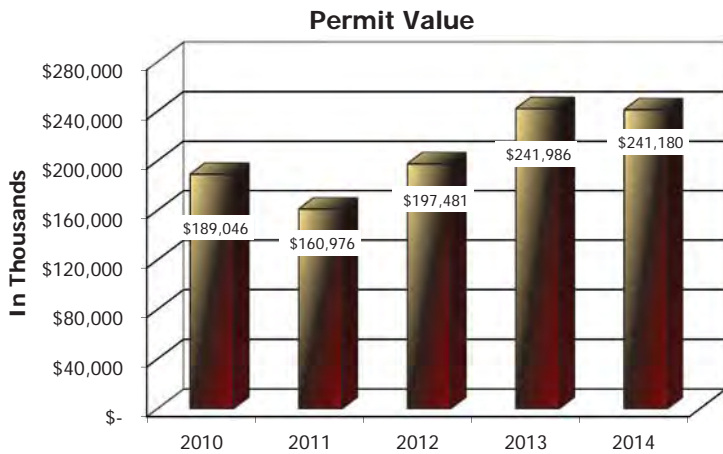


Exhibit of Consolidated Revenue

For the years ended December 31, 2010 - 2014
(in thousands of dollars)

	2014	2013	2012	2011	2010
REVENUE					
Sales and user charges	\$ 163,591	\$ 161,926	\$ 156,617	\$ 147,474	\$ 143,097
Net taxes	112,829	103,247	97,767	92,663	85,555
Government transfers	50,945	56,795	43,398	38,401	32,679
Sale of land	26,476	7,859	15,256	6,637	11,808
Contributed assets	21,955	30,010	20,228	30,314	30,682
Return on investments	9,622	3,431	2,942	4,444	3,356
Fines and penalties	6,040	6,612	7,838	7,067	6,522
Gas company franchise fee	4,843	4,642	3,781	4,077	3,988
Licenses and permits	4,474	4,645	4,082	3,202	3,260
Special municipal levies	3,250	3,115	3,030	2,993	2,939
Other	8,379	9,425	9,175	6,852	5,110
TOTAL REVENUE	\$ 412,404	\$ 391,707	\$ 364,114	\$ 344,124	\$ 328,996

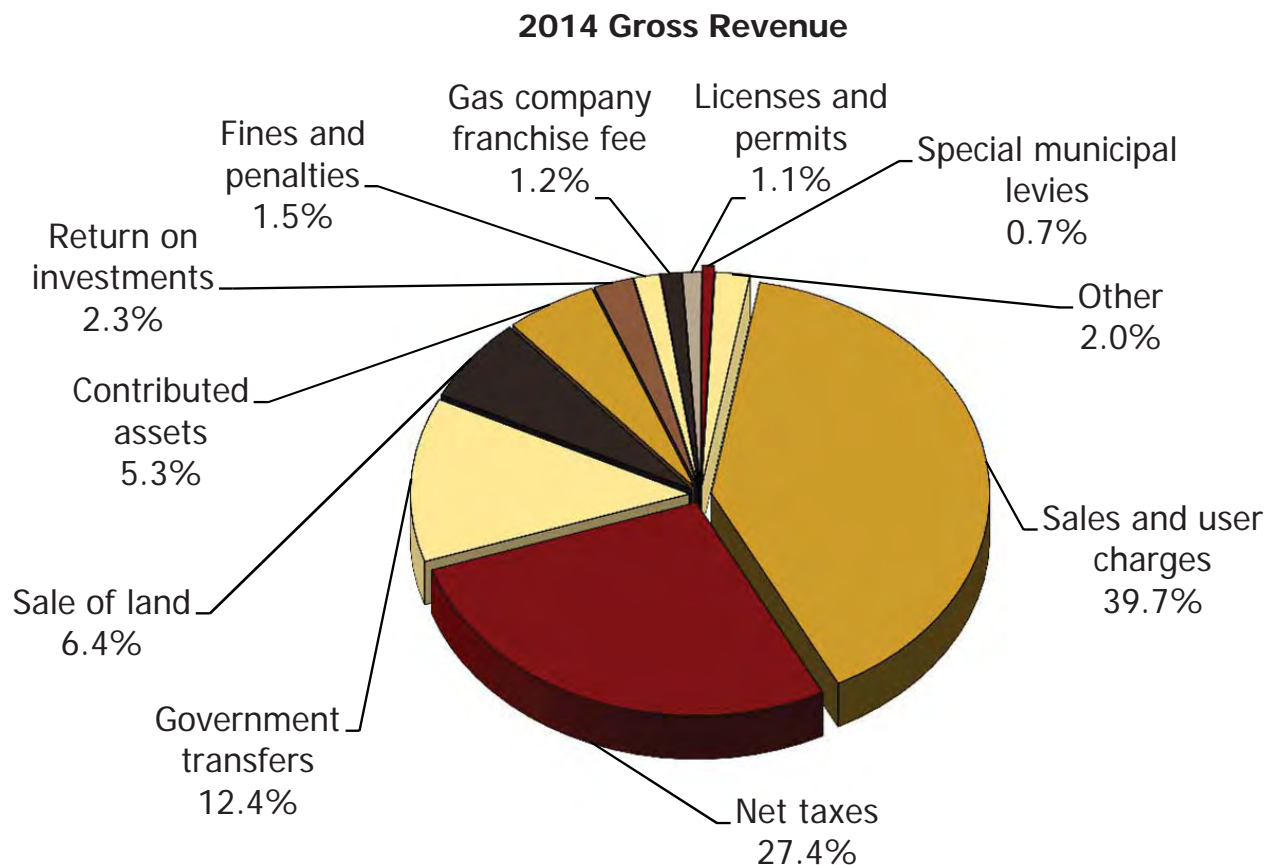


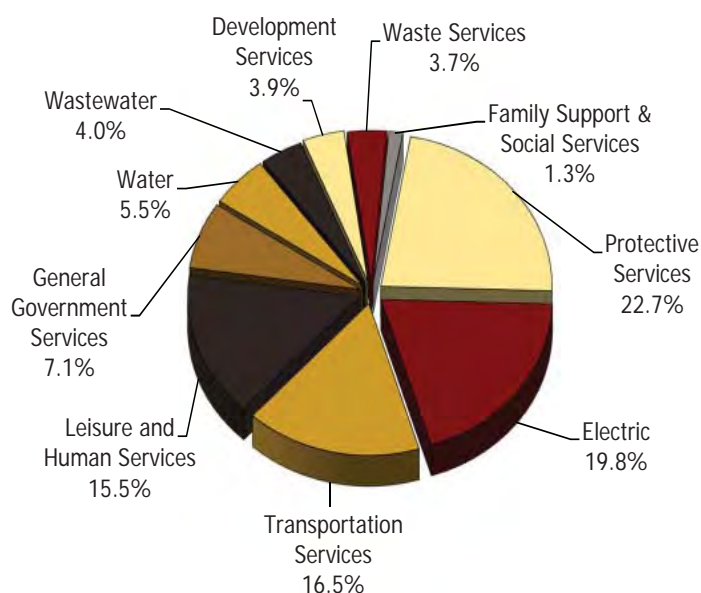
Exhibit of Consolidated Expenses

For the years ended December 31, 2010 - 2014
(in thousands of dollars)

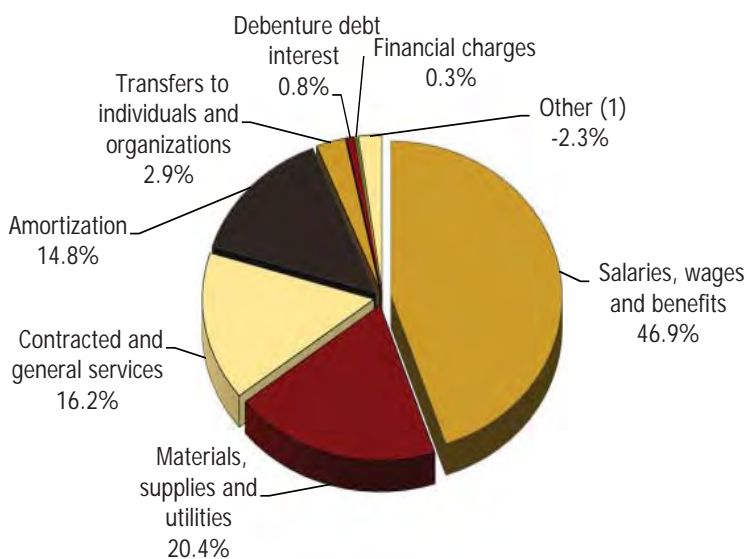
	2014	2013	2012	2011	2010
EXPENSES BY OBJECT					
Salaries, wages and benefits	\$ 145,855	\$ 139,084	\$ 133,929	\$ 127,429	\$ 121,184
Materials, supplies and utilities	63,422	65,690	63,680	62,152	51,924
Contracted and general services	50,325	44,984	44,858	42,714	41,061
Amortization of tangible capital assets	46,064	36,016	32,791	30,697	28,533
Transfers to individuals and organizations	9,039	8,544	5,580	5,044	6,144
Debenture debt interest	2,540	2,688	2,645	2,204	2,202
Financial charges	1,065	1,009	996	834	874
Other ⁽¹⁾	(7,164)	(8,282)	(6,415)	(8,020)	(3,967)
TOTAL EXPENSES BY OBJECT	\$ 311,146	\$ 289,733	\$ 278,064	\$ 263,054	\$ 247,955

⁽¹⁾ The majority of other expenses relate to the recovery of costs charged to capital projects.

2014 Gross Expenses by Function



2014 Gross Expenses by Object



	2014	2013	2012	2011	2010
EXPENSES BY OBJECT					
Salaries, wages and benefits	\$ 145,855	\$ 139,084	\$ 133,929	\$ 127,429	\$ 121,184
Materials, supplies and utilities	63,422	65,690	63,680	62,152	51,924
Contracted and general services	50,325	44,984	44,858	42,714	41,061
Amortization of tangible capital assets	46,064	36,016	32,791	30,697	28,533
Transfers to individuals and organizations	9,039	8,544	5,580	5,044	6,144
Debenture debt interest	2,540	2,688	2,645	2,204	2,202
Financial charges	1,065	1,009	996	834	874
Other ⁽¹⁾	(7,164)	(8,282)	(6,415)	(8,020)	(3,967)
TOTAL EXPENSES BY OBJECT	\$ 311,146	\$ 289,733	\$ 278,064	\$ 263,054	\$ 247,955

⁽¹⁾ The majority of other expenses relate to the recovery of costs charged to capital projects.

Exhibit of Taxation and Assessment

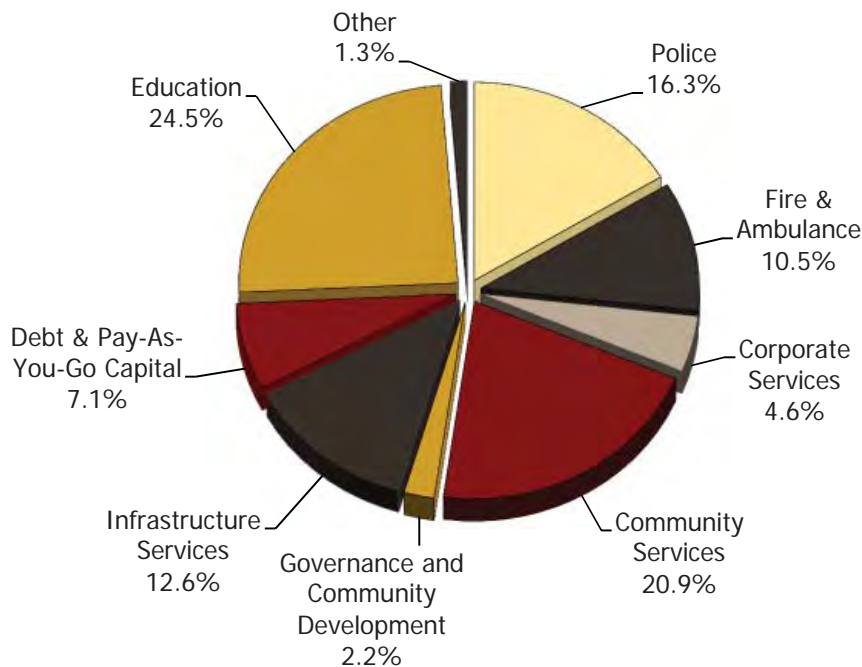
Property Tax Levy

For the years ended December 31, 2010 - 2014 (in thousands of dollars)

	2014	2013	2012	2011	2010
Real Property					
Municipal	\$ 111,084	\$ 101,774	\$ 96,037	\$ 90,941	\$ 83,859
Education	30,696	31,747	30,145	27,087	26,068
Other	1,185	1,091	1,151	1,312	1,096
Total Real Property	142,965	134,612	127,333	119,340	111,023
Special Assessments	3,250	3,115	3,030	2,993	2,939
Business Taxes (BRZ)	207	176	195	186	181
TOTAL CURRENT YEAR LEVY	\$ 146,422	\$ 137,903	\$ 130,558	\$ 122,519	\$ 114,143
Current Taxes Collected	\$ 144,518	\$ 136,218	\$ 128,734	\$ 120,785	\$ 112,485
% of Current Taxes Collected	98.7%	98.8%	98.6%	98.6%	98.5%

The ten largest corporate taxpayers account for \$8,358 (5.7%) of the 2014 total property tax levy.

Allocation of Residential Property Tax dollars



Taxable Assessment

For the years ended December 31, 2010 - 2014 (in thousands of dollars)

	2014	2013	2012	2011	2010
Residential	\$ 8,621,730	\$ 8,357,299	\$ 8,345,452	\$ 8,490,443	\$ 8,157,813
Apartments	486,688	452,773	454,323	474,463	458,002
Commercial and Industrial	2,301,670	2,250,563	2,184,703	2,008,620	2,073,354
TOTAL TAXABLE ASSESSMENT	\$ 11,410,088	\$ 11,060,635	\$ 10,984,478	\$ 10,973,526	\$ 10,689,169

Exhibit of Debenture Debt

For the years ended December 31, 2010 - 2014
(in thousands of dollars)

	2014	2013	2012	2011	2010
GENERAL					
Self supported					
Offsites	\$ 40,459	\$ 40,322	\$ 37,633	\$ 32,414	\$ 7,538
Industrial park servicing	2,947	3,354	3,745	4,118	4,475
Local improvements	574	674	272	366	494
Lethbridge and District Exhibition	-	142	274	398	515
	43,980	44,492	41,924	37,296	13,022
UTILITIES					
Water	6,869	7,917	6,555	6,262	7,559
Wastewater	4,888	5,448	4,622	4,099	4,788
Waste Services	11,071	14,047	16,890	15,689	18,763
Electric	4,333	4,617	4,893	2,000	-
	27,161	32,029	32,960	28,050	31,110
TOTAL GENERAL AND UTILITIES DEBT	\$ 71,141	\$ 76,521	\$ 74,884	\$ 65,346	\$ 44,132
POPULATION	93,004	90,417	89,074	87,882	86,659
DEBENTURE DEBT PER CAPITA					
General - mill rate supported	\$ -	\$ -	\$ -	\$ -	\$ -
General - self supported	473	492	471	424	150
Utilities	292	354	370	319	359
	\$ 765	\$ 846	\$ 841	\$ 743	\$ 509
DEBT LIMIT (as per Municipal Government Act):					
Total debt limit	\$ 520,159	\$ 474,023	\$ 460,573	\$ 435,786	\$ 407,104
Total debt (above)	71,141	76,521	74,884	65,346	44,132
DEBT LIMIT UNUSED	\$ 449,018	\$ 397,502	\$ 385,689	\$ 370,440	\$ 362,972
Percentage of debt limit used	13.7%	16.1%	16.3%	15.0%	10.8%
Service on debt limit	\$ 86,693	\$ 79,004	\$ 76,762	\$ 72,631	\$ 67,851
Service on debt (principal and interest payment)	10,811	12,229	11,587	9,757	8,713
SERVICE ON DEBT LIMIT UNUSED	\$ 75,882	\$ 66,775	\$ 65,175	\$ 62,874	\$ 59,138
Percentage of service on debt limit used	12.5%	15.5%	15.1%	13.4%	12.8%
Percentage of expenditures	3.5%	4.2%	4.2%	3.7%	3.5%

Exhibit of Capital Spending

For the years ended December 31, 2010 - 2014
(in thousands of dollars)

	2014	2013	2012	2011	2010
CAPITAL SPENDING					
Land	\$ 831	\$ 3,209	\$ 2,058	\$ 1,097	\$ 10,228
Land improvements	9,543	12,725	4,909	6,919	5,998
Buildings	18,828	34,472	37,920	25,169	13,653
Infrastructure	74,859	92,505	84,912	48,494	56,423
Equipment and furnishings	4,516	7,262	6,424	7,316	3,941
Vehicles	1,902	6,172	6,315	5,228	4,157
Change in assets under construction	(881)	(16,146)	(18,792)	18,099	18,452
TOTAL CAPITAL SPENDING	\$ 109,598	\$ 140,199	\$ 123,746	\$ 112,322	\$ 112,852



Exhibit of Net Financial Assets

For the years ended December 31, 2010 - 2014
(in thousands of dollars)

	2014	2013	2012	2011	2010
FINANCIAL ASSETS					
Excess of revenue over expenses	\$ 101,258	\$ 101,974	\$ 86,050	\$ 81,070	\$ 81,041
Change related to tangible capital assets	(68,684)	(101,738)	(87,155)	(95,381)	(70,885)
Change related to other non-financial assets	1,302	(5,035)	2,602	(3,733)	3,703
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	33,876	(4,799)	1,497	(18,044)	13,859
NET FINANCIAL ASSETS, BEGINNING OF YEAR	27,914	32,713	31,216	49,260	35,401
NET FINANCIAL ASSETS, END OF YEAR	\$ 61,790	\$ 27,914	\$ 32,713	\$ 31,216	\$ 49,260

Exhibit of Reserves

For the years ended December 31, 2010 - 2014
(in thousands of dollars)

	2014	2013	2012	2011	2010
OPERATING					
Budget Appropriations	\$ 13,632	\$ 14,665	\$ 17,973	\$ 15,080	\$ 17,325
Municipal Revenue Stabilization	11,505	13,097	15,414	13,452	13,842
Insurance	3,288	3,073	2,884	2,667	2,463
Cemeteries	1,309	1,013	899	767	686
Urban Parks	1,097	744	1,296	872	1,877
Mayor Magrath Drive Beautification	106	106	106	106	105
	30,937	32,698	38,572	32,944	36,298
CAPITAL					
Fleet Services	21,441	19,312	14,591	11,653	10,709
Real Estate Holdings	4,560	4,435	4,439	2,616	2,498
Major Capital Projects	4,540	2,737	91	674	2,554
Community Lighting	3,937	3,296	3,090	2,884	2,677
Acquire Off Street Parking	2,515	2,298	1,991	1,732	1,760
Transit Bus	1,252	1,088	928	843	1,053
Community Reserve Fund	1,133	1,112	1,001	985	971
Central Business District Land Acquisition	429	431	796	299	315
School Bus ⁽¹⁾		-	-	-	3
	39,807	34,709	26,927	21,686	22,540
TOTAL RESERVES	\$ 70,744	\$ 67,407	\$ 65,499	\$ 54,630	\$ 58,838

⁽¹⁾ Effective December 31, 2011, the balance of the School Bus Reserve was reallocated to the School Bus Fund



Exhibit of Municipal Equity

For the years ended December 31, 2010 - 2014
(in thousands of dollars)

	2014	2013	2012	2011	2010
Revenue	\$ 412,404	\$ 391,707	\$ 364,114	\$ 344,124	\$ 328,996
Expenses	311,146	289,733	278,064	263,054	247,955
EXCESS OF REVENUE OVER EXPENSES	101,258	101,974	86,050	81,070	81,041
MUNICIPAL EQUITY, BEGINNING OF YEAR	1,238,170	1,136,196	1,050,146	969,076	888,035
MUNICIPAL EQUITY, END OF YEAR	\$ 1,339,428	\$ 1,238,170	\$ 1,136,196	\$ 1,050,146	\$ 969,076

Exhibit of Government Transfers

For the years ended December 31, 2010 - 2014
(in thousands of dollars)

	2014			2013	2012	2011	2010
	Provincial	Federal	Total				
UNCONDITIONAL TRANSFERS							
Payments in lieu of taxes	\$ 2,038	\$ 193	\$ 2,231	\$ 2,188	\$ 2,096	\$ 2,080	\$ 1,938
CONDITIONAL TRANSFERS							
Municipal Sustainability Initiative (MSI) Note 1	17,824	-	17,824	11,706	17,390	18,153	12,861
Building Canada Fund (BCF)	6,848	2,905	9,753	6,033	3,725	368	2,825
Alberta Municipal Infrastructure (AMIP)	8,115	-	8,115	16,769	11,294	2,461	5,992
Social Housing in Action (SHIA)	4,908	386	5,294	3,540	2,415	1,860	1,112
Federal Gas Tax Fund (FGTF)	-	3,809	3,809	9,516	2,016	3,104	724
Family and Community Support Services (FCSS)	1,898	-	1,898	1,898	1,898	1,898	1,898
Municipal Policing Assistance Grant (MPAG)	1,447	-	1,447	1,425	1,406	1,387	1,368
Lethbridge Public Library	572	-	572	519	472	494	462
Disaster Recovery	525	-	525	-	11	808	-
Police Officers Grant	400	-	400	400	400	399	375
9-1-1 Program	242	-	242	-	-	-	-
Victim / Witness Services Unit	150	-	150	150	150	150	150
Regional Collaboration Program	126	-	126	3	43	36	-
Adult Literacy Program	124	-	124	122	121	80	82
Fetal Alcohol Spectrum Disorder (FASD)	121	-	121	112	107	104	84
Alberta Sport Development Centre	120	-	120	120	120	128	129
Community Facility Enhancement Program (CFEP)	100	-	100	-	-	-	48
GreenTRIP (Green Transit Initiatives Program)	95	-	95	1,497	593	1,973	-
Affordable Housing	78	-	78	2,697	17	2,648	2,201
Graduate Rental Assistance Program	43	-	43	72	-	-	-
ALERT Program	28	-	28	26	25	24	24
Canadian Heritage Information Network (CHIN)	-	24	24	14	28	-	-
Flood Recovery Erosion Control (FREC)	22	-	22	-	-	-	-
Heritage Museum Program	-	15	15	30	-	-	-
Officer Crisis Intervention Training (CIT)	12	-	12	-	-	-	-
Canada Day Celebrations	-	4	4	6	3	2	2
Railway Rehabilitation Program	-	-	-	63	573	681	5
Alberta Mainstreet Program	-	-	-	36	-	-	21
Alberta Historical Resources Foundation	-	-	-	17	-	-	-
Enabling Accessibility	-	-	-	13	-	-	-
Alberta Health & Wellness	-	-	-	10	-	-	-
Major Community Facilities Program (MCFP)	-	-	-	-	560	1,215	1,510
Summer Temporary Employment Program (STEP)	-	-	-	-	24	2	24
Community Adjustment Fund (CAF)	-	-	-	-	-	269	269
Recreational Infrastructure (RIInC)	-	-	-	-	-	137	478
Joint Emergency Preparedness Program (JEPP)	-	-	-	-	-	10	-
Municipal Heritage Partnership Program (MHPP)	-	-	-	-	-	5	-
Canada-Alberta Municipal Rural Infrastructure Fund	-	-	-	-	-	-	30
Other	4	-	4	1	7	5	5
	43,802	7,143	50,945	56,795	43,398	38,401	32,679
TOTAL GOVERNMENT TRANSFERS Note 2	\$ 45,840	\$ 7,336	\$ 53,176	\$ 58,983	\$ 45,494	\$ 40,481	\$ 34,617

Note 1: Program components of this grant include MSI Capital, MSI Operating, and Basic Municipal Transportation Grant.

Note 2: Total government transfers including payments in lieu of taxes are recognized in the financial statements as revenue 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.

Exhibit of Annual Unemployment Rates

	2014	2013	2012	2011	2010
Lethbridge ⁽¹⁾	3.8%	4.3%	4.6%	5.4%	6.2%
Alberta	4.7%	4.6%	4.6%	5.5%	6.5%
Canada	6.9%	7.1%	7.2%	7.4%	8.0%

Above information obtained from Statistics Canada

⁽¹⁾The unemployment rates include Lethbridge and Medicine Hat regions

Highlights and Achievements



Galt Museum & Archives



Indoors and outdoors, on site and online, the Galt Museum & Archives engaged with people from all walks of life who participated in our 2014 public engagement initiatives: from exhibits and festivals to new initiatives, facility rentals and programs for all ages and learners, we stayed connected with friends and made new ones too.

Three major special exhibits were featured in the Discovery Hall.

Arts of China from the Royal Ontario Museum (funding support from Canadian Heritage) explored how Chinese culture, traditions and history are closely tied to ancient arts created with bronze, ceramics and jade.

The Lethbridge Handicraft Guild of Weavers and the Galt partnered to present the summer exhibit Woven in Time, celebrating 65 years with Lethbridge Weavers recognizing the 65th Anniversary of Guild activity in Lethbridge. Remarkable weavings by current and past members, historic artifacts and a working loom were included.

The fall exhibit Treasures & Curiosities – the Sequel featured some 115 artifacts and related stories written by community participants who chose the items from our Collections. These were exhibited in a gallery designed to resemble artifact storage. The Agriculture exhibit “A Drop of Water” in the Discovery Hall was refurbished: the metal grain bin was transformed into a unique display area with large format photo and artifacts.



Sheldon Smithens
Celebrity Auctioneer



G. Wayne Dwornik
Photographer Artist



Councillor Bridget Mearns

SNAPSHOT STATISTICS

Community program participants	8,550
Outreach (community forums, lectures and off site programs)	1,410
School program participants	13,714
Buses booked for 7618 students	313
Special events participants	2,978
Facility rental attendees	11,021

Archives attendance	1,401
Archives Online visitors	9,141
Collections Online visitors	3,924
Volunteers	265
Volunteer hours	9,276
TOTAL on site attendance	45,779
Visits to galtmuseum.com	42,108

MUSEUM VISITORS	
Lethbridge	59%
Southern Alberta	14%
Other Alberta	8%
Canada	11%
International	9%
Memberships sold	627

Galt Museum & Archives

Smaller exhibits were shown throughout the building. Treasure Maps showcased large format maps from our Archives dating back to the 1900s. Guest curators researched several exhibits: The Literal Truth (how southwestern Alberta is viewed through the pages of fictional literature in 70+ books); and Lethbridge's Experience in the First World War Part 1 (examining the beginnings of the war and its impact on the community and citizens) and Part 2 (examining the contributions of Lethbridge and area to the war effort). Volunteer-assisted exhibits included Soap and Hope (artifacts, photographs, and newspaper advertisements reflecting social attitudes and economic realities); Honouring Women of Lethbridge (the community of Legacy Ridge features streets and parks were named after women who contributed "to the quality of life and the city's history"); and the 7th annual 3 Dimensions exhibit (30 sculptural pieces submitted by 20 local artists). Work continued on the virtual exhibit Nikkei Tapestry: Japanese Canadians in Southern Alberta with our partner the Nikkei Cultural Society; in the fall, project logistics were moved from Canadian Heritage to the Canadian Museum of History. Also in the fall, ideas were gathered from the community for the 2016-2018 exhibition schedule.

Public requests for Collections research assistance and artifacts hit another record in 2014, including from the Canadian Museum of History, Pier 21, Upper Canada Canadian Antiques and Vintage Magazine, MUSE Magazine and the Royal Alberta Museum. Significant artifact accessions included those donated by the Lethbridge Hebrew Congregation; a scrapbook containing hundreds of paintings by local artist Jessie Ursenbach; two local Japanese Canadian team baseball jackets from the 1950s; cultural objects belonging to local Italian, Dutch and Danish communities; and a medical collection stewarded by the Galt School of Nursing Alumnae. Capturing the voices of donors and objects continued; 18 hours of researchable oral histories were recorded and transcribed in 2014. With the support of a grant from the Alberta Museums Association, 405 digital artifact images were generated and made publicly available through the online database; and 570 object records from parts of the military and art collections were audited to determine relevancy to Lethbridge and area, or to conduct new research.



Japanese Canadian team baseball jackets from the 1950s



Hatsumi Film Screening



Group Program outside & inside



Bhutanese people



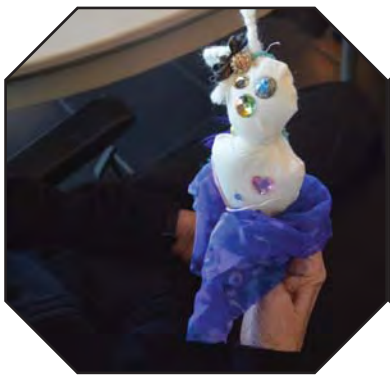
Taste of Downtown



Galt Museum & Archives

In 2014, 1,401 people used the Archives or participated in its programs. Archives Exposed... exhibits focused on 100 years of Lethbridge protests, commercial projects by the A.E. Cross Studio, and the audiences of public performances. Additional exhibit projects included Treasure Maps, Black History—John Ware, Sun Duck Lee & Lee Duck Cleaners and Blackfoot Beaders. 88 donations of records were received this year, such as 100+ electronic images related to the WWI military experiences of Abner Gladstone Virtue; two photo albums that belonged to Arthur Rafton-Canning; and assorted records of the Regent Restaurant, the Galt School of Nursing Alumnae Society, and the Klinger family, among others. Two long-term projects (digitizing and cataloguing Lethbridge Herald negatives and cataloguing A.E. Cross Studio photographs) are moving closer to completion. New initiatives included the Lethbridge Herald Flashback series of photos; the Oral History Workshop in cooperation with the University of Lethbridge Centre for Oral History & Tradition; and making archival images visible in search engines – leading to a 35% increase in genealogical requests. Archives staff conducted tours for schools, business groups, organizations, and presented at conferences, events and in classrooms.

Archival images continue to be shared on flickr The Commons – an international initiative which brings attention to historic photographs across the world; the 419 Galt archival photos currently included have received more than 3.5 million views. Most recent additions feature unidentified images from Fort Macleod and area. Other online interactions and conversations take place on the Galt's Facebook Page [1,428 fans], Twitter [3,374 followers], and blog [4,727 visits], where a post on Weird Alberta Weather has sparked memories for readers. Book titles from the exhibit A Literal Truth, as well as the community photos included in the Awesome Pets exhibit which closed February 22, were added to the Galt's photo profile on flickr. A new weekly column by Galt staff brings history to life in the Lethbridge Herald.



Daytime Workshop - art dolls



Daytime Workshop - Pysanka



Daytime Workshop -flag



Daytime Workshop - felting



Heritage Arts participants

Nearly 11,500 southern Alberta students participated in Galt programs. From preschool to adults, a wide range of opportunities, subjects and activities helped students better understand Lethbridge and themselves. Some hunted for historic buildings while exploring Galt Gardens and its environs; others recognized stories are etched into headstones and monuments while touring the cemetery; and others dug through sand to see clues left behind for an archaeologist to find. Through it they helped connect their personal story with the larger story of Lethbridge history, and came to a better appreciation of the lives lived and the work done by those who came before. With the help of our Friends organization, more than 300 buses brought local school children to enjoy the Galt offerings.

Galt Museum & Archives

The Galt prides itself on its wide range of educational programs for the public – in 2014, we welcomed 8,550 community members at over 115 public programs. These continued to interpret southwestern Alberta history and culture, in addition to topics related to our special exhibits, in the form of lectures, workshops, festivals, and tours. The Café Galt and Wednesday at the Galt lecture series included offerings like Lethbridge’s experiences in WWI, fiction books set in southwestern Alberta, the United Farmers of Alberta, and quilting. The Galt Workshop series included hands-on programs on Aboriginal beading, braided rag rug coasters, and Viking knitting. We began a new Daytime Galt Workshop series in partnership with Alberta Health Services Therapeutic Recreation; providing hands-on art projects and history lessons to adults and seniors, including those requiring an accessible environment. Wheat weaving, art dolls, and beeswax resist art were some of the topics offered. Programs for families included soap carving, clocks, folk toys, Métis jigging, and more. The family programs continued to be sponsored by Kiwanis Green Acres and supported by many volunteers preparing for and assisting at the programs. Our all-ages community day programs focus mainly on the history and culture of community celebrations, and included Family Day, Canada Day and a fall Harvest Festival.



Aboriginal Awareness Week Kickoff



National Aboriginal Day - dance



Valentine Chocolates

In 2014, the Galt saw success with numerous special events: the sold out Friends of the Galt Valentines High Tea, Nerd Fest Redux, Eggstravaganza presented with Country 95 and B93, a sold out Taste of Downtown, the best yet Best of the Best Wine (& beer) Tasting presented with The Wine Cavern, Beer (& wine) Tasting presented with College Lincoln, and a Galt Babies Party. Proceeds from the 8th annual Whoop-Up Days Scenic Plaza Block Party organized in cooperation with business neighbours were donated to Lethbridge Family Services Immigrant Services. The 4th Annual Night at the Museum Shopping Event drew attention to the Store, and an Earth Hour program in partnership with the University of Lethbridge Environment Club brought out 59 people for the globally celebrated event. The Galt was one of 100 sites across Canada to unveil a plaque commemorating the centennial of the War Measures Act.



Nerd Fest - Pathfinders



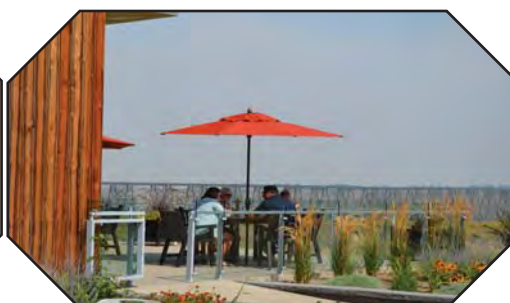
Nerd Fest - food truck



Beer Tasting



Bricks



Scenic Plaza Whoop-Up Days BBQ

Galt Museum & Archives

Earned revenue sources supported program, exhibit and event development without increasing demands on the public purse. The Galt front desk is a hub for information, membership, ticket sales, and store sales of unique product which enhance the visitor experience. Galt facilities are rented out for weddings, Christmas parties, anniversaries, family reunions, and various business functions. Staying open until 9:00 pm on Thursday nights continues to be well-received by visitors and researchers in archives who are not able to attend during daytime hours.

We are very fortunate to continue to be supported by long-time and short-term volunteers. In 2014, 265 volunteers gave us 9,276 hours of their time in various activities and undertakings throughout the museum. Trade shows at Lethbridge College and University of Lethbridge, as well as a new recruiting show at Winston Churchill resulted in an increased awareness of volunteer opportunities at the Galt. These were provided for many University of Lethbridge Applied Studies and internship students, and a number of Galt staff benefited from working with the University of Lethbridge's fraternity and sorority. Galt staff has also worked closely with Volunteer Lethbridge to help fill the volunteer positions.

The beautiful Native Plants Garden continues to charm and educate our visitors with its historically significant collection of wild flowers and shrubs. Seeds from over 40 species are available through seven outlets across the province, as well as through the Alberta and Saskatchewan Native Plants Councils.

Galt staff members were invited to be speakers at conferences, meetings, and in classrooms throughout the year and, along with volunteers, represented the Galt at tradeshow and other community happenings. Guided by the new 10-year Strategic Plan, the staff developed a 4-year Business Plan in the fall. The enthusiasm from our partners and supporters who helped deliver histories and stories of this community, and all the people who participated in our 2014 offerings, continue to provide us with optimism and energy for each year.



Pizza Dough



All Age Perogies



Spam Musubi



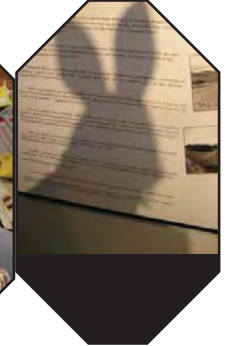
Chinese Dumplings



Paddle Boats



Eggstravaganza



Lethbridge Public Library



Making Ideas Happen

For the Lethbridge Public Library, 2014 was about exploring ways to 'fit a library into a community'! We wanted to initiate conversations with residents that would allow us to imagine, change, innovate and create a library that reflects their wants and needs. What retaining attributes and resources do we keep and what do we hurry to adapt and adopt in our transition and growth in an increasingly digital world? The community of Lethbridge began building the Library 95 years ago and we want to ensure that it continues to add huge dividends to Lethbridge's livability quotient.



Our new Bookmobile is being built in Coaldale by Intercontinental Truck Body

The Year of the Bookmobile Build

The Library had hopes of rolling out a new Bookmobile in the fall of 2014, but there were a few delays and challenges, so that debut has been moved to 2015. Intercontinental Truck Body of Coaldale (ITB) designed and is building the new Bookmobile. LPL's Library on Wheels brings the Library to residents who may have trouble accessing services otherwise. The new Bookmobile will offer: a new collection; video games, flat screen TVs, public tablet computers, external drop box for book returns, wheel chair accessibility, Wi-Fi and the addition of 'programs on the go' at the stops to promote the benefits of reading to audiences of all ages. Thanks to our donors: City of Lethbridge Community Capital Project Grant; Community Facility Enhancement Program; Lethbridge Public Library Board, Community Spirit Grant; TELUS; Jay Bortnik, Miss Sophia Capriles, Isaac and Mateo Alavardo, Jennifer Mather in memory of Lynn Mather and Fleetwood Bawden School. A Bookmobile depot attached to The Crossings Branch has been approved to provide indoor parking for the new Bookmobile, a better work space for the Bookmobile staff when they're not on the road and storage and better workflows for Bookmobile library collections as they rotate on and off the Bookmobile. Initial projections from City of Lethbridge architects estimate that the facility expansion will cost up to \$600,000. The Library has already budgeted \$400,000 towards the new Bookmobile depot through existing fundraising efforts. The remaining costs up to \$200,000 will be covered by City of Lethbridge initiative funding.

Lethbridge Public Library

Have a Seat

During the summer of 2014, Library staff took our iconic red chair to community events and buildings. Starting at City Hall, we engaged over 700 people in conversations about the Library. Throughout this public engagement campaign, we asked the residents of Lethbridge the question: “how do you fit a community into a Library?” The responses we received have allowed us to become very clear and very proud of how the Lethbridge Public Library contributes to the livability of our beautiful City”, says Library CEO, Tony Vanden Heuvel. Conversations also included interviews with ‘community builders’ – MLAs Greg Weadick and Bridget Pastoor; University of Lethbridge and Lethbridge College Presidents Dr. Mike Mahon and Dr. Paula Burns; Ted Stilson, Executive Director, Downtown Lethbridge BRZ; Cheryl Dyck, CEO, Economic Development Lethbridge; Jeff Greene, City Director of Planning and Development, and Diane Randall, Manager Community & Social Development, City of Lethbridge.



Jeff Greene sits in the Library's chair at City Hall

Amazing New Benefits Added to Library Card

In June, during baseball season, the Library formed a partnership with four major sports teams in the city: the Lethbridge Bulls, University of Lethbridge Pronghorn Athletics, Lethbridge College Kodiaks and Lethbridge Hurricanes to offer Library cardholders the chance to score tickets to a game! The Library has been topping up its fun quotient as part of the Library experience for several years with Blockbusters, TopReads, eBooks, eMagazines (Zinio), and The Word On The Street Festival, but this initiative creates new and exciting liaisons with community partners and the step into recreational fun was an unprecedented move for the Library. The initiative is based on the premise that sporting events, like libraries, play an important role in bringing the community together.

Press conference announcement of partnership that allows Library customers to score tickets to the game

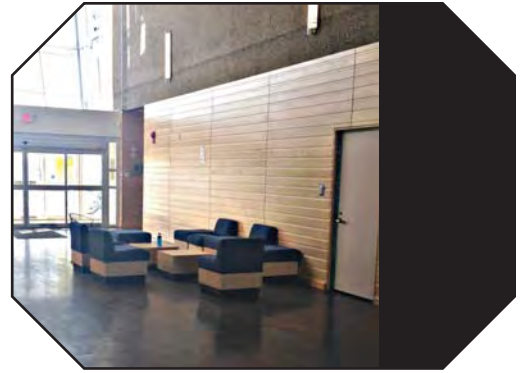


More card benefits came at the end of July with the exciting launch of hoopla – an online service that offers the availability of thousands of movies, television shows, music selections and audiobooks. Customers borrow titles by instant streaming or temporarily downloading to a smartphone, tablet, or computer. This initiative is also available at other libraries throughout the Chinook Arch Regional Library System. Library cardholders can access hoopla digital by visiting their local library's website for a list of easy steps to get started on their search for movie and music entertainment. The Alberta Public Library Services Branch is assisting libraries with the funding to provide hoopla to Albertans. In September, another new popular online database, Gale Courses, was added to the website – 6 week classes, complete with a professional instructor, are free for Library cardholders on a wide range of topics like Photoshop, guitar playing and creating business plans.

Lethbridge Public Library

Adding Colourful Signs and Seating Spaces!

At the Main Branch, new window signage depicting black and white scenes from the Library's history have spruced up the area by the lower entrance, as well as the Community Meeting Room windows. The outside window coverings were funded by the Friends of the Library. They are also providing the funds for The Crossings Branch Atrium Project which began in 2014 with the installation of furnishings and several murals by the Chinook High School Art Club on the atrium doors.



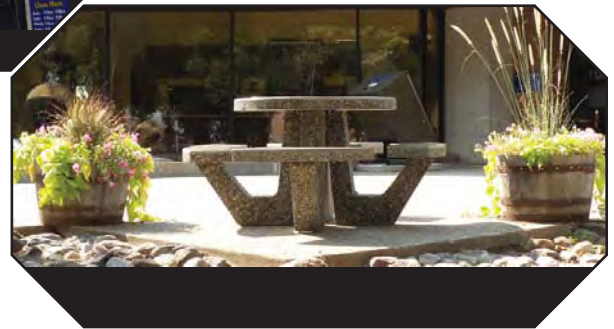
The modular furnishings at The Crossings Branch are popular with customers and high school students



Black and white photos of the Library's history on outside windows at Main Branch



Library graphics highlight the door above the entrance to Children's Services at the Main Branch



New Patio tables provide outdoor seating at the Main Branch

Focusing on Lethbridge

The Library's new librarians visited the **Galt Museum and Archives** to become acquainted with this excellent resource and the many services that we can refer Library customers to when they come to us with questions. Library customers can check out a pass for the Galt Museum and Archives at LPL to visit the museum for free, though a partnership with Chinook Arch and the Galt Museum. The Library gratefully accepted a cheque for \$9,300 from **Northside Lethbridge Dodge** as the June recipients of their 12 months of Charity Campaign. In support of the **Tour of Alberta** held in our City in September, Library Management staff secured five bicycles and a welcome banner to the roof at the front of the Main Branch. In support of the City of Lethbridge bid for the **Winter Games**, several Library staff members attended the ENMAX and Galt Garden ceremonies.



Library CEO Tony Vanden Heuvel and Rick Poulin, Manager Maintenance and Facilities Services stabilize the first bike on the roof



Welcome sign and five bicycles on the roof of the Main Branch

Lethbridge Public Library



Illustrator Ruth Ohi draws a character for the audience

The Word On The Street Festival

The 4th annual The Word On The Street Festival in September offered up fun activities for all ages as the Library hosted this event with the help of national and local sponsors and volunteers to showcase authors including Erin Bow, the recipient of the 2011 TD Canadian Children's Literature Award; Ruth Ohi, whose books have been nominated for the Governor General's Award; Julie Van Rosendaal, bestselling author of six cookbooks and a columnist on CBC Radio One as well as local cartoonist, Eric Dyck.

Fun Additions, Anime and Reading 3,294 Books

Children's Services at the Main Branch added bean bag chairs, a Dr. Seuss quote to the wall, new shelving to the toy library and some bright splashes of paint to its pillars to make this active area even more engaging. The summer Ready, Set, Read challenge involved two libraries, 184 kids and 3,294 books were read.

Teens were invited to enjoy a variety of programs like Anime, video tournaments, cupcake baking and a Teen Summer Reading Challenge inspired by the #WeNeedDiverseBooks campaign on Twitter and Tumblr.



The 'Babes in the Library' program livens up The Crossings Branch



Lots of creative activities for tweens and teens



Team members from the Lethbridge Bulls and Twister visited the Ready, Set, Read program at the Main Branch

Year at a Glance:

The Owl Acoustic Lounge and the Library are providing a monthly opportunity for young performers to take to the stage. A Family Jam Open stage allows those under 18 and their parents to shake it up via a guitar, drum, keyboard or with noise makers. All singers, dancers, musicians and comedians are welcome to participate in this chance to present a family friendly performance.

Lil Radley, the Library's Literacy Services Coordinator for the Read On program received the 2014 Ruth Hayden Memorial Family Literacy Practitioner Award. Library CEO Tony Vanden Heuvel says "the Library is very proud of Lil's accomplishments and commitment to literacy in our community."

In 2014, over 695,000 people visited the Library (Main, Bookmobile and The Crossings Branch). Library items circulated over 1.3 million times. As a welcoming, gathering place for children, teens and adults of all ages, the Library had over 6,400 programs which attracted 76,803 people. Library Homepage website visits were over 567,000. In 2014, the Library's databases were accessed 103,956 times.

Lethbridge Regional Police Service

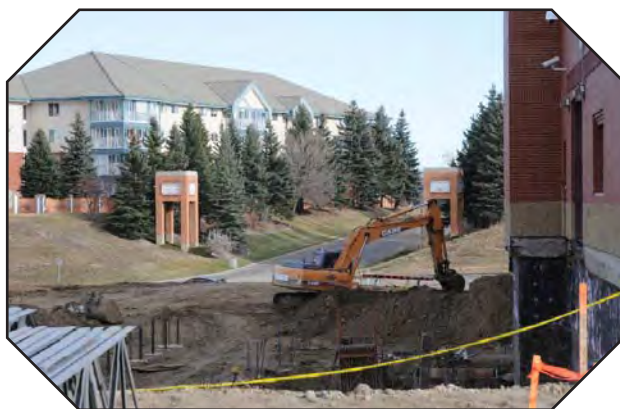


It's been said the only constant in policing is change and 2014 was a year punctuated by changes that have provided the Lethbridge Regional Police Service with both challenges and opportunities. The one constant continues to be the hard work and dedication of our sworn members, civilian staff and volunteers who remain diligent in our mission to provide safe communities.

During much of 2014, attention was focused on preparing a new business plan and budget to guide operations over the next four years. In consultation with the Lethbridge Regional Police Commission, five strategic areas were identified: People, Processes, Technology, Crime and Community.

In early 2014 Chief Tom McKenzie announced his retirement after 38 years of service and a search for the new Chief began. Robert A. Davis was ultimately selected as Chief McKenzie's successor. In addition to the retirement of the Chief Tom McKenzie, there were a number of retirements service-wide, including two Inspectors, which resulted in a series of promotions and transfers.

Construction of the expansion to police headquarters began in 2014 and resulted in significant changes to the organization in order to maintain business continuity. A number of units and personnel were moved to temporary, off-site facilities or re-organized within the existing building to accommodate necessary demolition and renovations.



In a continued commitment to excellence in service delivery, LRPS was awarded with Advanced Meritorious Accreditation from the Commission for the Accreditation of Law Enforcement Agencies (CALEA) for voluntarily complying with 468 international policing standards. The award was presented in March, marking the sixth LRPS accreditation since 1999.

New initiatives, operational changes to reflect community needs and the development and implementation of programs to create efficiencies and contribute to employee health and wellness were achieved across all divisions in 2014.

The Victim/Witness Services Unit, consisting of 49 male and female Crisis Support Workers, assisted police at hundreds of incidents. In 2014, 4,715 volunteer hours were spent helping local victims of crime and tragedy – up more than 13% from the previous year.

In the Patrol Operations Division, an additional officer was added to the Quality of Life/Community Resources Unit to enhance the Service's commitment to community partnerships and engagement and address quality of life issues that impact our citizens. In addition, the division refined the Data Driven Approach to Crime and Traffic Safety (DDACTS) program and achieved significant success in an area of west Lethbridge that had experienced a sharp rise in crime and disorder. The DDACTS model integrates location-based crime and traffic data to establish effective and efficient methods for deploying resources.

Lethbridge Regional Police Service

The Criminal Investigation Division, which is responsible for investigating serious criminal offences and drugs and organized crime, continued to maintain high clearance rates in 2014 despite increases in a number of crimes against persons and crimes against property. Violent crimes including assaults, robberies and incidents involving weapons along with frauds, thefts and vehicle thefts all rose in 2014.

Locally many crimes of violence are targeted incidents between parties who are known to one another as opposed to random incidents, but there is always the potential for an innocent bystander to be in the wrong place at the wrong time. It has become more common for criminals to arm themselves for protection, retribution or in the commission of an offence and violence is more frequently used to collect debts, protect turf or settle disputes.

The investigation of violent crimes is typically very complex, time-consuming and labour-intensive and maintaining adequate capacity to manage these unpredictable events is a key priority going forward.

Property crime offences continued to plague the community in 2014 with an increase in both thefts and vehicle thefts. A slight increase was also recorded in relation to break and enters. In many instances property offences are crimes of opportunity, but police have achieved noted success using a data-driven approach to identify high-crime areas and predictive analysis to identify areas where crimes are more likely to occur in order to develop operational strategies.

Fraud offences increased in 2014, particularly incidents of identity theft and financial fraud, which due to their scope and complexity present significant investigative challenges. Several high-profile fraud cases were successfully concluded with charges in 2014, however public awareness and education remain critical to prevent victimization.



In 2014 the efforts of the Combined Forces Special Enforcement Unit-Lethbridge, part of the Alberta Law Enforcement Response Teams (ALERT) initiative, resulted in a number of significant drug seizures and other operations to dismantle organized crime groups and activity in southern Alberta. These investigations continue to be complex, resource-intensive and challenging due to the dynamics of organized crime groups whose structures are constantly changing and often share associates based on convenience, time and illicit product availability.

Cocaine and marijuana were the most prevalent drugs in the region in 2014, however, police continued to see increases in heroin usage. Other illicit substances seized by police include methamphetamine, ecstasy, steroids, GHB and more recently Fentanyl – a very dangerous synthetic narcotic that is believed to have contributed to a number of overdose deaths in the southern Alberta region.

In addition, the Integrated Child Exploitation Unit apprehended a number of local offenders engaged in the online sexual exploitation of children and participated in several joint forces projects, including Operation Snapshot III, a national initiative which resulted in the arrest of 150 sex offenders Canada-wide and the seizure of two million child pornography images and videos. Southern Alberta is not immune to the online exploitation of children and illicit images.

Unfortunately in 2014 terrorism on Canadian soil became a focus for law enforcement on the national, provincial, regional and municipal level. As a result the Criminal Investigation Section remains engaged with all levels of government, law enforcement, border services and the private sector to ensure public safety and security.

Lethbridge Regional Police Service

The Support Services Division focused its efforts on community engagement, enhancing technology, training and opportunities for employee development. Mental health training and mental health awareness – from both an internal and external perspective – were a priority for the Training Unit and Human Resources Section in 2014. Significant projects included an evaluation of the current Crisis Intervention Training (CIT) model and a review of the employee mental wellness and after-care program and policy, which laid the groundwork for research and development of a new employee mental wellness program expected to move forward in 2015.



The Training Unit also worked closely with community partners, including the Lethbridge College Centre for Advancement in Community Justice (CACJ) during recruit training, Lethbridge Fire and EMS and the University of Lethbridge for a collaborative rapid deployment scenario, and the Blood Tribe Police Service to assist in the development of a firearms training program.

In 2014, a complete review of the LRPS training model was undertaken and resulted in the development of a more effective, cost-efficient model that will be trialed in 2015.



The Information Technology Section worked extensively to upgrade infrastructure to accommodate the growing needs of the Police Service and focused on assessing current services being provided in order to modify processes and become more efficient and results-oriented. New applications were introduced with respect to mobile device management, cloud-based systems, enhancements to security and the problem management process. LRPS IT also continued to provide technical support for the Public Safety Communications Centre (PSCC) to maintain the computer-aided dispatching (CAD) systems used by all emergency services.

2014 marked the launch of the E-Disclosure project – an initiative that enables police to provide required disclosure to the courts electronically. Implementation of E-Disclosure involved extensive collaboration and cooperation between the provincial Crown Prosecutor's Office, LRPS Records Management Section and IT Section and has proven to be a more efficient method of completing disclosure. Records Management staff also invested efforts in continuing to improve and refine the police information check policy and processes, address Uniform Crime Reporting (UCR) challenges, transcription processes and file destruction practices.

The Recruiting Unit attended numerous community and recruiting events in 2014 which resulted in a total of 11 police officers – three experienced officers and eight new recruits – being hired. Those members are now serving as frontline officers.



Lethbridge Regional Police Service

In 2014 there were eight critical incident call outs and three explosive disposal incidents that were all resolved successfully. In any incident where specialized services, such as the Tactical Unit, Explosive Disposal Unit and Incident Command are utilized, public safety is always the paramount consideration. Ongoing scenario-based and other training for these specialized functions help ensure officers are well-trained and well-equipped to handle any high-risk incident that may arise.



To foster a greater understanding about the work police officers do a number of citizens were able to participate in ride-alongs with Patrol members, K9 and the Tactical Team. In many cases these opportunities were provided to local non-profit organizations to auction off as part of their fundraising efforts.

In 2014 the LRPS celebrated the 50th anniversary of the K9 Unit and in conjunction with that milestone, hosted the Canadian Police Canine Association Spring Training Seminar. K9 training experts and participants from throughout North America attended.

As LRPS prepares to move forward into 2015 and beyond a significant change on the horizon will be the dissolution of the regional policing agreement with Coaldale. In the spring of 2014 the Town of Coaldale announced it had struck an agreement with the RCMP to provide the community with policing services starting in 2016.



Lethbridge Fire and Emergency Services



Municipal Emergency Management

2014 saw two major activations of the Emergency Coordination Center (ECC is the new name).



One was for a water shortage crisis March 12 to 14 due to the water quality from the river. A unique and challenging problem affected the city when a weather condition created challenges for our water treatment plant. The plant couldn't keep up with the demands from the city and we were forced to restrict water usage and even enact a boil water order to ensure the public was safe. This event emphasized the strong support in every department for another department's crisis, and the key role the ECC plays in coordinating support for the department running Incident Command.

The second activation of the ECC was a flood that had potential to be a lot worse than it was. This one began in the very early morning hours of June 17, 2014. We were notified of rising water levels, and by 08:30 activated the ECC. With floods coming more often, we had a huge amount of previous data to compare and better plan for. We again tracked water flows, and elevations in the City of Lethbridge at river level.

The ECC was finally closed for this event at 09:30 on June 23. One of the huge learnings from this event was that the river flow does not necessarily translate into elevation on the height of the river. We need to take into account all information, although the elevation is one of the major factors in damage control. Final numbers at the Whoop Up Bridge were: 2014 Elevation 827.21 m vs 2013 Elevation 827.19 m. Peak flows were: 2014- 2,250 cubic metres per second vs 2013- 2,670 cubic meters per second. Some significant information of effect of weather from this event were: 187 homes with sewer backup, 209 homes with overland flooding, Bridgeview campground with 2/3 of the park underwater, both golf courses had holes impacted, Pavan Park with water around washroom and turnaround area, and a number of trails that were impacted.

Immunization Program: For many years Lethbridge Fire and Emergency Services and the City of Lethbridge Health and Wellness Department have partnered with NES (Bachelor of Nursing program at the University of Lethbridge) to educate and to vaccinate 'City' employees.

In the fall of 2014, five Seasonal Flu clinics were coordinated and administered 332 doses of the Influenza Vaccine. The goal is to protect staff against the seasonal influenza strains. As well the clinics offer an opportunity to educate as many City of Lethbridge employees as possible about how to prevent transmission between themselves and anyone else.



Legalizing existing secondary suites within the City of Lethbridge was an initiative that was introduced in 2009. Since that time the program has been well supported by city officials by offering rental property owners the opportunity for municipal grant funding. We work closely with rental property owners, contractors, along with Development Services to help ensure that existing secondary suites are compliant with the Alberta Fire Code 2006. Legalizing existing secondary suites is a very important life safety initiative that our division implements on a continual basis throughout our community.

Lethbridge Fire and Emergency Services

In January 2014, our office was introduced to mobile tablets to help streamline daily operations by providing Fire Prevention Officers (FPO) with onsite resource material. This change in work flow did come with a few challenges; however our team is working together with our Information Technology team to ensure our client's needs are met.

A new Open Burning Bylaw 5858 (Fire Pit Bylaw) was passed by City Council in early 2014, and in July our Fire Prevention Officers were sworn in as Bylaw Officers to help support this regulation. The Fire Prevention Bureau team is continually working with the public to help ensure that all fire pits within the city limits are legal.

The Alberta Health Services (AHS) agreement was agreed to and signed in late September. We worked very closely with AHS South Zone, Public Safety Communication Centre (PSCC) and Lethbridge Fire and Emergency Services (LFES) operations leaders in developing the System Status Management (SSM) plan that would address everyone's needs. This is a dynamic document that can, and will, change as the system moves forward.

Long distance transfers, fatigue management and resource deployment continue to be topics of discussion with AHS and Emergency Medical Services (EMS) leaders.

Given a very short window of time, we were able to implement an additional three ambulances after the AHS contract was signed. There were many meetings and discussions on staffing, deployment and shift schedules. A huge thank you to everyone who worked on this issue including the platoon chiefs, station officers, union executive, deputy chiefs, administration staff and PSCC. Our ability to implement this huge change is testament to the dedication of our staff in our service.

As a result of the AHS/EMS contract, we increased staff and a recruitment class of 17 new Firefighter/Paramedics. This class began their training in September and graduated November 25, 2014. This was the first class to complete National Fire Prevention Association (NFPA) 1001 Level I Certification under a new format we used through the Office of the Fire Commissioner.



The department hired 17 new recruits in 2014 in direct response to the signing of the AHS contract. This is the largest group of recruits since the late 70's.



Flood: In June 2013 we faced rising river waters and flooding threats. June 2014 was no different as rains and melting snowpack caused the river to swell yet again. The Emergency Operations Centre was activated yet again to address the threat to our river bottom infrastructure. Thankfully the damage caused by flooding was localized.



Lethbridge Fire and Emergency Services

As an integrated Fire/EMS system, call volume continues to rise. This presents a challenge for delivering core training to the station crew. We have implemented a structure whereby crews have targeted quarterly training to complete. The calendar is broken up into four “core sets” throughout the year. Within this time frame Officers and Firefighters complete modules made up from the newest International Fire Service Training Association (IFSTA) curriculum, along with other articles and reports embedded, Fire Engineering, National Institute for Occupational Safety and Health (NIOSH) reports, etc.



Over the past few years the area of Grassland Firefighting has become a key topic of discussion for Municipal Fire Departments. It was recognized from an operational perspective we needed to focus on training strategies in this area. Alberta Fire Chiefs Association (AFCA) have recognized the need for a Urban Interface Wildland Firefighting program.

Firesmart is a wildland urban interface program that provides resources and education to lessen the threat of wildland (grass) fires to our community. The main focus will concentrate around fire inspections, public education, as well as the implementation of the Firesmart Program into the City of Lethbridge and surrounding areas.



Lethbridge Fire and Emergency Services

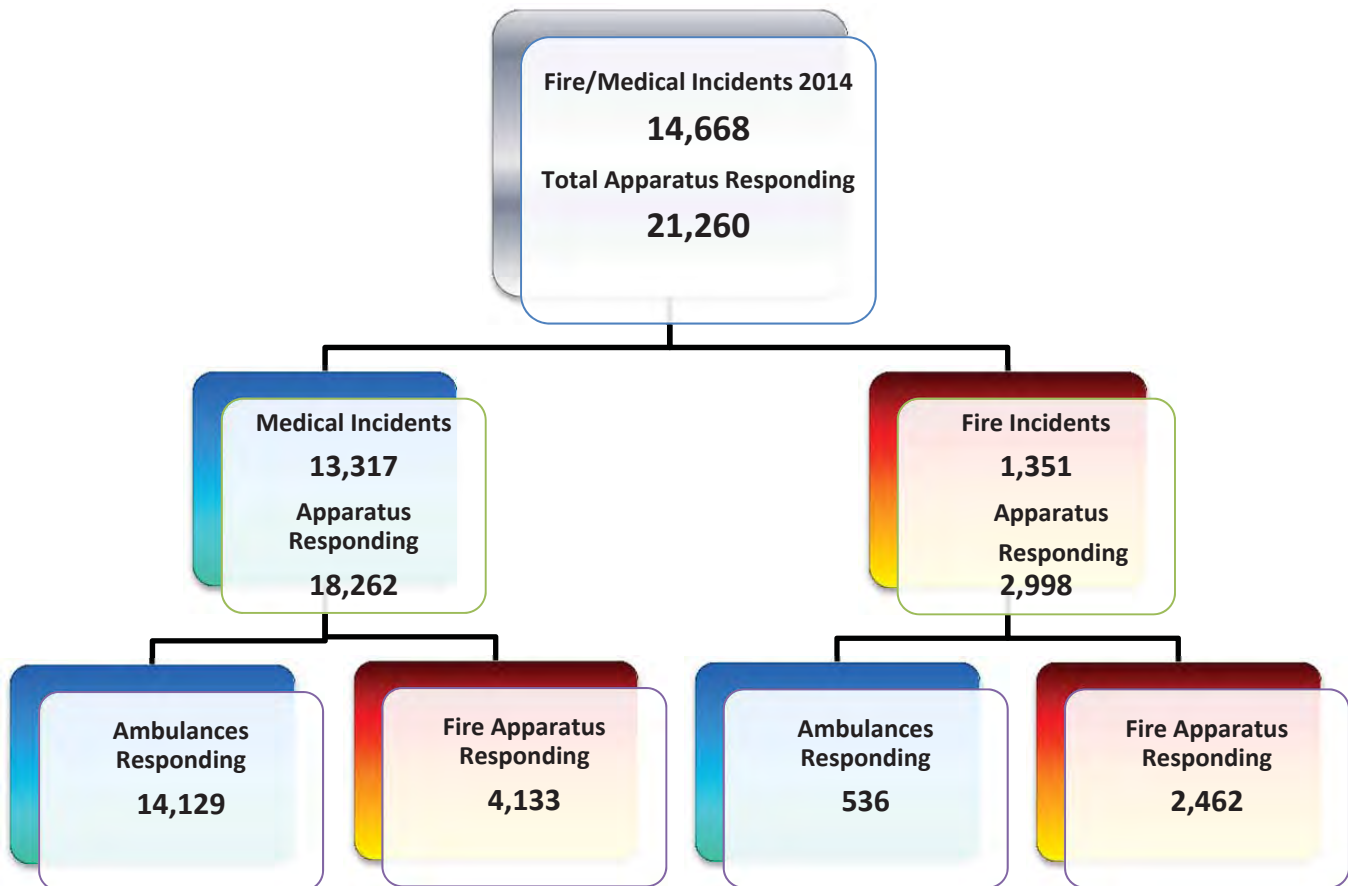
Accreditation: In 2014 Lethbridge Fire and Emergency Services achieved full EMS accreditation. After achieving 'Primer' status in 2012 we worked hard to put into place all of the pieces to become Canada's first fully accredited EMS/Fire service under the EMS Accreditation Canada standards. On February 26, 2014 we were awarded Q-Mentum status.



Accreditation helps health care organizations improve their performance for the benefits of their clients and the health system.

Our organization has chosen Accreditation Canada's program to help us pursue excellence, improve our performance and guide ongoing quality and safety initiatives. We do so both as a mark of pride and as a way to create a strong and sustainable focus on quality and safety within our walls.

2014 was a year of tremendous growth for Lethbridge Fire and Emergency Services (LFES). Ambulances responded to over 14,000 EMS calls last year. The increase in 'calls for service' put pressures on frontline crews, officers, hospital emergency rooms and on the LFES administration team. In addition, there was a rise in the number of Code Red (Code Red – all ambulances are assigned and unable to respond). Lethbridge has additional capacity to augment this situation as a Paramedic staffed Engine can respond if required. These calls increased sharply in number from 543 in 2013 to 802 in 2014.



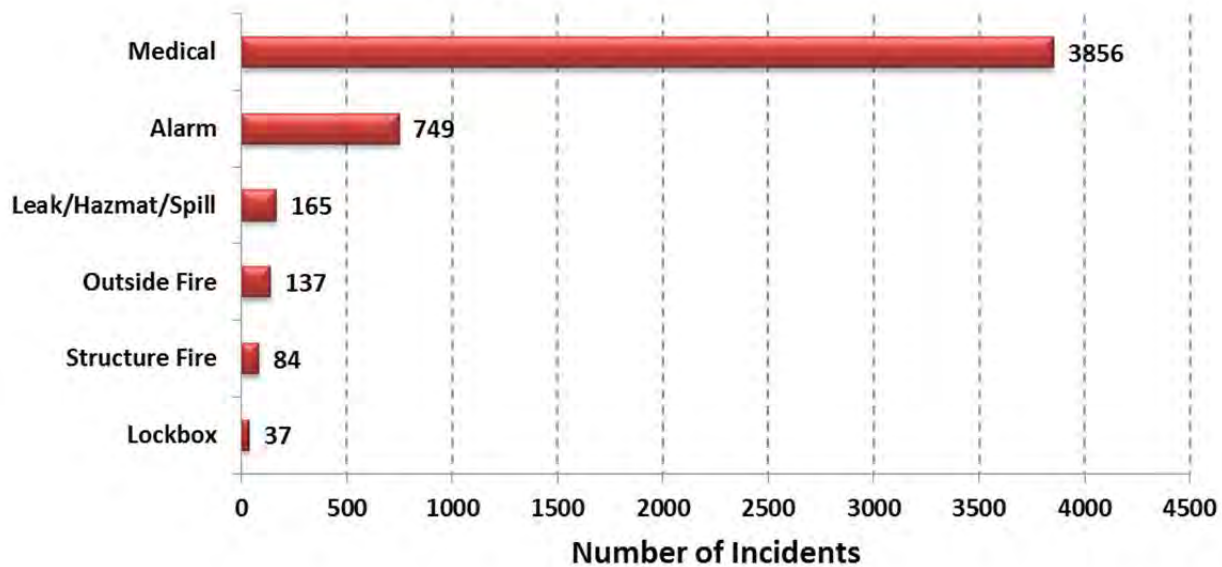
Lethbridge Fire and Emergency Services

Fire Prevention Inspections

In 2014 there were a total of 1,907 building inspections completed in the City of Lethbridge. From those inspections, 515 businesses had to be inspected a second time and 6 orders to comply were issued to ensure that compliance to the Alberta Fire Code was adhered to. As we move forward into 2015 our division, along with our Fire IT Team, we will continue to improve mobile inspections to streamline our inspection process, and enhance our customer service model.

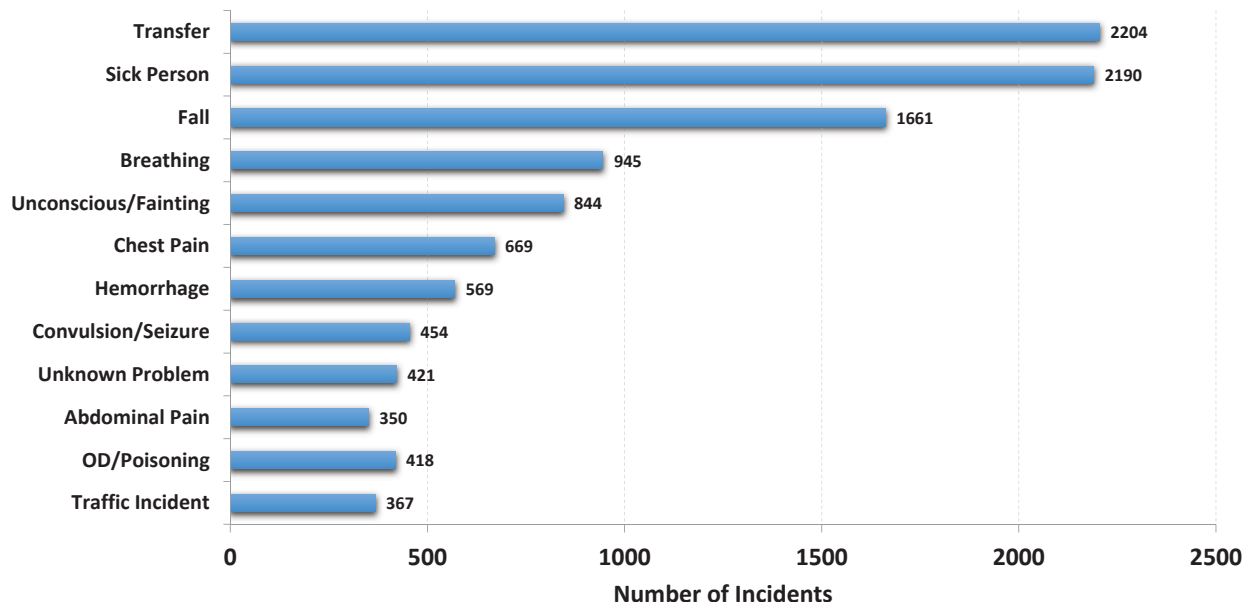
Fire event statistics – types of events most commonly responded to by Fire units

2014 Incidents to Which Fire Responders Most Frequently Attended



Medical event statistics – types of events most commonly responded to by Ambulances

2014 Most Frequent Medical Incidents



Lethbridge Fire and Emergency Services

The **Technical Rescue Team** is now more accurately named to represent the NFPA 1006 Standard that the team members are certified under. The 13 member team will be working towards improving the department's ability to respond to confined space and trench rescue incidents. It has been recognized there is a need for more formal integration between the Hazmat Team and the Technical Rescue Team. These new initiatives will be in addition to regular team scenario and skills training.



Water Rescue Team: Increased public knowledge, safety and prevention were a strong focus for the water rescue team for 2014. The team worked with the city's communication consultants and the media to put out a number of public service announcements, media events, and interviews to get the message out about water and ice safety. This saw a decrease in the number of calls in 2014 that the department responded to regarding unsafe ice and river usage.

The team also used the year to get back to the basics with training, putting on several successful courses throughout the year. The first course saw the second half of the team receiving education on boat operations and safety. The course allowed members to improve boat handling skills on both moving and still water, rapid subsurface victim searches with the side imaging sonar, weir rescue operations, and many other skills.



Deputy Chief-Dana Terry, Community Hero-Stephanie Garrett, Councillor-Bridget Mearns and EMS Operations Officer Lynn Villiger.

Community Heroes Program 2014: Lethbridge Fire and Emergency Services recognized 11 outstanding people from the community and beyond at the 9th annual Community Heroes Awards Program in 2014. The Community Heroes awards are given to people who intervene to offer help in an emergency under exceptional circumstances. These people are recognized for their efforts to assist by intervening before paramedics and firefighters arrive to the scene. When citizens act in courageous ways and in an appropriate and responsible manner our crews tell us about it. These 'Heroes' are recognized in a formal ceremony because they reacted under dangerous conditions and/or challenging circumstances in order to comfort someone, prevent loss of property or in some cases to save someone's life.

ENMAX Centre



ENMAX Centre had a vibrant year in 2014, further developing its products and services and hosting a record number of both large and small events throughout the year. We provided services to over 325,000 people in 2014, with a real focus on improving customer experience for both the client and patron. Overall, ENMAX Centre achieved its goal of being a true event center for Lethbridge and Southern Alberta.

In 2014, ENMAX Centre made a number of programming additions with the goal of providing better products to our clients and patrons. Some of the larger and more notable programming assets acquired were: a new back stage drape for our events, new truss system capable of rigging almost anything, additional tables, chairs, carpeting, and pipe & drape; all to meet the needs of large and small events alike.

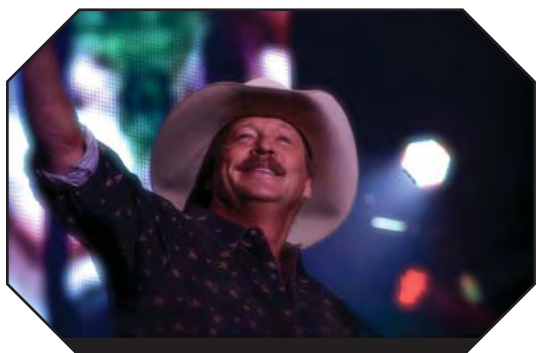
These additions and increases to our inventory contributed to our ability to host more events and provide better service, especially to our meeting and banquet clients. A new air conditioning system, along with a significant change to our air ventilation and mechanical system was added to the facility to provide client and patron comfort year round while attending events. This new environmental control system for heating and cooling has truly enhanced our ability to better serve our patrons and host events year round regardless of weather.

The ENMAX Centre Food & Beverage department significantly grew its catering business and further developed its menus and décor. Catering increased its event business by 50% and improved its ability to service a diverse group of programs from entertainers and bands to business meetings, banquets, and weddings, and numbers ranging from 50 to as large as 825, both on and off site. On the concession side of the business we expanded the menu product varieties and portion sizes for families and individuals to provide a better customer experience to our patrons. Three different beers were added on tap and a variety of canned beer introduced at various locations. Additionally, 'Hawkers' were implemented within the venue to assist with service at hockey games and events. Junior hockey games had the addition of warm large cookies, ice-cream sandwiches, special smokies, \$2.00 family items at weekday games, and a variety of other changes. Overall, the ENMAX Centre saw its Food & Beverage activity rebound and increase over the year.



ENMAX Centre

2014 was an exciting year for Special Events which increased in number to a venue record of 184 event days. It was also the largest year for variety of programming content hosting something for almost everyone. We held cultural shows like Cirque du Soleil's Dralion and Moscow Ballet's Nutcracker, sport spectaculars like Monster X Tour and Rocky Mountain Regional Figure Skating Competition, and unique special events like our Greatness in Leadership event which featured guest speakers Doug Lipp of Disney, and Wayne Gretzky. Concerts covered the spectrum with great artists like Gordon Lightfoot, Alan Jackson, and Backstreet Boys, along with many others including: Godsmack & Seether, Florida Georgia Line, Brad Paisley, Rascal Flatts, Alice in Chains, an ABBA tribute, and the list goes on. This year, in addition to hosting special featured events, tradeshow, and fan-favorite events like our renowned PBR (Professional Bull Riding) and the Harlem Globetrotters, ENMAX Centre introduced the Men's TNT show, proudly hosted the Chinook Health Region Christmas Tree Festival, and created our own Small Business Christmas Party. ENMAX Centre was also involved with off-site community activities such as the Tour of Alberta and 2019 Canada Winter Games Bid that showcased Lethbridge's spirit, talents, and passion.



Alan Jackson

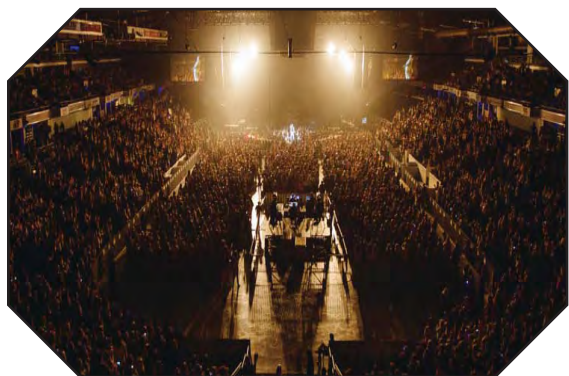


Mackenzie Porter

Our Ticket Centre's located at ENMAX Centre and the Yates Memorial Centre, had one of their strongest years with over 200,000 tickets processed. Customers utilized our walk up service center, the internet, social media, and the phone number 403-329-SEAT to purchase tickets and drive sales.

The Lethbridge Hurricanes held only 31 games in the 2014 year due to a schedule adjustment through the two seasons that provided more of a balance in home games per month, while also providing the largest number of weekend home games in several years. The Hurricanes have regained their performance on the ice in this last season and game attendance is slowly coming back. More importantly people are having fun and enjoying the challenging hockey at the games. We continue to work with the Hurricanes and assist in their future development.

Overall 2014 was an extremely busy year offering many great events to the people of Southern Alberta, and we truly thank our fans, patrons, partners, and equally thank our promoters and sponsors who worked with ENMAX Centre to make this year a success.



Concert Crowd



Terri Clark

Helen Schuler Nature Centre



2014 is best summed up as a year to celebrate at the **Helen Schuler Nature Centre**. The **newly renovated and expanded building** officially re-opened its doors on June 6, 2014.



Ribbon cutting ceremony to mark the official re-opening of the Nature Centre.

Approximately 2,000 people attended the weeklong celebrations and ceremonies that included a ribbon cutting event, special programs, building tours and a rededication ceremony to its namesake, Helen Schuler. The events marked the end of an 18 month, \$4.4 million capital improvement project which included an extensive renovation and expansion to the more than 30 year old facility. Improved and enlarged public spaces, such as a community exhibit gallery, meeting rooms and a fully accessible living roof have become popular destination sites for both our local community and out-of-town guests.

The renewed facility is currently pending LEED® Gold Certification. LEED® (Leadership in Energy and Environmental Design) is a third party certification program that provides benchmark standards for high performance “green” facilities. It addresses sustainable building in the design, construction and operational phases. The **Helen Schuler Nature Centre is designed as an active learning environment** where the building demonstrates and teaches sustainable building practices.

Overall **program attendance was the highest on record** at the Helen Schuler Nature Centre in 2014, with nearly 35,000 people connecting face-to-face with staff and volunteers at the many programs and events.



“Young visitor with “Sophie” the snake – one of several teaching partners at the Nature Centre.”



“Sergeant Rattlesnake and Private Wandering Garter Snake reporting for duty!”

Community volunteers were instrumental in the successful re-opening and first year of programming in the renewed facility. In 2014, **well over 6,000 hours were donated by volunteers at the Helen Schuler Nature Centre**. This represents more than double the volunteer time dedicated in 2013 and demonstrates the growing commitment in our community to supporting the Nature Centre’s mandate and the programs and services it offers. These volunteers are dedicated to ensuring each visitor’s experience is memorable, unique, and filled with meaning. Volunteers assist with research, programs, events, trail monitoring and facilitating the exhibits.

Approximately 500 hours were donated by individuals, local business teams and groups to conservation projects, such as the Coulee Clean-up and Weed Pull. These **conservation projects** were made possible by generous funding from the Runner’s Soul Race Association-Moonlight Run, Pratt & Whitney Canada, and Park Place Shopping Centre.

Helen Schuler Nature Centre



Early in 2014, more than 20 interpretive signs **about water conservation, land conservation and sustainable building design** were developed and installed throughout the Centre. Over 10 different local environmental groups provided input and technical support in the development and writing of the display content. Generous funding support was provided by the Alberta Prairie Conservation Forum, RBC Blue Water Project, Alberta Lottery Funds and the Alberta Real Estate Foundation.

Approximately **400 group programs** were booked and delivered in 2014 by Nature Centre staff and volunteers. Audiences for these programs included well over 7,000 students from local and regional schools. An additional 17,500 individuals visited the Nature Centre's **exhibit program**, compared to 9,500 in 2013. Exhibit themes included The World Beneath Your Feet (an exhibit on soil biodiversity), Animal Architects (an exhibit on how and why animals build) and the Elizabeth Hall Wetlands (the park in Lethbridge voted most likely to be visited by wildlife).



*The World Beneath Your Feet
(an exhibit on soil biodiversity)*



Searching for animal tracks



*Teens helping Lethbridge College
staff at the AquaCulture Centre*



*Ugly Christmas Sweater Making
Party in December*

Thanks to sponsorship from TD Friends of the Environment and generous funding support from the Alberta Conservation Association, the Nature Centre's **youth program**, Extreme By Nature, expanded its programming again in 2014. This program is a valuable resource for our local youth (11 -15 years) as it fosters health benefits from continued exposure to nature and outdoor environments; builds leadership, confidence and problem solving skills; and connects youth with positive mentors. Community partners assist with delivering of a wide variety of fun and active outdoor education programs.

Helen Schuler Nature Centre

Once again, Lethbridge and area schools were fortunate to have access to **unique fieldtrip programs** that explore the Lethbridge river valley and the southern Alberta region thanks to generous funding provided by The W. Garfield Weston Foundation. Students are introduced to the unique biodiversity preserved in both public and private conservation areas in our region. This is one of the most biodiversity-rich landscapes in Canada, yet for many students in our community these fieldtrips represent their one and only opportunity to connect with it on a personal, first-hand basis. Developing a sense of connection to nature and an appreciation of our local natural environment is essential to building a community that demonstrates strong emotional ties to the land. Nearly 4,000 children and youth have taken part in these unique programs in the past seven years. As follow-up to their field trips, classes plan and develop their own conservation-focused project.



First-hand experiences build a sense of connection to our local environment

These projects have included community beautification initiatives, waste-reduction awareness campaigns, art projects, and the implementation of in-class and school-wide composting initiatives, just to name a few. It has been inspiring to see the enthusiasm of students, parents, and teachers who have participated in the programs.

Community outreach, research and content development continued in 2014 for the long anticipated installation of **new permanent exhibits** scheduled for 2015. In 2014 a number of new partners, including ATCO Gas, joined exhibit supporters Gas King, Cor Van Raay, Honda Canada Foundation, TD Canada Trust, Oldman Watershed Council, Trouts Unlimited Canada (Oldman Section), Community Foundation of Lethbridge, Alberta Lottery Funds, Alberta Prairie Conservation Forum, RBC Blue Water Project, Friends of the Helen Schuler Nature Centre Society and Green Acres Kiwanis Club of Lethbridge with generous funding donations to this \$250,000 exhibit project. The exhibits will anchor the visitor's experience and will assist visitors in better understanding and appreciating what makes the Lethbridge river valley both unique and special. The exhibits will include displays featuring Blackfoot Ecology, as an alternative perspective to the western science ecological approach in other display elements. **Senior-level students from the Kainai Study Program** at the Red Crow College **were critical partners in this project** and have been responsible for the development of the exhibit themes and messages, as well as supporting all aspects of content and design development elements.



Muskrat at Elizabeth Hall Wetlands (Ken Orich)

Tiger Salamander (CJ Jans)



Juvenile red-tailed hawk (Lloyd Bennett)



Mallard Ducks (Ken Orich)

Helen Schuler Nature Centre

In 2014, more than 30,000 people accessed **informational services** offered through the Nature Centre, including wildlife information brochures distributed through mail, phone and email contacts, and lesson plans and resource guides downloaded from the website. In 2014, the Nature Centre completed and published a new brochure for the Elizabeth Hall Wetlands as well as a fact sheet highlighting the sustainable building design features of the new building. The Nature Centre also provides access to partnering organization's educational resources. This facilitates opportunities for visitors to connect with a variety of groups with environment-based mandates. Visitors can also keep informed of the many exciting or unusual plant and wildlife sightings via the **Helen Schuler Nature Centre's Facebook page - become a friend and stay informed!** www.facebook.com/helenschulernaturecentre or follow us on Twitter @DiscoverItHere

This next year promises to be an exciting one at the Nature Centre with the development and opening of the long awaited permanent exhibits, new facility rental opportunities and the development of community art exhibit programs in the Community Exhibit Gallery. For the most recent information on what's happening at the Nature Centre or to view a monthly program schedule, visit www.lethbridge.ca/hsnc



*Cottonwood forest in the fall season
(Ali Cole)*

Recreation & Culture



2019 Canada Games Bid - Living the Legacy

In August Lethbridge hosted the Canada Winter Games Bid Committee. City Council's support at each juncture of the 8 month journey resulted in an unprecedented community rally on August 21st that showcased Southern Alberta and told the story of the past, the present and the future and how we adopted the theme "Living the Legacy" for the bid. Unfortunately the Games were not ours to be had, but the legacy of community support will last far beyond 2019.

Community Capital Project Grant

In 2014, 17 community projects qualified for funding assistance from the City of Lethbridge, through the Community Capital Project Grant. These projects included a playground replacement at Lady of Assumption School, a barrier friendly community playground at Westminister School, equipment and furnishings for the new curling facility, fitness equipment and building repair for the YMCA, and many others.



Gifting Program

For close to twenty years, the City of Lethbridge Gifting Program has provided a means to purchase a commemorative bench or tree in memory of, or dedication to, someone. Over the years, literally hundreds of benches have been placed in popular parks and public spaces. In 2014, 16 benches and one tree were ordered through the program.

Public Art

In 2014, one public art commission was awarded and another tendered as part of the City of Lethbridge's Public Art program.

The commissioned artwork was part of a two stage competition tendered in 2013 for the renewed Helen Schuler Nature Centre. The successful artwork is a design called "Listen" by Saskatchewan artist, Terry Billings. This commission will be installed in the spring of 2015.

Also to be installed in 2015 is a commission to provide donor recognition for SLP Skate Park which officially opened in 2014.

In addition to the two tenders for commissioned public art, a portrait of William Lethbridge by Frederick Sandys was added to the City of Lethbridge Fine Art Collection. This work dates from 1882, the year William Lethbridge became the first president of the North Western Coal and Navigation Company in Canada. In 1885, the town of Coalbanks was renamed Lethbridge after him.



Recreation & Culture

Crossings Leisure Complex Full Build Out Approved

On August 5, 2015, City Council amended the CIP to include the full build out of the Leisure Complex to the previously approved aquatics portion of the facility. These additions include gymnasiums, fieldhouse, indoor track and fitness centre, children's play area, and commercial space. In December an architectural team was selected for the design work for Phase 2 of the Crossings Leisure Complex.

Crossings Leisure Complex Phase 1

Construction continued on the new twin ice arena and curling facility throughout 2014. At the end of the year, the exterior shell was completely up for the twin ice and interior work beginning. Supports were in place for the curling side of the facility, with exterior for this side expected to go up in early 2015. Phase 1 opening is planned for 2016



Tour of Alberta

September 3, 2014 saw Lethbridge host the Tour of Alberta, a professional cycling race. Through the snow and rain and unseasonably cold temperatures, cyclists from around the world raced from downtown Lethbridge, along Scenic Drive to the ENMAX Centre, and then all the way down into Peenaquim Park before heading downtown again, for 5 laps. Broadcast internationally to dozens of countries around the world, this high profile event showcased the city from helicopters flying above the racers, and videographers and photographers chasing the race from in front and behind. It was an exciting, eventful day and likely one of the highest caliber events the community has had the opportunity to host.



SLP Skate Park Opens

In January 2014, the SLP Skate Park opened to the public. While not fully completed, the park was usable and on the first day the fence was removed, a group of eager users shoveled and swept the snow off the park so that they could use it immediately. The popularity of this facility has been obvious to everyone driving by, as the park is always busy, even on those winter days. The official Grand Opening and Ribbon Cutting took place in June with hundreds of people in attendance, and following that, SLP Industries hosted a very successful Canada Day event at the park.

Recreation & Culture

Renovations at Adams Ice Centre

2014 saw many improvements to this arena. New flooring in the lobby, washrooms and change rooms, and new benches in the change rooms were improvements noticeable to visitors. Not as noticeable but improvements that improve our environmental footprint include new low flow fixtures (toilets, urinals, sinks) in washrooms and motion sensor taps and toilet flushing.



Lakeview Washrooms and Concession Upgrades

Work has been taking place on the washrooms and concessions at the very popular Lakeview ball diamonds. New, accessible washrooms are part of the upgrade, along with a storage and new concession area. The old storage and kitchen area will be retrofitted to allow for much needed additional storage of programming and maintenance equipment.



Henderson Tennis Courts Clubhouse Renovations

Renovations to the clubhouse at the Henderson Tennis Courts include new flooring and updated washrooms and change rooms with new fixtures. Accessibility issues are being addressed as well. On the exterior, a deck with low maintenance composite decking for viewing and tournament/event hosting has been included in the renovations at this popular facility.

Spitz Stadium Grandstand Renovations

A concept design was completed for the Spitz Stadium grandstand. Schematic and detailed design have started and major improvements to this facility will provide a more comfortable, user friendly and modernized facility when completed.



Henderson Outdoor Pool

In the spring of 2014, Henderson Outdoor Pool was demolished so that soil testing could be done on the site, which would then aid in the design of a replacement pool. A public Open House was held in May to gather feedback on the concept design and the pool's re-opening was moved to 2016.



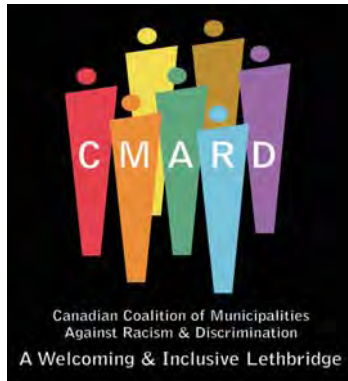
Community and Social Development

Under the umbrella of the Social Policy, the CSD Group focuses its work through best practices, broad community engagement and strong partnerships. This results in the provision of preventive social services through Family & Community Support Services (FCSS), projects and programs to end homelessness through Bringing Lethbridge Home (SHIA), Social Policy initiatives to address priority social needs and Emergency Social Services.

Through community engagement, planning and development and with the leadership of the Community and Social Development Committee of Council, all citizens are provided opportunities to become more resilient, build healthy relationships, participate in community life and get connected with the right services to meet their needs. This Annual Report 2014 will focus on the Social Policy Priorities,

Coalition of Municipalities against Racism and Discrimination (CMARD)

Building a welcoming and inclusive community is a priority for the City of Lethbridge. CMARD's mandate is to support the further development to enhance this priority and ensure this for all people who choose to visit, work, live, play and do business in Lethbridge.



The 2014 Annual Report to be presented to City Council in early 2015 provides detailed information of the extensive array of work and positive outcomes. These activities are aligned with the Building Bridges Community Action Plan to build a welcoming and inclusive Lethbridge. This includes the Coalition of Municipalities Against Racism and Discrimination through FCM and UNESCO and supported by the Alberta Urban Municipalities Association (AUMA). There are also projects for which partnerships have occurred such as through the Beyond Your Front Door Initiative which was featured on the cover of Lethbridge Living Magazine.

The Coalition of Municipalities Against Racism & Discrimination (CMARD) Lethbridge has been extremely active in fulfilling its commitments to becoming a welcoming, inclusive and secure community. Social Marketing, Citizen Engagement, Positive Messaging, Agency Support and Representation at the Municipal, Provincial and National level has been a priority in 2014. CMARD Lethbridge has been considered one of the most active/creative CMARD's throughout the country as can be exemplified by the number of actionable events/engagement pieces that occurred in 2014.

Through the implementation of the plan, over 5,000 citizens have been engaged in inclusion and diversity activities sponsored by CMARD; over 600 attended the CMARD Conferences and over 300 volunteers are engaged in various activities, events and projects. CMARD continues to receive local, provincial, national and international recognition (recently UNESCO identified Lethbridge as a community of best practice). Additional highlights of this past year include:

- Lethbridge is a national partner and one of only 5 Cities in Canada to collaborate in the Cities for All Women Initiative (CAWI) Project to build "Cities for Everyone". Lethbridge participated in the development of A National Equity and Inclusion Guide for Municipalities. This will result in an Inclusion Policy for City of Lethbridge.
- Inter-provincial, national and inter-national recognition, consultation and presentations. Lethbridge is recognized as leaders in diversity, inclusion and policy direction. In 2015, UNESCO Canada (2005) will be celebrating the 10th anniversary of the CMARD commitments. CMARD Canada will publish a 10th anniversary publication and Lethbridge has been mentioned as one of the most active CMARD's throughout Canada and will be featured in the publication.
- On a provincial level and through our partnership with the Alberta Urban Municipalities Association (AUMA) and their Welcoming & Inclusive community's initiative (WIC), CMARD has been modeled provincially as a best practice.



Community and Social Development

- At a local level, CMARD, in partnership with many community leaders and groups launched and hosted:
 - 12 UNITAS events to engage ethno-cultural communities and groups. The goal is to provide education and to celebrate the contributions and vibrancy of Lethbridge's growing diversity.
 - Pangaea Cafés created an opportunity for citizens from different backgrounds, cultures and ways of life a chance to meet in an informal environment.
 - Global Nights were hosted to welcome over 300 international students to the City of Lethbridge
 - 'Releasing our Spirit' to remember, celebrate and commemorate over 300 people that have lost their lives to street culture in Lethbridge over the years
 - #SayNoToRacismYQL Campaign was most popular during the World Cup which brought a large diversity of citizens together
 - Sisters in Spirit to honor Missing and Murdered Indigenous Women
 - CMARD Conference focused on Inclusion, Diversity and Equity



Beyond Your Front Door

Building Welcoming and Inclusive Neighbourhoods

The Beyond Your Front Door (BYFD) neighbourhood initiative was developed a year ago to support the creation of engaged, welcoming and inclusive neighbourhoods in Lethbridge. This is being accomplished by encouraging people to discover community and their neighbors out their front doors.



During the past year BYFD has and will continue to:

- partner and support neighbourhood projects and events that promote building welcoming and inclusive neighborhoods
- create supportive resources for neighbourhood development; and
- promote a welcoming and inclusive lens to neighborhood programs and initiatives. An example of a neighborhood project is the establishment of the community garden in the Kinsmen Park in London Road.



In order to continue to provide a foundation for neighbourhood growth, BYFD has supported the development of neighbourhood associations. Currently 19 neighborhoods are involved; all within various stages of development. These include

- four existing neighborhood associations with Society status
- five currently developing and formalizing; and
- eight other neighbourhoods are currently engaged to explore options and possibilities.

With these neighbourhood groups, BYFD continues to support an umbrella organization currently being established. It is known as the Council of Lethbridge Neighbourhoods (CLN). The purpose of this group is to support the continued grassroots growth of neighbourhood associations and contribute to Lethbridge being welcoming and inclusive for all people who choose to live here.

Community and Social Development

Community and Social Development (continued)

Developmental Assets for Children and Youth

The implementation and integration of the 40 Developmental Assets in Lethbridge has clearly demonstrated a positive impact. Young people's success is everyone's top priority and the results of current research will deepen and strengthen the assets for children and youth in Lethbridge. The Province has selected the 40 Developmental Assets to measure how children and youth develop positively in our FCSS Funded Agreements.



Integrating the assets in our community has resulted in our continued focus on the following:

1. Build the collaboration through recruiting and engaging human service agencies who serve children and youth. This has resulted in a community-based committee Community Developmental Assets Committee (CDAC). The broad membership of the committee has clearly demonstrated the impact of the collaborative. Cross sectoral have been trained and now able to support the initiative including health, schools, child and youth services, Beyond Youth Front Door and Youth HUB to name a few.
2. Build the capacity of all child and youth serving agencies through training key staff to train their colleagues. 82 service agency staff are now trainers in Developmental Assets and four service agency staff are SEARCH Certified Train the Trainers.
3. Build the knowledge and skill of community members including parents, teachers, coaches and businesses (so that they value, understand and implement ways to increase resiliency in children and youth) through:
 - a. Education and awareness events (ongoing)
 - b. Social marketing
 - c. Social media (twitter, FB, and an interactive website)
 - d. Weaving asset building content into current programming
 - e. Fun, easy and affordable activities and kits to use at home

CDAC has also planned and participated in the following:

- Ready, Set, Go – school readiness events. Over 780 children and their parents exposed to Developmental Assets
- Party in the Park
- Shelter Me in the Park
- Ignite UR Spark Youth Mentoring gathering

FCSS Funded Agencies, community stakeholders, SHIA funded youth homelessness programs and other partners have embraced Developmental Assets as an integral part of their programs and services for children and youth. Some of these include:

- In- school Youth Mentorship with Big Brothers and Big Sisters (BBBS)
- Game On with BBBS
- MAT Youth Drop In with Boys and Girls Club
- GirlSpace with YWCA
- Youth HUB
- School Districts
- Woods Youth Emergency Shelter and Housing First Programs
- Hestia Homes



Vibrant COMMUNITIES

Vibrant Lethbridge

Poverty Reduction Strategy

About Vibrant Lethbridge is a collaborative group of people from the community and various agencies. As an integral part of Social Policy for the City of Lethbridge, their purpose under the Community & Social Development Committee of Council is to:

- elevate the profile and prevalence of poverty in Lethbridge
- engage multi-sectoral partners
- identify community assets to reduce poverty and its impact
- identify systemic/programmatic interventions to strengthen the community's response to poverty related issues
- support and inform the community and the Provincial Poverty Reduction Strategy and advocate to other levels of government about the impact of poverty in Lethbridge

Strategic Plan – What Matters Most?"

Through broad community consultation, research and engagement activities, the priorities for action to reduce poverty and its impact in Lethbridge include the following:

1. Low cost transportation
2. Creating neighborhood "bumping" spaces for people to connect and create community
3. Pay Day Loans: Prevalence, impact and alternatives
4. Advocacy to the provincial and federal jurisdictions including the implementation of the Poverty Reduction Strategy
5. Living Wage
6. Communication Plan
7. Food Security/Sustainability



Lethbridge Transit



Renovations & Construction

In May, the staff of Lethbridge Transit returned to the newly renovated Transit Administration building and the doors were re-opened to our customers. Completion of the civil work, including landscaping and newly paved and expanded parking lots provided increased customer parking, outside school bus parking and additional staff parking. Staff training in the new facility started immediately and our building welcomed back the volunteers of Operation Red Nose in November through to the New Year. With small items left to be completed, a grand re-opening will be planned in 2015.

Transit & Access-A-Ride (AAR) Operations

Ridership on conventional fixed route transit service increased in 2014, up approximately 2% from 2013 or over 1.3million rides. Route changes were made in September that reflected input from customers, drivers and data retrieved from the Breeze card fare collection system. In the time-frame of September to December, after the route and schedule changes were made, ridership increased nearly 5%. Access-A-Ride also experienced increased ridership and on-demand trip availability increased by nearly 2%.



Charters

Throughout 2014, staff from Lethbridge Transit worked closely with organizers in preparation for the 2015 55+ Winter Games. Requirements and challenges will be:

- organizing transportation for over 1,300 people
- providing over 600 hours of on-road service
- continuing to provide regularly scheduled transit service

Budget

After months of preparation and strategically prioritizing future business needs, Lethbridge Transit presented City Council with the list of priorities to meet the needs of Transit and Access-A-Ride customers in the community. Recognized areas of investment included the creation of a Transit and Access-A-Ride Master Plan, increasing the total hours of service in AAR and additional transit routes for conventional service, to name a few.

Projects

During round one of GreenTRIP funding from the Provincial government, Lethbridge Transit applied for and was successful in receiving grant funds to implement Mobile Data Terminals (MDT's) in the entire Transit and Access-A-Ride fleet. The MDT's provide real time information for customers and staff regarding bus location and arrival times. Other functions of the transit technology project include trip planning from a computer or mobile device, text message updates for bus arrival times, Google maps and digital sign information at the downtown terminal.

Access-A-Ride clients now enjoy the option of signing up for automated phone call reminders of their upcoming scheduled trips. This will assist clients and their caregivers to prepare for the arrival of the AAR bus or cancel a trip the day prior if it is no longer required. Mobile data terminals will provide additional on-demand trips with improved software scheduling capabilities.

In preparation for future growth and meeting the expanding needs of the community, administration prepared grant applications for six significant projects that would take place from 2015 – 2018, including:

- Video surveillance system (Transit & AAR)
- Signal light preemption
- Bus stop upgrades to improve accessibility
- Upgraded wayfinding (signage)
- Electronic cooling fan retrofit
- Transit & AAR bus replacement & expansion

Results should be provided from the province in the spring of 2015.



Distribution Capital Projects

Cable Replacement



City of Lethbridge and contractor crews worked diligently to replace all the underground medium and low voltage cables, surface connection equipment, and transformers within residential areas where infrastructure had reached end of life.

The infrastructure replaced was amongst the oldest installed in the city in the areas of Ventura & Lakemount.

These upgrades require complex coordination efforts between customers and the construction crews to insure the work is completed safely and minimizes the outages required to transition over to the newly installed infrastructure. This work is now complete and the renewed electrical infrastructure will provide customers with an estimated 40 to 50 years of reliable service.

Underground Residential Distribution



A number of underground residential distribution (URD) projects were completed, allowing for access to the electrical distribution system for customers in new residential subdivisions.

URD systems installations were completed in the Crossings, Canyons, SunRidge, Copperwood, Blackwolf, Garry Station, Legacy Ridge and Prairie Arbour subdivisions.

Three Phase Mainline Extensions

In response to the increasing demand for electrical power created by growth in residential and commercial loads in various areas of the city, three phase mainline underground cables and overhead lines were added to the distribution system during 2014.

In particular, new three phase mainline feeders were installed through the Black Wolf and Legacy Ridge areas from our substation facilities at 241S Uplands, in the Sherring Industrial Park.

In addition, a three phase mainline overhead feeder was buried during the road upgrades along 26th Ave North in order to support the addition of roadway intersection infrastructure.

These projects greatly improve the reliability and capacity of the distribution system in the areas that they are constructed.



Electric Utility

AMI Metering Upgrade

The City of Lethbridge has begun an overall upgrade to their electrical metering systems. The Advanced Metering Initiative (AMI) will allow the electric utility to upgrade the existing ageing fleet of meters to a modern standard that will be capable of being read remotely. This will insure reads are obtained efficiently from all metered points every month eliminating the need for estimates.

In 2014, metering crews began installing new meters at homes and businesses where existing meters were due for change out according to regulations set by Industry Canada, a department of the Government of Canada. In addition, network installation was completed to enable the remote reading capability.

In 2015, Metering Crews will begin changing out all meters within the electric distribution system. By mid 2016, all meters within the Lethbridge distribution system will be changed and the AMI project will be complete.



Transmission Capital Projects

The 138 kV transmission line that connects 26th Avenue N to the Uplands Substation on 44 Ave N was upgraded in 2014. This project, which was endorsed by the Alberta Utilities Commission, provides greater capacity for shipping bulk amounts of power across North Lethbridge to facilitate increasing demand from industrial, commercial, and residential customers in the area. The upgrade also insures that the future expansion of businesses in the Sherring Industrial Park can continue unimpeded by the transmission line as it is now in an adequately sized right of way to ensure safe operation.



241S Medium Voltage Switch Gear Upgrade



241S Uplands substation is located on 44th Avenue North in the Sherring Industrial Park. The substation is the source of power delivery to the distribution system in this area which serves a diverse and large number of industrial, commercial, and residential customers. The medium voltage switch gear, which provides for the connection of the distribution system to the substation, had come to end of life and capacity. In 2014, between the months of February and June the complex task of changing out the switch gear was carried out by contractor and City of Lethbridge crews.

With the upgrade complete there is now capacity at the substation to support the growth of the Sherring Industrial Park and surrounding communities for the long term.

Water & Wastewater Utility

Water & Wastewater service repair crews are responsible for repairing and replacing the water, wastewater & storm sewer system.

Over the course of the year we responded to and repaired approximately 63 water main breaks. In the winter months it is particularly difficult and time consuming due to the frost in the ground.



Compacting soil around a Manhole installing a sanitary service 4000 Block 2 Avenue South



Installing an 18 " butterfly valve to upgrade the water distribution system 1200 block. 2 Avenue S



One of 63 Watermain breaks in 2014



Hydro-vac vac exposing a water service leak at the watermain in the 600 Block. - 7 Street South



A new water service installation 1600 Blk. - 36 Street North (shoring being used to protect workers while working in the trenches)



Removing roots from riser

System Repairs

Water and Wastewater Operations respond to failures in the underground system all year round. These system failures include sanitary sewer blockages, watermain breaks, and collapsed gravity sewers.

Water & Wastewater Utility



Liner being installed underneath 18th Avenue



Sewer bypass pipes crossing 23rd Street North during sewer lining



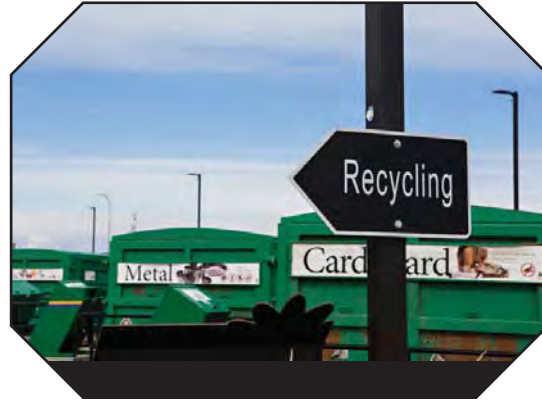
Guided auger boring a 18" sanitary main under 2A Avenue North

Preparation of static pipe bursting machine for 8A Avenue South watermain renewal

Waste & Recycling Services

Lethbridge Recycling Stations

Recycling depots have been present and operated by Waste & Recycling since 1992. The recycling depots experienced challenges related to capacity and litter. In March, 2012, a centralized depot system was approved in order to address these issues through site design. The Stafford Drive North Recycling Station and the Bridge Drive West Recycling Station opened in June 2013. The new depots provide increased capacity and litter control and containment measures. The Bridge Drive location features a seasonally staffed yard waste recycling area. The new stations are an excellent venue for on-site learning related to waste management and prevention.



The Lethbridge Recycling Stations remain a popular facility for recycling of paper, cardboard, plastic, metal cans, and glass jars.

Waste & Recycling Centre Improvements

As part of a long term development plan for the site, the Waste & Recycling Centre experienced some site improvements. The changes to the centre reflect customer needs and the desire to offer better accessibility to recycling and safe disposal options.

The residential drop off area has continued to be upgraded to accommodate high wind conditions and offer a higher level of convenience to customers. More containers were added to the area to collect recyclables including drywall, metal, tires and wood. General waste bins were also added to this area, allowing residents to unload all materials at one stop. A new wind fence contributes to litter control during unloading.

Safe disposal drop off areas for household hazardous waste, paint, electronics, and oil remain well used by the public. The collection site for these materials has resulted in the safe handling of 77 tonnes of paint, 210 tonnes of electronic waste, and 22 tonnes of oil.



Pressurized containers such as old propane tanks are collected and retained for safe handling and recycling.



Bicycles are collected and the components are reused and/or repaired to create new, working bicycles.



Electronics are collected and recycled by an authorized electronics recycling.



Residents can drop off paint, oil, and household hazardous waste for safe disposal and/or recycling.

Waste & Recycling Services



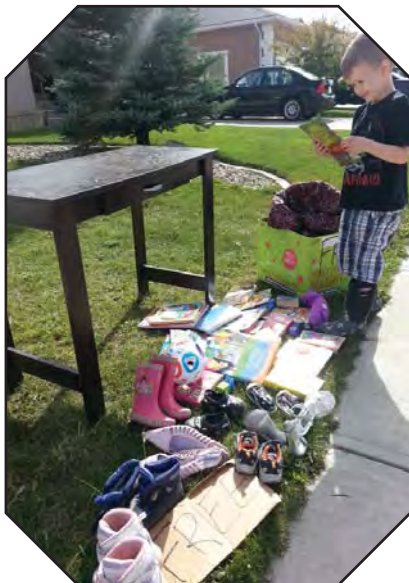
The public drop off area at the Waste & Recycling Centre is intended to provide customers a convenient area to dispose of their waste, recycling, and hazardous materials.



Drywall and tires are examples of some of the items collected for recycling at the public drop off area of the Waste & Recycling Centre.

Reuse Rendezvous

The third Reuse Rendezvous was facilitated by Waste & Recycling Services in September 2014. Residents were invited to place any items that were unwanted but suitable to reuse on their property in front of their house. The items would be placed out at the beginning of the weekend with 'FREE' indicated on them. Over the weekend residents cruise the neighborhoods in search of used goods. Social media tools were used successfully for promotion with almost 600 people joining the online event forum. The relatively new program has been well adopted by the community. Many positive comments were made by members of the community encouraging continuation and growth of the program. The third year saw a continuation of enthusiasm for the annual event.



Many more useful but unwanted items found new homes in the third annual Reuse Rendezvous.

Waste & Recycling Services

Organic Waste & Recycling

Organics are compostable materials such as leaves, grass, branches and trees. These materials can take up valuable landfill space, and without proper composting, can become a large contributor to the greenhouse gases that landfills emit to the atmosphere. City of Lethbridge organics recycling options in 2014 include:

- Yard Waste Recycling Sites
- Fall Leaf Collection Program
- Christmas Tree Collection Program
- Backyard Composter Sales
- Waste & Recycling Centre

Yard Waste Recycling Sites

The first staffed and centrally located Yard Waste Recycling Site in Lethbridge was built in 2009. The site offered residents a new option for managing their bagged leaves, garden trimmings and small branches at a central location, free of charge. The number of users at the site doubled over the span of three years. A second yard waste recycling site was added in 2013, located at the Bridge Drive West Recycling Station. Overall, there is an upward trend in customer visits to the yard waste recycling sites in the last five years. In 2014, over 30,000 customer visits were made to the sites. This number increased by over 40% since 2013. The yard waste is chipped on-site or taken to the Waste and Recycling Centre to be composted. The nutrient rich compost and mulch created from residential yard waste has been used in local parks for bedding and landscaping material.



Waste & Recycling Services operate two staffed locations for residents to unload their grass, leaves, garden waste and branches. The usage of these sites has increased by over 40% with a 25% increase in the amount of material received, since 2013.

Fall Leaf Collection

For the sixth year, residents have the option of having their fall leaves collected at the curb. The program allows for two passes through each Lethbridge neighborhood. The community receives a high level of service to help manage one of the most predominant residential waste streams in Lethbridge. Many people value the Fall Leaf Collection as a convenient and ecologically responsible way to manage their yard waste. The option allows for waste management without the use of a personal vehicle.



Leaves are easily composted to create nutrient rich soil

Waste & Recycling Services

Christmas Tree Collection

For over 20 years, the Waste & Recycling Services has partnered with a local youth group to deliver the Christmas Tree Collection program. Live trees are picked up throughout Lethbridge and then chipped into mulch for use in City parks. In January 2014, the Scouts collected the trees over the course of one day. Over 1800 trees were collected by the youth and their volunteers in January, 2014.

Residents were asked to leave their trees close to where their garbage is collected for pick-up by the youth group.



City of Lethbridge Parks department employees chip the trees into mulch that can be used in city parks and bedding areas.

Waste & Recycling Centre Customer Engagement

The Waste & Recycling Centre is not only the location of the municipal landfill, but also a collection site for many of the recycling options in Lethbridge. Building awareness and knowledge and increasing customer engagement is important to maximize the usefulness of this facility.

Landfill Tours

Regular school tours of the Waste & Recycling Centre are scheduled throughout the year. The students from Lethbridge and surrounding areas learn about where their garbage ends up, what recycling programs are at the landfill, and what types of environmental protection is considered when operating a landfill site. There are approximately 30 school tours conducted per year.



Students learn about the facility by taking a guided tour around the public drop off area and by viewing the disposal area.

Operation Minerva

Waste & Recycling Services staff participated in Operation Minerva for the third year. Operation Minerva is an organization that brings young women and female science mentors together to encourage more female students to choose science, mathematics and technical careers. The youth visited the Lethbridge Recycling Station for a tour and participated in learning activities such as xeriscape plant identification, designing a viable recycling program exercise, and creating signage that promotes waste reduction activities.

Waste & Recycling Services

Community Event Participation

The annual Home and Garden show in Lethbridge attracts 20,000+ people looking for products and ideas related to the home. Waste & Recycling Services participates in the show annually as a way to connect with local residents. A new Exhibition Park show, the Green Life Expo, was held for a second year. This was a show focused on eco-friendly products and practices that visitors can use in daily life. Waste & Recycling Services set up a booth at this new, local event to take part in the promotion of 'green' activities. A booth was also set up at the local Saturday farmer's market and at the Nature Centre's Grand Opening event to provide a chance to talk to members of the community in a convenient public location.

The Waste & Recycling Services tradeshow style booth at both shows displayed a "Reduce, Reuse, Recycle" theme. Visitors were reminded the '3R's' hierarchy is important to responsible waste management practices. Conversations about waste were initiated through investigation of composting practices, generating ideas for the reuse of materials, and a recycling challenge aimed at enhancing good recycling habits. By participating in these types of events, Waste & Recycling Services staff has the chance to engage in hundreds of conversations each day. These conversations offer the customer a chance to ask questions and learn about services.

Similar to past years, Waste & Recycling Services offered the chance to win a free backyard composter. In 2014 the offer was expanded to include the chance to win a vermi-composter or a Bokashi composter. Visitors to the booth that tried a game or challenge were also able to enter their name in a draw for a reusable lunch kit.



Hands-on opportunities to learn about recycling and composting engage visitors and allow them to absorb information and learning in a multi-sensory setting.

Green Life Expo



The Tour of Alberta bike race event was equipped with blue beverage container recycling bins and larger cardboard recycling bins for the vendors.

Event Recycling

Community events can generate a large amount of waste due to the consumption of food and beverages, the activities, and products being sold. Much of the waste is manageable through recycling. Waste & Recycling Services purchase blue recycling bins and provided existing container solutions to help event organizers enable their visitors and vendors to recycle.

Waste & Recycling Services

Waste Education, Cross Community Alignments

Education is a fundamental tool for building 'waste conscious' communities. Many municipalities, not-for-profit organizations, and institutions implement educational programs throughout Alberta. The Alberta Council for Environmental Educators launched an initiative to create and maintain connections between these groups through Communities of Practice (CoP). The CoPs are intended to help members of the environmental education community deliver on their mission and collaborate to advance environmental education in Alberta. The Waste CoP includes waste educators from across Alberta including all major cities. Waste & Recycling Services acts as a contributor to this group by exchanging experiences and knowledge. The small sized, waste-focused working sessions provide opportunities to strengthen connections and create plans for meaningful action to address regional priorities.

In 2014, Waste & Recycling Services had the opportunity to connect to the National Zero Waste Council as a resource for educational materials. The City of Lethbridge utilized their campaign materials for the promotion of waste reduction during the Christmas season. The sharing of resources has the potential for cost savings, improving efficiencies, and increasing the efficacy of waste reduction education across the province and the country.



Prevention of litter due to high wind is achieved by bagging and tying all waste, all the time.

Pitch-In Canada is a national litter clean up program. Cleaning up litter is a great way for people to get involved and improve the appearance and health of their community



www.pitch-in.ca

Litter Prevention Management

Pitch-In Week Canada took place on April 20 - 26, 2014. The litter clean-up program continued to see participation from local businesses, community groups, schools and individuals in Lethbridge. The program is run in cooperation with Pitch-In Canada, City of Lethbridge Parks department and Waste & Recycling Services department.

Waste & Recycling Services staff visited many businesses and addressed households through the mail regarding litter prevention. Litter is best prevented in Lethbridge by closing bins and tying loose waste in bags. In this way, the community member limits the opportunity for litter to be blown out of the waste container during the regular high wind events.

Yellow Fish Road™

The Yellow Fish Road™ was launched in Lethbridge on June 6, 2014 at the Aquaponics Building at Lethbridge College with members of the Boys & Girls Club of Lethbridge & District. The launch participants got an overview of the program, painted storm drains, distributed door hangers, learned stormwater quality testing techniques, and received a tour of the fish hatchery and aquaponics greenhouse. Overall, there were 358 storm drains painted, 1,098 door hangers placed out, and 351 participants.



The Yellow Fish Road program offers youth a chance to teach their community about stormwater protection.

Parks

Kiwanis Park

Parks completed the renovation of the northwest corner of Kiwanis Park, adjacent to 4 Street South and 7A Ave S. Improvements included the removal of a 350 sq.m. asphalt/paving stone pad and installation of outdoor fitness equipment and irrigated turf. The repairs also included the renovation of the original entry sign.



The upgrade now provides park users with more open space for recreational activities and contributes to the growing number of outdoor fitness apparatus being provided to Lethbridge residents.

Flood restoration

The extreme weather the City of Lethbridge faced once again in the spring of 2014 caused serious damage to the parks infrastructure throughout the river valley. With the government stream lining the front end of the disaster recovery program, remedial action began almost before the river waters subsided. The City of Lethbridge quickly formed an Emergency Management Task Force to coordinate and assist the restoration efforts.



Cleanup began quickly and continued through the summer with progress reports being communicated to both the media and the public. A majority of the projects were completed in a timely fashion while only a couple were being tabled for spring of 2015. All project costs for both public safety and cleanup will be submitted via Disaster Recovery Program application.



Drainage Repairs

Repairs were performed at 15 sites in ten parks to alleviate problems associated with poor drainage. Deliverables included the installation of drain tile, swales, re-grading, sodding and pathway repair. Completed projects included repairs in Fairmont Park, Cougar Park, St. Patricks School and North Lethbridge Sports Park. The improvements will restore use to those areas of the parks that were affected by standing water.

Indian Battle Park Drainage and Fence Repair

Parks performed two major upgrades in Indian Battle Park during 2014. The first upgrade, occurring in early summer, was the cleanout of the parking lot catch basins and storm lines. Over the past several years, the storm lines became clogged with silt and debris, thereby creating flooded parking lots. After several days of pumping and flushing the lines, the storm lines are now operational and the parking lots are usable year-round.



The second upgrade, performed in late summer and fall, was the replacement of approximately 4,000m of post and cable fence. This project was part of Parks' ongoing commitment to asset renewals in city parks and a continuation of the fence renewal in Indian Battle from 2012. With the completion of this project, all roadway and parking lot fencing are no more than two years old and have eliminated the need for performing regular repairs to decades-old fencing.

Indian Battle Park Stairs and Handrail Renewal

Parks completed the renewal of three staircases and the installation of one handrail along several pathways in Indian Battle Park. The stairways replaced ageing infrastructure and were located behind Helen Schuler Nature Centre, along the Coulee Climb pathway and at the red shale path off 3rd Avenue. The handrail was installed above the gazebo overlooking the park and was provided in response to requests from residents of nearby communities.



Peenaquim Off Leash Park

The Off Leash Park received two improvements including an upgraded limestone pathway to make use more comfortable and safe particularly during wet or slippery conditions. The formal pathway completes the pathway upgrades in each of the 3 off leash parks in the City.

A new dog training area was created to facilitate both socializing and training dogs. The fenced area of the off leash park complete with pathway is to introduce and train dogs to be in control while off leash. The area is sized to enable being off leash in an open area but small enough so dogs can be retrieved if needed. This new service should fill the previous gap between leashed parks and the off leash parks in the City.

Henderson Lake aeration

In an ongoing effort to improve the water quality in Henderson Lake, new aerators were installed in the spring. The aerators corrected the ongoing problem of low oxygen content near the bottom of the lake. Enhancing the oxygen levels near the bottom of the lake will enhance decomposition of organic matter settling from the water, improve conditions in the aquatic habitat and increase water circulation which will help reduce algae blooms through the summer. The benefits of the new system were evident in 2014 and are expected to continuously improve the water quality in the lake.



Park lighting lifecycle replacement

In alignment with Community Lighting, Parks exchanged all park lights with energy efficient LED fixtures in 2014. This initiative will reduce the electrical power consumption to light the parks and pathways by more than half of what has been previously used. This initiative provided opportunity to replace poles, other electrical components and where needed the foundations for the poles to bring the system up to standard.

Galt Gardens Electric Upgrade

With Galt Gardens continuing to be a major destination for special events but being limited in power supply, Parks upgraded the electrical system inside the park to better accommodate event coordinators and vendors. The upgrade included a new electrical service and an increase from one power box to seven that are spread throughout the park. This improvement now allows the park to be used for an event of almost any size and provides better flexibility in terms of event layout, vendor offerings and Christmas light setup.



River Valley Parks videos

To enhance Park information available to the public on the City web page five short videos were produced in the spring featuring some of the river valley parks. The videos highlight the opportunities and scenery of the parks in an effort to increase awareness and use of the parks. In addition to videos on Cottonwoods Park, Indian Battle Park, Elizabeth Hall Wetlands and Alexander Wilderness Park a valley parks overview video was done and used to launch the River Valley Parks Master Plan project.

Parks Benefits

To help define and promote the benefits and value of the Parks system to the City an addition to the Parks information section on the City web page was added. Each of ten benefits or values was introduced with a statement of value and then defined complete with a reference section to the background of the individual benefit. The Mission statement for Lethbridge Parks is "To enhance our community's quality of life by planning, building and caring for our parks system." The definition of benefit and value helps articulate what quality of life means to the public. This increased awareness will lead to increased appreciation for Parks and the services they provide to the community.

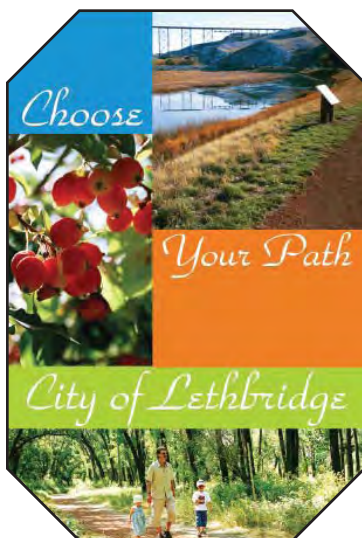
Edible Orchards

In partnership with Healthy Communities Association of Lethbridge and Area (HCALA) and a grant from TreeCanada two groves of fruit trees were planted in Lethbridge. One grove was planted in Nicholas Sheran Park and the other in Lakeview Park near the Kinette Active Park. Although these new trees are a few years from producing fruit, the groves are aligned with some of the goals of HCALA and follows a national trend for locally grown food and edible landscapes.



Park Activities Inventory

An inventory of activities for each park was created to populate part of the new web site created by Active Lethbridge. This web site features information on activities in the City and nutritional information to assist people in making healthy choices and to become more active. The Parks information features activities that are near where people live, universally accessible, outdoors and free.



Publication of 2014 "Choose your Path" Map

The City of Lethbridge Parks department released the new "Choose Your Path 2014" map in spring. The new guide featured more than 200 kilometres of trails and pathways located throughout the city and highlighted numerous opportunities for Lethbridge residents to be active outdoors and enjoy everything that Lethbridge parks have to offer.

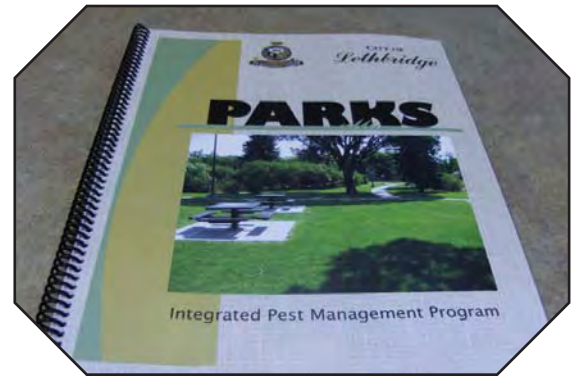
Tour of Alberta

To help showcase Lethbridge for the internationally televised Tour of Alberta, Parks devoted 314 manhours to cleaning and beautifying the city. Completed tasks included mowing all city-owned dryland and irrigated turf areas along the route, trash removal, shrub bed upgrades, tree pruning, banner installation and race-day event preparation. After the race, Parks also restored the areas of Galt Gardens that suffered some damage during the event, including turf repair and litter pickup.



Integrated Pest Management Program (IPM)

The City of Lethbridge Parks Department's Integrated Pest Management Program manual was first developed and written in 2005. Since that time various innovations and improvements in the program prompted Parks Department personnel to update the manual in 2014. Input and photos from all areas of the Parks Department resulted in a fresh, new document that accurately reflects the IPM program as it is today.



Before



Scenic Drive Median Re-planting

After years of being a general eyesore on one of the main entrance roads into the City of Lethbridge approval was given to renovate and re-plant the medians on south Scenic Drive adjacent to the ENMAX Center. The old overgrown and half dead shrub material was removed and replaced with new trees and shrubs. The original irrigation system was salvaged and a fresh layer of bark mulch completed the project, just weeks before the City hosted the Tour of Alberta bike race, an event of international prominence.



After



New Community Garden

New Community Garden boxes have been added to Kinsmen Park in partnership with the London Road Community Association. The new garden boxes will bring gardening enthusiasts together in a public space as they tend their individual planter boxes. The efforts are the initiative of the Community Association and add another dimension of park use to the community.

Yardstick Benchmarking

Parks completed its fourth year of participation in the Yardstick Parkcheck Benchmarking Survey. Information was provided on topics ranging from provision, operations, planning, finance, environment and infrastructure. International and Canadian Municipalities, including six others from Alberta, participated in the study, allowing Lethbridge to measure our Key Performance Indicators against those both regionally and internationally.

Storm Ponds

Floating Island Treatment Wetlands were installed as a pilot at the West Highlands storm pond together with new floating aerators that will help move water through the treatments. The islands biomimic natural wetland processes will remove nutrients and contaminants to improve water quality.

Phoslock (aproprietary water quality treatment) was applied as a pilot at the 9th Avenue storm pond for its potential use at other storm ponds and at Henderson Lake. The product targets Phosphorus which is a major contributor to algae blooms. Results show a decrease in total phosphorus that facilitated a decrease in algae and improvements in Chlorophyll-a and Turbidity (TSS) levels.



Elma Groves, Blackwolf, and Fairmont storm ponds were added to the algae control programs in 2014. The program was tailored to each specific pond and included some combination of installing diffuser aerators, LG Sonic devices and concentrated live liquid micro-organism Combopack treatments. Algae growth was significantly reduced and controlled for most of the summer.



Transportation

Rail Rehab

The City presently owns and maintains approximately 8.9 km of industrial rail with a capital asset value of over \$7 million to provide rail service to our City businesses in the industrial area, that also includes 24 road to rail crossings.

In 2014, the annual rail program continued to maintain an aging system costing \$450,000. Two major road/rail crossings were rebuilt as well as replacing sections of the railway system in the North industrial railway network.

New railway ties, rail ballast, and hardware were upgraded in key sections of the City of Lethbridge owned track.

The project was funded through the Provincial Rail Grant and the Basic Municipal Transportation Grant.



North Lethbridge Arterial Improvements

A decision was made to combine the 28th Street North and the 26th Avenue North projects into one larger project and revise the scope to include sanitary sewer trunk main installation.



28th Street and 26th Avenue North

Mayor Magrath Drive South

This project will complete corridor improvements along Mayor Magrath Drive, 5th Avenue, 28th Street and 26th Avenue North. The construction includes upgrades from two lanes to four lanes, intersection improvements, installation of traffic signals, installation of new pathways and installation of a deep sanitary sewer.

These projects were funded through the Basic Municipal Transportation Grant and Offsite Levies.



Transportation

Community Lighting Rehabilitation Program

This program provides street lighting of roads, side walks and parks to allow public movement at night.

In 2014, the remaining sixty one 25' drill stem-style street light poles in the City were replaced with current standard 30' galvanized poles.

Project funded from Basic Municipal Transportation Grant and Pay-As-You Go.



Drill stem pole replaced by galvanized poles

Mayor Magrath Drive South

The extension and major embankment fills crossing of Six Mile Coulee and extended culverts, and roadway construction to upgrade the road from 2 lane to 4 lane arterial roadway from 40th Avenue South to the South City limits was the first phase.

In 2014, engineering and construction of the top lift of asphalt on all four lanes, concrete medians and storm drains was complete as well as installation of permanent line markings, and pathways. Landscaping will be completed in 2015.

This project is funded from Alberta Municipal Infrastructure Grant Offsite Levies and Basic Municipal Transportation Grant.



Top lift of asphalt on all four lanes



Garry Drive/Squamish Boulevard



Jerry Potts Boulevard

Métis Trail, Jerry Potts Blvd. & Garry Drive/Squamish Blvd.

The intent of this project is to plan, design and construct a route which will accommodate the access needs of the residents of the future subdivisions and the general growth in the new area, provide an additional access to the Indian Battle Heights area in order to ease pressure on Squamish Boulevard West, and improve intersection operations at the Squamish Boulevard West/Garry Drive West. This project includes deep sewer installations, roadway and intersection improvements.

These projects are funded from Basic Municipal Transportation Grant and Offsite Levies.



Métis Trail Pipe Install

Urban Construction

Drainage channel construction in the Soft Ball Park in Peenaquim Park was required to mitigate the excess amount of storm water from flooding the Soft Ball field.



Extended view of drainage construction opposite to Soft Ball field.



Aligning of culverts allow for the better flow when storm water passes.

The final touches to rip-rap on top of the series of culverts installed near the gun club in Peenaquim Park. The culverts will reduce the amount of open channel water and hence reduce the likelihood of erosion on the slope and increase aesthetic to the area.



This installation required a lot of care as the pipe had to be installed below ATCO gas line.



43rd Street North east lane, showing placing and rolling of asphalt.

This project is the construction of 43rd Street North, east lanes south of the intersection with 9th Avenue North and involves installation of storm water pipes at the west side of the intersection.

Planning & Development Services



“A city is not an accident but the result of coherent visions and aims.”
-Leon Crier, “The Architecture of Community”

2014 Home and Garden Show

For the sixth year, staff from Planning, Development and Building Inspections Services manned a booth at the Home and Garden Show in March, 2014 to engage the community in a question and answer format or “Frequently Asked Questions” of building inspectors, development officers and planners. The theme in 2014 revolved around answering common renovation and building inquiries and as well some topics that residents were unaware of in a “Did You Know’ format.

This is an effective way to pass information along to the many citizens of Lethbridge that attend the Home Garden Show and who are interested in home renovations or yard improvements and will be an ongoing element of the Outreach Strategy component of our department’s Business Plan.



Jane’s Walk is a free, collaborative pedestrian powered movement that gets people out on the streets in cities all around the world on the first weekend of May. It was created in 2007 in Toronto by friends of the urban thinker Jane Jacobs and has grown from seven walks the first year to over 500 in 75 cities around the world in 2013. This was the third annual Jane’s Walk that the Planning Department helped organize in Lethbridge, and featured seven walks within the City, including the London Road Neighbourhood, three in the Downtown, the River Valley, and the Westminster Neighbourhood.

You’ve got to get out and walk”
— Jane Jacobs

The first walk was organized in conjunction with the London Road Neighbourhood Association on May 3rd with the theme of exploring the history and stories that shape one of Lethbridge’s most established neighbourhoods, the London Road. The walk included a mix of historic homes, modern buildings, parks, re-used buildings and a lost landmark.



Planning & Development Services

The Downtown was host to three individual walks, all focusing on different parts of urban life including the Downtown BRZ, Public Art, and Walking for Health. Walkers explored a number of historic buildings and revitalization projects, and discovered the many pieces of art and forms that art takes in the downtown.



Although not a neighbourhood in present time, the River Valley was once an area some of the first residents of Lethbridge called home. The walk in the River Valley discussed the history of early settlement, and what has been done to preserve it's natural state over the years; featuring stops at the High Level Bridge, and the Helen Schuler Nature Centre.



The final walk was in the Westminster neighbourhood where participants explored one of Lethbridge's oldest neighbourhoods including the Westminster Pool, Westminster School, number of historic homes, past and future redevelopment sites, and the transitional area of 13 Street commercial corridor and the residential neighbourhood.



Planning & Development Services

Existing Neighbourhood Planning



Area Redevelopment Plans

Area Redevelopment Plans, or ARPs, are statutory plans adopted by Council under the authority of Section 634 of the Municipal Government Act. ARPs are planning tools used to preserve and revitalize established neighbourhoods. They also serve as implementation mechanisms for the Integrated Community Sustainability Plan / Municipal Development Plan (ICSP/MDP)—the City's long range plan—and the Central Neighbourhoods Issues Identification Study (2010).

ARPs establish a vision for each of our central neighbourhoods that seeks to balance the preservation of existing sites and buildings with the need for continual renewal and revitalization. This is accomplished through the strategic use of policy that directs the development authority and community planners in evaluating various applications and proposals.

In 2014, staff, in consultation with the London Road Area Neighbourhood Association, continued work on updating the London Road ARP. Initial discussions were also held with representatives of the Senator Buchanan and Westminster Village neighbourhoods about creating and updating existing ARPs.

2014 was an active year for renovations in our central neighbourhoods and for the designation of historic sites and buildings. Planning and Development Services Department staff responded to public inquiries on an on-going basis regarding in-fill development. In consultation with the City of Lethbridge Historic Advisory Committee (HAC), Department staff helped proponents to navigate the process of municipal designation.

New Growth Planning



Area Structure Plans

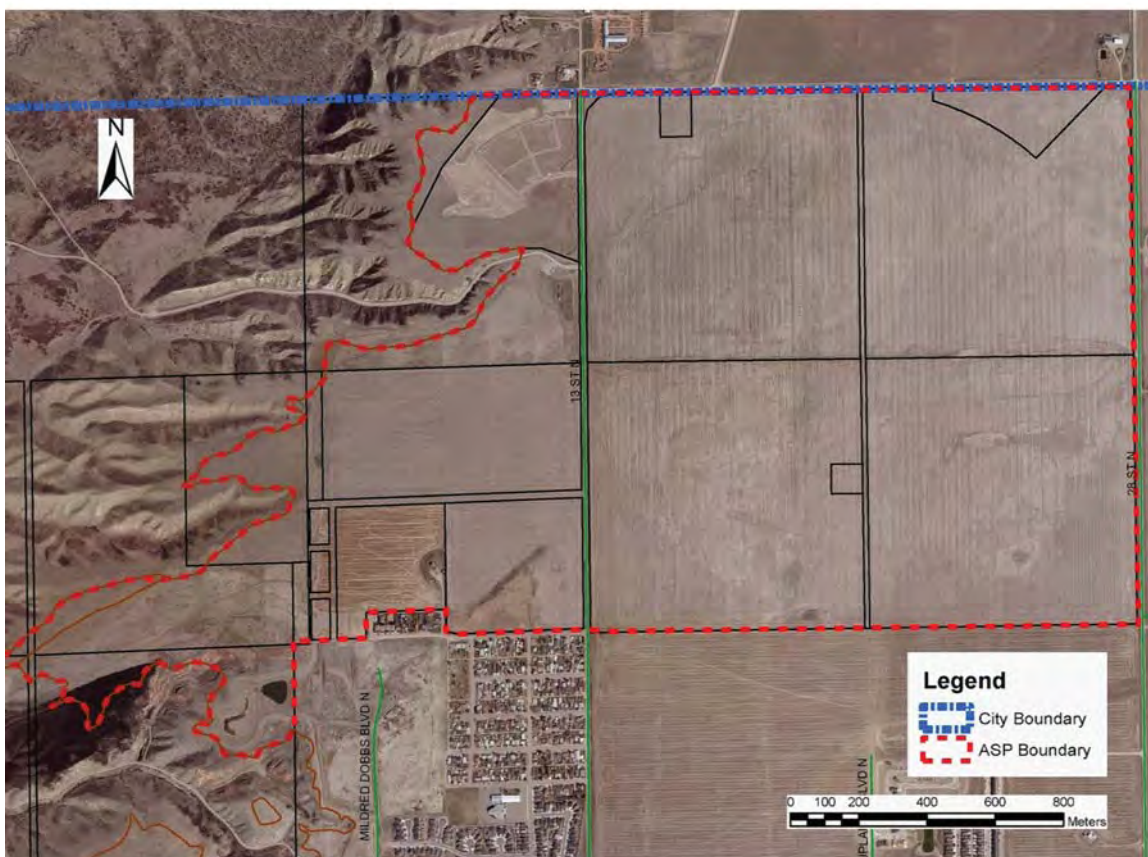
Area Structure Plans (ASPs) are prepared for unplanned or green field areas within the City that have limited existing uses or uses that would be commonly found in agricultural areas. An ASP provides a framework for the future detailed planning, subdivision and development of a large sector of land (often 300-600 hectares in size) as well as an understanding of the necessary infrastructure requirements required. An ASP delineates the following:

- General land use
- Sequence of development (staging)
- Density of population
- General location of major transportation routes and public utilities

In 2014 the Waterbridge ASP was completed by the Real Estate and Land Development department with assistance from the City's Planning and Infrastructure staff. The ASP was adopted by City Council in early 2015 for an area of land roughly 263 ha in size. The Waterbridge ASP was undertaken based on the planning vision of the West Lethbridge Urbanization Plan and the Integrated Community Sustainability Plan/Municipal Development Plan.

Work also began on both the Royal View ASP and the Southeast ASP, with the approval of their Terms of Reference by the Municipal Planning Commission in early 2014. The Royal View ASP is being produced by a private developer and consultant, working in close collaboration with the City's Planning and Infrastructure staff. It will plan the future urban development for a primarily residential area consisting of approximately 400 ha in North Lethbridge, north of Blackwolf, Legacy Ridge and Hardieville (see map below). Work on the Royal View ASP continued through 2014 and is expected to be completed over the next year with it going to council for adoption in late 2015 / early 2016.

Royal View ASP Plan Area



Planning & Development Services

Heritage Planning

The City of Lethbridge recognizes the importance of preserving sites that are historically significant. Beginning in 2004, the City of Lethbridge in partnership with the Province of Alberta, completed the Province's three step approach under the Municipal Heritage Partnership Program. This included a Heritage Survey, Heritage Management Plan, and three iterations of Historical Building Inventories.

Planning & Development continued in its administrative support role to the Heritage Advisory Committee (HAC), a committee of City Council responsible to advocate and advise on matters relating to locally important historic sites.

In 2014, Planning & Development was very busy advocating the importance and benefits of historic conservation and preservation in the City of Lethbridge. Including some of the following highlights:

- Three properties designated Municipal Historic Resources, including the Bow on Tong, Manie Opera House, and the Shackelford Residence.
- Successful grant application from the Alberta Historical Resources Foundation's Municipal Heritage partnership Program to complete a fourth Historical Building Inventory.
- Hosted information seminar/workshops with Alberta Municipal Heritage Services for Administration and the Public.
- Updated the Alberta Historic Places Registry with the City of Lethbridge's fourteen Municipal Designations.
- Worked with owners of a number of very significant sites in Lethbridge towards potential future Municipal Designation including: Galt No. 6 Mine Site, Nikka Yuko Japanese Garden, Post Office, St. Basils Education Centre, and Southminster Church.



Bow On Tong



Manie Opera House



Shackelford Residence



Nikka Yuko Japanese Garden



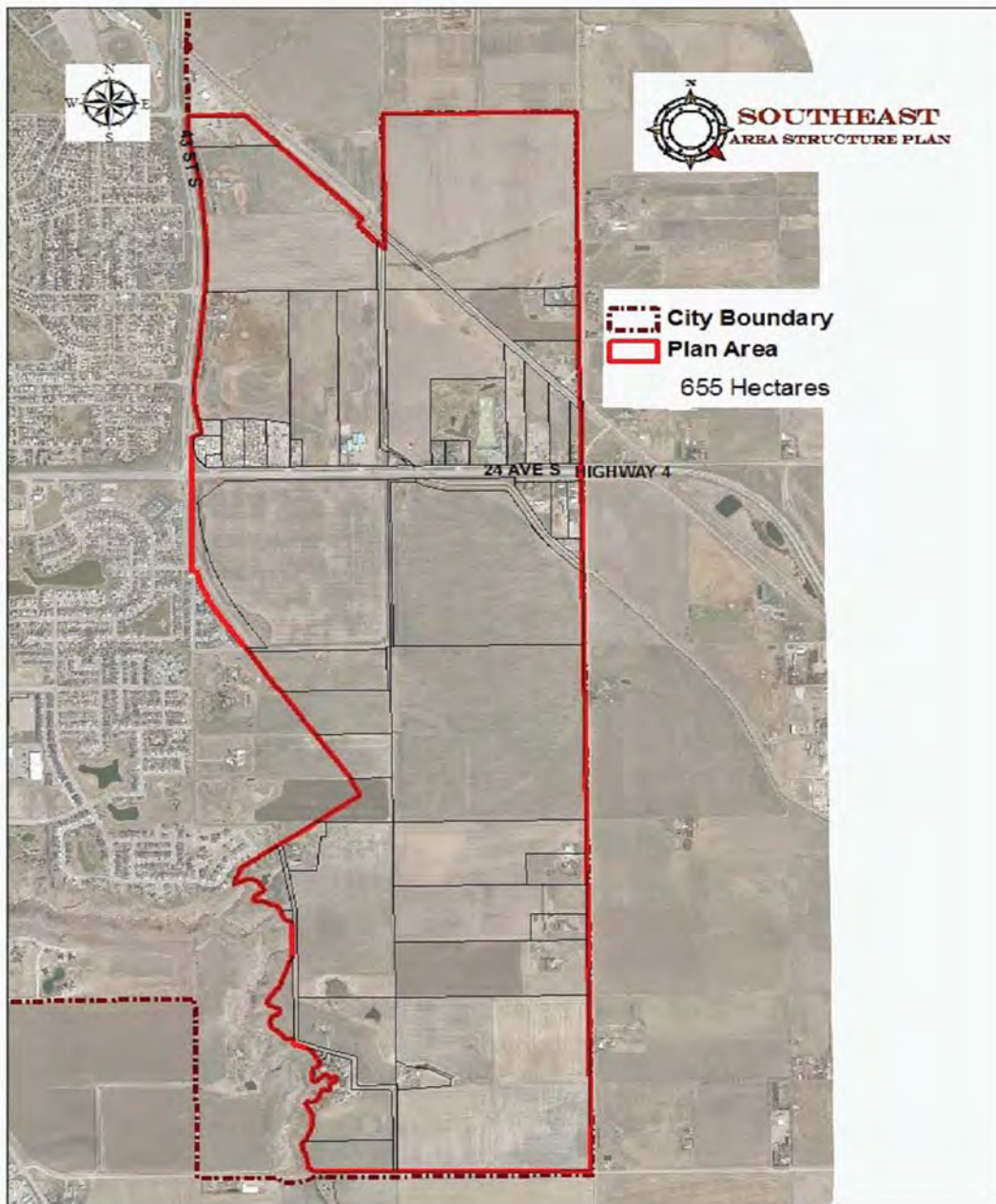
Post Office



Southminster Church

Planning & Development Services

The Southeast ASP is being produced by the City's Planning and Infrastructure staff to provide planning goals and policies for an area consisting of approximately 650 ha with approximately 50 different landowners in the southeast corner of the City (see map below). The Southeast ASP area is located immediately east of the Fairmont, Southgate, Arbour Ridge and Redwood neighbourhoods. Highway #4 runs in an east-west direction through the plan area. It is intended for this area to primarily contain residential land uses south of Highway #4 and employment generating land uses (i.e. offices, light industrial etc.) north of Highway #4. City of Lethbridge Planning and Infrastructure staff are completing the majority of work on the Southeast ASP and are responsible for tasks, such as writing the ASP document and its policies, mapping and planning utility servicing, amongst other technical reports. Work on the Southeast ASP continued through 2014 and is expected to be completed over the next year with it going to council for adoption in late 2015 / early 2016.



Planning & Development Services

Planning & Development (continued)

Subdivision Approvals

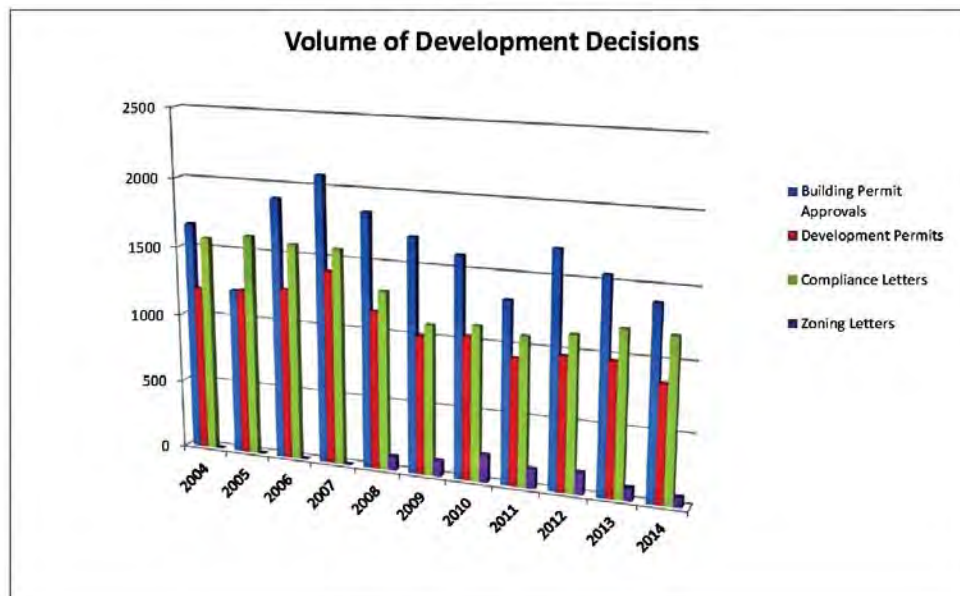
Planning staff processed 29 applications for subdivision approval creating 412 new lots. As well 21 building condo conversion applications were approved.

Land Use Bylaw amendments, Statutory Plan Amendments, Outline Plans and Road Closures

Planning staff processed fourteen applications for changes to zoning, three Land Use Bylaw amendment applications to text, one amendment to an existing Area Structure Plan, one amendment to an Area Redevelopment Plan, five new or amendments to Outline plans, two Comprehensive Site plans and two road closure applications.

Building Inspection Services and Development Decisions

The following chart illustrates the volume of development permit decisions as well as compliance letter and zoning letter issuance.



Year	Building Permit Approvals	Development Permits	Compliance Letters	Zoning Letters
2004	1668	1194	1571	N/A
2005	1205	1212	1612	N/A
2006	1896	1248	1577	N/A
2007	2081	1408	1569	N/A
2008	1847	1152	1299	103
2009	1700	1007	1094	113
2010	1599	1039	1119	201
2011	1318	921	1079	141
2012	1698	968	1123	159
2013	1550	969	1195	97
2014	1391	849	1181	74

Planning & Development Services

The Heart of Our City and Community Futures “Business Improvement Loan Program” established this interest free loan program in November of 2011.

Community Futures provides loans of up to \$10,000 to qualified applicants to improve the appearance of their premises in the Downtown. Heart of Our City then pays the interest on those loans which resulted in 12 projects in 2014 which had an estimated impact of \$100,000. To date 35 loans have been approved which have had a cumulative impact of \$1.3M.



The Heart of Our City Activity Grant, intended to help organizations host events that create an exciting, vibrant downtown and attract audiences to the Heart of the City, provided sponsorship of 18 events which involved over 150 days of activities in all 12 months and attracted over 40,000 persons.

The First Friday Initiative, which is managed by the Downtown Business Revitalization Zone (DBRZ) on behalf of Heart of Our City, continues to be successful. This monthly festival of events combines and showcases all of the community events happening in downtown. Each month features a mixture of activities such as gallery and museum exhibit openings, performances, shows and concerts as well as special First Friday menus and sales at local restaurants and retail stores.

The name of the Heart of Our City Revitalization Committee has changed in acknowledgement of the projects and programs that have successfully revitalized downtown. The Committee has evolved into a “continuous improvement” entity championing downtown and is now called the Heart of Our City Committee. The Committee also revised its Terms of Reference to ensure its future efforts will be in alignment with City Council’s Strategic Plan.

The Southern Alberta Ethnic Association was added to the membership of the Heart of Our City Committee in recognition of the ethnic diversity of the city and the impending relocation of its offices into the former and renovated fire station at 6th Avenue & 5th Street South.

The Infrastructure and Parking sub-committee reviewed and recommended some changes to the City Streets Bylaw and provided input into the program to replace the aged and failing parking meters.

Heart of Our City and Downtown Business Revitalization Zone Boards met jointly twice during the year. Common objectives were discussed along with ways to improve communications between the two entities and the broader community. In addition, an agreement between the Heart of Our City (City of Lethbridge) and the DBRZ, for provision of maintenance oriented services to help keep downtown cleaner, was signed.

Through a facilitated discussion, the Heart of Our City Committee identified issues that need to be addressed in the continuous improvement of downtown. These actions included:

- changing perceptions regarding downtown safety;
- educating the Community on downtown enhancements and successful revitalization activities;
- promoting downtown as the heart of Lethbridge;
- marketing downtown opportunities and elements that make it a great place to live, work, shop and play; and
- expanding and creating relationships with strategic partners that are passionate about a vibrant Downtown.

The Heart of Our City Committee completed preparation of an application for funding to the federal government for the reconstruction of 3rd Avenue South in accordance with the Public Realm and Transportation Study. The application will be submitted in 2015 when the program is anticipated to begin.

Due to advances in personal communication technology and the emergence of more comprehensive service options, the free Wi-Fi program concluded at the end of 2014 after being in service for approximately 3½ years.

Planning & Development Services

In partnership with the Lethbridge Historical Society, the Committee Against Racism and Discrimination and the Downtown Business Revitalization Zone, the Heart of Our City participated in 4 Historic Building & Beer Tours that promoted historic elements of downtown and contributed to its ongoing vibrancy.

The Heart of Our City Committee continued to monitor aspects and perceptions of downtown safety in consultation with the Lethbridge Regional Police Service, the Downtown Business Revitalization Zone and the City of Lethbridge Department of Community and Social Development. The committee also acknowledged that purposeful activity and detoxification facilities are critical social support services needed in Lethbridge.

Heart of Our City - Highlights for 2014

In addition to maintaining the existing level of Heart of Our City (HOC) funding, City Council approved 3 significant program initiatives for inclusion in the 2015-2018 Operating Budget:

- Housing Incentive Program: to create 30-50 new, self-contained dwelling units (\$1.6M over 4 years)
- Activity Grant: in response to community need/demand for hosting events that create an exciting and vibrant downtown and attract audiences to the heart of Lethbridge (\$150K over 4 years)
- Galt Gardens Master Plan: concept plan for the north half of Galt Gardens as the first step in the next phase of park revitalization (\$50K approved)
- The HOC Committee has also developed a tax cancellation policy (Targeted Redevelopment Incentive Policy) to incentivize the construction of commercial and mixed-use structures with a minimum \$10M in building value for consideration by City early in 2015.

The HOC Committee developed other new initiatives in its continuous improvement efforts that may be funded in the future:

- Branding and Marketing: to implement phase 2 of the strategy recommended by the St. Clements Group in 2012
- Building Adaptive Reuse Assistance Grant: to facilitate the continued use of the existing downtown building stock by partnering with property owners to address upgrading or adaptive reuse of deteriorated or functionally obsolete buildings
- Building Improvement Loan Program: to increase the size of loans on offer and the corresponding interest paid by the Heart of Our City
- Modified Main Street Program to acquire additional funding for the existing program to continue to sustain façade rejuvenation on existing character buildings and to provide incentives to encourage developers to increase the quality of design and finish of new buildings



Economic Development

Business continues to expand and grow in Lethbridge

With building permit activity in excess of \$241 million in 2014, combined with the record-breaking \$247 million in 2013, the construction investment in building development, redevelopment and expansion was close **to half a billion dollars** over just two years. In fact, there is more than \$1 billion dollars in major developments either underway or planned to commence in the Lethbridge region over the next four years, with a significant portion of that in the institutional sector. The relative stability and success of key industry in the region contributes to the overall economic health of the city.

While the wealth generating industries of Agriculture & Manufacturing continue to add to the economic growth experienced in this city and region, a 2014 Conference Board of Canada Mid-Sized Cities Report noted healthy growth among the information and cultural industries in Lethbridge over the past five years, no doubt from the presence of two post-secondary institutions and the emergence of Lethbridge as a significant high-tech presence in Alberta.

From a rankings standpoint **Lethbridge was recognized by Alberta Venture as the ‘Best community for Incubating IT’**. The November 2014 publication credits teconnect, an Alberta centre for new commerce as the “one-stop shop for up-and-coming entrepreneurs” and BlackBridge for playing a major role in the growing geospatial industry in Lethbridge.

- In 2014, 22 jobs were created by teconnect client companies and grads. Since opening in June 2011, **74 jobs have been created and 80% are Lethbridge post-secondary graduates.**
- A recent study noted that for each job created in the high-tech sector, approximately 4.3 jobs are created (multiplier effect) in other local goods and services sectors.
- As well, the jobs multiplier effect in the high-tech sector is significantly higher than for almost any other sector. By comparison, traditional manufacturing has a multiplier effect of 1.4 jobs.



Real Estate & Land Development



RiverStone continues to be one of Lethbridge's most successful subdivisions with 17 of the 22 phases developed, resulting in 1,005 lots brought to market since 2000. In 2014 Phase 20 was released with 48 lots sold.



SunRidge is substantially complete with six phases consisting of 405 single family lots and 7 lots remaining in inventory. SunRidge subdivision allows the opportunity to be part of the continuing commitment to sustainability and making a positive impact on our environment for today and for future generations. The commercial area which features Tim Horton's, Subway, Mac's and Esso are open for business.



Crossings' residential and commercial components are moving ahead to support the schools, library, future twin ice rink and curling rink. Calgary-based Royop (Crossings) Development Ltd. was successful in receiving approval for their comprehensive plan from the Municipal Planning Commission to develop the core service area featuring retail, office commercial and multi-family residential properties. Phase 1 of the residential development saw the grand opening celebration in September 2014 featuring show homes built by Cedar Ridge Quality Homes, Galco Master Builder and Van Arbour Homes.



In 2014, approximately 12.021 acres of land was sold consisting of lots ranging from 0.6 acres to 5.69 acres totalling \$2,678,800.



Complete Annual Report Located At:

<http://www.lethbridge.ca/City-Government/Financial-Documents/Pages/Annual-Report.aspx>

The City of Lethbridge Acknowledges:

City Staff
for their contributions to this report



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