

Deputy Mayor Tom Wickersham and
Members of Finance Committee

Re: Unaudited 2009 Year End Financial Information

Introduction:

This report provides Finance Committee with highlights of the 2009 General Fund, Utility Fund and Reserve Funded operations for the year ended December 31, 2009. The narrative in this report has been prepared by the managers of each respective Business Unit.

Attached for your information are:

- a) Attachment A – Summary of Operations (lime sheets)
 - i) General Fund – Corporate Accounts
 - ii) General Fund – Business Unit Operations
 - iii) Utility & Reserve Funds
- b) 2009 Budget Appropriation Unexpended (Carry Overs) - (yellow sheet)
- c) Summary of Subdivision Surplus and Offsite Account (blue sheets)
 - i) Residential Subdivision Funding Analysis
 - ii) Industrial Subdivision Funding Analysis
 - iii) Offsite Levies Analysis
- d) Investment Summary
- e) Statement of Reserves (green sheets)
- f) External and Internal debt (golden rod sheets)
- g) Downtown Redevelopment Funding and Social Housing (grey sheet)
- h) GST Rebates
- i) 2009 – 2011 Budget Initiatives (peach)

As Finance Committee is aware, 2009 was the first year of a three-year operating budget (2009 - 2011). To accommodate the three-year budget cycle, Business Units are expected to operate within their 36 month budget. If there is a shortfall in the first year, Business Units are expected to overcome the deficit by adjusting expenditures in the second and third year of the three-year budget (2010 and 2011); and similarly if a net under expenditure results, the Business Units have the ability to roll over the net under expenditure to assist their operations during 2010 and 2011.

Background Information:

Corporate Accounts

Corporate Account Surplus (\$1,180,000) - similar to the process used in prior years, when calculating the actual year-end results for each business unit, 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) have been reported as a corporate responsibility.

By policy, the corporate surplus will be transferred to the Municipal Revenue Stabilization Reserve.

Within the Corporate Accounts, areas of significance include:

- a) **Employee benefit accounts** were in a year end surplus position of approximately \$595,000 due to a combination of factors. Surpluses have been realized in the Special Forces and Local Authority pension plans due to anticipated increases to contribution rates not being implemented in 2009. We have been advised of significant pension contribution rate increases for 2010 and expect further increases in 2011. Surpluses were also experienced in Workers' Compensation plan and medical plans. These surpluses were partially offset by an over expenditure in Employment Insurance and the flexible benefit program.
- b) **Property tax and General revenues** were in excess of budget by \$439,000 (about 1/2%). The Property Tax surplus was \$310,000 due to a combination of factors including slightly higher than anticipated property tax growth. General revenue surpluses totaled \$129,000. The surplus was mainly due to greater than budgeted penalties on property taxes of \$217,000, partially offset by a shortfall in transfers to the General Fund from Landfill (\$37,000) and a shortfall in unconditional provincial grants (\$27,000) and lower than budgeted rental revenue (\$24,000).
- c) **Inspection Permit and Development Fee Revenues** –shortfalls in these revenues have been covered by reductions in operating expenditures as described below:
 - a. **Inspection Permit Fee Revenues** – were under budget by \$140,000 due to lower than anticipated construction value in commercial permits issued. This shortfall was totally offset by managing staffing levels. Consistent with the 2009 – 2011 Operating Budget, the process for increasing permit fees (other than electrical permit fees) is under way with a commercial fee increase effective January 1, 2010 and residential fee increases as of April 2010. We expect a decrease in revenues during 2010 consistent with the slow down in land development currently being experienced.
 - b. **Planning and Development Fee Revenues** - were less than budgeted (\$324,000). This was offset by administration decision to delay hiring several staff positions in order to address the slow down in development activity.
- d) **Business License Revenues** - surplus position of \$122,000. The 2009 rate increase of 12.5 % was expected to increase revenues by \$100,000, therefore it is noted that the number of business licenses issued in 2009 does not show a marked change from 2008 levels.
- e) **Corporate fuel costs** – fuel prices for Transit and Access-A-Ride were lower than budgeted resulting in a year end surplus of approximately \$288,000.
- f) **Utility costs for tax supported City facilities** – were over expended by \$270,000. Natural gas costs were higher than budgeted by about \$190,000 (as 2009 was slightly

colder than a typical year and a deficit of approximately \$100,000 resulted from the Province's decision to cancel the natural gas rebate program). Electricity and City Utility accounts were over expended by \$80,000.

It is also noted that utility costs related to Community Lighting was under budget by about \$110,000 due to decreased subdivision and arterial road development occurring in 2009, however this under expenditure has been transferred to the Community Lighting Reserve.

Business Unit Accounts

Business Unit accounts - The total business unit **preliminary operating surplus was about \$2,400,000** (shown in detail by Business Unit in Attachment A - 3).

All significant positive and negative variances have been reviewed with the business units. For those operations in a positive variance position, the reasons are quite diversified – revenue increases, staffing, timing of purchases, etc. Regarding those operations which ended 2009 in a shortfall, we are comfortable with the explanations surrounding the shortfall, and more importantly, their plan to overcome same in 2010.

Within the Business Units Operations, areas of significance include:

Boards and Commissions

- a) **Galt Museum** – ended the year with a surplus of \$114,000 prior to the Museum Board's allocation of \$20,000 to the Galt Museum Capital Project to be used toward repayment of the interim financing from the Municipal Revenue Stabilization Reserve. This reduced the balance of the interim financing from \$169,000 to \$149,000, leaving a net operating business unit surplus of \$94,000.
- b) **Lethbridge Regional Police Services**– ended 2009 in a surplus position of \$343,000. The major factors contributing to the year end result are further explained as follows:
 - i) Revenues – greater than budgeted by \$375,600. Surplus revenues were generated through Police Compound Revenues of \$96,800. In addition, a surplus of \$278,800 resulted from unbudgeted project funding from external agencies.
 - ii) Wages – over expended by \$78,000 due to overtime expenditures of \$212,100 related to special policing projects undertaken throughout 2009, but partially offset by unexpended wages of \$134,100 related to maternity leaves and retirements.
 - iii) Other - surpluses in training, computer services, supplies, cellular telephone, and vehicle leasing & maintenance of \$209,600 have been partially offset by deficits in legal services, special services and studies, security services, and uniforms (totaling \$162,000).
- c) **Lethbridge Public Library** ended the year in a slight surplus of \$1,800. A surplus in wage accounts of \$86,000 resulted due to vacancies filled later than planned. This was partially offset by a shortfall in books fines and fees revenues (\$42,000), a shortfall in general revenue (\$21,000), an over expenditure in supplies (\$13,000) and over expenditure in other accounts (\$8,200)

General Government

- a) **Financial Services** – ended the year in a positive position of \$176,000 mainly due to an under expenditure in wage accounts of \$100,000 (vacant positions hired later than anticipated and a maternity leave position for part of the year) as well as under expenditures in banking & service charges of \$30,000, postage of \$20,000 and \$26,000 in various other accounts.
- b) **Human Resources** – was in a surplus position by approximately \$213,000, mainly due to vacant positions hired later than anticipated of \$75,000, surpluses in legal and special services of \$20,000, and a surplus in recruitment costs of \$85,000. The surplus in recruitment is anticipated due to a change in advertising practice (website versus newspaper) which has resulted in a significant cost reduction, as well as a change to marketing practices due to changing economic conditions.

Community Services

- a) **Community & Social Development** – Family and Community Support Services (FCSS) ended the year with a surplus of \$71,000 due to an increase in grant funding. The provincial government has allowed municipalities to carry forward unexpended balances into 2010 by an amount not to exceed the increased amount of the FCSS grants in 2009. These unallocated funds were referred to the Community and Social Development Committee for consideration and have been approved by City Council.
- b) **ENMAX Centre operations** –the event activity in 2009 remained relatively constant while open for operation, however a deficit of \$313,000 was incurred during the months of May to September when the ENMAX Centre was closed to accommodate the expansion and renovation project. This deficit was covered through operational reserves.
- c) **Environmental Services** – ended the year in a balanced position. Unexpended funds of \$129,000 as a result of staff vacancies have been carried over for future use as part of a council approved environmental initiative.
- d) **Facility Services** - net surplus of \$350,000. Building expenditures are averaged over the three year budget and annual balances are carried forward.
- e) **Fire & Emergency Services** - ended the year in a \$400,000 surplus due to market hiring conditions, as approved staffing levels were not achieved during this first year of the budget cycle. In 2010, it is the intention to advance hire to avoid gaps created through attrition.
- f) **Public Safety Communication Centre** - \$76,000 surplus. The amount of the Alberta Health contract for dispatching Emergency Medical Services (EMS) which was over and above the amounts budgeted for was moved to the Municipal Revenue Stabilization Reserve to fund the technology required for a smooth transition out of EMS dispatching (\$780,000).
- g) **Recreation and Culture** operations – ended the year in a surplus of \$223,000. The main contributing factors are described as follows:
 - i) Arenas - \$135,000 revenue surplus, \$92,000 operational surplus

- ii) Galt Gardens Water Feature was not operational for the full season resulting in a \$35,000 surplus
 - iii) Recreation under expended projects such as special events, leisure guide, technical writing for a \$24,000 surplus
 - iv) Aquatics was over budget due to building operational issues (\$31,000 deficit)
 - v) Yates Memorial Centre received less revenue share with community group productions (\$32,000 deficit)
- h) **Regulatory Services Operations** ended the year in a surplus of \$26,000 in various accounts.
- i) **Transit Operations** - ended 2009 with a surplus of about \$100,000. Significant factors contributing to the year end surplus are as follows:
- i) Parts and consumables surplus of \$125,000
 - ii) Access-A-Ride ended the year in a \$95,000 surplus mainly due to the facility move to the transit barn area eliminating the need to fund a lease agreement. These funds have been redirected to wage contractual agreements in 2010.
 - iii) Advertising surplus of \$67,000
 - iv) School Bussing is balanced to budget.
 - v) Fare revenue shortfall (\$192,000)

Planning and Development

- a) **Development Services operations** – ended the year with a positive variance of \$154,000. Planning and Development revenues were \$323,700 under budget. This shortfall was offset entirely by Administration’s decision to delay hiring several staff positions in order to address the slow down in development activity.
- b) **Inspection Services** – ended the year in a net surplus position of \$71,000 due to managing staffing levels. Inspection Services permit revenues were under budget by \$140,000, however expenditures were managed in order to balance the year-end to a surplus of \$71,000. For 2010, the workload requires fulfillment of the staffing plan.

Infrastructure Services

- a) **Infrastructure Services Administration** – ended the year on target. The Urban Development subdivision inspection and signage fee revenues experienced a shortfall of about \$385,000 due to a slow down in development during 2009, therefore a transfer was made from the prior year inspection and signage fee revenues held in the budget appropriation unexpended account to offset this variance.
- b) **Parkland Management** – over expended by \$49,000. Park development, and park and amenity lifecycle funding is averaged over the 3 year budget and annual project balances are carried forward. These areas will be addressed by administration during 2010.

- c) **Parks Maintenance** –finished the year in a deficit position of approximately \$140,000 (2.30% of budget). This deficit is attributable to over expenditures in many areas of parks maintenance activities, such as: i) feature parks maintenance, ii) tree pest monitoring, iii) shrub bed maintenance, iv) sports field maintenance and v) the mosquito control program.
- d) **Storm Sewer Maintenance** – ended the year on target. General storm sewer maintenance accounts ended the year in a deficit position of approximately \$100,000. However, this deficit was offset by a reduced allocation to storm water capital.
- e) **Transportation** ended the year with a slight budget surplus of \$28,000. The Traffic Operations department ended the year in a slight surplus position of approximately \$25,000. As well, there were also small operational surpluses in road maintenance operating accounts such as graveled road maintenance and major road repair maintenance.

Utility Funded Operations

The **Utility Funded Operations** are summarized for Finance Committee on **Attachment A – 3**

Within the Utility Fund, areas of significance include:

a) **Utility Services**

The Utility services operation ended the year in a surplus position of \$235,000 which has been carried over to 2010.

- i) System Maintenance accounts ended the year in a surplus position primarily due to the Utility Systems and Billing Manager position not filled in 2009. \$145,000
- ii) Bad debt expense –improved collection practices implemented in 2009 resulted in a better than expected reduction in current year uncollectible accounts. 145,000
- iii) Customer Call Center and Collections ended the year in a surplus position due to a reduction in contracted services and unfilled position vacancies. 75,000
- iv) Contracted billing costs ended the year under spent by approximately 2.75%. 50,000
- v) Penalty revenue collected was less than budgeted targets. (55,000)
- vi) Shortfall in Utility administration fee revenue - growth did not meet budgeted targets due to a lower than budgeted customer base. (125,000)

b) **Waste and Recycling Services –**

b1) Waste Services -	Budgeted surplus	\$ 198,355
	Actual surplus	<u>850,259</u>
	Variance- positive	<u>\$ 651,924</u>

Waste Services ended the year in a **positive variance position of about \$652,000**. The positive variance was due to a number of factors as follows:

- | | |
|---|-----------|
| i) Residential collection expenditures were under expended mainly due to savings in wages, equipment rental and the purchase of new carts to service new customers. | \$440,000 |
| ii) The Clean City Programs finished the year in a positive position due to under expenditures in the Large Item Service program (\$135,000) and the City Property Clean-Up program (\$65,000). These surpluses were slightly offset by an over expenditure in the Fall Leaf collection program of approximately \$25,000. | 175,000 |
| iii) Waste Services Administration and Accounting finished the year off in a surplus position due to staff vacancies. | 110,000 |
| iv) Revenues were greater than budgeted by \$65,000. Commercial revenues ended the year in a surplus position of \$80,000, but were offset by a slight shortfall (\$15,000) in the Residential class. | 65,000 |
| v) Commercial collection ended the year in an over expended position due to unbudgeted work relating to the garbage collection of side-load bins. The 2009 budget was based upon these bins being phased out of use at the start of 2009. However, this phasing out took a lot longer to accomplish and therefore required a collector and a truck to be dedicated to this work for most of the year. | (140,000) |

The accumulated unrestricted surplus in Waste Services as at December 31, 2009 is \$1,041,577 (2008: \$191,319)

b2) Recycling Services –	Budgeted deficit	\$(26,215)
	Actual surplus	<u>85,106</u>
	Variance - positive	<u>\$ 111,231</u>

Recycling Services ended the year with a **positive variance of about \$111,000**. The major factors that contributed to this variance are as follows:

- | | |
|---|----------|
| i) The Commercial Recycling program ended the year in a surplus position due to decreased labour and equipment charges. | \$48,000 |
| ii) Waste Reduction recycling revenues exceeded budget mainly as a result of residential growth. | 37,000 |

- | | |
|--|--------|
| iii) Waste prevention (education and green waste) accounts finished the year in a surplus position due to a decrease in budgeted transfers to both Waste Services and Environmental Services. This decrease was possible due to a reduction in costs relating to Environmental Week activities. | 26,000 |
| iv) Residential Waste Diversion programs finished the year on budget. The E-waste, Toxic waste and paint diversion accounts ended the year in a \$15,000 deficit. The recycling depots also ended the year in a \$40,000 deficit position due to depot upgrades and increased container maintenance. These over expenditures were offset by surpluses in the Waste diversion education program (\$40,000) as well as a slight surplus of \$15,000 to the Green Waste Diversion, Chipping and Fall Leaf cleanup programs. | 0 |

The accumulated unrestricted surplus as at December 31, 2009 is \$244,856 (2008: \$159,751).

Also, the City's 50% portion of recycled product net revenue amounted to \$nil (2008: \$99,700). All accumulated revenue was distributed to consumers in the form of a monthly performance dividend. The value of the recycled commodities dropped significantly in value during the year due to the downturn in the economy. As a result the performance dividend was reduced from \$0.50 to \$.25/month effective March 1, 2009, and has been totally eliminated effective January 1, 2010.

b3) Landfill–	Budgeted surplus	\$130,200
	Actual surplus	<u>139,963</u>
	Variance – positive	<u>\$ 9,763</u>

Landfill operations ended the year with a **positive variance of approximately \$10,000**. The major factors that contributed to this variance are as follows:

- | | |
|--|-----------|
| i) Landfill operating costs were under budget due to a reduction in landfill contractual service costs. | \$360,000 |
| ii) Financial charges and transfers were less than budgeted. Contribution to the landfill post closure fund is calculated based upon revenues generated by tonnage. As landfill tonnages are lower than budgeted, the contribution to the post closure fund will also be less than budgeted. | 40,000 |
| iii) Consistent with the decrease in revenues will be a decrease in the 10% contribution to the general fund. | 40,000 |
| iv) Hydrocarbon disposal costs were less than budgeted due to a decrease in the receipt of contaminated soil. | 20,000 |
| v) Landfill debt interest charges for 2009 ended the year slightly less than budgeted. | 10,000 |

- vi) Revenues were lower than anticipated due to decreased activity in the oilfield waste industry as well as the loss of a regional customer. (460,000)

The accumulated unrestricted surplus as at December 31, 2009 is \$1,170,234 (2008: \$1,752,270). As per a January 26, 2009 City Council resolution, \$722,000 of the prior year's accumulated unrestricted surplus was used toward landfill facility improvement projects, specifically the construction of a new entrance and dual scaling facility.

c) **Wastewater operations –**

Budgeted surplus	\$ 0
Actual surplus	<u>0</u>
Variance – positive	<u>\$ 0</u>

The **Wastewater Utility** ended the year with a balanced budget. The following major factors contributed to the year end position:

- i) Wastewater Engineering and Technical Support ended the year in a surplus position of due to staff vacancies and unexpended funds budgeted for the wastewater collection system condition assessment (videoing of pipes) and wastewater sewer performance evaluation studies. \$170,000
- ii) Capital Program – to help mitigate a shortfall in wastewater revenues, the allocation to the capital program was less than budgeted. 160,000
- iii) Wastewater Administration ended the year in a surplus position primarily due to staff vacancies. 95,000
- iv) Wastewater Distribution accounts ended the year in a slight surplus position. The Sanitary Mains, manhole repair and service connection maintenance accounts ended the year on budget. However, the Utility Location account ended the year slightly under expended by \$10,000. 10,000
- v) Revenues realized during the year were lower than budgeted. (135,000)
- vi) Wastewater treatment plant maintenance and process operations ended 2009 in a deficit position due to emergent repairs and replacements to a few of the wastewater lift station pumps and wastewater treatment plant pumps. As well, the Wastewater Treatment Plant “scrubbers” were found to be not working as efficiently throughout the year, and this caused an increase to the plants’ natural gas charges. (300,000)

The accumulated unrestricted surplus as at December 31, 2009 was \$762,120 (2008: \$762,120).

d) **Water operations**

Budgeted surplus	\$ 0
Actual surplus	<u>0</u>
Variance - positive	<u>\$ 0</u>

The balanced budget resulted from a combination of factors as follows:

- | | |
|---|-----------|
| i) Water Engineering and Technical Support ended the year in a surplus position due to staff vacancies and unexpended funds budgeted for the water distribution condition assessment as well as water distribution system improvement studies. | \$195,000 |
| ii) Capital Program – to help mitigate a shortfall in water revenues, the allocation to the 2009 capital program was under expended. | 195,000 |
| iii) Debenture Debt payments and financial charges were lower than budgeted due to a lower than budgeted amount of borrowing required for wastewater capital upgrades. | 15,000 |
| iv) Water Treatment Plant ended the year on budget. | 0 |
| v) Revenues were lower than budgeted | (200,000) |
| vi) Water Distribution System operations ended the 2009 year in a deficit position due to a number of factors, including:
a) Water main repairs were over expended by \$25,000.
b) Valve repairs and replacement were under expended by \$75,000.
c) Hydrant maintenance and servicing accounts ended the year in a deficit position of 165,000.
d) Service connection accounts ended the year in a deficit position of \$80,000. This was due to a larger than typical amount of failed residential service connections (curb stand repairs) repairs that the city experienced in 2009.
e) Meter shop operations finished the year in a deficit position of approximately \$20,000.
f) Water Utility Locations finished the year in a surplus position of approximately \$10,000 | (205,000) |

The accumulated unrestricted surplus as at December 31, 2009 was \$1,676,235 (2008: \$1,676,235).

e) **Electric operations**

Budgeted deficit	\$ (882,300)
Actual deficit	<u>(460,715)</u>
Variance – positive	<u>\$ 421,585</u>

The Electric operations are further broken down by tariff (rounded) as follows:

Fibre Operations – surplus	\$ 652,000
Distribution Tariff – surplus	545,000
Transmission Tariff – deficit	(210,000)
Regulated Rate Tariff – deficit	<u>(565,000)</u>
Total Electric Operations – positive variance	<u>\$ 422,000</u>

The major factors that contributed to this positive variance are as follows:

i) **Fibre Operations** \$ 652,000

The newly created Fibre operations finished with a surplus because a new pricing scheme used in the budget process produced conservative revenue estimates. Operating costs were well below budget as personnel were tied up in other areas of the Electric Utility, and expected system maintenance did not occur. Also, as Fibre Assets were identified for separation from the Electric Support Plant, it was determined that the Fibre assets have been fully depreciated and a recovery of depreciation was not required.

ii) **Distribution Tariff** 545,000

A surplus arose in the Distribution Tariff primarily because increased costs and deferral account charges we anticipated from the AESO were actually offset by other operating efficiencies within AESO. We believe these lower charges from AESO were because of lower market prices for energy. As a result we over collected on Rate Riders for AESO expenses that were projected but never materialized.

iii) **Transmission Tariff** (210,000)

We have expected a ruling from the AUC regarding our tariff application which would claw back approximately \$717,000 in revenue paid in the years 2006-08. Because this ruling has not been finalized, the exact amount and terms of the repayment have not been determined. Operating expenses are higher than expected due to a large operating maintenance project performed on one of our transmission lines.

iv) **Regulated Rate Tariff** (565,000)

The deficit is created by the current trend of low market prices for energy. The RRO regulation requires that we base our selling price on market conditions which resulted in lower than anticipated revenue. This coupled with

hedges purchased in anticipation of higher prices, has left us with higher input costs and lower return per unit of energy sold

By policy, the **Electric deficit** of approximately **\$460,000** will be absorbed by the Municipal Revenue Stabilization Reserve (MRSR).

Reserve Funded Operations

The **Reserve Funded Operations** are summarized for Finance Committee on **Attachment A – 3**.

- a) **Cemeteries** – Cemetery Services had an increase in revenue from plot sales of \$17,500 due to the plot price increase in 2009, although the number of plots sold was down from 2008. There was a \$30,500 increase in revenue from interment services due to the increase in the price of interment services. In 2009, there were 466 interments with an increase in the number of cremation interments and a slight decrease in full casket interments. The 2009 operating surplus of \$66,500 was transferred to the Cemetery Reserve.
- b) **Community Lighting** – finished the in a positive variance position of \$120,000. This net under expenditure (surplus) will be transferred to the Community Lighting Reserve.
- c) **Fleet Services operations** – in accordance with City Policy, the positive variance of \$618,000 is transferred to the reserve for fleet replacement. Fleet Operations ended the year in a surplus and as a result, the net transfer to the reserve of \$3,014,100 was \$617,900 more than the budgeted amount of \$2,396,200. This surplus was due primarily to lower than budgeted fuel prices of \$545,000.
- d) **Parking Operations** – ended the year in a deficit position of approximately \$80,000 by year end due primarily to a decrease in parking meter revenue. A number of factors contributed to the decrease in revenue. First, the addition of a private parking facility has presented a parking alternative to on-street meters. Second, the budgeted increase in parking meter fares, planned for January 1st, was instead implemented throughout the year and will be completed in 2010. Third, on average, approximately 150 parking meters have been out of service due to an increase in parking meter vandalism.
- e) **Risk Management** – Risk Management operations ended the year in a surplus position of approximately \$339,000 due to insurance premiums negotiated less than anticipated. The surplus funds have been allocated to the Insurance Reserve.
- f) **Snow Clearing** – Snow removal, sanding and ice control operations ended 2009 in a deficit position of \$3,200,000. Of this amount, approximately \$2,310,000 was spent in January 2009 and \$1,410,000 was spent in December 2009 due to 2 separate extreme snowfall events. Effective January 1, 2008, the Snow Removal Reserve was merged with the Municipal Revenue Stabilization Reserve (MRSR), and any annual surplus / deficit from sanding, snow and ice removal operations will be funded from the MRSR.

g) **Traffic Safety Act Revenues** – experienced a deficit of \$329,000 due to reduced revenue from Photo Radar enforcement and the delay of Red Light radar enforcement. Revenues include photo radar for the City of Lethbridge, and provincial violation fines (tickets for speeding, failing to stop, going through red lights, etc.). In accordance with City Council policy, the Traffic Safety Act revenue shortfall will be absorbed by the Municipal Revenue Stabilization Reserve and do not impact the year end surplus.

Capital Works

City Council has approved a number of projects, the majority through the Capital Improvement Program. These projects, by their nature, are often completed over a number of years. During the year, the City of Lethbridge expended approximately \$64 million on these projects. The most significant expenditures for the 12 month period were as follows:

ENMAX Facility Enhancement		\$7,331,400
Fire & EMS Headquarter Facility		6,914,700
Subdivision development *		
Residential Subdivisions (SunRidge, RiverStone, The Crossings)	\$5,492,500	
Sherring Business and Industrial Park	<u>570,300</u>	
		6,062,800
Downtown IGA Site		4,532,700
Public Operations Facility Project		3,705,700
West Lethbridge Centre-Library		3,395,400
City Spatial Requirements Project		2,944,900
West Lethbridge Center – integrated storm management / sports fields		2,400,700
Landfill Approval Compliance		2,037,400
Traffic & Pedestrian Signals		1,653,300
Playgrounds		1,584,900
111S2 Rebuilt New Electric Feeder		1,407,500
FIRE/EMS Radio Infrastructure Renewal		1,210,600
2009 Arterials		1,126,700
2009 Water Main Renewals		1,091,900
28 St N (Mayor Magrath Drive to 26 Avenue)		1,039,800
SAAG Building Rehabilitation and Upgrade		978,000
West Lethbridge Electric Substation -additional capacity & upgrade		793,500
Copperwood Park		774,900
674S Electric Transformer Protection Upgrade		603,800
Wastewater Treatment Plant Outfall Twinning		599,000

For the most part, projects have a construction period which expands beyond the calendar year. These cost figures only represent expenditures made in 2009.

* The subdivision development costs are based on the development expenditures as noted in the Residential and Industrial Subdivision Surplus Analysis.

Debt Management

In addition to the financial highlights noted above, the City continued its prudent debt management practices, especially its “pay-as-you-go” capital plan.

- i) Our total per capita external debt of \$540 (2008: \$594).
- ii) Our tax-supported external debt has been totally extinguished (May 2006)
- iii) The self-supported external debt is \$112 per capita (2008: \$115)
- iv) Our utility-supported external debt is \$428 per capita (2008: \$479)

Investment Management

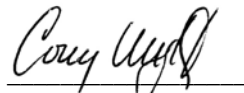
The City of Lethbridge uses investments to provide a return on public funds while they are held by the City. The investment portfolio consists of reserves, capital funds, Provincial and Federal grants, and operating funds. These funds are invested between the time of their receipt and their use to maximize 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 and that has received certification from the Association of Public Treasurers of the United States and Canada. The primary objective of this policy is safety of principal.

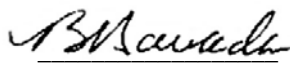
The City of Lethbridge maintains a significant investment portfolio (see attached Investment Summary). The average size of the portfolio in 2009 was \$153.7 million. The size of the investment portfolio has increased in recent years due primarily to the receipt of various capital grants. The 2009 interest income from the portfolio was \$2,725,000. The City’s average portfolio yield of 1.77% slightly exceeds the Government of Canada 3-year Benchmark yield of 1.75%.

Conclusion

To conclude, we are pleased with the results of our first year of the 2009-2011 budget cycle. The Business Units have performed very responsibly and are the reason for our success. Because of City Council and the Administration’s commitment to our adopted long-term financial policies, the City continues to be well positioned for the future. We look forward to continuing successes in 2010-2011.



Corey Wight, CA
City Treasurer



Barry Sawada, CA
Controller



Garth Sherwin, CA
City Manager



City of Lethbridge

2009 Summary of Corporate Surplus

	Budget (Net Revenue) Net Expenditure	Actual (Net Revenue) Net Expenditure	Surplus (Deficit)	% Budget (surplus)
General Fund				
Corporate Accounts				
Employee benefits	\$ 17,631,627	\$ 17,036,470	\$ 595,157	3.4%
Property tax and general revenues	(84,677,656)	(85,116,216)	438,560	0.5%
Business license revenues	(923,600)	(1,045,574)	121,974	13.2%
Grants to organizations	834,200	826,282	7,918	0.9%
			<u>1,163,609</u>	
Non-discretionary variances				
Corporate fuel costs	1,236,600	948,856	287,744	23.3%
Utility costs for City facilities	3,673,800	3,944,510	(270,710)	7.4%
			<u>17,034</u>	
Total Corporate Surplus			1,180,643	
Total Business Unit Surplus (Attachment A - 2)			2,400,087	
Total General Fund Surplus			<u>\$ 3,580,730</u>	



CITY OF LETHBRIDGE
2009 Summary of Operations
General Fund - Business Unit Operations

	2009		
	Budget	Actual	Variance
	(Net Revenue) Net Expenditure	(Net Revenue) Net Expenditure	Surplus (Deficit)
Business Unit Operating Summary			
Boards & Commissions			
Galt Museum	\$ 1,212,286	\$ 1,118,213	\$ 94,073
Lethbridge Regional Polices Services	22,598,346	22,255,201	343,145
Public Library	4,285,340	4,283,509	1,831
General Government			
City Clerk Office	242,847	177,670	65,177
City Manager Office	284,176	276,394	7,782
Corporate Communications Office	182,273	141,376	40,897
Corporate Initiatives	308,780	301,977	6,803
City Solicitor Office	204,880	182,066	22,814
Economic Development	846,740	822,067	24,673
Mayor & City Council Office	451,876	397,248	54,628
Pay-As-You-Go	7,811,000	7,811,000	-
Corporate Services			
Assessment & Taxation	1,144,961	1,117,713	27,248
Financial Services	1,937,202	1,761,045	176,157
Human Resources	1,604,341	1,390,934	213,407
Information Management	94,772	86,125	8,647
Information Technology	2,392,632	2,392,593	39
Risk Management	701	701	-
Community Services			
Cemeteries	337,509	337,509	-
Community & Social Development	751,700	680,245	71,455
Community Services Support	647,989	620,815	27,174
ENMAX Centre	623,907	623,907	-
Environmental Services	126,449	126,449	-
Facility Services	2,418,193	2,067,676	350,517
Fire & Emergency Services	16,051,478	15,651,500	399,978
Fritz Sick Memorial Centre	369,674	405,354	(35,680)
Helen Schuler Coulee Centre	393,448	393,448	-
Public Safety Communications Centre	1,473,403	1,397,409	75,994
Recreation & Culture	4,969,898	4,747,143	222,755
Regulatory Services	846,442	820,500	25,942
Transit & Paratransit	6,089,982	5,992,690	97,292
Planning & Development			
Development Services	2,035,623	1,881,968	153,655
Inspection Services	1,967,023	1,895,552	71,471
Infrastructure Services			
Infrastructure Services Administration	374,381	369,234	5,147
Parkland Management	2,212,088	2,260,744	(48,656)
Parks Maintenance	6,160,435	6,302,053	(141,618)
Storm Sewer Maintenance	249,800	240,611	9,189
Transportation	8,212,656	8,184,500	28,156
Total	\$ 101,915,231	\$ 99,515,144	\$ 2,400,087



City of Lethbridge

2009 Summary of Utility & Reserve Funds

	Budget	Actual	Variance Pos (Neg)	% Budget Variance Pos (Neg)
Utility Funded Operations				
Waste Services				
Revenues	\$ 5,287,100	\$ 5,353,589	\$ 66,489	1%
Expenditures	5,088,765	4,503,331	585,434	12%
Surplus	\$ 198,335	\$ 850,259	\$ 651,924	
Recycling Services				
Revenues	\$ 1,337,600	\$ 1,374,745	\$ 37,145	3%
Expenditures	1,363,725	1,289,640	74,085	5%
Surplus / (Deficit)	\$ (26,125)	\$ 85,106	\$ 111,231	
Landfill				
Revenues	\$ 7,818,900	\$ 7,355,474	\$ (463,426)	-6%
Expenditures	7,688,700	7,215,510	473,190	6%
Surplus	\$ 130,200	\$ 139,963	\$ 9,763	
Wastewater				
Revenues	\$ 13,398,030	\$ 13,262,474	\$ (135,556)	-1%
Expenditures	13,398,030	13,262,474	(135,556)	-1%
Surplus	\$ -	\$ -	\$ -	
Water				
Revenues	\$ 16,739,000	\$ 16,726,939	\$ (12,061)	0%
Expenditures	16,739,000	16,726,939	(12,061)	0%
Surplus	\$ -	\$ -	\$ -	
Electric				
Revenues	\$ 41,941,839	\$ 41,891,950	\$ (49,889)	0%
Expenditures	42,824,139	42,352,665	471,474	1%
Deficit	\$ (882,300)	\$ (460,715)	\$ 421,585	
Reserve Funded Operations				
Cemeteries				
Revenues	\$ 564,500	\$ 611,743	\$ 47,243	8%
Less expenditures	902,009	882,667	19,342	2%
Plus tax supported funding	337,509	337,509	-	0%
Transfer to the Reserve	\$ -	\$ 66,585	\$ 66,585	
Community Lighting				
Revenues	\$ 200,000	\$ 195,849	\$ (4,151)	-2%
Less expenditures	2,741,300	2,123,416	617,884	23%
Plus tax supported funding	2,747,400	2,253,799	(493,601)	-18%
Transfer to the Reserve	\$ 206,100	\$ 326,232	\$ 120,132	
Fleet Services				
Revenues	\$ 7,917,100	\$ 8,054,448	\$ 137,348	2%
Less expenditures	5,520,874	5,040,349	480,525	9%
Transfer to the Reserve	\$ 2,396,226	\$ 3,014,100	\$ 617,874	
Land Administration				
Revenues	\$ -	\$ -	\$ -	0%
Expenditures	1,196,037	1,334,499	(138,462)	-12%
Transfer from Subdivision Surplus	\$ (1,196,037)	(1,334,499)	\$ (138,462)	
Parking				
Revenues	\$ 1,131,500	\$ 979,701	\$ (151,799)	-13%
Less expenditures	458,532	387,938	70,594	15%
Transfer from reserve to operations	(135,000)	(135,000)	-	0%
Transfer to the Reserve	\$ 537,968	\$ 456,763	\$ (81,205)	
Risk Management				
Revenues	\$ 2,460,900	\$ 2,460,900	\$ -	0%
Less expenditures	2,288,253	1,949,508	338,745	15%
Plus tax supported funding	701	701	-	0%
Transfer to the Reserve	\$ 173,348	\$ 512,093	\$ 338,745	



**CITY OF LETHBRIDGE
BUDGET APPROPRIATION UNEXPENDED (CARRY OVERS)
AS AT DECEMBER 31, 2009**

GENERAL FUND

COUNCIL / CITY MANAGER	\$ 1,971,883
- election, legal, communications, contingencies, Council initiatives, Airport, environmental projects	
COMMUNITY SERVICES	3,063,634
- community and social development, Westside Library, affordable housing, downtown redevelopment and planning, Canada day activities, inspection services projects, committees	
EQUIPMENT REPLACEMENT/MAINTENANCE	1,932,016
- corporate photocopiers, printers and plotters, mail service, network equipment, phone system, disaster recovery, audio visual equipment	
HUMAN RESOURCES	2,384,728
- arbitration, employee wellness, WCB rebates, corporate training, research projects, flexible benefit programs, succession planning	
INFRASTRUCTURE MAINTENANCE AND PLANNING	911,495
- parks maintenance, engineering capital, amenities	
PROTECTIVE SERVICES	5,286,754
- Fire and EMS projects/funding, community programs, EOC training exercise, equipment replacements	
TECHNOLOGY	163,581
- database software, website development	
	<u>\$ 15,714,092</u>
<u>BUSINESS UNIT ROLL OVER TO 2010</u> (see schedule on Attachment A - Page 2)	<u>\$ 2,400,087</u>

UTILITY FUND

Water & Wastewater Capital Works/Equipment	\$ 287,642
Sanitation Operations	629,000
Electric Operations	205,000
	<u>\$ 1,121,642</u>

**RESIDENTIAL SUBDIVISION SURPLUS
FUNDING ANALYSIS**

For the year ended December 31, 2009

Development Operations Funding

Funds Received from Subdivision Development

SunRidge:

SunRidge A - Phase 3	\$ 4,414,347
SunRidge A - Phase 1	5,800
	<u>4,420,147</u>

RiverStone:

RiverStone - Phase 15	2,172,968
RiverStone - Phase 12	1,257,707
RiverStone - Phase 10	22,875
	<u>3,453,550</u>

Copperwood:

Copperwood Joint Venture	<u>4,810,079</u>
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\$ 12,683,777

Funds Used for Development

SunRidge:

SunRidge A - Phase 3c	1,321,509
SunRidge Common	960,295
SunRidge B - Common	212,433
SunRidge A - Phase 3	109,202
SunRidge A - Demonstration Home	90,688
SunRidge A - Phase 1	53,989
SunRidge A - Phase 2	24,197
SunRidge A - Phase 3d	6,559
	<u>2,778,873</u>

RiverStone:

RiverStone - Phase 13	1,045,530
RiverStone Common	755,211
RiverStone - Phase 15	150,897
RiverStone - Phase 12	63,928
RiverStone - Phase 11	11,819
RiverStone - Phase 10	5,856
RiverStone - Phase 14	7,191
RiverStone - Phase 9	2,959
RiverStone - Phase 7	1,350
RiverStone - Phase 4	619
RiverStone - Phase 8	107
	<u>2,045,466</u>

The Crossings:

The Crossings Common	<u>668,122</u>
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Gary Station

17,600

Legacy Ridge

1,760

Total Funds Used for Development

5,511,821

Net Funds Received from Development Operations

7,171,956

Other Activity Funding

Funds Used for:

Internal Loan Repayment - Municipal Revenue Stabilization Reserve	Note 3 (see pg 2) 5,497,167
Operating Budget Funding	1,334,498
Parks Capital	129,470
Allocation in lieu of property taxes	85,400
Castle Apartments	71,420
Parks Maintenance	45,000
Weed Control	9,000
	<u>7,171,956</u>

Net Funds Used for Other Activities

(7,171,956)

Net increase in Residential Subdivision Surplus

-

Residential Subdivision Surplus Balance January 1, 2009

-

Total Residential Subdivision Surplus Balance December 31, 2009

\$ -

RESIDENTIAL SUBDIVISION SURPLUS FUNDING ANALYSIS

For the year ended December 31, 2009

Funds Committed for Future

RiverStone:

Phase 13 Surface Works and Deep Utilities	\$	688,697
Phase 11-15 Design and Storm Outfall		258,524
Phase 9 - 13 Design & Development Guidelines		134,690
Phase 10 Underground Utilities & Surface Improvements		99,282
Phase 12 & 15 Underground Utilities & Surface Improvements		72,582
Phase 15 Sanitary Lift Station		47,891
William Pearce Park - Landscape & Irrigation		28,007
Phase 15 Fencing		20,804
Phase 7-10 Engineering Services		5,841
Phase 10 Boulevard Landscaping		5,531
		1,361,849

The Crossings:

Wet Pond - Construction/Landscaping		848,745
Purchase of Marnoch Lands	Note 1	379,238
Deep Servicing and Surface Works		46,656
Detailed Design/Construction/Sports Field		184,020
Urban Master Plan - Mixed Use Centre		82,968
Architectural Design		61,617
Environmental Study		9,356
		1,612,599

SunRidge:

Phase 3c Surface Works and Deep Utilities		656,154
Phase B ASP & Outline Plan		241,720
Park Features - Construction/Landscaping		174,988
Phase 3c Prime Consultant Services		64,432
Phase 3a Underground Utility & Surface Works		47,482
Architectural Controls & Design Approvals		34,826
Subdivision Legal Surveying		9,738
Entry Features		6,765
Development of Park Features/Entrance Sign		578
		1,236,683

Other:

West Lethbridge Centre Core Facilities Project		5,100,000
Affordable Housing		761,180
West Highlands Storm Water Park		406,350
Parks Capital		266,526
Chinook Trail Land Purchase - Melcor Land Exchange	Note 2	247,800
Community Development Planning - Sustaining Responsiveness		204,800
Legacy Ridge Commercial Site		162,191
Outline Plan - Cost Sharing Agreement		112,690
Pest Control		16,891
		7,278,428

Total Committed Funds

\$ 11,489,559

Notes:

- 1 The Marnoch Lands (part of The Crossings) comprising 80.06 acres with a total cost of \$943,500 were purchased in 2004 (costs include land costs of \$920,000 and other related land closing costs of \$23,500). The total cost of this land has been capitalized under Land Held for Resale. When needed for subdivision development, the land will be transferred to subdivisions and funded from Residential Subdivision Surplus (on a per acre basis).

- 2 As of December 31, 2009 the Melcor Developments Ltd. land exchange contains a commitment from Residential Subdivision Surplus of \$247,800 to front end finance the purchase of Chinook Drive Right-of-Way lands (which will be repaid once Chinook Trail commences).

- 3 To finance the deficit balance in the Residential Subdivision Surplus Account related to the startup costs associated with the SunRidge and The Crossings subdivisions through an original "line of credit loan" of up to \$8,000,000 from the Municipal Revenue Stabilization Reserve (MRSR) at a rate based on the City's average short term investment rate was approved by Council. Additionally, Council authorized an additional \$13,200,000 for costs associated to The Crossings under By-Law 5410 to bring the total line of credit to \$21,200,000. Loan repayments will be based on cashflow availability within the Residential Subdivision Surplus. As at December 31, 2009 the balance remaining to be paid to the MRSR from Residential Subdivision Surplus on this overall line of credit loan is \$4,443,345.

**INDUSTRIAL SUBDIVISION SURPLUS
FUNDING ANALYSIS**

For the year ended December 31, 2009

Development Operations Funding

Funds Received from Development

Sherring Industrial Park - Phase 1	\$ 516,780
Total Funds Received from Lot Sales	516,780

Funds Used for Development

Sherring Industrial Park - Phase 1	359,997
Sherring Industrial Park Common	159,214
Sherring Industrial Park - Phase 2	51,064
Total Funds Used for Development	570,275

Net Funds Used for Development Operations \$ (53,495)

Other Activity Funding

Funds Used for:

Debt Payment - ACFA	326,843
Debt Payment - ACFA Interest	224,902
Debt Payment - MRSR	330,620
Debt Payment - MRSR Interest	225,080
Allocation in lieu of property taxes	234,300
	1,341,745

Net Funds Used for Other Activities (1,341,745)

Net Decrease in Industrial Subdivision Surplus (1,395,240)

Industrial Subdivision Surplus Balance January 1, 2009 871,560

Total Industrial Deficit Balance December 31, 2009 **\$ (523,680)**

Funds Committed for Future

Funds Committed for Future

Sherring:

Site Servicing	\$ 273,875
Surface Works	205,595
Landscaping Construction	138,173
Lift Stations	25,916
Giffen Farmyard - Soil Analysis	659
	644,217

Other:

Industrial Park - Top Lift Paving	324,263
-----------------------------------	---------

Total Committed Funds **\$ 968,480**

Notes:

1 To finance the deficit balance in the Industrial Subdivision Surplus Account related to the startup costs associated with the Sherring Industrial Park, Council approved a "line of credit loan" of up to \$5,500,000 as well as a \$6,000,000 loan for prepayment of the Offsite Levies from the Municipal Revenue Stabilization Reserve (MRSR). Loan repayments will be based on cashflow availability within the Industrial Subdivision Surplus. As at December 31, 2009 the balance remaining to be paid to the MRSR from Industrial Subdivision Surplus on this line of credit loan is \$5,500,000 and \$4,759,179 on the interim financing.

OFFSITE ACCOUNT ANALYSIS

For the year ended December 31, 2009

Revenues

Net Off-Site Levies

River Stone Phase 13 RELD	\$ 653,400
Sunridge Phase 3C	490,700
Legacy Ridge Stage 15	360,780
Copperwood 8	200,200
Uplands Stage 11	161,568
Copperwood 7A	67,200
Habitat For Humanity 2009	61,740
	1,995,588

Other Revenues

General Interest	199,834
	199,834

Total Revenues

\$ 2,195,422

Allocations

Offsite/Oversize Credits

University Drive Deep Utilities	783,236
Coulee Creek Stage 4 Lift Station	707,805
Sunridge Phase 3	86,301
Coulee Creek Stage 5C	58,251
Copperwood 7A	33,633
Legacy Ridge Stage 15A	7,450
	1,676,676

Other Costs

ACFA Debt Payment	848,017
Intersection Improvements	826,658
26th Ave. 28-31 St. N. Upgrade	649,624
28 Street North MMDr - 26 Ave North	520,122
Land Purchase for 28st Sherring Subdivision	414,780
13 St North & North Scenic Drive Extension	296,654
Soutgate Storm Outfall	290,647
Land Purchase for Extension of 43rd Street	270,000
South Gate boulevard Cost share	99,576
South Syphon Upgrade	96,165
Benton Drive Simon Fraser - Chinook	61,099
Benton Drive North of School - Walsh	57,163
North Scenic Drive Optimize Efficiency	47,310
University Dr - Whoop-up Drive to McGill Blvd	29,474
Whoop-up Drive Blackfoot Rd W of Benton	26,472
University Drive Sunridge - Riverbend	25,919
Benton Reservoir	12,880
University Drive Rocky - Chinook	3,210
Picture Butte Waterline Oversize	2,784
Sherring Sanitary Forcemain Extension	2,262
Bridge Drive Utility Corridor	1,568
Southeast Reservoir	1,359
	4,583,741

Total Allocations

6,260,417

Net Decrease in Offsite Account

(4,064,995)

Add: Off-Site Account Balance January 1, 2009

12,332,073

OFF-SITE Account Balance December 31, 2009

\$ 8,267,078

Funds Committed for Future

Developer Oversize Credits:

The Crossings	\$ 1,601,744
Remington - WT Hill - Phase 2	300,000
	1,901,744

Projects Funded by Future Debentures:

Benton Reservoir	9,318,331 *
28 Street North MMDr - 26 Ave North	4,805,969 *
South Syphon Upgrade	2,903,677 *
University Drive (SunRidge to Riverbend)	2,474,081 *
Distribution System Looping	2,000,000
Bridge Drive Utility Corridor	921,056 *
	22,423,114

Projects Funded by Offsite Levies:

Gary Drive (400 m West of Benton)	2,200,000 *
Whoop Up Drive (Coalbanks gate to 30th Street)	2,000,000
Whoop-up Drive Blackfoot Rd W of Benton	801,218
University Dr - Whoop-up Drive to McGill Blvd	755,825
Maintain safety - Intersection improvements	640,335
West Lethbridge Distribution Looping	473,443
Benton Drive Right-of-Way Purchase	414,533
Intersection Improvements	258,342
University Drive Rocky Mountain Blvd-Chinook Trail	208,037
North Scenic Dr 9th Ave N to Stafford Dr N	32,518
	7,784,249

Total Committed Funds

\$ 32,109,107

Notes:

1 Due to the marked slow down in land development during 2009, administration is reviewing which projects can be staged or delayed in order to ease pressure on the offsite levy account. We are also considering borrowing for projects that were previously planned as direct payments from the offsite levy account. A full review of the offsite levy account and rates is currently in process and will be presented to City Council in the first half of 2010.

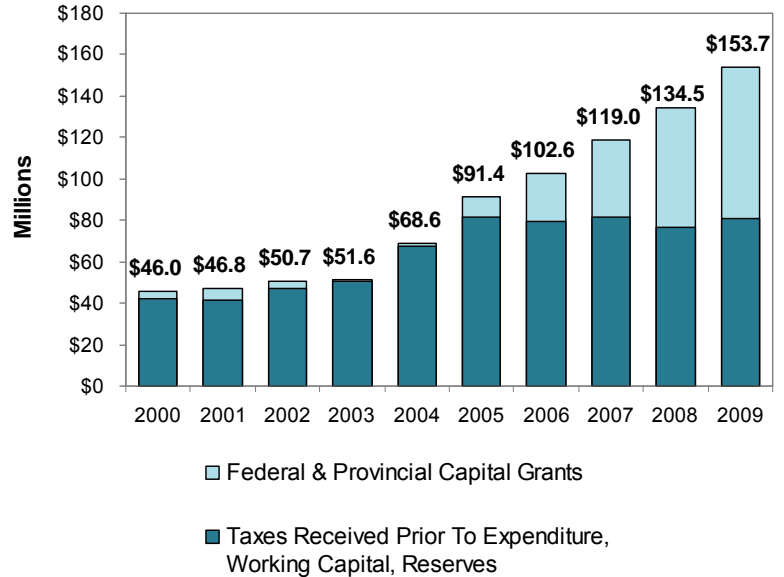
* Projects to be funded by future debenture borrowings

City of Lethbridge

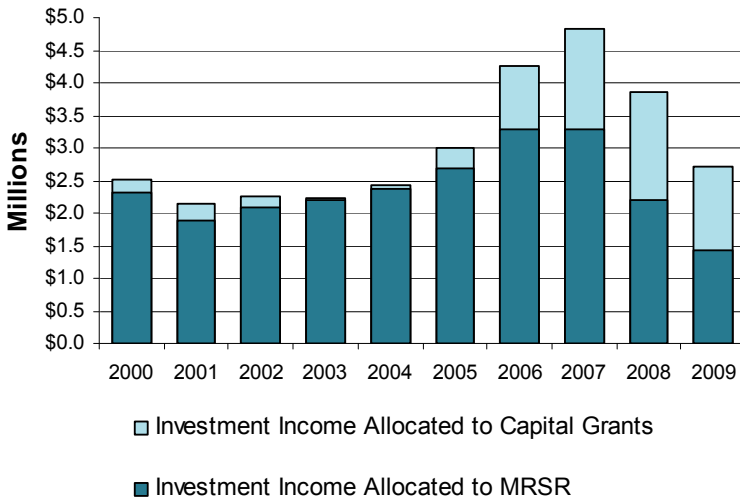
Investment Summary Year ended December 31, 2009

The City of Lethbridge maintains a significant investment portfolio. This investment portfolio consists of reserves, capital funds, Provincial and Federal grants, and operating funds. These 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.

Average Portfolio Size

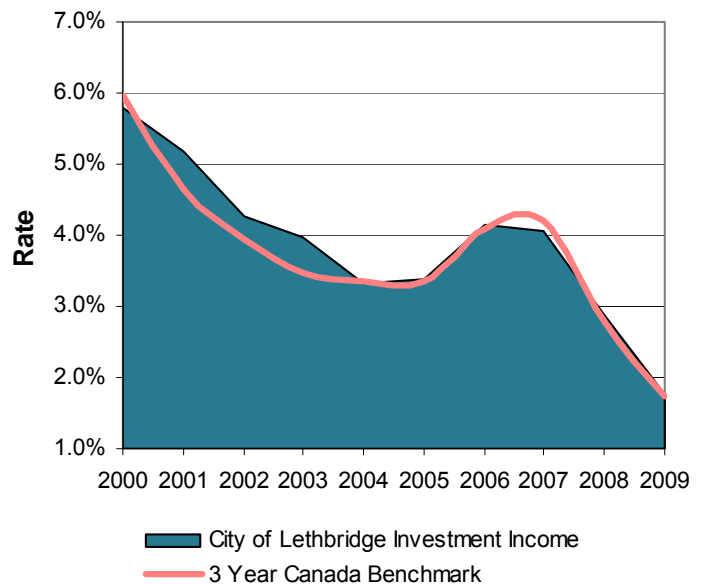


Total Investment Income



Total investment income decreased to \$2,725,000 in 2009 from \$3,866,000 in 2008. Global investment returns decreased during the year resulting in a drop in overall investment income for the City even though there was an increase in the average investment portfolio. The City of Lethbridge 2009 average portfolio yield of 1.77% (2008 2.88%) is slightly higher than the 2009 average Government of Canada 3-Year Benchmark¹ yield of 1.75% (2008 2.79%).

Average Portfolio Yield



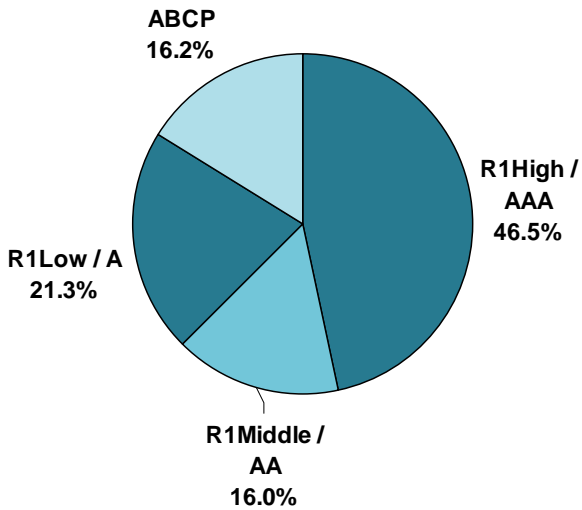
¹ Benchmark based on actual mid-market closing yields of selected Canada bond issues that mature approximately in the three-year term. This is a reasonable benchmark for the City of Lethbridge given our average portfolio term and our risk restrictions.

City of Lethbridge

Investment Summary

as at December 31, 2009

Portfolio Distribution by Rating December 31, 2009

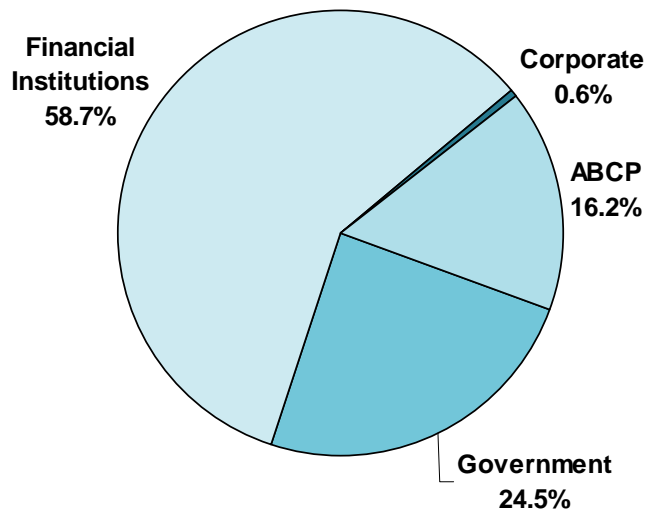


The City of Lethbridge's first investment objective is safety of principal, and accordingly the City invests only in institutions with a minimum credit rating of R1 or A. A Company having an R1 rating is considered high-grade prime credit. Its ability to repay current liabilities as they come due is very high. The R1 rating is further broken down into High (R1H), Middle (R1M) and Low (R1L). The short-term ratings of R1H, R1M, and R1L are roughly equivalent to the long term ratings of AAA, AA, and A respectively.

During 2007 the City invested in Asset Backed Commercial Paper (ABCP). When these ABCP investments were purchased, they were rated R1H. In August 2007 a market disruption left these investments frozen. A restructuring effort was commenced in September 2007 and was completed in January 2009. As a result of

the restructuring, the City of Lethbridge has received longer term notes which replace the frozen ABCP investments. These graphs reflect the status of the portfolio at December 31, 2009 and therefore show the restructured ABCP investments as one category.

Portfolio Distribution by Type December 31, 2009



Our current portfolio is diversified among 40 different institutions from the Government, Corporate, and Financial Institution sectors. In response to market conditions, the City has significantly decreased investments in Corporate issuers (not including ABCP) to 0.6% (2008 2.8%) and increased investments in Government and Financial issuers.

STATEMENT OF RESERVES

	December 31 2009	December 31 2008
OPERATING		
Cemeteries	\$ 739,205	\$ 672,620
Insurance	2,428,356	1,916,263
Mayor Magrath Drive Beautification	105,103	102,627
Municipal Revenue Stabilization	16,817,187	6,502,665
Urban Parks	2,202,704	1,190,950
TOTAL OPERATING RESERVES	22,292,555	10,385,125
 CAPITAL		
Acquire Off Street Parking	1,722,381	1,505,715
Central Business District Land Acquisition	279,331	278,562
Community Lighting	2,471,531	2,145,299
Community Reserve Fund	2,237,293	2,197,054
Fleet Services	11,203,745	12,256,580
Major Capital Projects	3,235,271	4,826,310
Real Estate Holdings	2,290,070	1,640,326
School Bus	126,000	0
Transit Bus	1,037,438	929,938
TOTAL CAPITAL RESERVES	24,603,060	25,779,784
 TOTAL RESERVES	 \$ 46,895,615	 \$ 36,164,909
 TOTAL COMMITTED FUNDS	 \$ 16,804,950	 \$ 7,266,794
 <u>CURRENT INTERNAL FUNDING REQUIREMENTS:</u>		
Residential Subdivisions	16,756,655	11,414,001
ENMAX Centre	5,392,000	5,392,000
Land Purchase	3,042,280	3,042,280
Public Operations Building	1,818,000	6,042,000
Waste Water Treatment Plant	0	500,000
Archmount Cemetery - Drainage	100,000	100,000
	\$ 27,108,935	\$ 26,490,281

**RESERVE ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

OPERATING RESERVES

CEMETERIES

Balance as at January 1, 2009		\$	672,619.69
Add: Allocations from Operations	54,266.19		
Interest earnings	<u>12,318.95</u>		<u>66,585.14</u>
Balance as at December 31, 2009		\$	<u>739,204.83</u>

Committed Funds:			
- land cost for future north side cemetery	\$	<u>212,000.00</u>	

INSURANCE

Balance as at January 1, 2009		\$	1,916,262.71
Add: Allocations from Operations			<u>512,093.24</u>
Balance as at December 31, 2009		\$	<u>2,428,355.95</u>

Committed Funds:			
- Insurance Claims Data base	\$	<u>150,000.00</u>	

MAYOR MAGRATH DRIVE BEAUTIFICATION

Balance as at January 1, 2009		\$	102,627.20
Add: Contributions from			
- Travel Lodge	2,745.60		
- Thrift Lodge	316.80		
- Saigonese Restaurant	<u>320.00</u>		<u>3,382.40</u>
			106,009.60
Less: Land Lease Taxes			<u>906.74</u>
Balance as at December 31, 2009		\$	<u>105,102.86</u>

**RESERVE ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

MUNICIPAL REVENUE STABILIZATION

Balance as at January 1, 2009		\$	6,502,664.96
Add: Municipal Consent and Access Fee (electric)	\$		6,894,593.50
Allocation from electric capital (depreciation)			5,310,872.01
Return on Investment (electric)			4,367,480.44
Emergency Medical Services (EMS) Transition			3,783,460.78
2008 General Operating Surplus			2,055,894.72
Investment and Interest Income (net of Trust Allocations)			1,405,206.10
ATCO Franchise Fee surplus (vs. annual budget of \$2.4M)			1,044,148.33
2008 Electric & wire services Operating			838,831.36
Transfer of Electric Vehicles from Fleet Services Reserve			755,000.00
CentreSite distribution allocation			464,786.21
By-law enforcement revenue surplus (vs. annual budget of \$4.3M)			7,065.20
			<u>26,927,338.65</u>
Internal financing recoveries (Year of final payment):			
- Residential subdivisions			5,497,167.18
- City Hall (2015)			2,149,600.00
- Police station (2011)			588,800.00
- Sherring Industrial Park (2020)			555,700.00
-Transportation (2011)			506,200.00
- Wellness centre (2016)			425,200.00
- Police technology (2013)			409,500.00
- Local improvements prior years			355,036.31
- Museum expansion (2016)			203,300.00
- ICAP-East Lethbridge sewer expansion (2013)			197,900.00
- Radio trunking system (2013)			187,100.00
- Tertiary treatment (2012)			180,700.00
- MIS System (2012)			173,500.00
- Museum expansion- fundraising/front-end financing			69,689.28
- Mountain View Cemetery-office (2017)			42,800.00
- Cemetery gravesite restoration (2015)			32,400.00
- Lethbridge Soup Kitchen (2016)			31,600.00
- School Bus - interest only (2023)			23,100.00
- Water debt paydown (2009)			3,900.00
			<u>11,633,192.77</u>
			<u>38,560,531.42</u>
			<u>45,063,196.38</u>
Less: Allocation to electric distribution capital projects			11,077,317.34
Electric wire service-allocation to General Operations			8,200,000.00
Allocation to General Operations			4,200,000.00
Allocation to Snow Removal & Ice Control Program			3,201,660.28
Allocation for TIPP discounts			570,566.75
Allocation for cashiering			96,600.00
Allocation for parking ticket data entry			61,700.00
			<u>27,407,844.37</u>
One Time Allocations:			
- Economic Development Leth-Awareness (N12)			150,000.00
- Lethbridge regional Police - (N53.1)			104,800.00
- Senior Centre Support (N65)			100,000.00
- Southern Alberta Art Gallery (N4)			55,000.00
- Lethbridge Public Library fund development (N1)			56,924.03
- Lifecycle Festive Lighting (N1)			50,000.00
- 2009 55 Plus Winter Games			40,594.40
-Technology Transition Facility (N9)			30,000.00
- Economic Development Leth-Labour (N8)			30,000.00
- 2010 Olympic Torch Relay (N74)			18,558.82
- Economic Development Leth-Mapping (N10)			10,000.00
- Kiwanis Music & Speech Festival (N52)			5,000.00
			<u>650,877.25</u>
Internal Financing :			
- Police technology			<u>187,287.33</u>
			<u>28,246,008.95</u>
Balance as at December 31, 2009		\$	<u>16,817,187.43</u>

RESERVE ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
MUNICIPAL REVENUE STABILIZATION (continued)

Committed Funds:

One Time Allocations:

Pre 2009:

- West Side Gymnasium upsizing	1,000,000.00
- Peenaquim Park gun range safety (N8)	89,365.00
- Lethbridge Public Library fund development (N1)	55,276.80
- Three sidewalk sanders	18,000.00
- Red light camera traffic study	5,000.00

2009:

- Welcome to Lethbridge Signage (N3)	160,000.00
- 2010 Olympic Torch Relay	51,441.18
- Library - Outreach (N6)	45,000.00
- Library - Scheduling (N7)	42,600.00
- Library - Online services (N5)	38,300.00

2010:

- Lethbridge regional Police - (N53.1)	280,700.00
- Senior Centre Support (N65)	100,000.00
- Library - Outreach (N6)	65,000.00
- Southern Alberta Art Gallery (N4)	58,000.00
- Lifecycle Festive Lighting (N1)	50,000.00
- Museum archives storage units	45,000.00
- Library - Coordinator (N45)	45,000.00
- Library - Online services (N5)	40,100.00
- Economic Development Leth-Mapping (N10)	40,000.00
- Parks - Tree Inventory (N2)	35,000.00
- Economic Development Leth-Labour (N8)	30,000.00
- Technology Transition Facility (N9)	30,000.00
- Kiwanis Music & Speech Festival (N52)	5,000.00

2011:

- Lethbridge regional Police - (N53.1)	71,300.00
- Southern Alberta Art Gallery (N4)	61,000.00
- Library - Coordinator (N45)	45,000.00
- Lifecycle Festive Lighting (N1)	35,000.00
- Parks - Tree Inventory (N2)	35,000.00
- Economic Development Leth-Labour (N8)	30,000.00
- Technology Transition Facility (N9)	30,000.00
- 2011 Football Canada Cup	30,000.00
- Kiwanis Music & Speech Festival (N52)	5,000.00

2012:

- 2012 Summer Games	250,000.00
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\$ 2,921,082.98

Internal Loan Requirements :

	<u>Current 2009/10</u>	<u>Future</u>
Residential subdivisions (5-7 years)	16,756,654.92	-
Note: Not to exceed \$21,200,000		
ENMAX Centre (CIP D6)	5,392,000.00	2,508,000.00
Land purchase	3,042,280.00	-
Public Operations Building (CIP D22)	1,818,000.00	338,000.00
Archmount Cemetery- drainage (N36) (10 year loan)	100,000.00	-
Twin Ice Centre (CIP D15)	-	10,200,000.00
Community Arts Centre (CIP D14)	-	4,400,000.00
	\$ <u>27,108,934.92</u>	\$ <u>17,446,000.00</u>

As at December 31, 2009 internal advances amounting to approximately \$33,500,000 were outstanding from this reserve. These amounts will be recovered, with interest, in future years.

RESERVE ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
MUNICIPAL REVENUE STABILIZATION (continued)

In addition, interest free loans to the following community groups remain committed against this reserve. These amounts have been recorded as receivables by the City as at December 31, 2009.

	Year of Loan	Maturity of Loan	Balance as at December 31, 2009	Annual Payment
Prairie Baseball Club	1999	2019	100,000.00	10,000.00
Nordbridge Seniors	2000	2012	62,230.26	20,743.42
Lethbridge Softball Association	2005	2013	100,000.00	25,000.00
Japanese Gardens	2005	2015	10,800.00	1,800.00

URBAN PARKS

Balance as at January 1, 2009	\$	1,190,950.06
Add: Allocation from operations	\$	962,600.00
Trans Alta ROW transmission line access		701,696.25
		<u>1,664,296.25</u>
		2,855,246.31
Less: Parks Maintenance		200,000.00
Playground Upgrades		139,200.00
Henderson Lake SolarBees		133,412.00
Henderson Lake Water Quality (CIP D10)		106,728.74
Parks Equipment		73,201.89
		<u>652,542.63</u>
Balance as at December 31, 2009	\$	<u><u>2,202,703.68</u></u>

Committed Funds:

- Sherring Picnic Shelter	\$	1,162,000.00
- Parks Maintenance		400,000.00
- Playground Upgrades		390,822.64
- Henderson Lake Water Quality (CIP D10)		300,000.00
- Parks equipment		10,888.42
	\$	<u>2,263,711.06</u>

TOTAL OPERATING RESERVES as at December 31, 2009 **\$ 22,292,554.75**

**RESERVE ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
CAPITAL RESERVES**

ACQUIRE OFF STREET PARKING

Balance as at January 1, 2009		\$	1,505,715.32
Add: Parking Revenues			
- Parking Meters	\$	860,741.91	
- Parking Lots		196,378.55	
			1,057,120.46
			2,562,835.78
Less: Administration		297,264.56	
Parking enforcement		240,097.79	
Enhance downtown maintenance (Snow clearing, street sweeping etc.)		135,000.00	
Parking meter operations		89,838.72	
Parking lot operations		78,253.95	840,455.02
Balance as at December 31, 2009		\$	1,722,380.76
Committed funds:			
Downtown Parkade (D20)	\$	250,000.00	
Upgrade Parking Meters (N67)		90,000.00	
			340,000.00

CENTRAL BUSINESS DISTRICT LAND ACQUISITION

Balance as at January 1, 2009		\$	278,562.30
Add: Parking rent (514-3 Ave S)			768.69
Balance as at December 31, 2009		\$	279,330.99
Committed Funds:			
- Consulting 1 Ave S - redevelopment	\$	18,676.00	

As at December 31, 2009 an internal advance amounting to \$1,500,000 has been made to this reserve. This amount is to be repaid in future years.

COMMUNITY LIGHTING

Balance as at January 1, 2009		\$	2,145,298.92
Add: Allocation from operations			326,231.68
Balance as at December 31, 2009		\$	2,471,530.60
Committed Funds:			
- Power Reduction (N18)	\$	150,000.00	

COMMUNITY RESERVE FUND

Balance as at January 1, 2009		\$	2,197,054.40
Add: Interest Earnings			40,238.76
Balance as at December 31, 2009		\$	2,237,293.16
Committed Funds:			
- West Lethbridge Centre (D3)	\$	2,587,000.00	

**RESERVE ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

FLEET SERVICES

Balance as at January 1, 2009		\$ 12,256,580.22
Add: Allocation from fleet operations	\$ 3,014,099.74	
Allocation from other operations	7,720.00	
Recoveries:		
- Sale of equipment	155,076.52	
- Water debt paydown (principal)(2009)	48,800.00	
- School Bus debt paydown (principal)(2023)	<u>20,600.00</u>	
		<u>3,246,296.26</u>
		15,502,876.48
Less: Purchase of equipment	3,364,264.63	
Transfer Electric Vehicles to Municipal Revenue	755,000.00	
Stabilization Reserve		
Fleet management	<u>179,867.25</u>	
		<u>4,299,131.88</u>
Balance as at December 31, 2009		<u>\$ 11,203,744.60</u>

As at December 31, 2009 internal advances amounting to about \$429,000 are owing to this reserve. These amounts are to be recovered in future years.

Committed funds:

Equipment replacements (prior years)	\$ 176,800.00
Equipment replacements (current budget)	<u>5,010,295.00</u>
	<u>\$ 5,187,095.00</u>

MAJOR CAPITAL PROJECTS

Balance as at January 1, 2009		\$ 4,826,309.58
Add: Interest Earnings	\$ 86,861.26	
Repayment of salt & sand storage facility	<u>50,000.00</u>	<u>136,861.26</u>
		4,963,170.84
Less: Pay-As-You-Go project balancing	1,571,000.00	
Allocation to operations (PAYG)	<u>156,900.00</u>	<u>1,727,900.00</u>
Balance as at December 31, 2009		<u>\$ 3,235,270.84</u>

Committed funds:

- Nicholas Sheran Ice Centre Expansion	1,100,000.00
- Performing Arts Centre (2010 CIP D16)	500,000.00
- Southern Alberta Art Gallery	<u>500,000.00</u>
	<u>\$ 2,100,000.00</u>

**RESERVE ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009**

REAL ESTATE HOLDINGS

Balance as at January 1, 2009		\$	1,640,325.71
Add: Cash to close sale of Leaside Avenue South	\$	381,844.20	
Lots 113 -115 Blk 19 Pln 3529AA and			
Lots 2 & 3 Blk 19 Pln 3070GL			
3020, 3036, 3040 13 Street North		123,014.38	
Cash to close sale of Water Tower ROW		62,616.91	
Cash to close sale of Lots 53 & 54 Blk 15 Pln 0911093		44,889.17	
Cash to close sale of (3015 - 1 Ave S) Lot 6 PUL		33,190.00	
Blk 1 Pln 8610580			
Cash to close sale of Lanes 1264 & 1266-6 Ave S		11,650.00	
Cash to close sale of 2505 - 60 Ave West		10,135.00	
NE 1/4 sec 10-8-22-W4M			
Rental Income:			
- Lethbridge Volkswagen		14,250.00	
- Water Tower Parking Lot		510.00	
- Synergyland Services temporary space access		500.00	
		<u>682,599.66</u>	<u>2,322,925.37</u>
Less: Maintenance and operating costs		27,670.22	
Land Lease Taxes		<u>5,185.30</u>	<u>32,855.52</u>
Balance as at December 31, 2009		<u>\$</u>	<u>2,290,069.85</u>

As at December 31, 2009 an internal advance amounting to about \$1,500,000 has been made from this reserve. This amount is to be recovered in future years.

SCHOOL BUS

Balance as at January 1, 2009		\$	0.00
Add: Allocation from operations			<u>126,000.00</u>
			126,000.00
Balance as at December 31, 2009		<u>\$</u>	<u>126,000.00</u>

TRANSIT BUS

Balance as at January 1, 2009		\$	929,938.05
Add: Allocation from operations			<u>107,500.00</u>
Balance as at December 31, 2009		<u>\$</u>	<u>1,037,438.05</u>

Committed funds:

Transit Succession Planning	\$	515,000.00
Technology initiatives & system improvements		245,385.12
Replacement transit scheduling technology		115,000.00
for Access-a-ride		
	<u>\$</u>	<u>875,385.12</u>

TOTAL CAPITAL RESERVES as at December 31, 2009	<u>\$</u>	<u>24,603,058.85</u>
TOTAL OPERATING RESERVES as at December 31, 2009		<u>22,292,554.75</u>

TOTAL RESERVES as at December 31, 2009	<u>\$</u>	<u>46,895,613.60</u>
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TOTAL COMMITTED FUNDS	<u>\$</u>	<u>16,804,950.16</u>
TOTAL CURRENT INTERNAL LOAN REQUIREMENTS		<u>27,108,934.92</u>

TOTAL FUNDING REQUIREMENTS	<u>\$</u>	<u>43,913,885.08</u>
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EXCESS(Deficiency) OF RESERVES OVER FUNDING REQUIREMENTS	<u>\$</u>	<u>2,981,728.52</u>
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City of Lethbridge
External Debt (ACFA)
As At December 31, 2009

	Original Principal	Year of Borrowing	Term (yrs)	Interest Rate	Annual Payment	Year End Balance 2009	Per Capita 85,492	Year of Maturity
Self Supported								
Local Improvement								
Lane Paving	\$ 201,400	2000	10	6.750%	\$ 28,344	\$ 26,552		2010
* Softball Valley	190,000	2005	5	0.000%	38,642	20,580		2010
Lane Paving	305,792	2001	10	5.750%	41,057	75,537		2011
2002 Property Owners	215,417	2003	10	5.375%	28,408	99,861		2013
Property Owners	145,012	2003	10	5.125%	18,894	66,803		2013
Exhibition Pavilion	1,500,000	2000	14	6.750%	151,152	623,924		2014
Lane Paving	45,008	2004	10	4.230%	5,566	24,850		2014
Lane Paving	235,679	2004	10	4.230%	29,148	130,126		2014
Lane Paving	219,357	2009	10	3.344%	25,989	219,357		2019
Land Development								
Sherring Industrial Park	4,200,000	2005	15	4.422%	386,028	3,333,963		2020
Sherring Industrial Park	1,800,000	2006	15	4.600%	167,446	1,482,496		2021
Offsite Levy								
South East Water Reservoir	3,000,000	2006	15	4.584%	278,775	2,551,199		2021
South East Water Reservoir	1,000,000	2007	15	4.614%	93,113	902,752		2022
Total Self-Supported					<u>1,292,562</u>	<u>9,558,000</u>	<u>111.80</u>	
Utility Supported								
Water								
West Water Reservoir	400,000	2005	5	4.175%	89,469	86,744		2010
Water Meter Remote Read	1,000,000	2005	5	4.175%	223,674	216,860		2010
West Water Reservoir	600,000	2006	5	4.000%	133,592	254,341		2011
SCADA Upgrades	100,000	2006	5	4.000%	22,265	42,390		2011
UV Disinfection System	3,000,000	2003	10	5.250%	393,245	1,386,366		2013
UV Disinfection System	1,000,000	2003	10	5.125%	130,292	460,670		2013
Water Treatment Plant Upgrading	2,250,000	1999	15	6.375%	237,376	989,795		2014
Water Treatment Plant Upgrading	750,000	2000	15	6.250%	78,488	382,940		2015
Water Treatment Plant Upgrading	1,750,000	2001	15	5.500%	174,345	990,796		2016
Water Treatment Plant Upgrading	1,150,000	2002	15	6.125%	119,376	737,648		2017
South East Water Reservoir	1,000,000	2005	15	4.422%	91,911	793,801		2020
South East Water Reservoir	3,250,000	2006	15	4.267%	295,579	2,753,464		2021
					<u>1,989,612</u>	<u>9,095,815</u>	<u>106.39</u>	
Wastewater								
SCADA Upgrades	200,000	2005	5	4.175%	44,734	43,372		2010
Waste Water Treatment Plant (WWTP)	1,800,000	2002	10	5.500%	238,802	644,272		2012
Sanitary Sewer Relief	250,000	2007	5	4.375%	56,211	156,439		2012
Tertiary Treatment	5,000,000	1998	15	5.750%	530,430	1764952		2013
Headworks Facility	500,000	2007	10	4.493%	62,620	416,939		2017
Sewer Relief	1,350,000	2006	15	4.584%	125,449	1,148,039		2021
* WWTP Fine Bubble Aeration	2,600,000	2006	5	0.000%	507,850	840,193		2011
Plant Outfall Twinning	782,000	2008	15	4.565%	70,965	728,193		2023
Lagoon Upgrade	500,000	2009	10	3.344%	59,238	500,000		2019
					<u>1,696,299</u>	<u>6,242,399</u>	<u>73.02</u>	
Solid Waste								
Automated Collection	480,000	2006	5	4.000%	106,873	203,473		2011
Landfill Cell Development	2,300,000	2008	3	2.498%	800,528	1,552,285		2011
Landfill Purchase	12,500,000	1999	15	6.500%	1,329,410	5,524,601		2014
Automated Collection	1,510,000	2006	10	4.115%	185,720	1,119,649		2016
** Landfill Royalty Buyout	6,250,000	2003	20	5.813%	363,281	6,250,000		2023
Landfill Constn. & 28St. N.	2,300,000	2003	20	5.625%	194,463	1,850,255		2023
Landfill Approval Compliance	2,100,000	2008	15	4.565%	194,892	1,999,843		2023
Landfill Approval Compliance	900,000	2009	15	3.973%	80,221	900,000		2024
Landfill Cell Development	735,000	2009	3	1.778%	252,679	735,000		2012
Automated Collection - Carts	600,000	2009	10	3.344%	71,086	600,000		2019
Automated Collection - Trucks	506,000	2009	5	2.284%	107,665	506,000		2014
					<u>3,686,818</u>	<u>21,241,106</u>	<u>248.46</u>	
Total Utility Supported					<u>7,372,729</u>	<u>36,579,320</u>	<u>427.87</u>	
Total External Debt December 31, 2009					<u>\$ 8,665,291</u>	<u>\$ 46,137,320</u>	<u>\$ 539.67</u>	

* ME First loan - Interest free

** Interest only payments until 2010

City of Lethbridge
Internal Debt
As At December 31, 2009

	Original Principal	Year of Borrowing	Term (yrs)	Interest Rate	Annual Payment	Year End Balance 2009	Per Capita 85,492	Year of Maturity
Taxation Supported								
General								
Police Station	\$ 2,000,000	1995	15	9.000%	\$ 248,118	\$ 227,631		2010
Police Station	800,000	1996	14	8.500%	99,874	92,050		2010
Scenic Drive / Mayor Magrath Drive	1,770,000	2000	10	7.000%	252,008	235,522		2010
Police Station	2,000,000	1996	15	8.500%	240,841	426,557		2011
Mayor Magrath Drive	900,000	2001	10	6.000%	122,281	224,189		2011
City Hall	500,000	1997	15	7.500%	56,644	147,303		2012
MIS Project	100,300	2007	5	5.000%	23,167	63,089		2012
MIS Project	650,700	2007	5	5.000%	150,295	409,291		2012
City Hall	2,250,000	1998	15	5.500%	224,158	785,706		2013
Mayor Magrath Drive	1,000,000	2003	10	5.380%	131,905	463,630		2013
Radio Trunking System	1,253,800	2004	9	6.340%	187,100	643,215		2013
City Hall	10,500,000	1999	15	6.000%	1,081,109	4,554,024		2014
** Salt/Sand Storage Facility	380,000	2004	10	5.330%	50,003	214,528		2014
City Hall	7,650,000	2000	15	6.000%	787,665	3,873,205		2015
Museum Expansion	968,928	2005	10	4.300%	121,251	629,452		2015
Cemetery Gravesite Restoration	114,215	2006	9	4.435%	10,935	56,518		2015
Cemetery Gravesite Restoration	79,810	2007	8	4.493%	12,096	62,406		2015
Cemetery Gravesite Restoration	50,941	2008	7	3.600%	9,354	45,000		2015
Museum Expansion	651,072	2006	10	4.435%	82,019	484,465		2016
Regional Wellness Centre	3,375,000	2006	10	4.435%	425,166	2,511,349		2016
Lethbridge Soup Kitchen	316,000	2006	10	0.000%	31,600	205,400		2016
Mountain View Cemetery Office	205,945	2007	10	4.493%	26,017	158,761		2017
Mountain View Cemetery Office	30,055	2008	10	4.118%	3,892	27,665		2018
Police Technology	line of credit			float	399,500	105,920		n/a
Total General					<u>4,776,997</u>	<u>16,646,876</u>	<u>\$ 194.72</u>	
Self Supported								
Local Improvement								
2000 Lane Paving	137,990	2000	10	5.875%	18,637	17,603		2010
2001 Local Improvement	15,000	2001	10	6.500%	2,087	3,799		2011
2001 Local Improvement 28 St.	30,568	2001	10	6.000%	4,153	7,614		2011
2001 Lane Paving	188,819	2001	10	6.000%	25,654	47,035		2011
2005 Lane Paving	264,002	2005	10	4.307%	33,048	171,526		2015
2006 Lane Paving	348,256	2006	10	4.435%	43,872	259,139		2016
Industrial Wastewater Facility	570,251	2006	10	2.000%	137,630	183,951		2016
2007 Lane Paving	404,183	2007	10	4.493%	51,061	336,898		2017
2008 Lane Paving	188,042	2008	10	4.118%	23,320	172,465		2018
2008 Lane Paving 17 St	112,002	2008	10	4.118%	13,890	102,725		2018
Offsite Levy								
Sherring Industrial Park	6,000,000	2005	15	4.422%	555,691	4,759,178		2020
Land Development								
Residential Subdivision Surplus	6,291,683	2005	n/a	float	n/a	4,443,345		n/a
Sherring Industrial Park	5,500,000	2007	n/a	float	n/a	5,500,000		n/a
School Bus								
* School Bus Purchases	449,665	2008	15	5.138%	43,726	429,042		2023
Total Self-Supported					<u>952,769</u>	<u>16,434,320</u>	<u>192.23</u>	
Utility Supported								
Wastewater								
Tertiary Treatment	1,000,000	1996	15	9.000%	124,059	218,233		2011
Tertiary Treatment	500,000	1997	15	7.500%	56,644	147,303		2012
East Lethbridge Sanitary Sewer	1,500,000	2004	9	5.380%	197,810	695,445		2013
					<u>378,513</u>	<u>1,060,981</u>	<u>12.41</u>	
Total Utility Supported					<u>1,331,282</u>	<u>1,060,981</u>	<u>205</u>	
Total Internal Debt December 31, 2009					<u><u>\$ 7,061,048</u></u>	<u><u>\$ 34,142,177</u></u>	<u><u>\$ 591.59</u></u>	
Funding from:								
* Fleet Reserve						\$ 429,042		
** Major Capital Projects Reserve						214,528		
Municipal Revenue Stabilization Reserve						33,498,607		
						<u><u>\$ 34,142,177</u></u>		

Downtown Redevelopment Fund

	2005	2006	2007	2008	2009
Opening Balance	\$ 154,742	\$ 616,742	\$ 677,739	\$ 712,913	\$ 865,979
Funding approved in operating budget	500,000	500,000	500,000	500,000	500,000
	654,742	1,116,742	1,177,739	1,212,913	1,365,979
Allocations					
2009 Downtown Clean-up Program	-	-	-	-	14,793
Air Mail Mural-Post Office, Crowfoot Mural 2nd & 5th, Black Diamond mural 4th & 4th	-	15,000	1,600	-	-
Alberta Mainstreet program	35,000	35,000	35,000	35,000	35,000
Art Acquisition	-	4,000	58,946	-	-
Bike racks	-	5,514	-	-	-
Bike racks	-	-	-	-	2,405
Bridge Inn Historic Fabric Recovery	-	-	3,965	-	-
Bright Lights festival	-	-	4,195	6,399	818
Bright Lights festival	-	-	-	-	5,000
Bulletin Kiosk/Lampost sign collars	-	18,546	308	6,984	540
Chinook Country visitor parking permits	-	-	2,800	-	-
Downtown Social Issues Project	-	23,436	289	-	-
Downtown Summer Work Project	-	-	6,801	-	-
Gregoire Clock - operating costs	-	-	86	121	232
Gregoire Clock - Southern Alta Art Gallery	-	27,498	-	-	-
Hanging Baskets Floral Program	-	-	-	-	26,118
Heart of Our City Master Plan	-	202,218	263,002	-	-
Heart of Our City Master Plan - from Corp Init	-	-	(30,000)	-	-
Heart of Our City Master Plan - from Planning	-	-	(12,500)	-	-
Historical Plaques	3,000	-	871	-	-
Historical Plaques & Monument Program	-	-	-	-	1,691
Hooding of Parking Meters	-	-	-	-	51,053
International Downtown Spring Conference	-	-	-	-	3,786
Lethbridge Twinning Society Sign Post	-	-	4,645	-	-
Historical Building Plaques (cost shared)	-	-	(1,500)	-	-
Planning wages for downtown	-	-	9,682	106,060	110,480
Pole Collars	-	-	-	-	1,073
Remedial Sidewalk Clearing	-	-	-	-	5,350
Shelter Centre Clean Sweep Program	-	-	-	-	20,000
Summer Downtown Ambassador Program	-	-	-	-	7,500
Wind Sculpture	-	2,291	1,552	-	-
YWCA Winterfest	-	500	-	-	-
Zone 4 hooding parking meters	-	105,000	57,400	-	-
Downtown Enhancement Projects (Approved in 2007)	-	-	57,684	10,204	4,581
Downtown Enhancement Projects (Approved in 2008)	-	-	-	182,166	140,288
Initiatives					
BRZ Coordinator	-	-	-	-	7,000
Rotating Parks Security	-	-	-	-	27,400
Total Allocated	38,000	439,003	464,826	346,934	465,108
Closing Balance	\$ 616,742	\$ 677,739	\$ 712,913	\$ 865,979	\$ 900,872

Affordable Housing Fund

	2005	2006	2007	2008	2009
Opening Balance	265,568	415,568	565,568	693,952	843,952
Funding approved in operating budget	150,000	150,000	150,000	150,000	150,000
	415,568	565,568	715,568	843,952	993,952
	Note 1				
Allocations					
Housing needs assessment	-	-	21,616	-	-
Castle Apartments Operating	-	-	-	-	89,275
Total Capital Allocated	-	-	21,616	-	89,275
Closing Balance	415,568	565,568	693,952	843,952	904,677

Note 1: \$761,180 of this amount remains in Residential Subdivision Surplus

Affordable Housing Program Funded by Provincial Grants

	2005	2006	2007	2008	2009
Opening Balance	-	-	-	-	\$ 3,000,840
Provincial Grants					
Municipal Sustainability Housing Initiative (MSHI)	-	-	-	2,970,424	3,838,409
Capital Enhancement Funding Initiative (CEF)	-	-	-	2,030,416	-
Trust Interest	-	-	-	-	195,218
	-	-	-	5,000,840	7,034,467
Allocations					
Castle Apartments	-	-	-	2,000,000	16,495
Native Woman's Transitional Home Society	-	-	-	-	1,087,571
Lethbridge College Residence Housing	-	-	-	-	1,316
Upgrading Existing Secondary Suites	-	-	-	-	43,245
Total Capital Allocated	-	-	-	2,000,000	1,148,627
Closing Balance	-	-	-	3,000,840	5,885,841

GST Rebates

	2005	2006	2007	2008	2009
Opening Balance	\$ 159,443	\$ 715,379	\$ 1,103,891	\$ 1,046,833	\$ 1,304,042
GST rebates	1,462,385	1,258,512	1,087,942	1,266,100	1,028,830
December 04 accrual	118,551	-	-	-	-
	1,740,379	1,973,891	2,191,833	2,312,933	2,332,872
Allocations					
Community Capital Grant Program	350,000	400,000	450,000	450,000	450,000
Community Capital Grant Program - one time allocation	-	-	-	-	300,508
Museum construction	220,000	220,000	220,000	-	-
Radio Tower replacement (CIP D-16)	455,000	-	-	-	-
Capital Asset Plan & Register	-	-	-	147,000	139,005
Strategic Building Asset Management	-	250,000	250,000	250,000	250,000
Council Chambers Technology	-	-	225,000	-	-
Capital Asset Management maintenance fees	-	-	-	17,299	15,836
West Lethbridge Centre Sportsfield	-	-	-	67,360	-
West Lethbridge Centre Library	-	-	-	77,232	-
Total Capital Allocated	1,025,000	870,000	1,145,000	1,008,891	1,155,349
Closing Balance	\$ 715,379	\$ 1,103,891	\$ 1,046,833	\$ 1,304,042	\$ 1,177,523



<u>Ref</u>	<u>Initiative</u>	<u>Business Unit</u>	<u>2009 Approved Budget</u>	<u>Complete (Y/N/P- Partial)</u>	<u>2009 Actual Expenditure</u>	<u>Status/ Action Taken to Date / Results Achieved</u>
N - 1	Festive Lighting	Corporate Initiatives	\$50,000	N	\$50,000	Purchased \$50,000 of Christmas Streetlight decorations in 2009. The new decorations were installed by City of Lethbridge Electric operations workers in November 2009. These new decorations could be seen along Stafford Drive, 4th Avenue south , and in the Downtown.
N - 3	Welcome to Lethbridge Signage	Transportation	\$160,000	N	\$0	These two new "Welcome to Lethbridge" signs that will be located at University Drive/Hwy 25 south of Hwy 3 and along Highway 4 on the southeast end of the city were not installed in 2009.
N - 4	Fund Development	Southern Alberta Art Gallery	\$55,000	Y	\$55,000	A full-time manager of fund development was hired in May of 2009. The gallery has embarked on its first significant strategic plan with the intent that the directions determined in the plan will set the goals and measures for fund development over the 3 year commitment. The organization has experienced remarkable support including a \$250,000 CFEP grant towards the new facility, and \$50,000 from the Federal Government for the purchase of the new elevator for the renovation. The annual fundraisers also saw significant improvement.
N - 5	Plan of Service Online Services Enhancement and Development	Library	\$38,300	N	\$0	No expenditures to date - Initiative budget was moved to 2010
N - 6	Plan of Service Outreach	Library	\$45,000	N	\$0	No expenditures to date - Initiative budget was moved to 2010
N - 7	Scheduling Software	Library	\$42,600	N	\$0	No expenditures to date - Initiative budget was moved to 2010
N - 8	Labour Force Initiative Continuation	Economic Development	\$30,000	N	\$30,000	Preliminary plans have been developed for the facilitation of an aboriginal workforce online resource intended to connect aboriginal workers with employers.
N - 9	Technology Transition Facility (Technology Incubator)	Economic Development	\$30,000	N	\$30,000	Economic Development Lethbridge has successfully pursued the opportunity of a Technology Commercialization Centre for Lethbridge. The City of Lethbridge has committed \$1.1 million to support the infrastructure of the technology commercialization building, to be built adjacent to an office facility and large scale data centre being built by Iunctus Geomatics Corporation. Western Economic Diversification is investing \$4.17 million. Iunctus Geomatics is also investing \$1 million over the next five years in operational funding support.
N - 10	Business Cluster Directory & Online Industrial Park Mapping	Economic Development	\$10,000	N	\$10,000	Economic Development Lethbridge has awarded the contract for a business directory by industry sector with an innovative online interactive mapping component for their website; projected completion date fall 2010.

<u>Ref</u>	<u>Initiative</u>	<u>Business Unit</u>	<u>2009 Approved Budget</u>	<u>Complete (Y/N/P- Partial)</u>	<u>2009 Actual Expenditure</u>	<u>Status/ Action Taken to Date / Results Achieved</u>
N - 12	Lethbridge Awareness Campaign	Economic Development	\$150,000	N	\$150,000	Economic Development Lethbridge has significantly increased interaction with provincial government departments and politicians through Team Lethbridge, a partnership of 12 Lethbridge organizations committed to raising the awareness of the City's strengths and attributes. A second trip to Edmonton is planned for November 2010. Concepts for a provincial promotional campaign "Mind Blowing Facts" have been created and partners are being solicited to help elevate the awareness of Lethbridge to business investors and community leaders with a particular emphasis on Calgary and Edmonton. The campaign is projected to be in the market for fall 2010.
N - 14	Hazardous Material and Environmental Release Mitigation	Fire & Emergency Services	\$250,000	N	\$48,878	Purchase of Tow vehicle and deck modifications. The trailers will be purchased in 2010.
N - 15	Sustaining Live Fire Training	Fire & Emergency Services	\$600,000	N	n/a	2010 project.
N - 16	Programmer / Scheduler	Fleet Services	\$91,200	N	\$0	The Fleet Operations Planner/Scheduler position will enable fleet operations to better track and analyze both corrective and preventative maintenance schedules for the city's equipment fleet. The intent was to hire this position in 2009, however, this has not occurred. It is the intent of fleet operations to hire this position filled in the summer of 2010.
N - 17	Utility II worker (10 month term)	Fleet Services	\$49,600	Y	\$49,600	This position hired in early 2009. This Utility Worker II joined the fleet garage operations and has successfully aided the garage operations to more efficiently serve both internal and external customers.
N - 18	Community Lighting Power Reduction	Transportation	\$150,000	N	\$0	An external consultant was not hired to perform this study in 2009. The Transportation department, along with the Electric Utility, began work in 2009 and will continue in the first part of 2010, to work on retaining an external consultant to aid the City with this study.
N - 19	AM/FM Support Employee	Electric	\$63,600	Y	\$63,600	This position was filled in 2009. The AM/FM support employee began to immediately work under the guidance of the Electric Utility Support group towards going "live" with the Electric Utilities "Work Order Management System" (WORMS) in 2010.
N - 20	Data Technician	Electric	\$109,500	N	\$0	The Electric Data Technician position was not hired in 2009. Electric Operations intends to have this position filled by the 2nd quarter of 2010.
N - 21	Safety / Trades Trainer	Electric	\$114,700	N	\$0	The Electric Safety / Trades Trainer position was not hired in 2009. Electric Operations intends to have this position filled by the 2nd quarter of 2010.
N - 22	System Patroller / Maintenance Planner	Electric	\$114,700	N	\$0	The Electric System Patroller / Maintenance Planner position was not hired in 2009. Electric Operations intends to have this position filled by the 2nd quarter of 2010.

<u>Ref</u>	<u>Initiative</u>	<u>Business Unit</u>	<u>2009 Approved Budget</u>	<u>Complete (Y/N/P- Partial)</u>	<u>2009 Actual Expenditure</u>	<u>Status/ Action Taken to Date / Results Achieved</u>
N - 23	Utility Systems and Billing Manager Position	Utility Services	\$102,300	N	\$0	The Utility Systems and Billing Manager position was not filled in 2009. Utility Services is currently working to refine the roles and responsibilities of this role before posting in 2010.
N - 24	Customer Care and Collections Additional Staff	Utility Services	\$74,000	Y	\$74,000	This additional Customer Care and Collections staff position was hired in the 1st quarter of 2009. This role has provided the Customer Care Center with the ability to increase service levels to their customers, the citizens of Lethbridge.
N - 25	Landfill footprint expansion approval process	Landfill	\$100,000	N	\$0	No expenses for the Landfill Footprint and Expansion project were incurred in 2009. This project will roll into the 2010 Landfill Master Plan project.
N - 26	Composting Pad Construction	Landfill	\$160,000	N	\$0	The construction of the Landfill Composting Pad is to be done as part of the Landfill Compliance Project. The design and construction of this project was not completed in the first half of 2009 and this pad became operations in October of 2009.
N - 27	Waste & Recycling Engineer	Landfill	\$100,000	Y	\$50,000	This position was filled in 2009. The filling of this position has aided Landfill operations tremendously by adding capacity for the business unit to focus on critical upcoming landfill projects such as the landfill gas baseline study, development of surface water management infrastructure, installation of a composting pad and a comprehensive landfill master plan study.
N - 29	Public Operations Training Programmer	Wastewater	\$83,600	Y	\$83,600	The Public Operations Training Programmer position was filled in early 2009 and has already proved to be a valuable support position to the City of Lethbridge Public operations department.
N - 30	Truck Driver/Machine Operator	Wastewater	\$56,300	Y	\$56,300	This position of a Wastewater Operations Truck Driver / Machine operator was successfully hired in 2009.
N - 31	Lift Station Coordinator	Wastewater	\$112,000	Y	\$112,000	This position of a Wastewater Lift Station Coordinator was successfully filled in 2009. Along with the position, this initiative also included the purchase of new truck that this position would require. This truck was also purchased and added to the wastewater fleet in early 2009.
N - 32	Purchase of a 2 ton Van	Water	\$87,000	N	\$0	This van was not purchased in 2009. Water operations is currently working with Fleet Services to refine the specifications of the new unit with the intent to purchase this vehicle in spring of 2010.
N - 34	Building Rehabilitation Mainstreet Program Replacement Funds	Downtown BRZ	\$37,500	N	\$37,500 funds are allocated to project account.	Private investment on Lethbridge Main Street Project façade and signage projects for 2009 was approximately \$265,000.00. Significantly more was invested on the interiors of the Martin's Shoe Repair/Union Bank and Alec Arms Hotel buildings.
N - 35	Downtown Business Revitalization Zone Coordinator	Downtown BRZ	\$12,000	N	\$7,000	Funding allocated towards the Downtown Business Revitalization Zone Coordinator

<u>Ref</u>	<u>Initiative</u>	<u>Business Unit</u>	<u>2009 Approved Budget</u>	<u>Complete (Y/N/P- Partial)</u>	<u>2009 Actual Expenditure</u>	<u>Status/ Action Taken to Date / Results Achieved</u>
N - 36	Ongoing Graffiti Abatement Program	Infrastructure Services Parks Management	\$60,000	Y	\$60,000	Two(2) graffiti labourers were hired in 2009 and continued to operate the graffiti removal program. Along with the labourers, this initiative included the rental of a summer use vehicle to aid the labourers with their graffiti abatement duties.
N - 37	Rotating Park Security	Infrastructure Services Parks Management	\$52,400	Y	\$52,400	This initiative aligns with the Heart of Our City Master Plan Campaign and City Council's desire to revitalize Downtown Lethbridge as well as to help create safer, more open and welcoming environments for block and feature city park 1. To deploy a security in Galt Gardens from 10:00 p.m. to 2:00 a.m. daily, year-round. 2. To schedule a rotating park security system which would attempt to reduce levels of undesirable activity throughout the summer season. The proposed program hours would be midnight to 4:00 a.m. daily from May 1 to September 30.. The particular locations of operation will include various parks as required including: Henderson Park, Lethbridge Tennis Club, Fairmont Park and area, Nicholas Sheran Park, Gyro Park, schools playgrounds and the river valley parks. 3. This additional security coverage would allow the City to focus on the "hot zones" to reduce vandalism and increase levels of public safety.
N - 38	Enhanced Tree Planting	Infrastructure Services Parks Management	\$30,000	P	\$30,000	This initiative was successfully implemented in 2009. The City of Lethbridge's Urban Forestry department planted over 150 trees at various city parks in 2009 as part of this new program whose goal it is to maintain the outstanding state of the city's Urban Forests.
N - 39	Funding of Parking Administration	Transportation	\$114,000	P	\$114,000	In accordance with this initiative, \$114,000 (or 1/3) of Traffic Administration costs were funded in 2009 from the Off-Street Parking Reserve.
N - 40	Seniors Transportation "Go Friendly Shuttle"	Transit	\$82,000	Y	\$82,000	After the 2008 Pilot Project, service to/from Nord-Bridge Seniors Centre continued at 20 hours per week . In February, 2009 service commenced to/from Lethbridge Senior Citizens Organization, resulting in an average of 40 hours per week between the two seniors centres.

<u>Ref</u>	<u>Initiative</u>	<u>Business Unit</u>	<u>2009 Approved Budget</u>	<u>Complete (Y/N/P- Partial)</u>	<u>2009 Actual Expenditure</u>	<u>Status/ Action Taken to Date / Results Achieved</u>
N - 41	Service Standard Implementation	Transit	\$113,000	P	\$113,000	As per Council's Transit Service Standards, transit service increased from every 60 minutes to every 30-minutes on weekday evenings, commencing in September 2009, and resulting in a ridership increase of 3-5%. Also in September 2009, service between Lethbridge College and downtown, and on the transit route linking Indian Battle Heights and the University of Lethbridge increased from every 30 minutes to every 15 minutes during weekday peak periods (September to April). Ridership on the Indian Battle Heights route increased by approximately 11%, ridership on Route 12 between the College and downtown increased by approximately 15%, as a result of the increased service. It is projected that ridership on all of these route will continue to increase in 2010.
N - 42	ACCESS A Ride Service Expansion	Transit	\$67,500	Y	\$67,500	ACCESS-A-Ride Service Expansion. In order to accommodate increased demand, an additional 4 hours per day was added to Access-A-Ride's weekday schedule, commencing in January 2009. This resulted in an increased ridership of 4,700 rides in 2009 (approximately 4%).
N - 43	Sport Council	Recreation and Culture	\$85,000	Y	\$85,000	The Executive Director was hired August 24, 2009. Revised Bylaws have been approved by the Board of Directors, and the Organizational Strategic Plan has been updated.
N - 44	Convention & Event Coordinator Position	Economic Development	\$45,000	Y	\$45,000	Position filled; Convention and Event Development saw increased activity throughout 2009 continuing to grow business traveler and conference/event revenues in Lethbridge.
N - 47	IT Coordinator	Library	\$90,000	Y	\$90,000	This position was filled in 2009. The filling of this position has allowed the Library to expedite the process of catching up to the exponential growth of information technology.
N - 48	Administrative Assistant	Galt Museum	\$57,000	Y	\$57,000	The new administration assistant (hired on June 1) is acting as a key custodian to the community contact database. Staff records management systems have been improved. The Administrative assistant provides the Board support and minute-taking. This has relieved the CEO of a number of tasks
N - 49	Programmer Education	Galt Museum	\$67,000	Y	\$67,000	The programmer was hired on April 22/09, and has been able to deliver an improved quality in a number of public programming areas such as our "Saturday at 1:00" family program and our summer bus tours. In January, the Museum had two Saturdays where 100 and 120 visitors attended. We are able to plan for quality training and supervision of our volunteer roving interpreters and program assistants. We have started a new seniors' program.

<u>Ref</u>	<u>Initiative</u>	<u>Business Unit</u>	<u>2009 Approved Budget</u>	<u>Complete (Y/N/P- Partial)</u>	<u>2009 Actual Expenditure</u>	<u>Status/ Action Taken to Date / Results Achieved</u>
N - 51	Communications Manager Position	Allied Arts Council	\$35,000	N	\$35,000	The Communication Manager was hired April 15, 2009. The balance of the funds were allocated towards a communication consultant and leadership development.
N - 52	Music and Speech Arts Festival Support	Kiwanis	\$5,000	N	\$5,000	This amount was allocated to the facility billing for the Yates Memorial Centre.
N - 53	Administrative Analyst	Lethbridge Regional Police Services	\$90,300	Y	\$47,100	Position filled in 2009, fulfilling duties of position
N - 54	Domestic Violence Constables	Lethbridge Regional Police Services	\$171,500	Y	\$171,500	Positions filled in 2009, training complete
N - 55	Financial Technician	Lethbridge Regional Police Services	\$0	Y	\$33,800	Position filled in September 2009 (in advance of original hire date)
N - 58	Information Technology Members	Lethbridge Regional Police Services	\$169,300	Y	\$127,600	Positions filled in 2009, fulfilling duties of the positions
N - 59	Online Police Reporting	Lethbridge Regional Police Services	\$62,800	P	\$52,300	3 positions, 1 per year over three years. Delayed 2009 hiring and filled 2009 and 2010 positions in second half of 2009.
N - 64	Corporate Security Program	Facility Services	\$70,000	Y	\$79,542	The Corporate Security Manager was hired in April of 2009 to oversee the institution of a corporate safety program. The desired outcome is to have a comprehensive program by the end of 2011. Inclusive of facility audits, policies, procedures and consolidation of security responsibilities throughout the corporation.
N - 65	Support to Seniors Operations	Community Development	\$100,000	P	\$100,000	Funds were allocated to LSCO and Nord-Bridge Senior Centres.
N - 66	Shelter & Bench Sanitation	Transit	\$21,900	N	Funds were not allocated from the Downtown Redevelopment Fund.	Pattison Outdoor Advertizing completed the initial 2009 cleaning under contract with Lethbridge Transit. Additional cleaning was determined not to be necessary beyond that regularly scheduled in 2009. The BRZ will continue to monitor and report on the cleanliness of bus shelters in accordance with this initiative. It is anticipated that unspent funds could remain available should they be required in the future.
N - 67	Upgrade Parking Meters	Parking	\$90,000	N	\$0	The initiative called for the replacement of 1,600 parking meters in the downtown core at an estimated cost of \$90,000. These meters were not purchased in 2009 but are planned for purchase in the 1st quarter of 2010.
N - 70	Parks Unmetered Water	Parks	\$111,000	Y	\$111,000	In accordance with this initiative, \$111,000 of additional unmetered water expense was funded from taxation and a corresponding \$111,000 increase in revenue from the Water operations budget was realized.
N - 73	2008-2017 Capital Budget Amendments	CIP	\$0	Y	\$0	The capital budget amendments as noted in the initiative have been completed
N - 74	2010 Olympics Torch Relay	Leisure Services	\$70,000	N	\$18,559	2010 event (costs were incurred in preparation for the event)



<u>Ref</u>	<u>Initiative</u>	<u>Business Unit</u>	<u>2006 -2008 Approved Budget</u>	<u>Complete (Y/N/P- Partial)</u>	<u>2006-2009 Actual Expenditure</u>	<u>Status/ Action Taken to Date / Results Achieved</u>
N-1	Fund Development	Lethbridge Public Library	\$146,100	N	\$90,823	In 2007, a Fund Development Feasibility Study was conducted by a volunteer on the Library Board. In 2008, KICK Creative Group was selected to develop a series of messaging packages, a 2-year marketing plan and a longer range plan to be used for the Capital Fundraising Campaign for the West Side Branch as well as ongoing giving opportunities. The Board approved the theme and brand concept of the marketing materials put forward by KICK and passed a motion to establish the Capital Campaign Committee. The Library launched the messaging campaign with a "Fill in the Blank" slogan. In 2009 McLarty Consulting was hired to develop and implement a fundraising plan for the Crossings Branch Library.
N-8	Safety Improvement to the Peenaquim Park Gun Range	Recreation, Parks, and Culture	\$182,000	N	\$35,822	The Fish and Game Association has received the CFEP grant in the amount of \$109,842.50. The construction of the baffles will be complete in 2010.
N-11	Management Information System (MIS)	Financial Services	\$3,200,000	N	\$1,934,715	<p>Phase 1 of the MIS project was successfully implemented with a "go-live" date of January 1, 2008. This project included the JD Edwards financial modules, the computerized work order management modules and Tempest.</p> <p>The major financial modules included General Ledger, Accounts Payable, Accounts Receivable, Procurement, Fixed Assets and Job Cost, The Tempest system, which included Property Tax, Permits, Business Licensing, Cash Receipts, Dog Licenses, and Parking Tickets was implemented on a phased-in approach throughout 2007.</p> <p>Sub-projects implemented in 2008 included an invoice scanning project and implementation of budget software.</p>

<u>Ref</u>	<u>Initiative</u>	<u>Business Unit</u>	<u>2006 -2008 Approved Budget</u>	<u>Complete (Y/N/P- Partial)</u>	<u>2006-2009 Actual Expenditure</u>	<u>Status/ Action Taken to Date / Results Achieved</u>
						<p>Training on the system continues to be offered. A Steering Committee has been set up to ensure continuous improvement, assess functionality, evaluate system performance and develop additional functionality to ensure the ongoing success of the systems. Additional processes and modules will be implemented in the next phase of the project.</p> <p>Phase 2 of the MIS Project includes funding for JD Edwards modules and process including Contract Service Billing, Electronic Workflow, Advance Collection Management, Employee Expense Management as well as reporting software such as ReportsNow and Business Intelligence.</p> <p>During 2009, the Expense Management Software was purchased and is in the development process.</p> <p>It is anticipated that the other modules noted above will be implemented over the 2009-2011 budget cycle.</p>
N-18	Agenda Management Program	City Clerk's Office	\$120,000	P	\$10,200	The Project Team for the Automated Meeting and Document Management project has completed Phase 1 which included a review of our current practices, best practices collected and strategies were identified and developed. The issuance of the RFP has been completed in Phase 2. The next step will be to identify the best solution and choose the appropriate vendor. Phase 3 is the implementation of the software, training and the transfer of existing information. It is anticipated that the project will be completed in 2009.
N-36	Archmount Drainage Work	Cemeteries	\$23,000	N	\$0	A desktop study by EBA was completed to further gather information so that a permanent, cost effective solution could be designed and implemented at Archmount Cemetery to alleviate the water problems. That study suggested possible solutions to the problem that may work. That study did not provide a design to move forward, but provided a few choices to consider. The choices given were (1) constructed drainage measures, (2) vegetative measures, and (3) combination of both. Further investigation in January of 2009 discovered a need for further drainage studies which have not yet been initiated. This project is on hold pending the results of the Cemetery master planning exercise beginning in March of 2010.
N-37	Cemetery Tree and Shrub Maintenance	Cemeteries	\$204,000	Y	\$204,000	In 2006, the maintenance of trees and shrubs in the city's 3 cemeteries (St. Pat's, Archmount and Mountain View) were turned over to the city of Lethbridge's Urban Forestry department. Since then, the Urban Forestry department has successfully maintained the 2,050 trees and 500 shrubs that lie within these cemeteries.