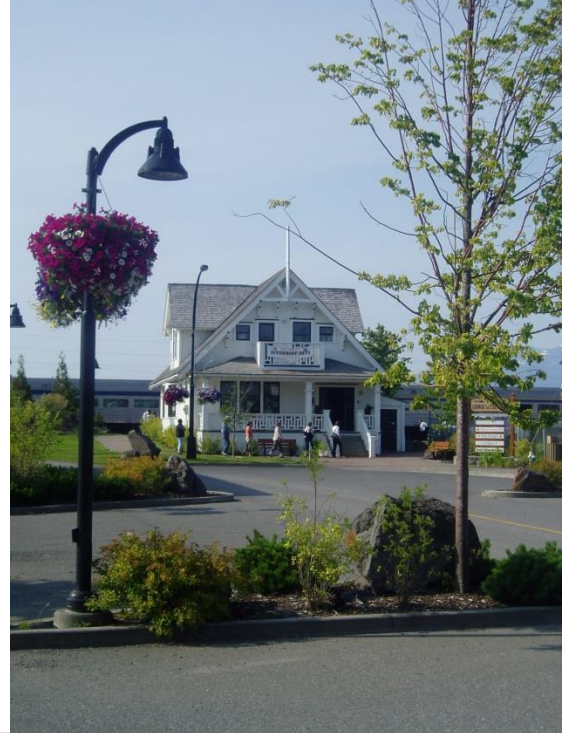


# City of Terrace

Annual Report 2016



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## ***Message from the Mayor***



*The following is the City of Terrace's 2016 Annual Report. This report is required under Section 98 of the Community Charter. A Council must annually prepare a progress report including objectives and measures for the coming year. It should include a brief report card on the previous year's accomplishments, a snapshot of municipal services and operations, and financial information.*

*2016 was another busy year for Council. Efforts to welcome and promote varied and sustainable industry continued with Council's attendance at several resource related conferences, meetings with industry, Government, and stakeholders, and continued work on the Skeena Industrial Development Park. Council traveled to China in the spring of 2016 as part of a delegation to promote industry, education, and tourism. Council worked with local First Nations to lobby the Provincial Government for funding and support for housing, for assistance for those struggling with addictions and homelessness, and for a replacement for Mills Memorial Hospital.*

*The City was successful in getting a Federal Gas Tax grant and used that to plan the refurbishment of the Terrace & District Aquatic Centre. The City also initiated a Downtown Parking Study, undertook a Transportation Master Plan, and completed a Parks and Recreation Master Plan.*

A handwritten signature in black ink, appearing to read 'C. Leclerc'.

***Mayor Leclerc***

## ***City Council***

*City Council is a legislative body representing the citizens of Terrace. Council provides leadership and establishes policies and priorities for the community. Regular meetings are held on the second and fourth Monday of every month at 7:30 p.m. in Council Chambers at City Hall. The public is welcome to attend the meetings in person or view them on the City's website [www.terrace.ca](http://www.terrace.ca). Council meetings are also archived for up to a year on the City's website.*



*Figure 1: Mayor and Council at the Inaugural Meeting in December 2014*

## ***Councillors' Areas of Responsibility 2016***

*Every year City Councillors serve as liaisons between various committees, community organizations, and City departments. The Councillors attended meetings for these groups and relayed information between Council and their respective organizations. Below is the list showing each Councillor's area of responsibility for 2016.*



### ***Mayor Carol Leclerc***

- *Governments (Federal, Provincial, Municipal, and First Nations)*
- *Northern Development – Northwest Regional Advisory Committee*
- *Terrace Community Foundation*
- *Healthy Communities Committee*
- *Administration Liaison*



### ***Councillor Sean Bujtas***

- *Housing Committee*
- *Regional District of Kitimat-Stikine alternate*
- *Greater Terrace Beautification Society*
- *Terrace Downtown Improvement Area Society*
- *RCMP Liaison*



### ***Councillor Lynne Christiansen***

- *Housing Committee*
- *Regional District of Kitimat-Stikine alternate*
- *Terrace & District Museum Society*
- *Leisure Services Liaison*



### ***Councillor James Cordeiro***

- *Regional District of Kitimat-Stikine*
- *Kermodei Tourism Society*
- *Skeena Diversity Society*
- *Development Services Liaison*
- *Educational Services Liaison (post-secondary)*



**Councillor Brian Downie**

- *Terrace Public Library*
- *Riverboat Days Committee*
- *Northern Medical Programs Trust*
- *Public Works Liaison*



**Councillor Michael Prevost**

- *Homelessness Task Group*
- *Youth Advisory Committee*
- *Rio-Tinto Kitimat Public Advisory Committee*
- *Educational Services Liaison (elementary and secondary)*
- *Finance Liaison*



**Councillor Stacey Tyers**

- *Regional District of Kitimat-Stikine*
- *Homelessness Task Group*
- *Terrace-Kitimat Airport Society*
- *Fire Department (including Emergency Program) Liaison*

## Order of Terrace

*The Order of Terrace is bestowed on members of the community who have made a positive and significant difference to our community. By conferring membership in the Order upon deserving individuals, the City of Terrace recognizes their significant achievements and contributions.*

*The Order of Terrace was bestowed on 4 deserving individuals at a ceremony that took place September 21, 2016.*

**Jose Coosemans** – Mr. Coosemans is a music teacher, piano tuner/technician, and accompanist. He has contributed greatly to the cultural life of Terrace through the Terrace Community Band, the Terrace Symphony Orchestra, the Gitwinksihlkw Brass Band, and the Majag-aleehl Nisga'a Band. He has accompanied countless students in his 43 years of involvement with the Pacific Northwest Music Festival, the Caledonia Secondary School Choir, and numerous musicals. Mr. Coosemans is a member of the Nisga'a Dancers and has taught the Sm'algyax



language at the *Figure 2: Mr. Coosemans receiving the Order of Terrace from Mayor Leclerc with the RCMP and CAO present.*  
'Na Aksa Gyilak'yoo School.

**Chris Hansen** – Ms. Hansen's involvement with the Greater Terrace Beautification Society extends over 20 years. Her work to make our community cleaner and more attractive has



*Figure 3: Chris Hansen receiving the Order of Terrace from Mayor Leclerc.*

*been selfless and constant. Ms. Hansen has been involved in many highly visible projects including the annual Garbathon, the Christmas light display along the Grand Trunk Pathway, the development of the Howe Creek Tree Farm, the Four-Way Stop Enhancement, and beautification work done along the Sande Overpass.*

**Dana Hart** – Inspector Hart joined the RCMP in 1989 and served on protection details of two Canadian Prime Ministers. From 2011 to his retirement in 2016, Inspector Hart was the Officer-in-Charge at the Terrace RCMP detachment. His commitment to community outreach and his exemplary leadership has greatly improved the way the community views the local RCMP. He initiated a communication program that provides local media with weekly summaries of RCMP calls. His devotion to his profession has earned him several prestigious awards including the Terrace & District Chamber of Commerce Executive of the Year in 2014, the RCMP Long Service medal and Bronze Clasp, the Queen’s Golden and Diamond Jubilee medals, and a Commissioner’s Commendation for Bravery.



Figure 4: Inspector Dana Hart receiving the Order of Terrace from Mayor Leclerc.

**Nirmal Parmar** – Mr. Parmar’s contributions to Terrace are wide-ranging. A founding member of the Terrace Multicultural Association and Skeena Diversity Society, he has made Terrace and the surrounding area a more welcoming community. He has done much work to encourage multiculturalism and address racism in Terrace. A hard-working and relentless volunteer, Mr. Parmar has also served on the Kermode Friendship Society Board, the Terrace and Area Health Control, Terrace Public Library Board, and the Northern Savings Credit Union.



Figure 5: Nirmal Parmar receiving the Order of Terrace from Mayor Leclerc.

The City would like to thank these four dedicated volunteers and all of the volunteers who contribute to making the City of Terrace an incredible place to work and live.



## **Strategic Planning**

*The City continued with the Strategic Plan that was launched for 2015-2019. Council conveyed the message that Terrace is the Heart of Northwest B.C. with the promotion of the community's opportunities for a high quality of life with a variety of indoor and outdoor recreation, a rich local culture, and strong First Nations relationships. The City also worked with all levels of Government to press the message that the City is open for business and well poised to grow economically in all aspects. Work continued on the Skeena Industrial Development Park, and Council, along with local First Nations and other communities, lobbied the Provincial Government hard for a new level 3 trauma centre in Northwest B.C. to replace the outdated and overcrowded Mills Memorial Hospital. Council attended many meetings and events throughout the year related to the four pillars of the Strategic Plan: Community Planning, Financial Sustainability, Responsible Management, and Partnerships with Others.*

## **Community Planning**

*Mayor and Council met with several new businesses that started in 2016. These included restaurant and manufacturing businesses. They worked with Makola Housing on an application for the Ksan Estates on Haugland Avenue. Some members of Council participated in the Growing Up Healthy in Northern BC program as well as the 50+ Survey developed by the Terrace Healthy Communities Committee.*

*Mayor Leclerc sat on the Highway 16 Transportation Advisory Group that worked to develop safe transportation plans for Highway 16 and the outlying communities. The City of Terrace also began research on a Transportation Master Plan.*

*The City welcomed the new groomer to Onion Lake Ski Trails and were present for the TransCanada Coastal Gas Link donation for the Rotary Splash Park at George Little Park.*



*Figure 6: Council with the volunteers at the Onion Lake Ski Trails with the new groomer*

## **Financial Sustainability**

*The City of Terrace continued to promote the financial sustainability of the City, especially through a diverse economy. Work continued on the Skeena Industrial Development Park and the City met with businesses throughout the year.*

*Council promoted the City of Terrace at many conferences and events, including the Association of Mineral Exploration's (AMEBC) Roundup Convention, Minerals North, the Council of Forest Industries (COFI) Annual Convention, and the BC Natural Resources Forum. Council continued to support the forest industry through meetings with BC Timber Sales and the Ministry of Forests, Lands, and Natural Resources Operations. They attended a tour of the Terrace Community Forest in the summer of 2016. Council also took part in a Tourism Planning workshop for Terrace and Northwestern BC and attended the Kermodei Tourism Society Annual General Meeting.*

*Meetings also took place through the year with LNG Canada and the Canadian Association of Petroleum Producers (CAPP) who led a tour of the Oil Sands prior the annual Union of BC Municipalities (UBCM) convention. One Councillor also attended the Northeast BC Resource Municipalities Forum to learn more about the effects of LNG development in rural communities.*

## **Responsible Management**

*The City worked with neighbouring communities and Northwest Regional Hospital District to lobby the Provincial Government to replace Mills Memorial Hospital. They attended a hospital tour hosted by Northern Health and then led Minister DeJong on a similar tour during his trip to Terrace in the fall of 2016. Council also met with the Northern Medical Program to develop ideas on how to encourage new doctors and medical specialists to move to Terrace to set up their practices.*

*Infrastructure projects for 2016 included a Local Area Service to pave Skeena Street, reconstruction of the 4800 block of Loen Avenue, pavement overlays on Park Avenue, and Eby Street near City Hall.*

*Solid Waste operations changes included the delivery of recycling carts to all residential customers along with a new pick-up schedule.*



*Figure 7: Council and the CAO with Minister DeJong during his tour of Terrace*

## Partnerships with Others

The City of Terrace continued to work with its neighbours. Council attended several workshops in the Nation2Nation series, which paired First Nations, industry, and community leaders to plan and discuss ways to further improve the region. Council attended the Reconciliation Canada event held in Kitimat, and took part in the Hobiyece celebrations in the Nass Valley. Council attended the North Central Local Government Association (NCLGA) annual conference in Dawson Creek, the Federation of Canadian Municipalities conference in Winnipeg, and the Union of BC Municipalities (UBCM) Convention in Victoria. All of these provided opportunities for Council to meet with and collaborate with other elected officials at all levels of Government. Locally, Council took part in the Terrace Business Walk with the Terrace Business Resource Centre and other local organizations, and took part in a Town Hall with Member of Parliament, Nathan Cullen.

Council also took part in some important local events including the annual Dare to Dream concert, the Founders' Day Tea, and several events hosted by the Terrace & District Museum Society. At Riverboat Days Council presented at the Opening Ceremonies, walked in the parade, and held their 3<sup>rd</sup> annual Pancake Breakfast with proceeds going to the local foodbanks.



Figure 8: Council, Daybreak Farms, and Save-on-Foods with donation cheques for Terrace Churches and Salvation Army Food Banks. The money was raised during their annual Pancake Breakfast held during Riverboat Days.

## ***Departmental Reports***

### ***2016 Department Heads***

*Chief Administrative Officer*

*Heather Avison*

*Corporate Administrator*

*Alisa Thompson*

*Financial Administrator*

*Phyllis Proteau*

*Fire Chief*

*John Klie*

*Director of Leisure Services*

*Carmen Didier*

*Director of Public Works*

*Rob Schibli*

*Director of Development Services*

*David Block*

*R.C.M.P. Inspector, Officer-in-Charge*

*Syd Lecky*



*Figure 9: front gardens at City Hall*

## Corporate Administration

The City's Corporate Administration Department consists of the Corporate Administrator, Executive Assistant, Human Resources Advisor, and Administration Secretary. This department provides legislative and administrative support to Mayor and Council, as well as other City Departments. Council meetings and functions are coordinated through Administration, and this department is also responsible for the maintenance and retention of bylaws of the City, communications, preparation of Council minutes and agendas, the Elections process, and for inquiries under the Freedom of Information and Protection of Privacy legislation.

Key activities in this Department over the past year include:

- The adoption by Council of some notable bylaws including a new Business License Bylaw that included provisions for Mobile Food Trucks, and a new Signage Bylaw;
- Prepared for the annual Union of BC Municipalities convention;
- Organized a mid-term strategic planning session for Council;
- Issued 24 media releases;
- Provided staff support to the Housing Committee, the Terrace Community Foundation, the Homelessness Task Group, and the Youth Advisory Committee;
- Began negotiations with the IAFF;
- Organized the Riverboat Days Opening Ceremony and Council's Annual Riverboat Days' Pancake Breakfast;
- Responded to 12 requests for records under the Freedom of Information Protection of Privacy Act;
- Prepared two calls for nominations for the Order of Terrace and a ceremony for four recipients and their guests;
- Negotiated leases for several City owned buildings;
- Coordinated a trip to Qinhuangdao, China for representatives from Council, Coast Mountains School District 82, Kitselas First Nation, and Northwest Community College;



Figure 10: 2016 Order of Terrace Recipients with Council and City Freeman, Yvonne Moen.

- *Organized events such as an open house during Volunteer Appreciation Week and the volunteer appreciation dinner to recognize and thank the residents who volunteer their time on City-related boards and committees, and a celebration of the City's rainbow crosswalk; and*
- *Updated the City's Youth Advisory Committee Policy, Travel Allowance Policy, and prepared a Fire Service Level Policy.*



*Figure 11: Council met with Premier Clark during UBCM*

### **Economic Development**

*2016 was a productive year for the Economic Development Division. Mayor and Council set priorities around Economic Development and an Economic Development Strategy was developed.*

*Terrace's first annual business walk was completed and due to its success the Economic Development Division plans to conduct it annually. Business owners contributed their thoughts to a survey and the City used their input to develop a work plan for the Communications and Business Development Intern.*

*The Communications and Business Development Intern was hired in spring 2016 through the Northern Development Local Government Management Internship Program to improve communication with the business community, field questions from the media, and monitor Economic Development tasks while the Economic Development Manager was on leave.*

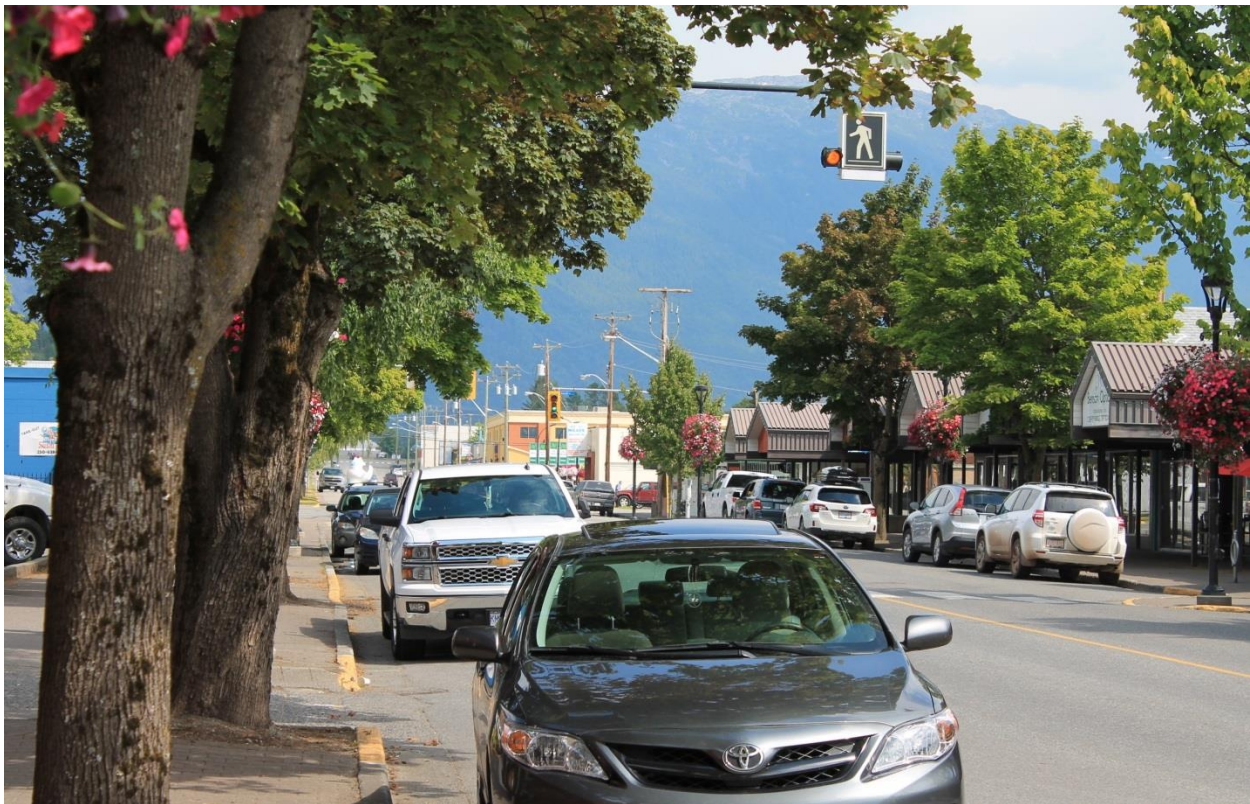
*To support small businesses the City provided some funding and leadership to the "Love Terrace" Buy Local marketing program.*

*Staff have pursued meetings and partnerships with First Nations and other organizations as part of the economic development priorities. Staff have also begun a monthly meeting series with the Terrace & District Chamber of Commerce to strengthen communications.*

*The Economic Development Division also continued to promote and support the development of the Skeena Industrial Development Park (SIDP), the City's Joint Venture with the Kitselas First Nation. Investors were encouraged to communicate with Taisheng International Investment and the Kitselas First Nation, and the SIDP was promoted through social and traditional media activity.*

*Economic Development staff fielded calls and visits throughout the year from potential investors. Several advertisements and featured articles were printed in a variety of publications to further promote Terrace as the preferred place to live, vacation, and invest in Northwest B.C.*

*The City continued to make significant progress on remediating several brownfield sites in 2016. Environmental consultants were in the final stages of work on the former Co-op lands and on the former log yard at Keith Avenue and Kenney Street. The final works will be completed to achieve a Certificate of Compliance from the Ministry on a 2.7 acre portion of the Co-op lands, which was subdivided in 2016, to enable the close of the property sale to Superior Lodging.*



*Figure 12: 4600 Block Lakelse Avenue*

## *Development Services*

*The Development Services Department is responsible for all community and land use planning activities, including long range planning, the processing of zoning, subdivision, Development Permit, and Development Variance Permit applications. The Development Services Department also oversees initiatives related to corporate and community sustainability. Other primary services include building inspections, business licensing, Geographic Information Systems, mapping, bylaw compliance, and animal control.*

*Economic activity slowed in the Northwest region through 2016. This was reflected in fewer land development inquiries and permit applications, which decreased from 2015, but were in line with the ten year average. The department processed sixty-eight land use applications in 2016, as compared to eighty-nine in 2015. Eleven Development Permits were issued primarily for smaller commercial renovations and alterations to existing buildings. Although the overall application numbers were low, several commercial renovations were completed in the downtown, including a significant conversion of a former church building to commercial retail space, and the façade enhancement, and interior renovations of the west end of a major shopping mall.*



*Figure 13: Townhouse development at McConnell Avenue and Cory Drive*

*The Planning Division oversaw a variety of projects and initiatives while keeping up with the day to day workload and providing additional support to other departments on a regular basis.*

*Planning processes included initiating a Downtown Parking Study, updating the Signage Bylaw, Noise Control Bylaw, Business Licence Fees Bylaw, and the ongoing updates to the Official Community Plan and Zoning Bylaws. The Planning Division also supported Public Works in the development of the Transportation Master Plan and continued to support Leisure Services throughout the completion of Parks and Recreation Master Plan process. The Planning Division played a key role in Parks Planning and supported Leisure Services with the proposed upgrades to the Terrace & District Aquatic Centre and other community park enhancements.*



Sustainability planning and outreach efforts continued throughout 2016 and the reporting will be completed in June 2017. Staff completed annual measuring and reporting on corporate (city-wide) greenhouse gas emissions as well as sought ways to support a reduction in residential emissions. The reporting for the 2015 emissions rose slightly when compared against 2014, due to an increase in activity and growth in our community over 2014.

Annual sustainability outreach initiatives continued in 2015 including participation in the annual community Garbathon, coordinating Bike to Work Week and other active transportation initiatives. The City-managed community gardens had another successful year of growth with garden plots fully utilized at both gardens.

The Building Inspection and Business Licensing Division issued building permits for approximately \$10.0 million in construction value, compared to \$52.0 million in 2015 and \$42.0 million in 2014. 201 permits were issued in 2016, as compared to 276 in 2015. 12 single family residential dwelling permits were issued in 2016, down from 22 in 2015 while 1,116 business licenses were issued in 2016, which is a slight increase from the 1,110 issued in 2015.

In 2016 the Geographic Information Systems/Mapping Division continued to maintain and update TerraMap, the City's digital mapping database, as well as providing support functions for planning and engineering and other City departments.

In 2015 Council approved the full time position for a Bylaw Compliance Officer and the position was successfully filled mid-2016. The full time Officer has been well received in the community and has enhanced service delivery significantly. The number of complaints received and tickets issued for 2016 was 335 and 64 respectively; and included 152 complaints received and 13 tickets issued by the RCMP under the Noise Control Bylaw & Parks & Public Places Bylaw.

The Animal Control Division dealt with 75 registered complaints under the Animal Control Bylaw. In 2016 the Animal Control Officer dealt with one dangerous dog designation following a significant attack on a resident. The shelter staff cared for numerous animals and found homes for many abandoned pets through the animal adoption program. The Animal Shelter performed 695 private animal cremations in 2016, which was an increase over the 599 performed in 2015. For many pet owners and the veterinarians in the region this cremation service continues to be well received and utilized.



Figure 14: 'Nozzle Talkers' that provide information about the impacts of greenhouse gases

## **Finance**

*The Finance Department is responsible for safeguarding the City's financial assets and planning to ensure the financial stability and viability of the City. Those safeguards include monitoring, controlling, and allocating the City's financial resources in order to meet the short and long term budgetary goals and objectives that Council has set out in the five-year Financial Plan. The Finance Department is also accountable for implementing and administering the City's Information Technology (IT) systems. All financial transactions are completed in accordance with the Community Charter, the Local Government Act, and Canadian Generally Accepted Accounting Principles as set out by the Public Sector Accounting Board.*

*The Finance Department has two distinct client groups; internal and external. Internal financial systems and reports continually change to meet the needs of the departments and of Council. External communication and reporting includes audited financial statements, annual reports, and communication with media, stakeholder groups, and individual taxpayers.*

### *Core Service Areas:*

- *Financial Planning;*
- *Accounting Services;*
- *Information Technology; and*
- *Revenue Services*

### *Key Activities:*

- *Prepare the Financial Plan Bylaw through a series of open meetings with Council;*
- *Prepare the Tax Rates Bylaw guided by the goals and objectives of Council;*
- *Collect municipal property taxes and utility charges;*
- *Collect property taxes on behalf of the Regional District of Kitimat-Stikine, Northwest Regional Hospital District, Province of BC, BC Assessment Authority, and Municipal Finance Authority;*
- *Conduct, if necessary, an annual Tax Sale;*
- *Produce accurate and timely internal financial statements and monitor budgetary controls;*
- *Process and monitor accounts payable, payroll, employee benefits, accounts receivable, taxation, and utilities;*
- *Co-ordinate City-wide cash systems and insurance transactions;*
- *Manage financial reserves;*

- *Administer the Terrace Regional Transit System Annual Operating Agreement and participate with the Regional District of Kitimat-Stikine in the Skeena Regional Transit System;*
- *Monitor RCMP agreements and financial transactions;*
- *Monitor cost-sharing agreements with the Regional District of Kitimat-Stikine. These include the matters of Sportsplex, Terrace & District Aquatic Centre, leisure programs, library, cemetery, transit, fire protection, and highway rescue;*
- *Prepare the Permissive Tax Exemptions Bylaw;*
- *Arrange for an annual audit of the financial statements. The Audited, Consolidated Financial Statement as of December 31, 2016 are included in this report;*
- *Research and co-ordinate grant applications including the use of Federal Gas Tax revenues and Gaming Funds; and*
- *Maintain and support the City's technology, computer systems, and IT projects.*



*Figure 15: Gardens at Eby Street Intersection with RCMP Detachment in background*

## Fire Department

In 2016, the Fire Department consisted of 8 full time firefighters, 2 Chief Officers and a Clerk/Dispatcher. To complement the career staff, there were up to 23 volunteer firefighters that trained and worked alongside the paid staff to provide fire prevention, fire suppression, rescue, pre-hospital care and hazards mitigation. The Fire Department strives to have 32 trained volunteers as part of the team.



Figure 16: 2016 Volunteer Recruit Class

The following report includes incidents and activities for 2016 with 2015 comparison.

There were 1,018 9-1-1 Dispatch incidents in 2016. These included 232 fire related, 610 First Responder & Medical, 151 Rescue and Motor Vehicle Incident (MVI), and 25 Assist and Complaints. While the number of fire responses decreased in 2016, overall there were 50 more calls than in 2015.

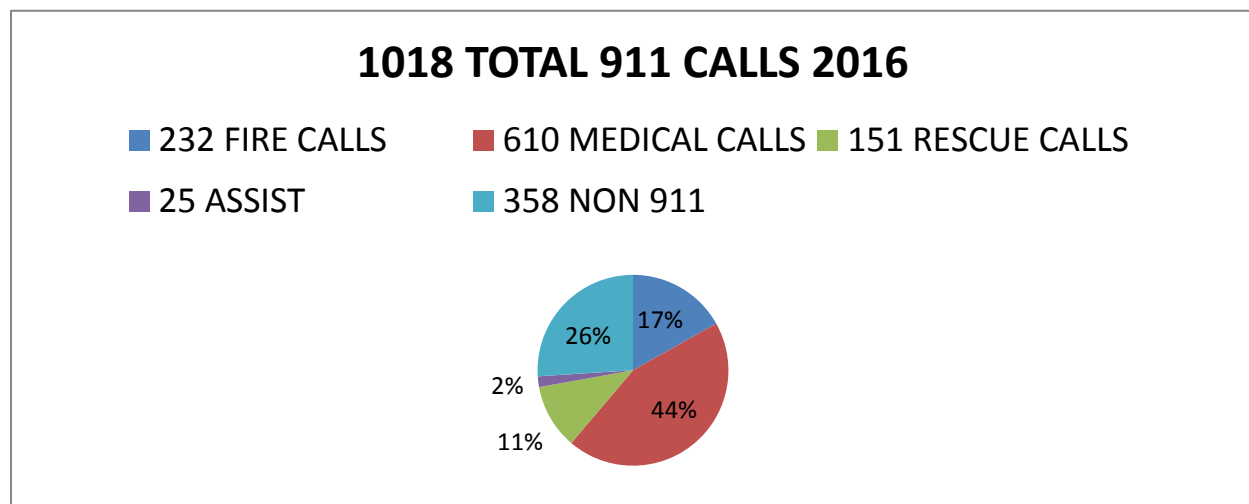
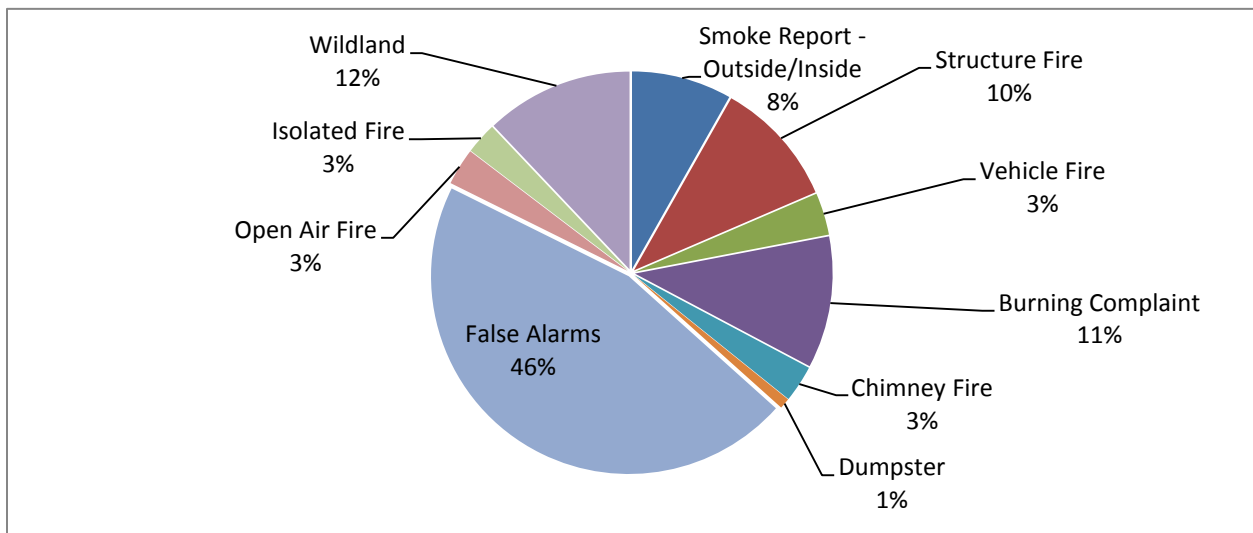
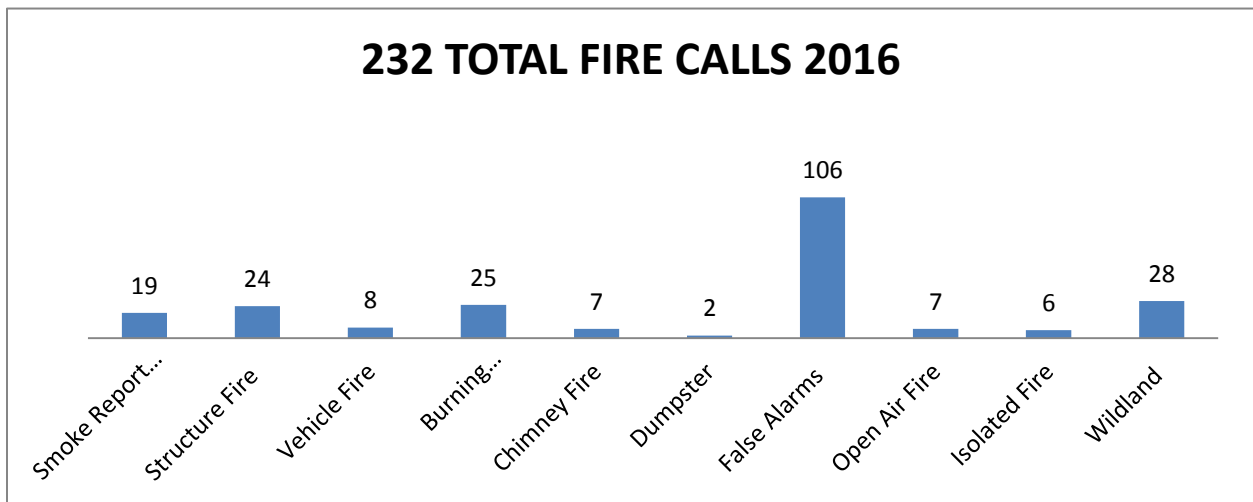




Figure 17: Early morning fire call





*Figure 18: Late evening fire call*

*The Fire Department also answers calls that do not come through the 9-1-1 Dispatch. In 2016 there were 358 calls that did not come through 9-1-1 Dispatch. These included:*

- *197 Alarm System notifications from Businesses (fire drills, alarm testing);*
- *22 Community Events (including Fire Hall Tours, Fire Prevention talks);*
- *77 City of Terrace service calls; and*
- *62 queries/burning complaints /fire watch/Critical Incident debriefing.*

*This was an increase of 53 calls over 2015 with the largest increases coming from queries, burning complaints, fire watch, critical incident debriefing (37 calls), and from community events, fire hall tours, and fire prevention talks (22 additional calls).*

*The Fire Department is also responsible for inspections of buildings for fire safety. There were 1,041 inspections scheduled or 2015-2016 and 740 were completed. 301 inspections will be carried over to 2017 Inspection list. In 2017 it is anticipated the Fire Department will conduct 398 inspections in addition to the 301 outstanding inspections from 2016 for a total of 699 inspections.*



*Figure 19: motor vehicle accident along highway*

Career and volunteer members made themselves available for fire, first responder, rescue, motor vehicle incidents, and medical incidents throughout the day and night. In addition to regular shifts and training hours put in by firefighters, 62,889 hours of on-call time were documented. Based on a crew of 25 people, this worked out to 43.38 hours of on-call time per member per week. While this showed a total increase of on-call hours, due to an increase in staffing levels, the average amount of time each member was on-call per week decreased by almost five hours.

In 2016 the Fire Chief recommended, and Council approved, that the level of service provided by the Terrace Fire Department would be at the **Interior Operations Level** as defined by the Office of the Fire Commissioner **Structure Firefighters Competency and Training Playbook**.

Within this level of service the Terrace Fire Department can provide our Core Services of:

- 1) Fire Prevention;
- 2) Fire Suppression;
- 3) Rescue;
- 4) Pre-Hospital Care; and
- 5) Hazards Mitigation.



Figure 20: Training day

### **Training**

Training continues to be a key component for the Fire Department to be successful to meet specific standards and best practices. This involves time and commitment from the paid staff as well as the volunteer firefighters. The Terrace Fire Department held weekly training sessions every Tuesday evening from 7:00 p.m. to 9:00 p.m. to teach core skills.

### **Fire Prevention Talks and Tours**

October is Fire Prevention month and the Smoke House tour is a favourite event with the local elementary schools.



Figure 21: Smokehouse for drills at local schools



### **Fundraising Events/ Community Events**

*Every year the firefighters sponsor or co-host a variety of events to either raise money and/or awareness for different organizations. In 2016 these included the “Guns and Hoses” hockey game with the Terrace RCMP detachment for the local JumpStart program, the “Fire Truck pull” in conjunction with United Way, the “MD” drive to raise money and awareness for Muscular Dystrophy, and the favourite “July 1<sup>st</sup> Pancake Breakfast” that raised money for the Burn Fund of BC.*



*Figure 22: Annual Firefighters' Canada Day Pancake Breakfast*



## ***Leisure Services***

*Leisure Services is responsible for providing parks and recreation services including the Terrace & District Aquatic Centre, Sportsplex with twin arenas, Ferry Island campground, sports fields, trails, and parks. The Leisure Services Department plans and implements programs that promote active and healthy living. Leisure Services is also responsible for providing cemetery services.*

### **Sportsplex**

*In 2016 the ice was in for a total of thirty-one weeks with twenty-three weeks having two sheets of ice and eight weeks with one sheet of ice.*

*Arena ice highlights included:*

- *2016 Coy Cup Senior AA Provincial Championships;*
- *9 hockey tournaments;*
- *1 ringette tournament;*
- *3 figure skating events;*
- *44 Skeena Valley Hockey League games; and*
- *16 Central Interior Hockey League (CIHL) Terrace Riverkings Games.*

*Large events hosted at the Sportsplex included:*

- *16 weddings/large family celebrations;*
- *Business Expo;*
- *Spirit of Wellness Expo;*
- *2 graduations;*
- *Prom and dry grad;*
- *Taekwondo competition;*
- *PacificSport Northern BC Conference;*
- *Christmas Craft Sale; and*
- *3 Christmas Dinner and Dance celebrations.*



*Figure 23: Hiking trail in Terrace*

### **Programs**

*Fitness, public skating, and youth activities continue to be the focus of community programming. New programs in the department included Boards, Blades & Bikes, Family Gym, and Ballroom Dancing. Summer Daze Kids' Camp, which was held at Parkside School, had maximum attendance for 8 weeks with 32 children.*

*Regular programs that keep participation numbers:*

- *Weekday fitness – 4,288;*
- *Saturday and Sunday public skate – 2,561;*
- *Free public skates – 1,097;*
- *Swim lessons – 1,501; and*
- *Free public swim – 5,747.*

The Programming Division acquired the responsibility to assist agencies in administering funding assistance to low income families several years ago. This has made it easier for families and individuals to access funding opportunities. The City offered a free 'Learn to Skate' program in August to provide youth not exposed to ice activities an opportunity to learn to skate by a certified coach. The City continues to offer the Leisure Access Pass that allows for a reduced admission into swimming, skating, and fitness classes. In 2016 there were 154 families and/or individuals with these passes.

Camps and special days organized and implemented by the Programming Division included:

- Circus Camp;
- Family Day;
- Aboriginal Days;
- Canoe Camp;
- Sailing Camp;
- Movie in the Park; and
- Terry Fox Run.

### **Clubs and Organization Registration Numbers**

Registration numbers for various clubs and organizations that regularly use the City facilities were:

- Figure Skating Club – 84;
- Minor Hockey – 300;
- Northern Edges Hockey Academy – 50;
- Ringette – 83;
- Men's Recreational Hockey League – 250;
- Youth Soccer – 674;
- Minor Softball – 283;
- Adult Softball – 240;
- Badminton – 25;
- Youth Volleyball – 55;
- Archery – 45;
- Roller Derby – 32;
- Adult Volleyball League – 120
- Ladies' Soccer – 160 (indoor and outdoor);
- Pickle Ball – 14-20 regular drop-in; and
- Swim Club – 67.



Figure 24: Volleyball and other games during Movie in the Park night

## **Projects Completed**

Several programs and projects were completed by Leisure Services in 2016 to promote planning, safety, beautification, and to update facilities.

- *Parks and Recreation Master Plan;*
- *Communities in Bloom Program;*
- *Parking lot security cameras;*
- *Ferry Island campground upgrades;*
- *Banquet room renewal;*
- *Christie Park soccer pitch repair;*
- *Halliwell tennis court resurface; and*
- *Arena female dressing room.*

## **Ferry Island**

Ferry Island Park continues to be one of our most utilized trail systems in the City. Easy walking trails, off leash dog zone, and majestic forest brand its popularity. The campground had 7,628 campers in 2016.



Figure 25: Entrance to Ferry Island Park and Campground

## **Cemetery**

The Municipal and the Kitsumgallum cemeteries had a total of 50 burials and 10 columbarium interments.



Figure 26: The Kitsumgallum Pioneer Cemetery

## **Public Works**

*The Public Works Department is responsible for operation of the City's infrastructure and the construction of most capital works improvement projects. The areas of responsibility include: roadway maintenance and reconstruction, snow and ice control, engineering and construction, storm water drainage collection, sanitary sewage collection and treatment, potable water supply and distribution, solid waste operations, purchasing, City buildings, and municipal fleet vehicles.*

*Winter was mild and wet in 2016 reducing the workload and expenses for winter maintenance. Competitive pricing enabled acceleration of the Capital Works plan and reconstruction of an additional street. Two pump failures at the Frank Street Pumping Station were challenging for the Environmental Services crew, but they managed to keep the system running without disruptions or use of back-up sources.*

*Some of the projects undertaken by the Public Works Department in 2016 included:*

### **Building Maintenance**

*Several buildings were upgraded in 2016. The roof over the walkway at the Terrace Public Library was completed and the flooring was replaced in the Art Gallery. Some exterior building improvements have been planned for 2017.*

*The RCMP detachment underwent renovations to open the office area to create more workstations. The flooring was also updated.*

*City Hall received improvements to the heating and ventilation systems. The Emergency Management BC (EMBC) lease area had air conditioning installed. Office workstations were upgraded in several locations. Three adjustable height (standing) work stations were installed.*

*The 'Welcome to Terrace' sign on Highway 16 West was refurbished and relocated. The sign on Highway 16 East was removed for refinishing and relocating.*

### **Engineering & Roads**

*The Engineering & Roads Crews completed the design, reconstruction, and paving of Skeena Street. This was done as part of a resident initiated Local Area Service Improvement and involved extensive consultation with the neighbourhood.*



Figure 27: Road reconstruction work

The 4800 block of Loen Avenue was reconstructed. This project was added to the Capital Works Plan after initial budget adoption to utilize savings on other projects and Capital Works Reserve funds.

Street lighting upgrades were completed on Weber Avenue, Goulet Avenue, and McRae Crescent. Pavement overlays were completed for Park Hill and a 'mill & fill' program was completed on Eby Street at Lakelse Avenue.

Through the Public Works department a community-wide Master Transportation study, including network analysis, was started and the draft report was released. At the same time a Transportation Master Plan was drafted. In conjunction with ICBC, a signage and road marking review and field guide was developed.

The City is also managing the ongoing environmental site investigations at the former Co-op property.

**Solid Waste**

2016 saw the implementation of an automated curbside collection for refuse and recycling. Organics carts were purchased in preparation for the addition of organics collection to finalize the 3-stream (refuse/recycling/organics) curbside collection program for 2017. As part of this program, the City stopped accepting refuse at the Kalum Lake Road landfill and transitioned to delivering waste to the new regional District of Kitimat-Stikine (RDKS) transfer station on Old Lakelse Lake Road. Education and outreach programs continued throughout 2016 to enhance people's abilities to conduct backyard composting, around waste diversion, and recycling alternatives.

**Wastewater System**

The City completed a Master Plan of the City's Wastewater system. This Master Plan will aid in ensuring the system's sustainability. A Condition and Capacity assessment was also completed for the Wastewater Treatment Plant. The assessment revealed that the plant is generally in good condition and outlined some recommended upgrades to improve performance.

The Supervisory Control Data Acquisition (SCADA) system integration began for the sewer treatment plant. SCADA will allow real-time video monitoring of plant operations and wastewater parameters. A video inspection program was also started for the major sewer mains in the community. The program focused on downtown areas and the mains running under the CN rail lines.



Figure 28: City of Terrace organics collection bin

### **Water System**

*As part of the road work in 4800 block Loen Avenue, the water distribution network was also replaced.*

*The Wilson Reservoir #1 was repaired and resealed. Two of three pumps and motors were replaced at the Frank Street pumping station. Consecutive motor failures illustrated the importance of redundancy upgrades completed at this facility approximately 10 years ago.*

*The SCADA system was continued for the Waterworks operations. The work included power management, communications, and monitoring enhancements.*

### **Vehicle Fleet**

*The City purchased a new half-ton pickup truck for the Roads and Drainage foreman. The old vehicle was kept as a spare because it had a low trade in value. The City also purchased an asphalt grinder head for the backhoes to improve the quality and efficiency of pavement patching.*



*Figure 29: City of Terrace Solid Waste collection truck*

## ***Royal Canadian Mounted Police Terrace Detachment***

*The Terrace RCMP members and staff remain committed to contributing to the safety and security of the communities they serve including the City of Terrace, the First Nations communities of Kitsumkalum and Kitselas, as well as the community of Thornhill and the surrounding Regional District of Kitimat-Stikine.*

### **Message from the Officer in Charge- Inspector Syd Lecky**

*As the newly appointed Officer in Charge of the Terrace it was no surprise to find that 2016 was another busy year with the Terrace Detachment receiving 11,705 calls*

*for service, with 7,619 occurring within the City of Terrace. The Detachment was faced with transfers of 7 uniformed members and 3 who were off work due to illness for several months. There were also 3 vacancies in Public Service civilian employee positions that significantly impacted the clerical staff. Despite these challenges, members and staff still found time to participate in many community events that increased visibility in the communities and helped contribute to the success for many local charities and educational events.*



Figure 30: Cops for Cancer - Tour de North Team



Figure 31: The RCMP were defeated again by the Special Olympics Soccer Team

*I continue to be impressed with the high quality of investigations and the community engagement of our members and staff who often work long hours and volunteer their time to contribute to the safety of our community.*

*There were several major police investigations that significantly impacted resources during the summer months, including a homicide investigation that occurred in the rural area*

*policed by this detachment. The most significant event occurred in August 2016, when a male committed suicide within the City limits. The Independent Investigations Office of BC (IIO BC) continues to investigate and it is hoped that this will be resolved in the near future. As a result of that incident several uniformed members were on Administrative Leave for an extended period of time. This significantly impacted service delivery at the busiest time of the year. This detachment was fortunate to receive support from surrounding detachments to cover the immediate policing needs. There were several other notable investigations including robberies and an aggravated assault investigation that were connected to individuals with gang affiliations from the Cariboo-Chilcotin region.*

Two men were subsequently charged and convicted in both cases, receiving significant jail sentences.

There were several successful drug investigations that resulted in local drug traffickers being charged and convicted. The increasing threat related to Fentanyl has affected investigations of this nature and there have been a number of related overdose deaths. This has also increased the risk to investigators and all first responders. Terrace Detachment members have been equipped with training and Naloxone Kits to mitigate the risks of accidental exposure and to increase public safety.

As with last year the Terrace Detachment has completed a number of disturbing investigations related to internet safety and in particular those related to possession of child pornography. There are a number of cases that have resulted in charges and are still before the courts. These investigations are very time consuming and costly and unfortunately reports of this nature seem to be on the increase.

Crime Prevention efforts have included a focus on educational components in local schools with respect to internet safety and Traffic Safety including the dangers of Impaired and Distracted Driving.

Terrace RCMP Detachment is comprised of Four General Duty Watches, each consisting of a Corporal supervisor and 4



Figure 32: Alexa's Team Bus- Road Safety Education at Skeena Middle School

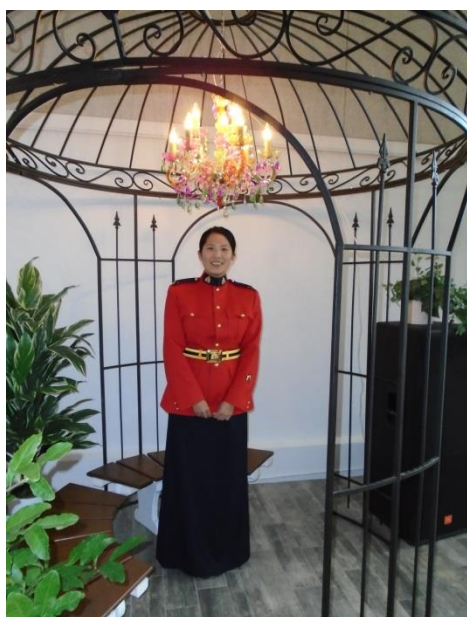


Figure 33: Cops for Cancer Gala Dinner Event

Constable Investigators who provide police services 24/7 to Terrace and the surrounding area.

In support of General Duty, Terrace Detachment includes a Forensic Identification Section, Police Dog Section, General Investigations/Drug Section, Crime Reduction Unit, Community Policing/Media Relations Unit, Victim Services, Records staff, Exhibit Custodian, and Court Liaison Officer. Terrace Detachment also houses nine holding cells with full-time and part-time Municipal guard staff as well as six Municipal staff who handle reception, transcription, personal information checks, and liquor permits.



*Based in Terrace, West Pacific Traffic Services, a Collision Reconstructionist Unit, and a Strategic Prevention Services officer also provide services throughout the northwest; from Houston to the east, Haida Gwaii to the west, Kitimat to the south and Atlin to the north.*

*In 2016 Terrace Detachment undertook a number of proactive enforcement and crime reduction initiatives in support of Detachment Priorities. The two-member Crime Reduction Unit, along with support from General Investigations Section (GIS) and dedicated General Duty (GD) members, focused on the prolific offenders and persons released on conditions. These clients were closely monitored. Terrace Detachment members conducted 364 curfew checks, 356 street checks of persons behaving suspiciously, 400 foot patrols, and 421 licensed premise checks that included special events occurring throughout the year. Proactive enforcement resulted in numerous prolific offenders being arrested by members for breaching their release/probation conditions.*



*Figure 34: The Go-Kart Challenge at Kitsumkalum*

**The policing priorities for 2016:**

*The policing priorities for 2016 included reducing substance abuse through partnerships with external agencies to address mental health and addictions; reducing property related crime (break & enter/mischief) through intelligence led policing and Prolific Offender management; improving road safety by targeting distracted and new drivers with a focus on local schools and school zones; and reduce the level of family violence through partnerships and enforcement.*



*Figure 35: Safety Bear at the Annual Business Expo*

**Comparison of Total Calls for Service:**

*In 2014 there were 8,004 Calls for Service in Terrace, and 12,181 for Terrace and area. The numbers decreased in 2015 to 7,689 Calls for Service in Terrace and 11,769 for the greater area. The numbers in 2016 were similar to 2015 with 7,619 calls within Terrace and 11,705 calls for the greater area.*

ACTIVITY	2015	2016
<b>Persons Offences (assault, threats, homicide)</b>	699	687
<b>Property Offences (damage, theft)</b>	1068	1216
<b>Criminal Code Traffic Offences</b>	154	140
<b>Total Other Criminal Code Offences</b>	1874	2042
<b>Drug Related Offences</b>	225	115
<b>Other Federal Statute Offences</b>	54	41
<b>Provincial Offences Other than Traffic or Liquor Mental Health Act (MHA)</b>	491 (345 MHA)	552 (360 MHA)
<b>Liquor Act Offences</b>	816	533
<b>Provincial Traffic Offences/Collisions</b>	649	859
<b>Municipal Bylaw Offences</b>	202	196
<b>Assist General Public / Miscellaneous Offences (False Alarms)</b>	1750 (378)	1938 (335)
<b>Police Information Checks (volunteer)</b>	1010 (609)	935 (518)
<b>Municipal Prisoners Lodged (year)</b>	1477	1323
<b>Total Provincial/Federal Prisoners Lodged (Year)</b>	377	271

*A key to a successful crime reduction strategy is community support and partnerships, and the Terrace Detachment is very fortunate. The Detachment works with staff and volunteers at:*

- *Crime Stoppers;*
- *Community Based and Police Based Victims Services;*
- *Restorative Justice;*
- *Auxiliary Constable Program;*
- *The Terrace Fire Department;*
- *Emergency Health Services;*
- *BC Sherriff Service;*
- *Northern Health/ Mills Memorial Hospital and the Intensive Case Management Team; and*
- *Coast Mountains School District.*



*Figure 36: Cram-a-Cruiser foodbank fundraiser raised more than \$2,000 for local foodbanks*

All work collaboratively with the RCMP in support of efforts to support the youth and the initiatives to support mutual clients with Mental Health and Addictions issues.

Terrace Detachment members also work with the High Risk Domestic Violence (HRDV) Committee comprised of Community Corrections, Mental health and Addictions, the Ministry of Children and Family Services, the Ksan Society, and the Ministry of Social Development and Social Innovation, working together to mitigate the highest risk cases associated to domestic violence.

Along with investigations and enforcement, members and employees of Terrace RCMP are involved in a wide variety of programs and activities. The members are committed to making this region a safe and healthy place to live, work, and play. In addition to their regular duties, members and employees are dedicated volunteers, involved in such organizations as Air Cadets, Scouts, Minor Hockey, Big Brothers/Big Sisters, Rotary and the United Way.



Figure 37: Thank you poster from Syrian families to the RCMP

The Terrace RCMP undertook a number of crime prevention initiatives, including the “National Child Find” program promoting security measures to keep children safe, and the annual ‘Cram a Cruiser’ event to support local Food Banks. Cram a Cruiser was highly successful again this year with over \$2,000 raised and four vehicles of food donated.



Figure 38: Big Bike for Heart and Stroke with a team named after one of their own

## ***Appendix A – Declaration of Disqualifications***

*There were no disqualifications made under Section 111 of the Community Charter in 2016.*

*Alisa Thompson,  
Corporate Administrator*

## **Appendix B – Property Tax Exemptions**

*In accordance with section 98(2)(b) of the Community Charter, the following properties in the City of Terrace were provided permissive property tax exemptions by Council for 2016 in addition to any statutory exemptions provided by the Chamber Charter.*

<b>Names</b>	<b>Address</b>	<b>2016 City Exempt Taxes</b>	<b>2016 Other Exempt Taxes</b>
Terrace Curling Association	3210 School St	12,885.20	4,187.25
Women’s Aux. to Hospital	4544 Lazelle Ave	2,123.89	690.19
Terrace Elks	2822 Tetrault Ave.	1,091.70	611.17
Terrace Child Development Centre	2510 Eby St.	7,340.41	2,385.39
Terrace Child Development Centre	4665 Park Ave.	4,947.30	1,607.71
K'San House Society	4838 Lazelle Ave.	4,766.67	3,443.79
K'San House Society	4838 Lazelle Ave.	6,762.84	2,197.70
K'San House Society	2812 Hall St.	7,072.37	5,109.60
Seventh Day Adventists (All Nations Centre)	3312 Sparks St.	1,237.31	692.69
Terrace Little Theatre Society	3625 Kalum St.	3,893.41	1,265.23
Salvation Army	3236 Kalum St.	4,450.27	1,446.19
Terrace & District Community Serv.	4903 Medeek Ave.	1,163.67	840.72
Terrace & District Community Serv.	4832 Loen Ave.	1,468.12	1,060.68
Terrace & District Community Serv.	4650 Davis Ave.	1,474.23	1,065.09
Terrace & District Community Serv.	4823 Graham St.	1,396.12	1,008.66
Terrace & District Community Serv.	2806 Eby St.	1,244.13	898.85
Kermode Friendship Society	3313 Kalum St.	4,304.30	2,409.70
City of Terrace-Visitor Information Centre	4511 Keith Ave.	6,001.19	1,950.18
Congregation of Jehovah's Witnesses	2908 Eby St.	600.90	336.40
Trustees of Kingdom Hall	2906 Eby St.	2,752.34	1,540.86
Zion Baptist Church	2911 Sparks St.	857.31	479.95
Terrace Evangelical Free Church	4640 Park Ave.	4,077.01	2,282.45
Terrace & District Council for Social Resources	4623 Tuck Ave.	2,023.37	1,461.83
Skeena Gursikh Society	4634 Walsh Ave.	1,208.90	676.78
Pentecostal Assemblies	4643 Walsh Ave.	970.95	543.57
Christian Reformed Church	3602 Sparks St.	757.16	423.88
Christian Reformed Church	3603 Sparks St.	467.12	151.80
Parking (next to Kwinitza House)	4801 Hwy 16 W	2,202.12	715.62
Terrace Calvin Christian School	3608 Sparks St.	4,068.29	1,322.06
Terrace Gospel Hall	4802 Scott Ave.	647.07	362.25
Knox United Church	4907 Lazelle Ave.	1,052.63	589.30

Pentecostal Assemblies	3511 Eby St.	1,873.01	1,048.58
Roman Catholic Episcopal Corp.	4836 Straume Ave.	2,420.73	786.65
Roman Catholic Episcopal Corp.	4836 Straume Ave.	636.41	356.29
Salvation Army	3236 Kalum St.	630.73	353.10
Anglican Synod Diocese	4506 Lakelse Ave.	751.48	420.70
BC Old Age Pensioners (Happy Gang)	3266 Kalum St.	4,576.83	1,487.31
George Little House	3100 Kalum St.	1,557.82	506.24
Skeena Valley Guru Nanak Soc.	4916 Medeek Ave.	1,652.11	924.91
Christian and Missionary Alliance	4919 Agar St.	1,041.27	582.94
Uplands Baptist Church	5003 Halliwell Ave.	626.47	350.72
Skeena Valley Baptist Church	3306 Griffiths St.	875.06	489.89
Seventh-Day Adventist Church	5401 McConnell Ave.	1,686.92	944.40
Fisherman's Park	5831 Hwy 16 W	1,086.73	608.39
Terrace Beautification Society (Lease)	Greig Ave.	178.28	99.81
Terrace Kitimat Airport Society	4401 Bristol Rd.	4,704.11	895.03
Terrace Kitimat Airport Society	4401 Bristol Rd.	297,528.35	96,686.66
Terrace Kitimat Airport Society	4401 Bristol Rd.	1,186.17	664.06
		<hr/>	
		418,320.76	150,963.23

***Appendix C – 2016 Consolidated Financial Statements***

# **City of Terrace**

## **Consolidated Financial Statements**

**December 31, 2016**



# City of Terrace

December 31, 2016

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### Consolidated Financial Statements

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## MANAGEMENT'S REPORT

The management of the City of Terrace is responsible for the integrity of the accompanying consolidated financial statements. The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The preparation of the consolidated financial statements necessarily includes some amounts which are based on the best estimates and careful judgement of management.

To assist in meeting its responsibility, management maintains accounting, budget and other internal controls. These controls provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, in order that the integrity of financial records is maintained.

The consolidated financial statements have been audited by the independent firm of Carlyle Shepherd & Co. Their report to the Mayor and City Council, stating the scope of their examination and opinion on the consolidated financial statements accompanies this statement.



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**CAROL LECLERC**  
MAYOR



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**PHYLLIS PROTEAU**  
FINANCIAL ADMINISTRATOR

**CITY OF TERRACE  
COUNCIL - 2016**

**MAYOR**  
Carol Leclerc

**COUNCILORS**

Sean Bujtas  
Lynne Christiansen  
James Cordeiro  
Brian Downie  
Michael Prevost  
Stacey Tyers

**APPOINTED OFFICIALS - 2016**

Chief Administrative Officer  
Financial Administrator  
Corporate Administrator  
Fire Chief  
Director of Public Works  
Director of Development Services  
Director of Leisure Services

H. Avison  
P. Proteau  
A. Thompson  
J. Klie  
R. Schibli  
D. Block  
C. Didier

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council  
City of Terrace

### Report on the Financial Statements

We have audited the accompanying consolidated statement of financial position of the City of Terrace as at December 31, 2016 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended and a summary of significant accounting policies.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

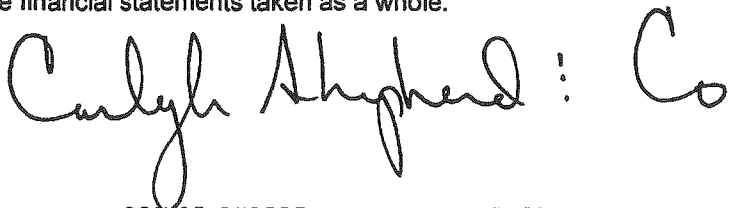
### Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2016 and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the City taken as a whole. The current year's supplementary information in Schedules 1 to 3 is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and is, in our opinion, fairly stated in all material respects, in relation to the financial statements taken as a whole.

Terrace, BC  
June 26, 2017



# City of Terrace

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2016

	2016	2015
<b>Financial Assets</b>		
Cash and short-term investments (Notes 1 and 2)	\$26,412,793	\$25,156,634
Taxes receivable	662,796	303,250
Accounts receivable (Note 3)	1,819,692	1,203,493
Land held for resale (Note 1)	1,407,646	1,407,646
Municipal Finance Authority of BC - Debt Reserve Fund (Note 4)	38,847	37,791
Investment in affiliated entities (Note 5)	276,048	441,329
	<b>30,617,822</b>	<b>28,550,143</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	3,202,301	2,553,534
Deposits and prepayments	1,490,766	1,462,865
Accrued vacation	714,169	695,653
Care fund liability (Note 7)	211,871	205,341
Landfill closure liability (Note 8)	267,068	322,270
Skeena Industrial Development Park Joint Venture (Note 6)	11,401,288	11,278,784
Long term debt (Note 9)	2,283,009	2,569,470
	<b>19,570,472</b>	<b>19,087,917</b>
<b>Net financial assets</b>	<b>11,047,350</b>	<b>9,462,226</b>
<b>Non-financial assets</b>		
Inventory and other (Note 1)	760,926	710,648
Tangible capital assets (Note 1 and Schedule 2)	78,066,772	79,115,318
	<b>78,827,698</b>	<b>79,825,966</b>
<b>City Position</b>	<b>89,875,048</b>	<b>89,288,192</b>
City Position consists of:		
Operating fund	6,340,548	5,812,219
Reserves funds (Schedule 3)	7,750,740	6,930,126
Equity in tangible capital assets (Note 10)	75,783,760	76,545,847
	<b>\$89,875,048</b>	<b>\$89,288,192</b>

Approved by:



CAROL LECLERC  
MAYOR



PHYLLIS PROTEAU  
FINANCIAL ADMINISTRATOR

The accompanying notes are an integral part of these financial statements.

# City of Terrace

## CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2016

	2016	2016 Unaudited Budget	2015
<b>Revenues</b>			
Net taxes available for municipal purposes (Note 11)	\$ 14,908,964	\$ 14,464,260	\$ 14,168,572
User fees and sale of goods and services	4,734,266	4,762,948	5,248,291
Government grants and cost sharing (Note 12)	3,576,501	4,552,313	3,302,273
Investment income	293,223	160,000	258,546
Land sales, net		-	633,942
Developer contributions	(67,169)	-	1,175,000
Other revenue	77,834	54,800	96,652
	<b>23,523,619</b>	<b>23,994,321</b>	<b>24,883,276</b>
<b>Expenses</b>			
Protective services	5,839,256	5,933,120	5,604,768
Leisure services	3,924,146	4,161,568	4,000,280
Transportation and transit	3,456,049	3,795,776	3,499,565
Development services	1,929,772	2,248,767	1,871,849
General government	1,898,471	1,984,166	1,752,613
Waste management	490,973	777,922	461,000
Water operations	902,484	875,589	1,010,624
Sewer operations	757,129	798,546	578,894
Interest and bank charges	155,552	161,624	151,750
(Gain)/loss on disposal of tangible capital assets	52,843	-	(19,222)
Other services	83,555	111,648	83,717
Amortization of tangible capital assets	3,446,533	3,216,806	3,216,806
	<b>22,936,763</b>	<b>24,065,532</b>	<b>22,212,644</b>
<b>Revenue over expenses</b>	<b>586,856</b>	<b>(71,211)</b>	<b>2,670,632</b>
<b>Opening position</b>	<b>89,288,192</b>	<b>89,288,192</b>	<b>86,617,560</b>
<b>Closing position</b>	<b>\$ 89,875,048</b>	<b>\$ 89,216,981</b>	<b>\$ 89,288,192</b>

The accompanying notes are an integral part of these financial statements.

# City of Terrace

## CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2016

	2016	2015
<b>Revenue over expenses</b>	<b>\$ 586,856</b>	<b>\$ 2,670,632</b>
Acquisition of tangible capital assets	(2,451,793)	(5,871,665)
Amortization of tangible capital assets	3,446,533	3,216,806
(Gain)/loss on disposal of tangible capital assets	52,843	(19,222)
Proceeds on sale of tangible capital assets	963	34,000
Inventory and other	(50,278)	45,708
<b>Increase (decrease) in net financial assets</b>	<b>1,585,124</b>	<b>76,259</b>
<b>Net financial assets - beginning of year</b>	<b>9,462,226</b>	<b>9,385,967</b>
<b>Net financial assets - end of year</b>	<b>\$11,047,350</b>	<b>\$ 9,462,226</b>

The accompanying notes are an integral part of these financial statements.

# City of Terrace

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2016

	2016	2015
<b>Operating transactions</b>		
Revenue over expenses	\$ 586,856	\$ 2,670,632
Non-cash items:		
Amortization	3,446,533	3,216,806
(Increase) decrease in inventory and other	(50,278)	45,708
(Increase) decrease in taxes receivable	(359,546)	(36,732)
(Increase) decrease in accounts receivable	(616,199)	(271,268)
Increase (decrease) in accounts payable and accrued liabilities	648,766	(540,220)
Decrease in land held for resale	-	360,000
Increase (decrease) in deposits and prepayments	27,901	(30,458)
Increase in accrued vacation	18,516	49,414
Increase in care fund liability	6,530	6,104
(Decrease) increase in landfill closure liability	(55,202)	14,579
<b>Cash provided (used) by operating transactions</b>	<b>3,653,877</b>	<b>5,484,565</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(2,451,793)	(5,871,665)
Proceeds from the disposal of tangible capital assets	963	34,000
(Gain)/loss on the disposal of tangible capital assets	52,843	(19,222)
<b>Cash applied to capital transactions</b>	<b>(2,397,987)</b>	<b>(5,856,887)</b>
<b>Financing and investing activities</b>		
Debt repayment	(256,502)	(704,503)
(Increase) decrease in investment in affiliated entities	165,281	243,991
Increase in Skeena Industrial Development Park Joint Venture	122,503	127,823
Actuarial adjustments	(29,957)	(24,709)
Decrease in MFA debt reserve	(1,056)	(959)
<b>Cash (provided) used in financing and investing activities</b>	<b>269</b>	<b>(358,357)</b>
<b>Increase (decrease) in cash position</b>	<b>1,256,159</b>	<b>(730,679)</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>25,156,634</b>	<b>25,887,313</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 26,412,793</b>	<b>\$ 25,156,634</b>

The accompanying notes are an integral part of these financial statements.



# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

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### 1. Significant Accounting Policies

The consolidated financial statements of the City of Terrace (the City) are prepared by management in accordance with Canadian generally accepted accounting principles for municipal governments established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Professional Accountants. The significant accounting policies are summarized as follows:

#### a) Basis of accounting

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.

#### b) Fund accounting

Funds within the consolidated financial statements consists of the operating, capital and reserves funds. Transactions between funds are recorded as inter fund transfers.

Operating Fund	This fund, consisting of the general, water and sewer operating funds, comprises the operating costs of the services provided by the City.
Capital Fund	This fund, consisting of the general, water and sewer capital funds, comprises tangible capital asset expenditures and related financing.
Reserves Fund	The reserves fund has been established to hold assets for specific future purposes as approved by City Council. Allowable transfers to and from these funds are defined in reserve fund establishment bylaws.

#### c) Tangible capital assets

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service. Donated tangible capital assets are reported at fair value at the time of donation. Estimated useful lives are as follows:

Land improvements	20 years
Buildings	20 to 50 years
Furniture, equipment and technology	5 to 20 years
Motor vehicles	13 to 20 years
Transportation infrastructure	25 to 50 years
Storm sewer	50 years
Dyke and erosion protection	25 years
Water infrastructure	50 years
Sanitary sewer infrastructure	50 years

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

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### 1. Significant Accounting Policies (continued)

#### d) Inventory

Inventories held for consumption are recorded at average landed cost.

#### e) Land held for resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale.

#### f) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services.

#### g) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. It is reasonably possible that circumstances may arise that cause actual results to differ from management estimates, however, management does not believe it is likely that such differences will materially affect the City's financial position. Adjustments, if any, will be reflected in operations in the period of settlement.

Significant areas requiring the use of management estimates relate to amortization of tangible capital assets, the collectibility of accounts and taxes receivable and the landfill closure liability.

#### h) Financial instruments

The City's financial instruments consist of cash, short-term investments, accounts receivable, accounts payable and long-term debt. The City measures financial assets and liabilities at market value at the date of acquisition except for those investments quoted in an active market, which are reported at market value. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, currency or credit risks arising from these financial instruments.

#### i) Reporting entity and principles of financial reporting

The City's reporting entity includes the municipal government and entities that are either controlled or owned by it. All controlled entities are fully consolidated on a line-by-line basis except for government business enterprises that are consolidated on a modified equity basis.

Under the modified equity basis, accounting policies are not adjusted to conform to the City, inter-organizational transactions and balances are not eliminated and the City recognizes annual earnings or losses in its statement of operations with a corresponding increase or decrease in the investment. Any distributions reduce the carrying value of the investment.

# City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2016

## 1. Significant Accounting Policies (continued)

### i) Reporting entity and principles of financial reporting (continued)

The City's reporting entity includes:

Terrace Community Forest LP	Government business enterprise	99%
Terrace Community Forest Limited	Government business enterprise	100%

## 2. Cash and short-term investments

Cash and short-term investments are comprised of cash on deposit and investments as follows:

	2016	2015
Municipal Finance Authority of BC investments:		
MFA Money market fund	\$ 7,107,068	\$ 5,155,440
MFA Short-term bond and intermediate funds	13,278,785	13,096,870
MFA Care fund investment	204,429	200,321
Scotiabank investments	5,028,000	4,028,000
	<b>25,618,282</b>	22,480,631
Cash	794,511	2,676,003
	<b>\$26,412,793</b>	<b>\$25,156,634</b>

## 3. Accounts receivable

	2016	2015
Government grants receivable:		
Provincial		
Ministry of Community, Sport, and Cultural Development	\$ 120,000	\$
Ministry of Housing and Social Development - Gaming revenue	161,357	151,198
UBCM - Gas Tax	186,325	
Northern Development Initiative Trust	154,602	125,852
Trade receivable - sewer and water	55,751	58,962
GST rebate	84,577	149,494
RCMP prisoner cost reimbursement	35,000	49,032
Other	1,024,428	668,955
Accounts receivable	<b>\$ 1,819,692</b>	<b>\$ 1,203,493</b>

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

### 4. Municipal Finance Authority of BC - Debt Reserve Fund

The Municipal Finance Authority of BC ("MFA") provides capital financing for regional districts and their member municipalities and with respect to this, is required to establish a Debt Reserve Fund. Each regional district and its member municipalities who share in the proceeds of a debt issue are required to pay into the Debt Reserve Fund certain amounts set out in the debt agreements. This fund is held in trust by MFA as protection against loan default. Upon the maturity of a debt issue the unused portion of the Debt Reserve Fund established for that issue, including interest earned on it, is discharged to the original contributors.

### 5. Investment in affiliated entities

Terrace Community Forest Limited Partnership manages the community forest licence in three general areas around Terrace. The City, as sole limited partner, has a 99% partnership interest with the general partner, Terrace Community Forest Limited, holding the remaining 1%.

The government business enterprise has been consolidated on a modified equity basis.

	2016	2015
<b>Balance Sheet</b>		
Cash and short term investments	\$ 356,447	\$ 540,890
Accounts and other receivables	15,691	15,491
Total assets	<u>372,138</u>	<u>556,381</u>
Trade and other payables	10,275	19,865
Silviculture provision	85,815	95,187
Total liabilities	<u>96,090</u>	115,052
Partner capital	<u>276,048</u>	441,329
Total liabilities and partner capital	<u>372,138</u>	<u>556,381</u>
<b>Statement of Comprehensive Income</b>		
Revenue		665,276
Direct Costs	(44,345)	(647,574)
Expenses	(115,316)	(137,790)
Other income	20,400	5,436
Net income (loss) for the year	<u>(139,261)</u>	<u>(114,652)</u>

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

### 5. Investment in affiliated entities (continued)

	2016	2015
Summary of Investments in Affiliated Entities		
Owner equity in Terrace Community Forest Limited	\$ 2,234	\$ 4,647
Partnership capital in Terrace Community Forest Limited Partnership	273,814	436,682
Total investment in affiliated entities	276,048	441,329

### 6. Skeena Industrial Development Park joint venture

The City and the Kitselas First Nation have entered into a multi-year Joint Venture agreement for the sale of land know as the Skeena Industrial Development Park. The main purpose of the Joint Venture is to stimulate economic development in the area. The Joint Venture has an agreement with the Province of B.C. to purchase land as needed in the specified area. The profits, if any, are to be shared equally when all the land is sold. The joint venture has received \$13,043,303 and incurred expense totalling \$1,642,015. The Joint Venture is to provide road and water services to the site. The cost to provide these services is currently unknown. If the Joint Venture cannot provide the services, a significant amount of the funds received will be refunded.

### 7. Care fund liability

	2016	2015
Perpetual care (cemetery) fund	\$ 211,871	\$ 205,341

The use of perpetual care (cemetery) fund monies, together with any earnings thereon, is restricted by legislation.

### 8. Landfill Closure Liability

The City of Terrace landfill ceased taking residential garbage in November 2016 and is to commence closure in accordance with a Ministry approved plan over a three year period.

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

### 9. Long term debt

	2016	2015
Municipal Finance Authority of BC ("MFA")		
Debenture debt matures in 2018 to 2029 and debenture debt annual interest rates range from 3.25% to 4.9%.	\$ 2,133,009	\$ 2,269,470
Northern Development Initiative Trust ("NDI")		
Northern Development Initiative Trust loan is non-interest bearing with equal annual repayments of \$150,000.	150,000	300,000
	<b>2,283,009</b>	<b>2,569,470</b>

Principal repayments for the next five years are:

	2017	2018	2019	2020	2021
Principal payment	\$ 106,502	\$ 106,510	\$ 103,200	\$ 103,200	\$ 103,200
Actuarial addition	35,416	41,093	45,410	51,354	57,536
	<b>141,918</b>	<b>147,603</b>	<b>148,610</b>	<b>154,554</b>	<b>160,736</b>
Principal payment	150,000				
	<b>\$ 291,918</b>	<b>\$ 147,603</b>	<b>\$ 148,610</b>	<b>\$ 154,554</b>	<b>\$ 160,736</b>

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

### 10. Equity in tangible capital assets

Equity in tangible capital assets represents the net book value of total tangible capital assets less long term obligations assumed to acquire those assets. The change in consolidated equity in tangible capital assets is as follows:

	2016	2015
Increases:		
Capital acquisitions	\$ 2,451,793	\$ 5,871,665
Retirement of debt - principal repayment	256,502	704,503
-actuarial adjustment	29,957	24,709
Decreases:		
Dispositions at net book value	(53,806)	(14,777)
Amortization of tangible capital assets	(3,446,533)	(3,216,806)
<b>Change in equity in tangible capital assets</b>	<b>(762,087)</b>	<b>3,369,294</b>
Equity in tangible capital assets - beginning of year	76,545,847	73,176,553
<b>Equity in tangible capital assets - end of year</b>	<b>\$75,783,760</b>	<b>\$76,545,847</b>

### 11. Net taxes available for municipal purposes

	2016	2015
Taxes:		
Property	\$21,005,238	\$19,284,976
Frontage	669,494	661,974
Utility fees	451,504	449,717
Revenue in lieu of taxes	360,119	339,753
Penalties and interest on taxes	147,472	87,526
	<b>22,633,827</b>	<b>20,823,946</b>
Less taxes on behalf of:		
Province of BC - School	5,466,543	5,350,815
North West Regional Hospital District	880,157	885,380
Regional District of Kitimat-Stikine	1,255,789	293,723
BC Assessment Authority	121,970	125,070
Municipal Finance Authority of BC	404	386
	<b>7,724,863</b>	<b>6,655,374</b>
<b>Net taxes available for municipal purposes</b>	<b>\$14,908,964</b>	<b>\$14,168,572</b>

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

### 12. Government grants and cost sharing

The following government grants and cost sharing have been included in revenues:

	2016	2015
Capital project grants		
- Federal	\$ -	\$ 21,125
Regional District / Other	826,265	588,168
	826,265	609,293
Operating grants and cost sharing		
- Federal	89,667	36,661
- Provincial	1,262,087	669,314
Regional District / Other	1,398,482	1,987,005
	2,750,236	2,692,980
	3,576,501	3,302,273

### 13. Commitments and contingencies

#### a) Capital requirements

City Council has approved a 2017 - 2021 tangible capital expenditure financial plan of \$29,523,014. The 2017 requirement of \$15,874,646 is to be funded as follows:

Operating funds and reserves	\$ 4,198,004
Grants and donations	11,676,642
	\$ 15,874,646

#### b) Pension plan

The City of Terrace and its employees contribute to the Municipal Pension Plan (the Plan), a jointly-trusted pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2015 the Plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 118 contributors from the City of Terrace.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and



# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

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### 13. Commitments and contingencies (continued)

#### b) Pension plan (continued)

adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2018 with results available in 2019.

Employers participating in the Plan record their pension expenses as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

The City of Terrace paid \$694,970 for employer contributions to the Plan in fiscal 2016 (\$701,220 in 2015).

#### c) Third party claims

The City is involved in certain legal actions, the outcome of which is uncertain at this time. Accordingly, no provision has been made in the accounts for these actions.

#### d) Contingent liabilities

- (i) The City, as a member of the Regional District of Kitimat-Stikine, is jointly and severally liable for their net capital liabilities.
- (ii) The loan agreements with the Municipal Finance Authority ("MFA") provide that if the MFA does not have sufficient funds to meet payments on its obligations it shall make payments from the Debt Reserve Fund which is established by contributions from all borrowing participants. If the Debt Reserve Fund is deficient the MFA's obligations become a liability of the Regional District and may become a liability of the participating municipalities.

### 14. Segmented Information

The City of Terrace is a municipal government that provides a wide range of services to its residents and taxpayers. The City operations and activities are organized and reported by segments. These segments include Protective Services, Leisure Services, Transportation and Transit, Development Services, General Government, Waste Management, Water Operations and Sewer Operations and Other Services. Revenues include government grants, user fees, investment income and property taxation; the latter being the largest source of funding. Operating results are reported by segment in Schedule 1. Property taxation, which funds many of the operations, is not allocated to a specific segment and is reported as unallocated.

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2016

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### 14. Segmented Information (continued)

#### **Protective Services**

Protective Services is comprised of fire protection and policing. The Fire Department is responsible for fire suppression, fire prevention, fire safety, highway rescue and emergency preparedness. The Royal Canadian Mounted Police operates under agreement to provide police services to the City.

#### **Leisure Services**

The Leisure Services department operates and provides services for the pool, arenas, parks, trails and open spaces and leisure programs. The Terrace Public Library, Heritage Park Museum and community grants are also reported under this segment.

#### **Transportation and Transit**

The Public Works department provides transportation service including street maintenance, snow removal, building maintenance, street lighting, traffic lights, fleet maintenance, storm sewer and inventory control. Transit services, also reported under this segment, are provided under contract with BC Transit.

#### **Development Services**

The Development Services department is responsible for land use, sustainable planning and general development services. This includes building inspection, business licensing, animal control, planning, mapping and bylaw enforcement. The Skeena Industrial Development Park Joint Venture with the Kitselas First Nation is managed by the City and reported under this segment. Tourism services provided by Kermodei Tourism Society and economic development are also reported under this segment.

#### **General Government**

General government operations include legislative services, general administration, finance and information technology functions.

#### **Waste Management**

Waste management services are provided by the Public Works department and include the collection and treatment/disposal of solid waste, yard waste and recycling.

#### **Water Operations**

This segment includes all operating activities related to pumping, treating and distributing water throughout the city and operates under the Public Works department.

#### **Sewer Operations**

This segment includes all operating activities related to collection and treatment of wastewater throughout the city and operates under the Public Works department.

# City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2016

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## 14. Segmented Information (continued)

### Other Services

Other services include cemetery services.

# City of Terrace

## CONSOLIDATED SCHEDULE OF SEGMENTED REVENUE AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2016

(Schedule 1) Cont.

	Protective services	Leisure services	Transportation and transit	Development services	General government	Waste management
<b>Revenue</b>						
Net taxes available for municipal purposes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
User fees and sale of goods and services	260,131	934,812	500,296	467,277	-	1,047,886
Government grants and transfers	198,464	1,026,718	170,740	113,751	2,006,828	-
Investment income	-	-	-	-	-	-
Developer contributions	-	-	-	-	-	-
Land sales, net	-	-	-	-	-	-
Other revenue	-	-	-	-	218,115	-
	458,595	1,961,530	671,036	581,028	2,224,943	1,047,886
<b>Expenses</b>						
Salaries and wages	2,529,756	1,837,331	1,313,313	1,340,306	1,359,370	306,005
Goods and services	3,309,500	2,086,815	2,142,736	589,467	539,102	184,968
Interest and bank charges	-	127,708	3,916	9,790	132,890	-
Amortization of tangible capital assets	105,175	749,806	1,766,261	4,442	176,301	-
(Gain)/loss on disposal of tangible capital assets	-	-	52,750	-	-	-
	5,944,431	4,801,660	5,278,976	1,944,005	2,207,663	490,973
<b>Excess (deficiency) of revenue over expenses</b>	\$ (5,485,836)	\$ (2,840,130)	\$ (4,607,940)	\$ (1,362,977)	\$ 17,280	\$ 556,913

The accompanying notes are an integral part of these financial statements.

# City of Terrace

## CONSOLIDATED SCHEDULE OF SEGMENTED REVENUE AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2016

(Schedule 1)

	Water operations	Sewer operations	Other services	Unallocated	2016 Unaudited Budget	2016 \$	2015 \$
<b>Revenue</b>							
Net taxes available for municipal purposes	\$ -	\$ -	\$ -	\$ 14,908,964	\$ 14,464,260	\$ 14,908,964	\$ 14,168,572
User fees and sale of goods and services	1,012,060	466,715	45,089	-	4,762,948	4,734,266	5,248,291
Government grants and transfers	-	60,000	-	-	4,552,313	3,576,501	3,302,273
Investment income	-	-	-	293,223	160,000	293,223	258,546
Developer contributions	-	-	-	(67,169)	-	(67,169)	1,175,000
Land sales, net	-	-	-	-	-	-	633,942
Other revenue	-	-	-	(140,281)	54,800	77,834	96,652
	1,012,060	526,715	45,089	14,994,737	23,994,321	23,523,619	24,883,276
<b>Expenses</b>							
Salaries and wages	471,931	247,567	68,907	-	9,015,145	9,474,485	8,454,751
Goods and services	430,552	509,562	14,648	-	11,671,957	9,807,350	10,408,559
Interest and bank charges	-	-	-	-	161,624	155,552	151,750
Amortization of tangible capital assets	304,993	339,555	-	-	3,216,806	3,446,533	3,216,806
(Gain)/loss on disposal of tangible capital assets	-	93	-	-	-	52,843	(19,222)
	1,207,476	1,096,777	83,555	-	24,065,532	22,936,763	22,212,644
<b>Excess (deficiency) of revenue over expenses</b>	\$ (195,416)	\$ (570,062)	\$ (38,466)	\$ 14,994,737	\$ (71,211)	\$ 586,856	\$ 2,670,632

The accompanying notes are an integral part of these financial statements.

# City of Terrace

## SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2016

(Schedule 2)

	Cost				Accumulated Amortization				Net book value 2016	Net book value 2015
	Opening Balance	Additions	Disposals	Ending balance	Opening Balance	Amortization	Accumulated amortization on disposals	Ending balance		
Land	\$ 9,620,573	\$ -	\$ -	\$ 9,620,573	\$ -	\$ -	\$ -	\$ -	\$ 9,620,573	\$ 9,620,573
Land Improvements	4,395,555	107,581	-	4,503,136	2,578,465	181,019	-	2,759,484	1,743,652	1,817,091
Buildings	24,045,781	762,113	-	24,807,894	12,258,122	696,884	-	12,955,006	11,852,888	11,787,661
Motor Vehicles	4,875,183	1,202,960	(23,557)	6,054,586	2,767,975	277,113	(22,057)	3,023,031	3,031,555	2,107,207
Furniture, equipment and technology	1,989,274	832,908	-	2,822,182	1,537,193	152,977	-	1,690,170	1,132,012	452,080
Transportation infrastructure	45,634,578	2,699,855	-	48,334,433	24,381,144	1,235,726	-	25,616,870	22,717,563	21,253,434
Water infrastructure	15,726,989	1,163,355	(34,051)	16,856,293	7,073,242	304,993	(34,051)	7,344,184	9,512,109	8,653,747
Sanitary sewer infrastructure	15,192,376	514,703	(11,329)	15,695,750	7,378,028	339,555	(11,236)	7,706,347	7,989,403	7,814,348
Storm sewer	12,351,691	726,921	(120,931)	12,957,681	5,383,198	258,266	(68,718)	5,572,746	7,384,935	6,968,493
Assets under construction	8,640,685	(5,558,603)	-	3,082,082	-	-	-	-	3,082,082	8,640,685
	\$ 142,472,685	\$ 2,451,793	\$ (189,868)	\$ 144,734,610	\$ 63,357,367	\$ 3,446,533	\$ (136,062)	\$ 66,667,838	\$ 78,066,772	\$ 79,115,318

The accompanying notes are an integral part of these financial statements.

# City of Terrace

## CONSOLIDATED SCHEDULE OF RESERVE FUND ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016

(Schedule 3)

	Machinery and equipment	Capital works	Land acquisition	Parking space	Parks acquisition	Affordable housing	Active transportation	Total
<b>Balance - Beginning of year</b>	\$ 2,380,941	\$ 2,669,382	\$ 1,204,155	\$ 69,532	\$ 86,226	\$ 505,950	\$ 13,940	\$ 6,930,126
Investment income	28,095	17,486	14,209	820	1,017	5,970	164	67,761
Transfers in	699,224	287,656	31,500	-	-	-	-	1,018,380
Transfers out	-	(207,040)	(50,987)	-	(7,500)	-	-	(265,527)
<b>Balance - End of year</b>	<b>\$ 3,108,260</b>	<b>\$ 2,767,484</b>	<b>\$ 1,198,877</b>	<b>\$ 70,352</b>	<b>\$ 79,743</b>	<b>\$ 511,920</b>	<b>\$ 14,104</b>	<b>\$ 7,750,740</b>

The accompanying notes are an integral part of these financial statements.