



# 2018 ANNUAL REPORT



# Table of Contents

---

<b>MESSAGE FROM THE MAYOR</b>	<b>3</b>
<b>CITY COUNCIL</b>	<b>4</b>
<i>Councillors' Areas of Responsibility 2018</i>	<i>5</i>
<i>2018 Inaugural Council Meeting</i>	<i>7</i>
<b>STRATEGIC PLANNING</b>	<b>8</b>
<i>Community Planning</i>	<i>9</i>
<i>Financial Sustainability</i>	<i>10</i>
<i>Responsible Management</i>	<i>11</i>
<i>Partnerships with Others</i>	<i>12</i>
<b>DEPARTMENTAL REPORTS</b>	<b>13</b>
<i>2018 Department Heads</i>	<i>13</i>
<i>Corporate Administration</i>	<i>14</i>
<i>Economic Development</i>	<i>15</i>
<i>Development Services</i>	<i>18</i>
<i>Finance</i>	<i>21</i>
<i>Fire Department</i>	<i>23</i>
<i>RCMP</i>	<i>31</i>
<i>Leisure Services</i>	<i>35</i>
<i>Public Works</i>	<i>41</i>
<i>Appendix A – Declaration of Disqualifications</i>	<i>43</i>
<i>Appendix B – 2018 Property Tax Exemptions</i>	<i>44</i>
<i>Appendix C – 2018 Consolidated Financial Statements</i>	<i>46</i>

## *Message from the Mayor*



*On behalf of Council and the staff of the City of Terrace, it is my pleasure to present to you the 2018 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.*

*2018 was yet another busy year for Council. Municipal elections in October brought the City of Terrace 2 newly elected Council members. Council attended a variety of meetings and conferences throughout the year with industry, Government, and various stakeholders. The City continued to work collaboratively with the Kitselas First Nation, our joint venture partner at the Skeena Industrial Development Park (SIDP), and SIDP landowners to encourage economic growth through promotion of the SIDP.*

*Notable highlights in 2018 included the official opening of the revitalized Terrace & District Aquatic Centre, purchase of a new fire truck, and full reconstruction of Greig Avenue between Kalum and Emerson Streets.*

*I encourage you to read through this annual report to provide you with an overview of the activities the City was involved in last year.*

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 or Facebook page. Council meetings are also archived for up to a year on the City's website.



Figure 1: Mayor and Council, November 2014 – November 2018 Term



Figure 2: Newly Elected Mayor and Council at the Inaugural Council Meeting in November 2018

# Councillors' Areas of Responsibility 2018

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 a list of each Councillor's area of responsibility for 2018.



### Mayor Carol Leclerc

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



### Councillor Sean Bujtas

- Regional District of Kitimat-Stikine
- Greater Terrace Beautification Society
- Terrace Public Library
- Educational Services
- Development Services Liaison



### Councillor Lynne Christiansen

- Regional District of Kitimat-Stikine
- (alternate to JC and secondary alternate to SB)
- Terrace & District Museum Society
- Terrace Downtown Improvement Area (TDIA)
- Rio Tinto Kitimat Public Advisory Committee
- Public Works Liaison



### Councillor James Cordeiro

- Regional District of Kitimat-Stikine
- Rio Tinto Kitimat Public Advisory Committee
- Leisure Services Liaison



**Councillor Brian Downie**

- *Housing Committee*
- *Northern Development Initiative Trust*
- *Riverboat Days Committee*
- *Terrace-Kitimat Airport Society*
- *Fire Department Liaison*



**Councillor Michael Prevost**

- *Housing Committee*
- *Kermodei Tourism Society*
- *Skeena Diversity Society*
- *Northern Medical Programs Trust*
- *RCMP Liaison*



**Councillor Stacey Tyers**

- *Kermodei Tourism Society*
- *Rio Tinto Kitimat Public Advisory Committee*
- *Educational Services*
- *Finance Department Liaison*



**Councillor Jessica McCallum-Miller (2018 Newly Elected)**



**Councillor Evan Ramsay (2018 Newly Elected)**

## ***2018 Inaugural Council Meeting***

*A new Council was elected for a four-year term in the October municipal election of 2018, and sworn in at the City of Terrace's November 5, 2018 Inaugural Council Meeting. The meeting included a processional, reading of the oath of office by each member of Council, invocation provided by Lieutenant Apperson of the Salvation Army, and a reception to follow.*



*Figure 3: November 5, 2018 Inaugural Council Meeting*

## Strategic Planning

The City continued with the Strategic Plan that was launched for 2015-2019. 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.

## Vision Statement

Terrace, as the heart of Northwest BC, is a vibrant, diverse community with a strong economy, and provides a high quality of life with abundant recreational activities, easy access to outdoor adventures, a rich local culture and strong First Nations relationships.

## Mission Statement

Through strong leadership the City of Terrace provides efficient delivery of core services to serve all generations and facilitate economic growth in the region while fostering community pride and accessibility.

**A LOOK AT WHAT'S HAPPENING IN TERRACE**

**STRATEGIC PLAN**  
2015 - 2019

Terrace, as the heart of Northwest BC, is a vibrant, diverse community with a strong economy, and provides a high quality of life with abundant recreational activities, easy access to outdoor adventures, a rich local culture and strong First Nations relationships.

**OUR FOCUS ON STRATEGIC PLANNING**

COMMUNITY PLANNING	FINANCIAL SUSTAINABILITY	RESPONSIBLE MANAGEMENT	PARTNERSHIPS WITH OTHERS
<ul style="list-style-type: none"> <li>• We will plan for growth in Terrace</li> <li>• We realize mobility and transportation are critical to livability and growth</li> <li>• We recognize our recreational amenities are a key attraction of a healthy Terrace</li> </ul>	<ul style="list-style-type: none"> <li>• Our partnership in the Skeena Industrial Development Park (SIDP) is a key component of our community's healthy economic future</li> <li>• We recognize that a diverse economic environment is key to a vibrant and livable Terrace</li> <li>• We will advocate for investments in our region to be allocated in a fair and sustainable way</li> </ul>	<ul style="list-style-type: none"> <li>• We align resources with the services our community receives and expects</li> <li>• We are deliberate in communicating with residents and stakeholders</li> <li>• We proactively plan for the repair, replacement and upgrading of our infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• We value our relationships with our First Nations neighbours</li> <li>• We will collaborate with others to advocate for improved health services</li> <li>• We will partner to support affordable housing in the community</li> </ul>
<ul style="list-style-type: none"> <li>• Official Community Plan (OCP) Update</li> <li>• Support Housing</li> <li>• Transportation Master Plan</li> <li>• Terrace Aquatic Centre upgrades</li> <li>• Parks and Recreation Master Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitate development</li> <li>• Communication strategy for Skeena Industrial Development Park</li> <li>• Promote economic development</li> <li>• Support existing businesses</li> <li>• Foster a vibrant downtown</li> <li>• Participate in Northwest BC Resource Benefits Alliance</li> </ul>	<ul style="list-style-type: none"> <li>• Human resources planning</li> <li>• Encourage dialogue</li> <li>• Social media</li> <li>• Sound asset management principles</li> <li>• Capital projects</li> </ul>	<ul style="list-style-type: none"> <li>• Advocate for the replacement of Mills Memorial Hospital in collaboration with the North West Regional Hospital District</li> <li>• Cooperation Protocol Agreements</li> <li>• Collaboration with First Nations</li> <li>• Support local not-for-profit organizations</li> <li>• Partner on affordable housing</li> <li>• Advocate for improvements to health &amp; social services</li> </ul>

Through strong leadership the City of Terrace provides efficient delivery of core services to serve all generations and facilitate economic growth in the region while fostering community pride and accessibility.

Ethical, honest and with integrity  
Respectful, considerate • Responsive  
Progressive leadership • Service driven  
Efficiency • Accountable and transparent • Innovative  
Fiscally responsible • Collaborative • Just, fair and balanced

Figure 4: 2015 – 2019 Strategic Plan



**Community Planning**

*The City of Terrace, in partnership with the Regional District of Kitimat-Stikine, completed the rejuvenation of the Terrace & District Aquatic Centre. This major renovation project began in March 2017 and the official opening took place in November 2018.*

*The City completed the Downtown Action Plan & Design Guidelines. A feasibility study was completed for the Grand Trunk Pathway to assess the third and final section of the pathway along Highway 16 to Fisherman’s Memorial Park. The Downtown Parking Study concluded and was presented to Council.*

*Council adopted updates to the Official Community Plan and Zoning Bylaw.*



*Figure 5: Newly Renovated Terrace & District Aquatic Centre*

## Financial Sustainability

The City of Terrace continued to promote the financial sustainability of the City. Work continued on the Skeena Industrial Development Park lands. Meetings took place throughout the year with the largest proponent at the site, Taisheng International Investment Services representing the Qinhuangdao Economic and Technological Development Zone.

The City conducted the 3<sup>rd</sup> annual Business Walk in partnership with the Terrace and District Chamber of Commerce, the Regional District of Kitimat-Stikine, Community Futures 16/37, Terrace Business Resource Centre, the Terrace Downtown Improvement Area, Kermodei Tourism, and the former Ministry of Jobs, Tourism, and Skills Training (now Jobs, Trade and Technology).

The City began developing an Asset Management Plan. The Asset Management Plan will not only provide invaluable information regarding the life span of the City's current assets, but will be very helpful in budgeting for the future replacement of the various assets. The Asset Management Plan will ensure that the services which are being provided today can continue to be provided in the future.

Council promoted the City of Terrace at many conferences, conventions, and events, including the Association of Mineral Exploration's (AMEBC) Roundup Convention, Minerals North Conference, Council of Forest Industries (COFI) Convention, North Central Local Government Association (NCLGA) Convention, BC Natural Resources Forum, Union of BC Municipalities (UBCM) Convention, and the Federation of Canadian Municipalities (FCM) Conference. Council continued to support the forest industry through meetings with the Terrace Community Forest and Skeena Sawmills.



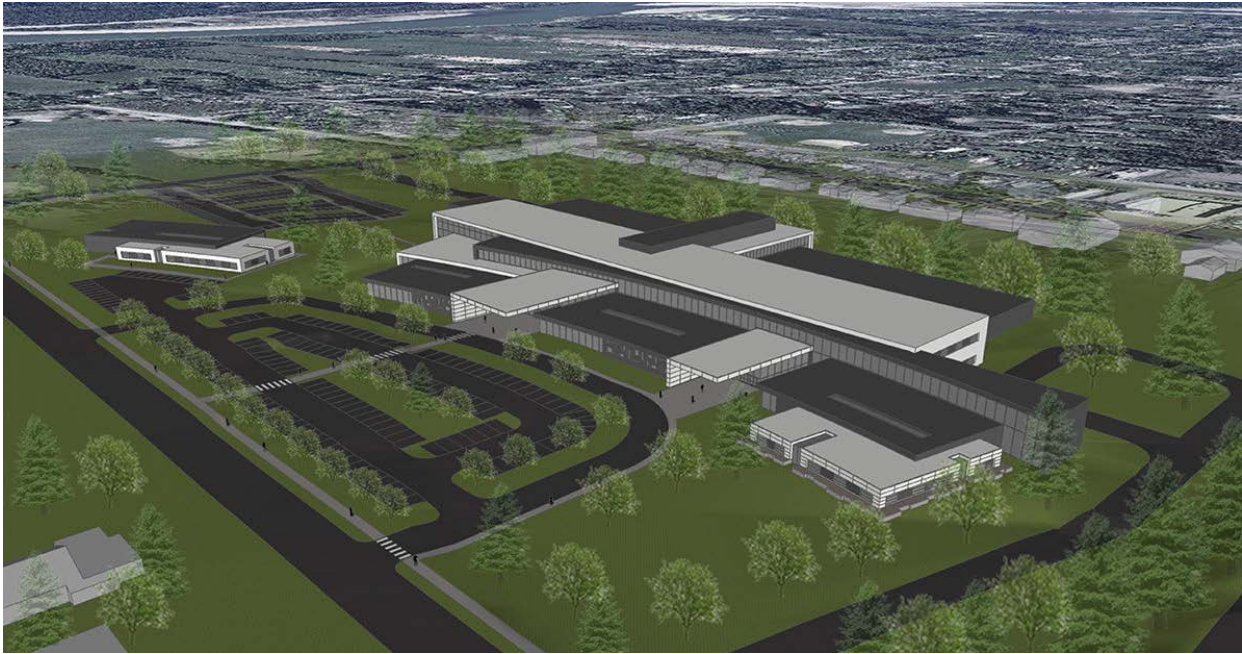
Figure 6: City staff, Council, and Taisheng International Investment Services Representatives in China.

**Responsible Management**

*The City worked with the Housing Committee throughout 2018 to assess the housing needs of Terrace residents and identify practical and comprehensive approaches to addressing those needs.*

*Regular and Special City of Terrace Council meetings are livestreamed through the City of Terrace website and Facebook page.*

*The City continued to work with the Northwest Regional Hospital District to lobby the Provincial Government to commit to the replacement of Mills Memorial Hospital. In February, the Provincial Government announced the approval of the new hospital concept plan.*



*Figure 7: Rendering of the Proposed New Hospital*

*Infrastructure projects for 2018 included complete reconstruction of Greig Avenue from Kalum Street to Emerson Street as well as reconstruction of Pheasant Street. Pedrini Street was repaved, and the McConnell Crescent storm main was relocated. Signage and road marking upgrades recommended in the Traffic Control Review were implemented in playground areas throughout the community. Work continued on the former City landfill on Kalum Lake Road.*

*Heating and cooling control upgrades were completed at the RCMP Detachment and Public Works buildings. The roof was replaced on the Public Works building and the final section of roofing was replaced at the Terrace Public Library.*

## Partnerships with Others

*In 2018, Council attended many meetings throughout the year that supported this specific pillar of the Strategic Plan.*

*The City of Terrace continued to work with its neighbours to create strong relationships to benefit the region as a whole. Council attended the 4<sup>th</sup> annual Nation2Nation Forum in Terrace where they formed new relationships and networked with various individuals. The Nation2Nation Forum serves as a way to bring together First Nations, government, industry, and business community leaders to celebrate successful First Nations businesses and examine new opportunities in resource development and major projects.*

*The City renewed a Rural Water Supply Agreement with the Regional District of Kitimat-Stikine.*

*Council took part in the Hobiyeey celebrations in Gitwinksihlkw. In April, Council and City staff participated in the Blanket Exercise Workshop to further learn about the nation to nation relationship between Indigenous and non-Indigenous peoples in Canada. Letters of Support were provided by Council for projects in Kitselas and the Nass Valley.*

*Council continues to be a voice for the Northwest BC Resource Benefits Alliance. They continue to push the Province for a funding agreement based on the resource industry in our region.*



Figure 8: Nation2Nation Forum

**Departmental Reports**

**2018 Department Heads**

<i>Chief Administrative Officer</i>	<i>Heather Avison</i>
<i>Corporate Administrator/Deputy Chief Administrative Officer</i>	<i>Alisa Thompson</i>
<i>Director of Finance</i>	<i>Lori Greenlaw</i>
<i>Fire Chief</i>	<i>John Klie</i>
<i>Officer In Charge, Terrace RCMP Detachment</i>	<i>Jayson Lucash (Nov 2018)</i>
<i>Director of Leisure Services</i>	<i>Carmen Didier</i>
<i>Director of Public Works</i>	<i>Rob Schibli</i>
<i>Director of Development Services</i>	<i>David Block</i>



Figure 9: Front Gardens at City Hall

## **Corporate Administration**

*The City's Corporate Administration Department consists of the Corporate Administrator, Executive Assistant, Human Resources Manager, and Administration Secretary. This department is responsible for the preparation and preservation of minutes, bylaws, and other City records. Corporate Administration provides legislative and administrative support to Mayor and Council, as well as other City Departments. We are responsible for managing the elections process, human resources, labour management, 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 number of bylaws pertaining to the legalization of recreational cannabis;*
- Preparation for the annual Union of BC Municipalities convention;*
- Provided staff support to the Housing Committee, the Council Remuneration Task Force and the Safe Needle Disposal Task Force;*
- Concluded negotiations with the International Association of Fire Fighters for a three-year contract;*
- Organized the Riverboat Days Opening Ceremony and Council's Annual Riverboat Days Pancake Breakfast;*
- Responded to 2 requests for records under the Freedom of Information Protection of Privacy Act (down from 7 requests in 2017);*
- Negotiated leases for several City owned buildings;*
- 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;*
- Updated the Management Staff Benefits Policy, Travel Allowance Policy, and Liquor Licensing Application Process Policy. The new City of Terrace Policy No. 110 Fit for Work was adopted in 2018.*

*Corporation Administration maintained its busy schedule in 2018, organizing 3 Special Council meetings, 1 Inaugural Council meeting, and 23 Regular Council meetings. This is similar to the number of meetings held in the previous year. There were also 13 In-camera committee of the whole meetings, 23 regular committee of the whole meetings, and 5 public hearings in 2018.*

*The General Local Election was held in October, 2018. This was a significant project for Administration. With a new Council sworn in at the November 5 Inaugural meeting, Administration worked with other departments to provide orientation to the new members of Council. A strategic planning session was held in December 2018 to develop the strategic plan for the next four-year term.*

# Economic Development

2018 was the third year of implementing the Economic Development Strategy that was adopted by Council in 2016. Since the Economic Development Strategy's implementation, the majority of the priorities in each of the eight focus areas have been implemented. Highlights of economic development activities to date include:

## Regional Partnership and Tourism

- The Terrace Transloading Facility Feasibility Study reached its halfway mark in 2018 with the completion of the market analysis component of the study. The study will be completed in Fall 2019; and
- The Northwest region Resident and Workforce Attraction Initiative is awaiting funding confirmation from the Provincial government – stay tuned. This is collaboration between Terrace, Prince Rupert, and the Regional District of Kitimat-Stikine to market the region and assist employers with workforce recruitment issues.



Figure 10: Visitor Information Centre

## **Downtown and Business Retention/Expansion**

- *The 3<sup>rd</sup> annual Business Walk occurred in April 2018 with continued success. Businesses were overall very optimistic in anticipation of the LNG Canada project;*
- *The City continues to champion the Love Northern BC Program with Love Terrace. In 2018, a new campaign to promote shopping, staying and eating local through selling “Love Terrace” branded hoodies was very successful, with nearly all merchandise sold out of the Visitor Center and all profits put back into the program for continued marketing;*
- *Staff supported the formation of a new group to manage the new co-working space, TEC SPACE (Terrace Entrepreneurs’ Coalition). This co-working space was set up in September 2018 and is an excellent recruitment and retention tool for new entrepreneurs or mobile workers. New companies from outside of Terrace are beginning to use the space as a home base while they research their own businesses cases as well; and*
- *Several partnership projects were initiated with business services organizations that are awaiting funding confirmation.*

## **Industrial Development, Investment Attraction, and Corporate Lands**

- *Two projects were initiated to support industrial development in Terrace:  
1) Skeena Industrial Park Investment Attraction Strategy  
2) BC Provincial Nominee Entrepreneur Immigration Pilot Program;*
- *The City continues to work cooperatively with our Joint Venture partners Kitselas First Nation and other landowners at the Skeena Industrial Development Park to facilitate development of the airport land;*
- *An agreement was negotiated with the Kitselas First Nation that waived the City’s option to a groundside commercially-zoned piece of land near the airport, in support of their LNG Benefits Agreement with the Province of BC. Kitselas Development Corporation now has comprehensive development plans in place for this property;*
- *The City advertised Request for Proposals to sell two key pieces of property:  
1. The old mill lands at Kenney Street and Keith Avenue, and  
2. The downtown former Co-op site.  
Proposals are currently being reviewed for the old mill lands and the downtown site is still up for sale; and*
- *An investment portal was launched to provide a site selection research tool to potential new investors or businesses. It can be accessed through the “investment” icon on the City’s homepage [www.terrace.ca](http://www.terrace.ca).*





Figure 11: Skeena Industrial Development Park

## **Communications**

*The City hired a full-time Communications Advisor in 2018, who also supports business and economic development initiatives. The Communications Advisor is the City's first point of contact for the media. Also in 2018, an improved communications service was implemented to provide support across City departments. An enhancement to social media was also a focus area to improve community engagement and information sharing. The social media enhancement was well received and the City is seeing a significant increase in online engagement.*



Figure 12: Love Terrace Website

## Development Services

The Development Services Department is responsible for all community and land use planning activities, including long range planning and the processing of Official Community Plan (OCP) and Zoning amendments, subdivisions, and development permit and development variance permit applications. The Development Service Department also oversees initiatives related to corporate and community sustainability. Other primary services include building inspection and business licensing, geographic information systems and mapping, bylaw compliance, and animal control.

Economic activity remained positive in the Northwest region through 2018. This was reflected with similar land development inquiries and permit applications to prior years although there was a slight increase over 2017. The overall permit numbers were in line with the 10 year average. The department processed 58 land use applications in 2018, as compared to 47 the previous year. In total 13 Development Permits were issued with 4 for commercial renovations and alteration projects or new construction compared to 9 in 2017. There were 37 sign permit applications in 2018 which was the same as in 2017.

The Planning Department oversaw a variety of projects and initiatives while keeping up with the day to day workload and providing additional support to other departments. Enquires and applications related to land development significantly increased following the LNG Canada Final Investment Decision in October.



Figure 13: Downtown Terrace

Long-range planning projects in 2018 included completion of the Downtown Action Plan & Design Guidelines and completion and adoption of updates of the OCP and Zoning Bylaw. The Planning Department supported Leisure Services in the design and completion of significant upgrades to the parking and entry amenity areas relating to the major rejuvenation of the Terrace & District Aquatic Centre. The Planning Department continued to play a key role in the parks planning function and supported the Leisure Services Department with the Grand Trunk Pathway Feasibility Study to assess the final section of the linear park along Hwy 16 W.



Figure 14: Yoga in George Little Park

Sustainability planning and outreach efforts continued throughout 2018. Staff completed annual measuring and reporting out on corporate (city-wide) greenhouse gas emissions as well as sought ways to support community wide progress with a focus on a reduction in residential emissions.

Annual sustainability outreach initiatives continued in 2018 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 the Evergreen Street and Apsley Street gardens.

*The Building Inspection and Business Licensing section issued building permits for approximately \$30 million in construction value in 2018, compared to \$46 million in 2017 and \$10 million in 2016. The total number of permits issued in 2018 was 201, as compared to 214 in 2017. The number of single family residential dwelling permits issued in 2018 was 27, significantly up from 17 in 2017. The total number of business licenses at year end for 2018 was 1,203 compared to 1,206 in 2017. Some noticeable multi-family projects to provide affordable housing were issued building permits in 2018. These included the conversion of a motel to housing and the 52 unit Rapid Response to Homelessness (RRH) modular housing project being delivered by BC Housing.*

*In 2018 the Geographic Information Systems/Mapping section continued to maintain and update TerraMap, the City's digital mapping database, as well as providing support functions for planning, engineering, and other City departments.*

*The Bylaw Compliance Officer continued to proactively enforce Municipal Bylaws and regulations and play a primary role in educating residents and property owners in effort to obtain compliance. The number of complaints received and tickets issued for 2018 was 282 and 83 respectively which included 105 complaints received and 2 tickets issued by the RCMP under the Street & Traffic Bylaw, Noise Control Bylaw, and the Parks & Public Places Bylaw. The Bylaw Compliance role has developed since a full time position was created in 2015 and now involves providing a visual presence and bylaw compliance role in the downtown core.*

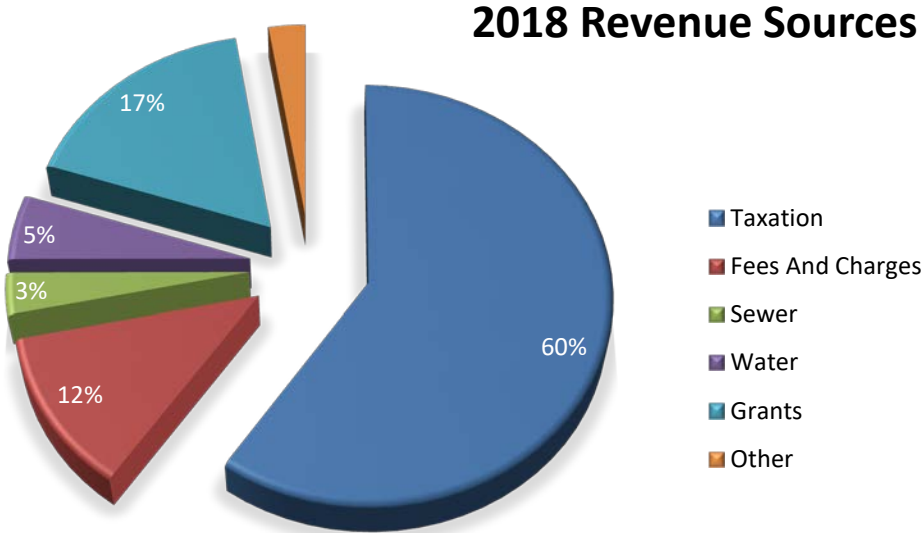
*The Animal Control Officer dealt with 37 registered complaints under the Animal Control Bylaw and oversaw the functions of the City's Animal Shelter. The shelter staff cared for numerous animals and found homes for many abandoned pets through the Animal Adoption Program. 898 private animal cremations were performed by the Animal Shelter in 2018 which was an increase over the 740 performed in 2017. For many pet owners and Veterinarians in the region this cremation service continues to be well received and very well utilized.*

# 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 are continually monitored and adjusted as required to meet the needs of the departments. Internal reports are distributed to provide relevant information to the departments and Council. External communication and reporting includes audited financial statements, annual reports and communication with media, stakeholder groups and individual taxpayers.

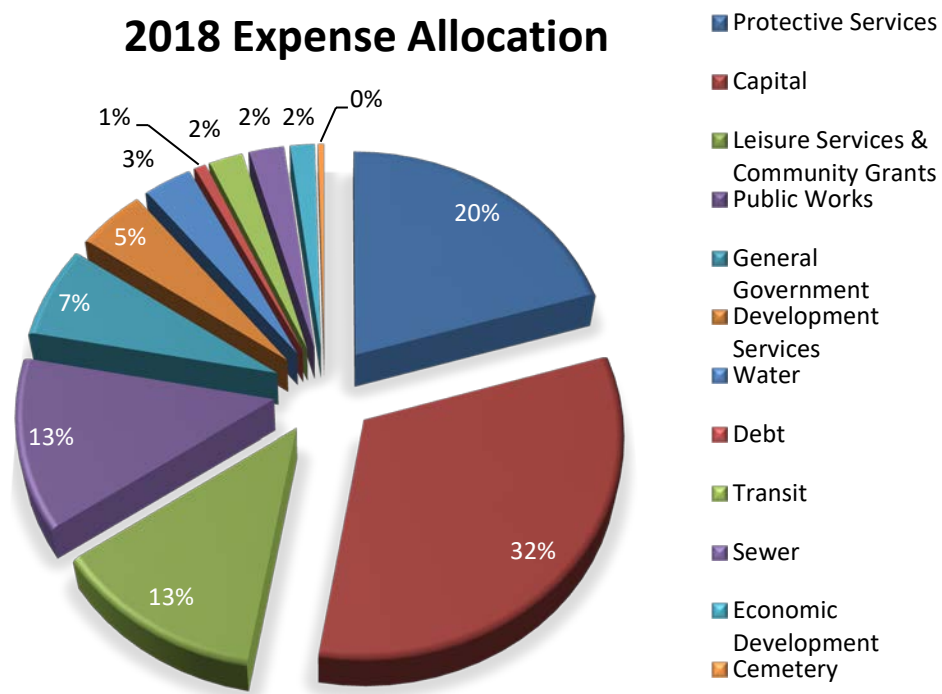
Each year Council approves a budget determining how taxes will be allocated to the services provided by the City. Below is a snapshot of the City’s revenue sources for 2018.



## Key Activities of 2018

- Administer the City's annual budget;
- Prepare the 2018 Financial Plan Bylaw through a series of open meetings with Council;
- Prepare the 2018 Tax Rates Bylaw guided by the goals and objectives of Council;
- Asset Management; ongoing work in assessment and data delivery; and
- Prepare the 2018 Permissive Tax Exemptions Bylaw.

Below is the breakdown for expenses between departments in 2018.



*Fire Department*



Figure 15: 2018 Terrace Fire Department

*In 2018, 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 24 Volunteer Firefighters that trained and worked alongside the paid staff to provide fire prevention, fire suppression, rescue, pre-hospital care, and hazards mitigation. We strive to have 32 volunteers on staff.*



Figure 16: Fire Training

In 2018, the Terrace Fire Department responded to 1,244 incidents that were dispatched from 911. The breakdown for those calls were 236 fire related calls, 846 first responder and medical calls, 117 rescue and motor vehicle incident (MVI) calls, and 45 assist and complaint calls.

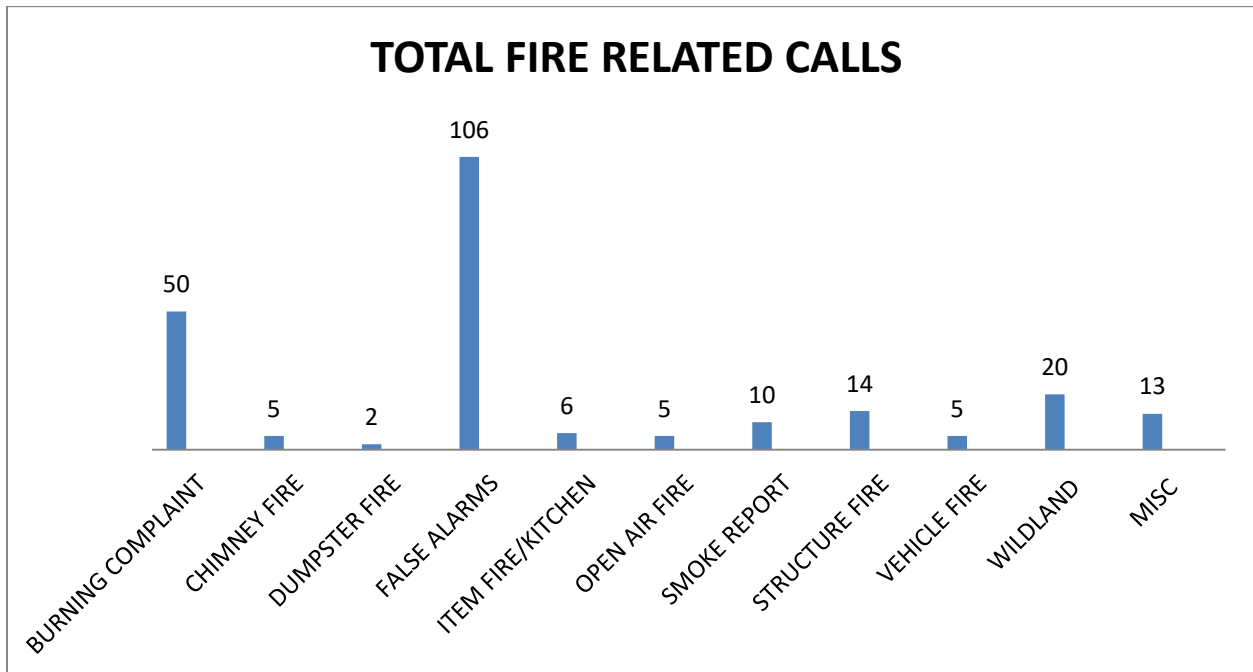


Figure 17: Firefighter Training

Figure 18: Firefighters Working as a Team







Figure 19: Fire Training

*The level of service provided by the Terrace Fire Department is 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: Fire Training

Training



Training is a key component for the Fire Department to be successful and 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 holds weekly training sessions after hours each Tuesday evening from 7:00 p.m. – 9:00 p.m. to teach core skills.

Figure 21: High Angle Training



Figure 22: Auto Extrication Training

Early in 2018, the Fire Department worked with the local Community College to relocate the Fire Department's training props to the Public Work Yard on Graham Avenue. This became the Fire Department's main training ground.



Figure 23: Fire Department's Main Training Ground



The burn building allows the firefighters an opportunity to learn and practice many of the skills required for firefighting.



## Fire Prevention Talks and Tours

October is Fire Prevention month and the smoke house tour was a favourite event with the local elementary schools.



Figure 24: Smoke House Drills

Every fire recruit takes part in the Ice Rescue course put on in the early part of each year. The entire fire department participates in the course.



Figure 25: Ice Rescue Class

## Fundraising Events/ Community Events

Every year the local Macdonald's Restaurant sponsors a "Fire Chief for a Day" contest. The Terrace and Thornhill Fire Departments participate jointly in this fun event and each community picks a young Chief from one of the local elementary schools. For many children, this becomes a highlight of school year that they will remember for years to come.



Figure 26: 2018 Fire Chief for a Day



Figure 27: 2018 Fire Chief for a Day Crew

## New Firetruck

The Fire Department received a new firetruck in August of 2018. The new truck is an eMAX Rescue Pumper, manufactured by E-One. It is a 4-wheel drive truck, capable of pumping 1,500 US gallons per minute (6,000 liters per minute) and has a 780 gallon water tank. This truck replaced the older 1994 Freightliner fire truck.



*Figure 28: New eMAX Rescue Pumper Firetruck*

## RCMP



Figure 29: Remembrance Day

*The Terrace RCMP's 2018 Strategic Policing Priorities were to reduce substance abuse through partnerships with external agencies to address mental health and addictions, to increase police and community relations, to improve road safety by targeting distracted and impaired driving, and to reduce the level of family violence through partnerships and enforcement.*

*In 2018 the Terrace RCMP was comprised of 68 staff, including 41 Regular Members (sworn police officers), 5 Public Service employees and 22 Municipal employees. Policing services are provided under a municipal contract with the City of Terrace funding 25 Regular Member positions and a provincial contract with the Province of British Columbia funding the remaining 16. Both contracts are funded under a 70/30 formula with the Federal government.*

*The Terrace detachment said farewell to Inspector Sydney Lecky and welcome the new Officer in Charge, Inspector Jayson Lucash.*

*The Terrace detachment provided an enhanced police service under a tripartite agreement with the Provincial and Federal governments and the First Nations communities of Kitsumkalum and Kitselas. One Indigenous Police Service (IPS) position is currently funded under this agreement.*

*Four General Duty Watches, each consisting of a Corporal supervisor and 4 Constable Investigators, 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. The Terrace detachment also houses nine holding cells with full-time and part-time municipal guard staff.*

West Pacific Traffic Services, a Collision Reconstruction Unit, and a Strategic Prevention Services officer are also based in Terrace and provide services throughout the northwest; from Houston to the east, Haida Gwaii to the west, Kitimat to the south, and Atlin to the north. A dedicated team of Auxiliary Constables compliments the detachment. Volunteering a minimum of 160 hours per year, they perform a variety of community services at special events.



Figure 30: Riverboat Days

The Terrace RCMP members and staff remained committed to the safety and security of the communities which they service including the City of Terrace, the First Nations communities of Kitsumkalum and Kitselas, the community of Thornhill, and the surrounding Kitimat-Stikine region.

There were several major police operations which significantly impacted the Terrace RCMP detachment’s resources during the spring and summer months including deployments to the Interface Wildfires throughout central and northern BC and to the G7 Summit in Quebec. Despite these challenges, the Terrace detachment undertook a number of proactive enforcement initiatives in support of the detachment’s priorities. Examples include the Crime Reduction Unit (focused on statistical hot spots such as the downtown core), the High Risk Domestic Violence committee, foot patrols, curfew, and licensed premises checks.



Figure 31: Alexa’s Team Awards, North District





Figure 32: Cram a Cruiser Event

*Along with investigations and enforcement, members and employees of Terrace RCMP are involved in a wide variety of programs and activities. They are committed to making the 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, and the United Way.*



Figure 33: Musical Ride



Figure 34: D.A.R.E Graduate

**Comparison of Total Calls for Service:**

**2016:** 7,619 Calls for Terrace  
11,705 Calls for Terrace and area

**2017:** 7,943 Call for Terrace  
11,629 Calls for Terrace and area

**2018:** 8,589 Calls for Terrace  
12,440 Calls for Terrace and area

<b><u>Activity</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>
<b>Persons Offences (assault, threats, homicide)</b>	869	844
<b>Property Offences (damage, theft)</b>	1,136	1,260
<b>Criminal Code Traffic Offences</b>	207	162
<b>Total Other Criminal Code Offences</b>	2,051	2,162
<b>Drug Related Offences</b>	135	129
<b>Breach Probation, Conditions, etc.</b>	412	433
<b>Other Federal Statute Offences</b>	33	44
<b>Provincial Offences Excluding Traffic or Liquor</b>	643 (315 MHA)	762 (296 MHA)
<b>Liquor Act Offences</b>	595	716
<b>Provincial Traffic Offences / Collisions</b>	707	721
<b>Municipal Bylaw Offences</b>	183	166
<b>Assist General Public / Miscellaneous Offences</b>	1,809	2,055
<b>False Alarms</b>	343	338
<b>Police Information Checks (volunteer)</b>	734 (386)	636 (191)
<b>Administration Fingerprints (ex: Immigration)</b>	–	160
<b>Municipal Prisoners Lodged</b>	1,327	1,427
<b>Provincial / Federal Prisoners Lodged</b>	258	298
<b>Reports to Crown Counsel</b>	645	725

## **Leisure Services**

*Leisure Services is responsible for providing parks and recreation services including an Aquatic Centre, Sportsplex with twin arenas, Ferry Island Campground, sports fields, trails and parks. Leisure Services plans and implements programs and special events that promote active and healthy living. Leisure Services is also responsible for providing cemetery services.*

### **Sportsplex Arena Ice Use**

*In 2018, the ice was in for a total of thirty three weeks – twenty-four weeks with 2 sheets of ice and seven weeks with one sheet of ice.*

*Arena ice highlights included:*

- *16 hockey tournaments;*
- *1 figure skating competition and 2 seminars;*
- *39 Skeena Valley Hockey League games; and*
- *11 Riverkings games.*

### **Sportsplex Hall and Dry Floor Use**

*The Sportsplex administers a Waiver of Rental Fees Policy for organizations and clubs who meet eligibility requirements. In 2018, the Sportplex granted \$12,283 worth of free use.*

- *60 larger day or multiple day events (Business Expo, Business Excellence, Riverboat Days, Rotary Auction, Roller Derby, Nation2Nation Forum, craft fairs, Christmas parties, Northern Emergency Support Services, government agency workshops, Storytellers Foundation, Healthy Communities, dance academies, etc);*
- *30 training and development clinics;*
- *9 weddings;*
- *39 special occasion events (holiday dinners and dances, Pipes N Drums, memorial services);*
- *Caledonia Prom and Dry Grad; and*
- *39 birthday parties.*

### **Sportsplex Programs**

*Fitness, public skating and youth activities continue to be the focus of community programming. Regular programs that record participation numbers include:*

- *Weekday fitness – 7,309*
- *Saturday and Sunday public skate – 2,006*
- *Free public skates – 766*
- *Drop in hockey – 725*
- *Sticks and Pucks – 64*
- *Parent and tot – 572*
- *Adult laps - 82*

## **Programs Department Special Events**

- *Circus Camp,*
- *Family Day,*
- *Aboriginal Days,*
- *Canada Day,*
- *Movie in the Park,*
- *Terry Fox Run, and*
- *Christmas Skates.*



*Figure 35: Terrace Sportsplex*

## **Aquatic Centre**

The newly named Terrace & District Aquatic Centre re-opened on November 22, 2018. Virtually every aspect of the facility received a repair, update, or replacement. From November 22, 2018 to December 2, 2018 the facility was open and free to use for 5 hours/day. On those days the City averaged 450 people/day. On December 3, 2018 the facility increased its opening hours to 8 hours/day and averaged 375 people/day.



*Figure 36: Terrace & District Aquatic Centre*

## **Clubs and Organization Registration Numbers**

Registration numbers for various clubs and organizations that regularly used the City facilities are as follows:

- *Figure Skating Club – 172*
- *Northern Edge Academy – 42*
- *Ringette – 83*
- *Men’s Rec League – 269*
- *Terrace Youth Soccer – 691*
- *Minor Softball – 320*
- *Adult Softball/Slo-Pitch – 260*
- *Badminton – 65*
- *Adult Volleyball League – 96*
- *Youth Volleyball – 36*
- *Indoor Ladies Soccer – 74*
- *Archery – 40*
- *Roller Derby – 17*
- *Pickle Ball – 20*
- *Youth Basketball – 24*



Figure 37: Rotary Splash Park

## **2018 Capital Projects**

*The Leisure Service Department capital projects included:*

- *Terrace & District Aquatic Centre renewal;*
- *Terrace & District Aquatic Centre fitness room equipment and sound system equipment;*
- *Sportsplex South parking lot;*
- *Sportsplex upstairs lobby area floors and washroom fixture replacement;*
- *Refrigeration Plant Ventilation Upgrade;*
- *George Little Park washroom fixture replacement;*
- *Skatepark features added;*
- *ActiveNet training and pool equipment purchased;*
- *Soccer anchors for goal nets;*
- *Playground equipment for Agar Park; and*
- *Surveillance cameras for the Sportsplex south parking lot.*



*Figure 38: Christy Park Soccer Fields*

## **Ferry Island**

Ferry Island Park continued to be one of our most utilized trail systems in the city. Easy walking trails, an off-leash dog zone, and a majestic forest brand its popularity. The campground had 6,246 campers in 2018.

## **Cemeteries**

The Municipal and the Kitsumgallum cemeteries had a total of 53 burials and 13 columbarium interments.



*Figure 39: Terrace Municipal Cemetery*



## Public Works

The Public Works Department is responsible for operation of the City’s infrastructure as well as 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 collection, purchasing, city buildings, and municipal fleet vehicles.

2018 was a year of “old time weather”. The winter was cool with lots of snow and the summer was hot and dry. February and March each delivered three times the normal snowfall and it also snowed in April. During July and August the City only received 20mm of rain, well below the 100mm expected in the average summer. These conditions strained our crews and equipment to keep the roads clear and the water system functioning at a high capacity, but the fires and smoke that many of our fellow BC communities had to deal with in 2018 were a much greater challenge.

Some of the projects undertaken by the Public Works Department in 2018 included:

### Building Maintenance

- Heating/cooling control upgrades for the RCMP Detachment and Public Works buildings. Control upgrades should reduce energy costs and improve interior air quality;
- Replacement of the roof on the Public Works Building Park Avenue house and final section of the Library;
- Completion of the Public Works heating/cooling controls upgrade;
- Completion of phase 1 of the RCMP Detachment heating/cooling controls upgrade; and
- Removal and refinishing of the “Welcome to Terrace” sign on Highway 16 W. The sign will be re-installed upon completion of the Highway 16/37 roundabout.

### Engineering & Roads

- Completion of the design, reconstruction, and complete replacement of all City utilities on Greig Avenue between Kalum and Emerson Streets. This project included removal of overhead utilities, paverstone sidewalks, street trees, and traffic calming curb bulbs. Upgrading of the storm main on the block will significantly increase the system capacity which should help to eliminate flooding that has impacted the area in previous major rain events;
- Reconstruction of Pheasant Street to a local road standard which included a traffic calming intersection re-alignment at the north end;
- Relocation of the McConnell Crescent storm main to eliminate a storm outfall from the top of the escarpment;
- Re-paving of Pedrini Street;



Figure 40: Greig Avenue Reconstruction

- *Implementation of signage and road marking upgrades in playground areas throughout the community, implementing many of the recommendations of the City's Traffic Control Review; and*
- *Continued closure works at the former City landfill on Kalum Lake Road.*

### **Wastewater System**

- *Completion of the design and installation of a new sewer main Greig Avenue to eliminate ongoing blockages and poorly graded sewer laterals on the section of street between Emerson and Kalum Streets;*
- *Completion of the construction of influent screening and lagoon upgrades recommended in the facilities Condition and Capacity Assessment for completion in 2018 and 83% funded under by a Clean Water and Wastewater Fund grant; and*
- *Continued the integration of the sewer treatment plant works into the Supervisory Control and Data Acquisition System (SCADA). As the system is developed we will have real-time monitoring of plant operations and wastewater parameters.*

### **Water System**

- *Replacement of the entire water distribution network on Greig Avenue between Kalum and Emerson Streets;*
- *Replacement and upgrade of the water distribution network on Pheasant Street; and*
- *Completion of a detailed design for a reservoir interconnect between the Halliwell Avenue and Wilson Avenue reservoirs to increase available storage capacity for the Horseshoe and Keith Estates. Design was and 83% funded under by a Clean Water and Wastewater Fund grant.*

### **Vehicle Fleet**

- *Purchased a new E-one 4x4 fire truck to replace a 23 year old primary unit;*
- *Purchased a new Olympia ice resurfacers and sold the 28 year old back-up Zamboni;*
- *Purchased a new mini-van for Administration;*
- *Replaced two 25 year old loaders with two matching slightly used units;*
- *Replaced a 20 year tradesman's van with a new full height unit for the Engineering Department;*
- *Purchased a new 1-ton flat deck to replace a 20 year old unit; and*
- *Total new fleet investments exceeded \$1.2 million in funding from the Machinery and Equipment Reserve.*

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

*There were no disqualifications made under Section 111 of the Community Charter in 2018.*

*Alisa Thompson,  
Corporate Administrator*

## Appendix B – 2018 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 2018 in addition to any statutory exemptions provided by the Chamber Charter.*

<b>Name</b>	<b>Address</b>	<b>2018 City Exempt Taxes</b>	<b>2018 Other Exempt Taxes</b>
Governing Council of the Salvation Army	3236 Kalum St.	4,514	1,659
Womens' Aux to Hospital	4544 Lazelle Ave.	2,193	740
Seventh Day Adventists (All Nations Centre)	3312 Sparks St.	1,422	518
Terrace Cerebral Palsy Assoc. (T.Child Dev)	2510 Eby St.	7,040	2,643
Terrace Child Development Centre	4665 Park Ave.	4,850	1,755
Terrace Curling Association	3210 School St.	12,802	4,541
Terrace Little Theatre Society	3625 Kalum St.	5,023	1,809
Terrace & District Community Serv	3219 Eby St.	14,971	5,622
Terrace & District Community Serv	4530 Lakelse Ave.	7,710	2,673
Terrace & District Community Serv	3221 Eby St.	6,642	2,318
Terrace & District Community Serv	4832 Loen Ave.	1,603	1,240
Terrace & District Community Serv	2806 Eby St.	1,452	1,127
Terrace & District Community Serv	4650 Davis Ave.	1,441	1,130
Terrace & District Community Serv	4823 Graham Ave.	1,383	1,083
Terrace & District Community Serv	4904 Medeek Ave.	1,383	1,108
Terrace & District Community Serv	4903 Medeek Ave.	1,178	919
City of Terrace-Visitor Information Centre	4511 Keith Ave.	5,763	2,198
Congregation of Jehovah's Witnesses	2908 Eby St.	663	357
Trustees of Kingdom Hall	2906 Eby St.	663	357
Zion Baptist Church	2911 Sparks St.	1,905	1,025
Terrace Evangelical Free Church	4640 Park Ave.	4,223	2,272
Terrace & District Council for Social Resources	4623 Tuck Ave.	2,194	1,524
Skeena Gursikh Society	4634 Walsh Ave.	1,077	579
Pentecostal Assemblies	4643 Walsh Ave.	867	467
Christian Reformed Church	3602 Sparks St.	833	448
Christian Reformed Church	3602 Sparks St.	54	18
Parking (next to Kwinitza House)	4801 Hwy 16 W	2,901	951
Terrace Calvin Christian School	3608 Sparks St.	3,832	1,256
Terrace Gospel Hall	4802 Scott Ave.	645	347
Knox United Church	4907 Lazelle Ave.	2,113	1,137
Pentecostal Assemblies	3511 Eby St.	1,776	955
Roman Catholic Episcopal Corp.	4836 Straume Ave.	2,273	745

Roman Catholic Episcopal Corp.	4836 Straume Ave.	603	325
Salvation Army	3236 Kalum St.	648	349
Anglican Synod Diocese	4506 Lakelse Ave.	2,647	1,424
BC Old Age Pensioners (Happy Gang)	3266 Kalum St.	1,488	843
George Little House	3100 Kalum St.	1,119	367
Skeena Valley Guru Nanak Soc.	4916 Medeek Ave.	941	506
Christian and Missionary Alliance	4927 Agar St.	791	425
Uplands Baptist Church	5003 Halliwell Ave.	660	355
Skeena Valley Baptist Church	3306 Griffiths St.	1,006	541
Seventh-Day Adventist Church	5401 McConnell Ave.	906	488
Fisherman's Park	5831 Hwy 16 W	1,320	710
Terrace Beautification Society (Lease)	Greig Ave.	284	153
Terrace Kitimat Airport Society	4401 Bristol Rd.	3,734	864
Terrace Kitimat Airport Society	4401 Bristol Rd.	<u>157,549</u>	<u>51,635</u>
		<b>281,087</b>	<b>104,506</b>

***Appendix C – 2018 Consolidated Financial Statements***

# **City of Terrace**

## **Consolidated Financial Statements**

**December 31, 2018**

# City of Terrace

December 31, 2018

## INDEX

### **Consolidated Financial Statements**

Management's Report	1
Council and Appointed Officials	2
Independent Auditor's Report	3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Changes in Net Financial Assets	6
Consolidated Statement of Cash Flows	7
Notes to Consolidated Financial Statements	8
Schedules	18



## 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.



**CAROL LECLERC**  
MAYOR



**LORI GREENLAW**  
DIRECTOR OF FINANCE

**CITY OF TERRACE  
COUNCIL AND APPOINTED  
OFFICIALS - 2018**

**MAYOR**

Carol Leclerc

**COUNCILORS**

Sean Bujtas

Lynne Christiansen

James Cordeiro

Brian Downie

Jessica McCallum-Miller

Evan Ramsay

**APPOINTED OFFICIALS - 2018**

Chief Administrative Officer

Director of Finance

Corporate Administrator

Fire Chief

Director of Public Works

Director of Development Services

Director of Leisure Services

H. Avison

L. Greenlaw

A. Thompson

J. Klie

R. Schibli

D. Block

C. Didier

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

**INDEPENDENT AUDITOR'S REPORT**

To the Mayor and Council  
City of Terrace

**Opinion**

We have audited the financial statements of the City of Terrace, which comprise the consolidated statement of financial position as at December 31, 2018, the consolidated statements of operations, changes in net financial assets, cash flows and schedules 1 to 3 for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City of Terrace as at December 31, 2018 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Basis for opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit.

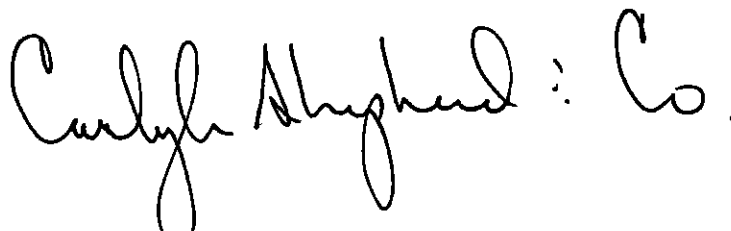
**Responsibilities of Management and Council for the Financial Statements**

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.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless conditions exist that do not allow for the going concern basis to be used.

Mayor and Council are responsible for overseeing the City's financial reporting process.

Terrace, BC  
May 13, 2019



# City of Terrace

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2018

	2018	2017
<b>Financial Assets</b>		
Cash and short-term investments (Notes 1 and 2)	\$26,167,310	\$26,555,696
Taxes receivable	898,336	868,070
Accounts receivable (Note 3)	3,172,034	3,882,877
Land held for resale (Note 1)	1,407,646	1,407,646
Municipal Finance Authority of BC - debt reserve fund (Note 4)	65,645	39,605
Investment in affiliated entities (Note 5)	1,697,031	501,418
	<b>33,408,002</b>	<b>33,255,312</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	4,093,251	4,056,979
Deposits and prepayments	1,805,122	1,697,345
Accrued vacation	752,354	738,417
Care fund liability (Note 7)	215,788	210,849
Landfill closure liability (Note 8)	196,648	193,031
Skeena Industrial Development Park joint venture (Note 6)	11,357,758	11,521,022
Long term debt (Note 9)	4,343,493	1,991,089
	<b>22,764,414</b>	<b>20,408,732</b>
<b>Net financial assets</b>	<b>10,643,588</b>	<b>12,846,580</b>
<b>Non-financial assets</b>		
Inventory and other (Note 1)	680,980	662,575
Tangible capital assets (Note 1 and Schedule 2)	88,650,853	83,823,026
	<b>89,331,833</b>	<b>84,485,601</b>
<b>City Position</b>	<b>99,975,421</b>	<b>97,332,181</b>
City Position consists of:		
Operating fund	7,863,035	7,237,154
Reserves funds (Schedule 3)	9,038,693	8,263,091
Equity in tangible capital assets (Note 10)	83,073,693	81,831,936
	<b>\$99,975,421</b>	<b>\$97,332,181</b>

Approved by:



CAROL LECLERC  
MAYOR



LORI GREENLAW  
DIRECTOR OF FINANCE

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

# City of Terrace

## CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2018 Unaudited Budget	2017
<b>Revenues</b>			
Net taxes available for municipal purposes (Note 11)	\$ 15,574,917	\$ 15,510,721	\$ 15,173,291
User fees and sale of goods and services	4,441,763	4,204,884	4,370,756
Government grants and cost sharing (Note 12)	4,865,001	4,853,062	9,122,618
Investment income	436,080	150,000	177,259
Developer contributions		-	762,281
Other revenue	2,432,313	3,867,634	440,807
	<b>27,750,074</b>	<b>28,586,301</b>	<b>30,047,012</b>
<b>Expenses</b>			
Protective services	5,897,585	6,364,773	5,299,144
Leisure services	4,302,351	4,468,401	3,132,482
Transportation and transit	4,030,622	4,365,338	3,971,549
Development services	2,077,682	2,287,791	1,992,020
General government	1,894,412	2,171,233	2,407,412
Waste management	431,011	681,615	380,375
Water operations	1,150,531	1,118,831	978,240
Sewer operations	531,113	604,857	579,104
Interest and bank charges	768,302	148,702	155,083
(Gain)/Loss on disposal of tangible capital assets	(39,870)	-	14,935
Other services	96,926	128,441	89,320
Amortization of tangible capital assets	3,966,169	3,590,215	3,590,215
	<b>25,106,834</b>	<b>25,930,197</b>	<b>22,589,879</b>
<b>Revenues over expenses</b>	<b>2,643,240</b>	<b>2,656,104</b>	<b>7,457,133</b>
<b>Opening position</b>	<b>97,332,181</b>	<b>97,332,181</b>	<b>89,875,048</b>
<b>Closing position</b>	<b>\$ 99,975,421</b>	<b>\$ 99,988,285</b>	<b>\$ 97,332,181</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, 2018

	2018	2017
<b>Revenues over expenses</b>	<b>\$ 2,643,240</b>	<b>\$ 7,457,133</b>
Acquisition of tangible capital assets	(8,858,464)	(9,365,149)
Amortization of tangible capital assets	3,966,169	3,590,215
(Gain)/Loss on disposal of tangible capital assets	(39,870)	14,935
Proceeds on sale of tangible capital assets	104,338	3,744
Inventory and other	(18,405)	98,352
<b>Increase (decrease) in net financial assets</b>	<b>(2,202,992)</b>	<b>1,799,230</b>
<b>Net financial assets - beginning of year</b>	<b>12,846,580</b>	<b>11,047,350</b>
<b>Net financial assets - end of year</b>	<b>\$10,643,588</b>	<b>\$12,846,580</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, 2018

	2018	2017
<b>Operating transactions</b>		
Revenues over expenses	\$ 2,643,240	\$ 7,457,133
Non-cash items:		
Amortization	3,966,169	3,590,215
(Increase) decrease in inventory and other	(18,405)	98,351
(Increase) decrease in taxes receivable	(30,266)	(205,274)
(Increase) decrease in accounts receivable	710,843	(2,334,137)
Increase (decrease) in accounts payable and accrued liabilities	36,272	1,125,629
Increase (decrease) in deposits and prepayments	107,777	206,579
Increase (decrease) in accrued vacation	13,937	24,248
Increase (decrease) in care fund liability	4,939	(1,022)
Increase (decrease) in landfill closure liability	3,617	(74,037)
<b>Cash provided (used) by operating transactions</b>	<b>7,438,123</b>	<b>9,887,685</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(8,858,464)	(9,365,149)
Proceeds from the disposal of tangible capital assets	104,338	3,744
(Gain)/Loss on the disposal of tangible capital assets	(39,870)	14,935
<b>Cash applied to capital transactions</b>	<b>(8,793,996)</b>	<b>(9,346,470)</b>
<b>Financing and investing activities</b>		
Debt issued	2,500,000	-
Debt repayment	(106,503)	(256,502)
(Increase) decrease in investment in affiliated entities	(1,195,613)	(225,370)
Increase (decrease) in Skeena Industrial Development Park Joint Venture	(163,264)	119,734
Actuarial adjustments	(41,093)	(35,416)
Decrease in MFA debt reserve	(26,040)	(758)
<b>Cash (provided) used in financing and investing activities</b>	<b>967,487</b>	<b>(398,312)</b>
<b>Increase (decrease) in cash position</b>	<b>(388,386)</b>	<b>142,903</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>26,555,696</b>	<b>26,412,793</b>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 26,167,310</b>	<b>\$ 26,555,696</b>

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

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

---

### 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 Chartered Professional Accountants of Canada. 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 results 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 less accumulated amortization.

**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, 2018

---

### 1. Significant Accounting Policies (continued)

#### d) Inventory

Inventory held for City services is 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.

#### 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, 2018

### 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:

	2018	2017
<b>Municipal Finance Authority of BC investments:</b>		
MFA Money market fund	\$ 871,963	\$ 2,348,576
MFA Short-term bond and intermediate funds	10,527,915	16,325,680
MFA Care fund investment	215,788	210,849
Scotiabank investments	13,028,000	5,028,000
	<b>24,643,666</b>	<b>23,913,105</b>
Cash	1,523,644	2,642,591
	<b>\$ 26,167,310</b>	<b>\$ 26,555,696</b>

### 3. Accounts receivable

	2018	2017
<b>Government grants receivable:</b>		
<b>Provincial</b>		
Ministry of Municipal Affairs and Housing	\$ 1,563,122	\$ 328,370
Ministry of Attorney General - Gaming revenue	182,181	164,506
UBCM - Gas Tax		1,635,553
UBCM - Asset Management Planning	8,412	
Northern Development Initiative Trust	269,997	317,816
Trade receivable - sewer and water	60,456	48,022
GST rebate	168,287	264,676
Other	919,579	1,123,934
Accounts receivable	<b>\$ 3,172,034</b>	<b>\$ 3,882,877</b>

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

### 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.

	2018	2017
<b>Balance Sheet</b>		
Cash and short term investments	\$ 1,493,943	\$ 684,253
Accounts and other receivables	402,368	207,884
Equipment	24,000	
Total assets	<u>1,920,311</u>	<u>892,137</u>
Trade and other payables	86,660	263,204
Silviculture provision	136,620	127,515
Total liabilities	<u>223,280</u>	<u>390,719</u>
Partner capital	<u>1,697,031</u>	<u>501,418</u>
Total liabilities and partner capital	<u>1,920,311</u>	<u>892,137</u>
<b>Statement of Comprehensive Income</b>		
Revenue	4,808,315	1,814,351
Direct Costs	(3,265,593)	(1,439,881)
Expenses	(271,508)	(167,787)
Other income	26,068	20,406
Net income (loss) for the year	<u>1,297,282</u>	<u>227,089</u>

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

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

	2018	2017
<b>Summary of Investments in Affiliated Entities</b>		
Owner equity in Terrace Community Forest Limited	\$ 14,090	\$ 2,786
Partnership capital in Terrace Community Forest Limited Partnership	1,682,941	498,632
Total investment in affiliated entities	1,697,031	501,418

### 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 \$13,952,354 and incurred expense totalling \$2,594,596. 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

	2018	2017
Perpetual care (cemetery) fund	\$ 215,788	\$ 210,849

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 proceeding with 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, 2018

### 9. Long term debt

	2018	2017
Municipal Finance Authority of BC ("MFA")		
Debenture debt matures in 2021 to 2033 and debenture debt annual interest rates range from 2.65% to 4.9%.	\$ 4,343,493	\$ 1,991,089

Principal repayments for the next five years are:

	2019	2020	2021	2022	2023
Principal payment	\$ 237,616	\$ 320,417	\$ 320,417	\$ 315,108	\$ 315,108
Actuarial addition	45,410	55,387	68,206	78,923	92,036
	\$ 283,026	\$ 375,804	\$ 388,623	\$ 394,031	\$ 407,144

### 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:

	2018	2017
Increases:		
Capital acquisitions funded by operations	\$ 5,124,799	\$ 9,365,149
Retirement of debt - principal repayment	106,503	256,502
Actuarial adjustment	41,093	35,416
Decreases:		
Dispositions at net book value	(64,469)	(18,676)
Amortization of tangible capital assets	(3,966,169)	(3,590,215)
<b>Change in equity in tangible capital assets</b>	<b>1,241,757</b>	<b>6,048,176</b>
Equity in tangible capital assets - beginning of year	81,831,936	75,783,760
<b>Equity in tangible capital assets - end of year</b>	<b>\$83,073,693</b>	<b>\$81,831,936</b>

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

### 11. Net taxes available for municipal purposes

	2018	2017
<b>Taxes:</b>		
Property	\$ 21,651,725	\$ 21,444,829
Frontage	672,831	673,706
Utility fees	492,368	431,619
Revenue in lieu of taxes	363,298	366,208
Penalties and interest on taxes	177,509	202,666
	<b>23,357,731</b>	<b>23,119,028</b>
<b>Less taxes on behalf of:</b>		
Province of BC - School	5,164,645	5,220,825
North West Regional Hospital District	1,317,500	1,385,052
Regional District of Kitimat-Stikine	1,203,213	1,234,260
BC Assessment Authority	97,045	105,191
Municipal Finance Authority of BC	410	410
	<b>7,782,813</b>	<b>7,945,738</b>
<b>Net taxes available for municipal purposes</b>	<b>\$ 15,574,917</b>	<b>\$ 15,173,291</b>

### 12. Government grants and cost sharing

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

	2018	2017
<b>Capital project grants</b>		
- Federal	\$ 13,569	\$ 279,711
- Provincial	1,298,741	1,046,788
- Union of BC Municipalities		4,083,106
- Regional District / Other	826,283	1,133,762
	<b>2,138,593</b>	<b>6,543,367</b>
<b>Operating grants and cost sharing</b>		
- Federal	12,077	77,397
- Provincial	1,373,560	1,380,094
- Regional District / Other	1,340,771	1,121,760
	<b>2,726,408</b>	<b>2,579,251</b>
	<b>4,865,001</b>	<b>9,122,618</b>

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

---

### 13. Commitments and contingencies

#### a) 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, 2017 the Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 110 contributors from the City of Terrace.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and 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. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

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

Employers participating in the Plan record their pension expense 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 \$729,639 for employer contributions to the Plan in fiscal 2018 (\$735,120 in 2017).

#### b) 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.

# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

---

### 13. Commitments and contingencies (continued)

#### c) 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.

#### 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 and Heritage Park Museum 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



# City of Terrace

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

---

### 14. Segmented Information (continued)

#### **Development Services (continued)**

is managed by the City and reported under this segment. Tourism services provided by Kermodai 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, organics, 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.

#### **Other Services**

Other services include cemetery services.

# City of Terrace

## CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2018

(Schedule 1) Cont.

	Protective services	Leisure services	Transportation and transit	Development services	General government	Waste management
<b>Revenues</b>						
Net taxes available for municipal purposes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
User fees and sale of goods and services	311,995	578,957	505,108	709,735	-	695,199
Government grants and transfers	203,493	1,134,156	186,336	185,915	1,914,684	-
Investment income	-	-	-	-	-	-
Developer contributions	-	-	-	-	-	-
Other revenues	-	-	-	-	184,119	-
	<b>515,488</b>	<b>1,713,113</b>	<b>691,444</b>	<b>895,650</b>	<b>2,098,803</b>	<b>695,199</b>
<b>Expenses</b>						
Salaries and wages	2,650,623	1,438,949	1,479,821	1,370,747	1,385,273	203,151
Goods and services	3,246,963	2,863,402	2,550,801	706,935	509,139	227,861
Interest and bank charges	-	133,933	2,645	24,504	607,220	-
Amortization of tangible capital assets	146,846	1,072,728	1,877,375	2,242	214,761	-
(Gain)/Loss on disposal of tangible capital assets	-	-	(39,870)	-	-	-
	<b>6,044,432</b>	<b>5,509,012</b>	<b>5,870,772</b>	<b>2,104,428</b>	<b>2,716,393</b>	<b>431,012</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (5,528,944)</b>	<b>\$ (3,795,899)</b>	<b>\$ (5,179,328)</b>	<b>\$ (1,208,778)</b>	<b>\$ (617,590)</b>	<b>\$ 264,187</b>

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

**City of Terrace**  
**CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

(Schedule 1) Cont.

	Water operations	Sewer operations	Other services	Unallocated	2018 Unaudited Budget	2018 \$	2017 \$
<b>Revenues</b>							
Net taxes available for municipal purposes	\$ -	\$ -	\$ -	\$ 15,574,917	\$ 15,510,721	\$ 15,574,917	\$ 15,173,291
User fees and sale of goods and services	1,105,611	468,746	66,413	-	4,204,884	4,441,763	4,370,756
Government grants and transfers	129,506	1,110,912	-	-	4,853,062	4,865,001	9,122,618
Investment income	-	-	-	436,080	150,000	436,080	177,259
Developer contributions	-	-	-	-	-	-	762,281
Other revenues	-	-	-	2,248,194	3,867,634	2,432,313	440,807
	<u>1,235,117</u>	<u>1,579,658</u>	<u>66,413</u>	<u>18,259,191</u>	<u>28,586,301</u>	<u>27,750,074</u>	<u>30,047,012</u>
<b>Expenses</b>							
Salaries and wages	561,128	203,655	82,473	-	9,948,071	9,395,817	9,270,692
Goods and services	569,403	327,458	14,454	-	12,243,209	11,016,416	9,558,954
Interest and bank charges	-	-	-	-	148,702	768,302	155,083
Amortization of tangible capital assets	311,539	340,677	-	-	3,590,215	3,966,169	3,590,215
(Gain)Loss on disposal of tangible capital assets	-	-	-	-	-	(39,870)	14,935
	<u>1,462,070</u>	<u>871,790</u>	<u>96,927</u>	<u>-</u>	<u>25,930,197</u>	<u>25,106,834</u>	<u>22,589,879</u>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (226,953)</b>	<b>\$ 707,868</b>	<b>\$ (30,514)</b>	<b>\$ 18,259,191</b>	<b>\$ 2,656,104</b>	<b>\$ 2,643,240</b>	<b>\$ 7,457,133</b>

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, 2018**

(Schedule 2)

	Cost				Accumulated Amortization				Net book value 2017
	Opening Balance	Additions	Disposals	Ending balance	Opening Balance	Amortization	Accumulated amortization on disposals	Ending balance	Net book value 2018
Land	\$ 9,620,573	\$ -	\$ -	\$ 9,620,573	\$ -	\$ -	\$ -	\$ -	\$ 9,620,573
Land Improvements	4,545,083	32,586	-	4,577,669	2,934,925	163,702	-	3,098,627	1,479,042
Buildings	24,807,894	8,440,232	(1,027,124)	32,221,002	13,649,301	1,036,546	(1,027,124)	13,658,723	18,562,279
Motor Vehicles	6,081,333	1,511,257	(484,153)	7,108,437	3,322,037	387,454	(430,127)	3,279,364	3,829,073
Furniture, equipment and technology	3,121,642	92,633	(33,323)	3,180,952	1,352,863	160,227	(33,323)	1,979,767	1,201,185
Transportation infrastructure	50,400,324	1,530,513	-	51,930,837	26,935,233	1,292,118	-	28,227,351	23,703,486
Water infrastructure	17,015,175	231,591	(7,778)	17,238,988	7,640,166	311,539	(7,778)	7,943,927	9,295,061
Sanitary sewer infrastructure	15,695,750	96,472	-	15,792,222	8,045,095	340,677	-	8,385,772	7,406,450
Storm sewer	13,478,823	306,736	(42,713)	13,742,846	5,313,692	273,906	(32,271)	6,055,327	7,687,519
Assets under construction	9,249,741	(3,383,556)	-	5,866,185	-	-	-	-	5,866,185
	\$ 154,016,338	\$ 8,858,464	\$ (1,595,091)	\$ 161,279,711	\$ 70,193,312	\$ 3,966,169	\$ (1,530,623)	\$ 72,628,858	\$ 88,650,853
									\$ 83,823,026

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, 2018**

(Schedule 3)

	Machinery and equipment	Capital works	Land acquisition	Parking space	Parks acquisition	Airport Lands Joint Venture	Affordable housing	Active transportation	Total
<b>Balance - Beginning of year</b>	\$ 3,949,637	\$ 2,674,342	\$ 1,207,901	\$ 70,882	\$ 80,344	\$ -	\$ 265,774	\$ 14,211	\$ 8,263,091
Investment income	74,008	45,565	22,633	1,328	1,505	-	4,980	266	150,285
Transfers in	551,017	341,929	33,263	-	-	952,581	-	-	1,878,790
Transfers out	(1,211,257)	-	(16,099)	-	(26,117)	-	-	-	(1,253,473)
<b>Balance - End of year</b>	\$ 3,363,405	\$ 3,061,836	\$ 1,247,698	\$ 72,210	\$ 55,732	\$ 952,581	\$ 270,754	\$ 14,477	\$ 9,038,693

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