



City of Terrace
2019 ANNUAL REPORT





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MESSAGE FROM THE MAYOR



Carol Leclerc



The following is the City of Terrace's 2019 Annual Report. Each year, the City prepares an annual report which includes audited financial statements and other financial information, a report of the municipal services and operations for that year, and a description of our objectives to provide clear information to the public regarding our activities.

Terrace is located on the traditional and unceded territory of the Tsimshian First Nations. We are fortunate to have a positive working relationship with the Kitselas, Kitsumkalum, and Nisga'a First Nations.

Council identified six strategic focus areas late in 2018 and directed staff to focus on these priorities. These focus areas are: increase City revenues, responsible asset management, value our natural assets and lifestyle, enhance civic pride, advocate for community social and environmental issues, and manage the impacts of growth.

In 2019, the impact of all the economic activity in the region was resonating in the community. Capturing some of the revenues from the major projects outside City limits to offset the pressures and resulting expenses Terrace was facing was a priority. Like cities everywhere, managing our infrastructure and strategically investing in new infrastructure is key to the long-term viability of our community.

Council made the decision to invest in some strategic improvements in the downtown to beautify the area and make it more inviting. We continue to look for the best use of tax dollars to benefit the community and keep Terrace vibrant. In 2019 we built on the Asset Management Plan developed the year before and directed staff to continue building on this work to form a better understanding of the state of the City's existing infrastructure and prepare for the future needs of the community.

Homelessness, discarded drug paraphernalia, and downtown security concerns were on the increase in 2019. Council held a forum in September to have a community discussion regarding the problems we face and possible solutions. I presented our concerns at the Mayors Caucus at the 2019 Union of BC Municipalities Convention a few weeks later, and Council lobbied the provincial government for more supports and resources in our community.

Council kept in touch with the Provincial Government regarding the replacement of Mills Memorial Hospital and the needs of our community.

We were delighted to receive a \$8.197 million grant from the Province in 2019, the Northern Capital and Planning Grant, which represents the largest grant the City has ever received.

We continue to represent the needs of Terrace to other levels of government and work to ensure Terrace remains a vibrant and healthy community into the future.

If you are reading this report then you are probably already engaged and involved in your City. An engaged community is strong and more resilient. We welcome the public at Council meetings and Committee of the Whole meetings. Follow us on Facebook and please share your ideas and feedback with us to keep our community strong and make Terrace the best it can be.



CAROL LECLERC

Mayor



*Above:
Mayor Carol Leclerc and others embrace
Premier John Horgan after receiving the
\$8.197 million Northern Capital and
Planning Grant.*

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

♦

Heather Avison



As I'm sitting here writing this message, it is May 2020, we are all in the midst of the global COVID-19 pandemic, and it is a challenge to reflect back on the City's operations in 2019 given this upside-down world we are currently operating in. There is comfort in remembering what our "normal" used to be, and I look forward to achieving a "new normal" working together as a community in the coming months and into the future.

We started 2019 with a new Council elected in October 2018. I'd like to express my sincere appreciation to Mayor Leclerc and Councillors Christiansen, Downie, Cordeiro, Bujtas, McCallum-Miller, and Ramsay. They navigated the City through a year that was full of optimism and excitement in terms of economic opportunity, but also complicated because, like many other communities across BC and throughout the country, we faced growing concerns related to burgeoning social issues. Early in their term, we held a strategic planning session with Council and identified strategic priorities for 2019–2022. These priorities provide the framework to focus our financial expenditures and deployment of staff.

In 2019, our major capital projects were the full rebuild of the 4700 block of Soucie Avenue, the reconstruction of Sparks Street between Halliwell Avenue and Gair Avenue, and the downtown boulevard enhancement project on Lakelse Avenue. The boulevard enhancement project saw the replacement of grass between the road and the sidewalk with brick paving stones; sidewalk repairs along the two blocks of the project; and the installation of new garbage cans, street trees, and bike racks. This is the first phase of a project we plan to continue in future years as the budget permits.

We also continued with our playground replacement program with new playground equipment installed at Kin Park adjacent to Heritage Park Museum; replaced the generator at City Hall; updated the City's orthophoto; initiated the City's first Community Heritage Plan; and completed a Drainage Master Plan.

Thanks to a collaboration with the Terrace Community Forest and other stakeholders, we were able to make significant improvements to the Howe Creek Trail system and install a viewpoint rest area overlooking the Skeena River adjacent to the Old Kitsumgallum Cemetery; this was made possible thanks to a donation of land from Skeena Sawmills and a financial contribution from Chevron, among other contributors. Both of these enhancements to the community are a must-see if you haven't had the chance to check them out!

In response to the increased social challenges we were witnessing in the community in 2019, such as tent encampments and ongoing concerns with the lack of provincial support for mental health and addictions issues, the City hosted both a business-specific forum and a public forum to discuss homelessness. These sessions were well attended and clearly highlighted the compassion of residents and the business community—and the desire to help those less fortunate in our city. Council continued to advocate to the Province for more affordable housing and mental health and addictions supports. In June 2019, 52 units of Rapid Response to Homelessness housing, with supports, were opened in Terrace on land contributed by the City.

To demonstrate our commitment to community safety, Council also developed a Downtown Safety and Security Improvement Grant Program, committed funding to the Terrace Downtown Improvement Area to support security in the downtown, increased Bylaw Compliance personnel, and continued to pursue an increase in RCMP members for the Terrace Detachment.

Both at the Council and staff level, we spent significant time in 2019 meeting with the Province and industry stakeholders. Our goal was and continues to be to build relationships and ensure that the City of Terrace is included in the benefits from economic development in the region as we support industry and growth in our role as the service and supply centre for the northwest.

I would like to end by recognizing and thanking all City staff for their genuine care and dedication as they serve our community. I look forward to working with each of you as we move the City of Terrace into a new decade.



HEATHER AVISON

Chief Administrative Officer

CITY COUNCIL

WHO REPRESENTS THE
CITIZENS OF TERRACE?



City Council is a legislative body representing the citizens of Terrace. Council provides leadership and establishes policies and priorities for the community.

The City of Terrace holds regular council meetings in the Municipal Council Chambers at City Hall on alternate Mondays. Want to take part? There are many ways to keep informed about what's happening with your local government:

- Attend a council meeting in person at 7:30 pm—they are open to the public.
- Watch the webcast live on our Webcasts page. The recording is also available on this page within 48 hours of a meeting.
- Watch the webcast on our Facebook page.
- Read the minutes—which are a summary of the actions of Council during the meeting.

What's on the list for the next council meeting? Find the latest agenda and more at terrace.ca/council101.

COUNCILLORS' AREAS OF RESPONSIBILITY IN 2019

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 areas of responsibility for 2019.



Mayor Carol Leclerc

- Government – Federal, Provincial, Municipal, and First Nations
- Northern Development – Northwest Regional Advisory Committee & Board Member
- Healthy Communities Committee
- Regional District of Kitimat-Stikine (alternate)
- Terrace Community Foundation



Councillor Sean Bujtas

- Regional District of Kitimat-Stikine
- Terrace Downtown Improvement Area Society



Councillor Lynne Christiansen

- Regional District of Kitimat-Stikine (alternate)
- Terrace & District Museum Society
- Skeena Diversity Society



Councillor James Cordeiro

- Regional District of Kitimat-Stikine
- Educational Services (SD#82/NWCC/UNBC)
- Terrace-Kitimat Airport Society



Councillor Brian Downie

- Northern Development – Northwest Regional Advisory Committee (alternate)
- Kermodei Tourism Society
- Riverboat Days Committee
- Northern Medical Programs Trust



Councillor Jessica McCallum-Miller

- Housing Committee
- Terrace Public Library (alternate)
- Greater Terrace Beautification Society



Councillor Evan Ramsay

- Housing Committee
- Terrace Public Library
- Rio Tinto Kitimat Public Advisory Committee

COUNCIL PHOTOS



Top:
Councillors and staff met with Mike Farnworth, Minister of Public Safety and Solicitor General, at the 2019 Union of BC Municipalities Convention.

L-R: CAO Heather Avison, Councillor Brian Downie, Mayor Carol Leclerc, Councillor Sean Bujtas, Minister Mike Farnworth, Councillor James Cordeiro, Councillor Evan Ramsay, Councillor Jessica McCallum-Miller, Corporate Administrator Alisa Thompson.

Middle:
Mayor Carol Leclerc (at podium) thanked the Province of British Columbia for the Northern Capital and Planning Grant award of \$8,197,000.

Bottom:
Councillor Brian Downie (left) presented funding to students in the Northern Medical Programs Trust.





Above:
Chief Administrative Officer Heather Avison, Mayor Carol Leclerc, and Deputy Fire Chief Dave Jephson celebrated the grand opening of AltaGas' Ridley Island Propane Export Terminal.



Left:
Councillor Sean Bujtas and Premier John Horgan posed for a selfie at the 2019 Union of BC Municipalities Convention.

STRATEGIC PLANNING

The City continued with the Strategic Plan for 2018–2022. Council attended many meetings and events throughout the year related to the six focus areas of the Strategic Plan:

- Increase City Revenues;
- Responsible Asset Management;
- Value Our Natural Assets and Lifestyle;
- Enhance Civic Pride;
- Advocate for Community, Social, and Environmental Issues; and
- Manage the Impacts of Growth.

Corporate Vision Statement

Terrace is an inclusive, affordable, and vibrant community with a strong, diverse economy; we provide a high quality of life with abundant recreational activities, easy access to outdoor adventures, and we celebrate our rich local culture and proud First Nations presence.

Corporate Mission Statement

Through strong leadership the City of Terrace provides effective delivery of core services to serve all residents of the community, fosters community pride and livability, and facilitates economic growth in the region as the service and supply centre of the Northwest.



A LOOK AT WHAT'S HAPPENING IN TERRACE

STRATEGIC PLAN

2 0 1 8 - 2 0 2 2

CORPORATE MISSION STATEMENT – Through strong leadership the City of Terrace provides effective delivery of core services to serve all residents of the community, fosters community pride and livability, and facilitates economic growth in the region as the service and supply centre of the Northwest.



CORPORATE VISION STATEMENT – Terrace is an inclusive, affordable, and vibrant community with a strong, diverse economy; we provide a high quality of life with abundant recreational activities, easy access to outdoor adventures, and we celebrate our rich local culture and proud First Nations presence.



THE WORK OF THE CITY OF TERRACE IS GUIDED BY THE FOLLOWING VALUES:

- Fiscal responsibility
- Progressive leadership
- Innovative and collaborative
- Diverse, inclusive, and responsive
- Ecologically conscious and environmentally responsible
- Ethical, honest, and with integrity
- Efficiency, effective, and service driven
- Accountable and transparent
- Just, fair, and balanced

STRATEGIC FOCUS AREAS

INCREASE CITY REVENUES  • Find new sources of revenue for the City of Terrace

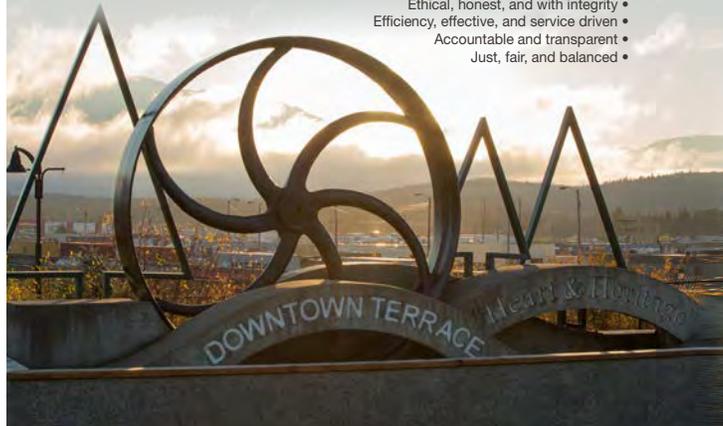
RESPONSIBLE ASSET MANAGEMENT  • Ensure City infrastructure is sound and resourced into the future
• Maintain and renew City capital assets

VALUE OUR NATURAL ASSETS AND LIFESTYLE  • Maintain our natural spaces and encourage an active outdoor lifestyle

ENHANCE CIVIC PRIDE  • Improve the appearance of the City overall, with emphasis placed on the entrances to the City and the downtown
• Foster a high quality of life

ADVOCATE FOR COMMUNITY, SOCIAL, AND ENVIRONMENTAL ISSUES  • Ensure Terrace is a safe and attractive city in which to live, work, and play
• Advocate for the provision of adequate services to meet social and health needs in the community
• Promote a healthy community

MANAGE THE IMPACTS OF GROWTH  • Prepare for anticipated growth pressures and future grant opportunities
• Emphasize the importance of truth and reconciliation



DEPARTMENT REPORTS

2019 DEPARTMENT HEADS

Chief Administrative Officer

Corporate Administrator/Deputy Chief Administrative Officer

Director of Finance

Fire Chief

Officer In Charge, Terrace RCMP Detachment

Director of Leisure Services

Director of Public Works

Director of Development Services

Heather Avison

Alisa Thompson

Lori Greenlaw

John Klie

Jayson Lucash

Carmen Didier

Rob Schibli

David Block



The following pages include the department reports outlining how activities in 2019 related to one or more of the six strategic focus areas.



ADMINISTRATION DEPARTMENT

terrace.ca/City-Hall

Administration maintains the records of the City and provides access to information.

Administration organizes events on behalf of Council throughout the year. It also manages leases for City-owned properties. The Administration Department includes Human Resources, Communications, and Economic Development as well as records management, protection of privacy, and council support.

Communications prepares information for the media, responds to inquiries from the public, and manages the City's website and social media accounts.

On a daily basis, the Administration Department is responsible for coordinating Council's schedule and correspondence from Council and Administration. Administration is usually either preparing for a Council or Committee of the Whole meeting or preparing minutes from a meeting.

STRATEGIC FOCUS AREAS IN 2019

INCREASE CITY REVENUES

- Continue to advocate for shared revenues in the region through the Northwest BC Resource Benefits Alliance and ongoing discussions with industry and the Province.
- Applied for and received funding to hold a Community to Community Forum with the Nisga'a Lisims Government. This was held in early 2020.
- Negotiated a renewed lease with Emergency Management BC for the lease at the basement of City Hall.
- Renewed a lease at the Kwinitsa Foreman's residence with Chill Soda Shop.
- Prepared a resolution for Council calling on the Province to direct a portion of liquor sales revenues to local governments to offset some of the additional policing costs that result from alcohol sales.

RESPONSIBLE ASSET MANAGEMENT

- An internal review of the records management practices for each department was undertaken in 2019.
- Updated Policy 51R Use of Chambers to reflect current practices.
- Updated policies regarding Travel Allowance and Council Remuneration.
- Purchased the property adjacent to City Hall/Fire Hall for future expansion.



STRATEGIC FOCUS AREAS IN 2019 (CONT'D)

MANAGE THE IMPACTS OF GROWTH

- Council lobbied the Provincial government to enhance social services in the Terrace area due to the impacts of increased economic activity in the region. Council requested additional, provincially funded RCMP members and support staff for the Terrace detachment.
- Administration participated in LNG Canada's Social Management Roundtable, reporting on the impacts of economic activity on our community.

VALUE OUR NATURAL ASSETS AND LIFESTYLE

- Prepared a letter of support for the Terrace Off Road Cycling Association's Courthouse Trails project.

ENHANCE CIVIC PRIDE

- Organized the City's annual Volunteer Appreciation Dinner to thank volunteers on City committees and held an Open House to recognize and thank all community volunteers during National Volunteer Week in April.
- Hosted numerous classroom visits to educate schoolchildren about the role of local government.
- Sponsored Riverboat Days opening ceremonies in August.

ADVOCATE FOR COMMUNITY, SOCIAL, AND ENVIRONMENTAL ISSUES

- Contracted Big River Analytics to conduct a study of child care spaces in Terrace and the surrounding area. Administration prepared a resolution for Council calling on other levels of government to establish a universal plan for child care facilities.
- Organized a public input opportunity to allow a public discussion of homelessness and related issues in the community.
- Advocated to the Provincial Government for built-in mental health and addictions supports at the Rapid Response to Homelessness project in Terrace (Sonder House). During the Union of BC Municipalities Convention, Council asked the Provincial government to provide secure funding to social service providers and enhance the social services in the Terrace area.
- Prepared numerous letters of support for community organizations such as the Snow Valley Nordic Ski Club, Veritas School, Kermode Friendship Society, Tears of Hope Relay Run, and the Fresh Voices Campaign.
- Participated in the "Coldest Night of the Year" fundraiser for Ksan Society.

STRATEGIC FOCUS AREAS FOR 2020

Increase City Revenues

- Administration will continue to negotiate leases of City-owned buildings as the leases expire.

Enhance Civic Pride

- Support community events as they occur. Due to the COVID-19 pandemic, predicting community events is not possible.
- Develop fact sheets regarding City processes to assist the public.

Responsible Asset Management

- Continue to review the City's records and information management program and implement best practices.
- Review the City's Access to Information and Fees and Charges bylaw and update.
- Review the City's Council Remuneration Policy to ensure it reflects the best practices recommended by the Union of BC Municipalities.

Advocate for Community, Social, and Environmental Issues

- Administration will provide support to Council to advocate for the community by preparing correspondence, writing reports, and doing research as directed by Council, and supporting Council's attendance (in person or virtually) at the 2020 Union of BC Municipalities Convention and other events.

Manage the Impacts of Growth

- Develop a Courtwatch program to report to Council on significant cases.
- Further develop the City's communication strategy to ensure information is available to the public and to hear from the public.

Administration

2019 FACTS AND STATS



Did you know? These are open to the public to attend. In fact, all the meetings listed here except the two labelled as "in-camera" meetings are open to the public. Join us and see what City Council is all about!

WHAT DOES "IN CAMERA" MEAN?

In camera means "in private." These closed meetings allow Council to meet about confidential topics. For example, a topic with legal implications would be discussed in camera.

What's a C/W?

That's a Committee of the Whole meeting.

Committee of the Whole meetings allow for a detailed, but less formal review or discussion of a specific subject matter.

They may involve presentations from staff departments (like Public Works) or delegations (like community groups or citizens).



12 FOIPPA REQUESTS

FOIPPA = Freedom of Information and Protection of Privacy Act

FOIPPA is a formal process to request access to records in the custody and under the control of a public body.

2018: 2 requests
2017: 7 requests

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[facebook.com/CityofTerrace](https://www.facebook.com/CityofTerrace)

twitter.com/CityofTerrace

Communications

2019 FACTS AND STATS



4,234
total followers
as of December
31, 2019

3,782
total page Likes
as of December
31, 2019

641
new page
Likes

525
posts
covering all
departments



79
new
followers

*Left:
An aerial shot of Terrace also shows the
Northwest Regional Airport and nearby Skeena
Industrial Development Park (SIDP).*



ECONOMIC DEVELOPMENT

terrace.ca/EcDev

Economic Development assists in the development and implementation of projects, programs, and policies that assist with the stimulation of the local economy through business attraction, retention, and expansion.

Any given day could have an element of project management, research, and analysis on economic indicators; social media posts and monitoring; phone calls and emails with businesses and business support agencies; meetings and discussions around improving relationships with our stakeholders; and/or improving the business-friendliness of Terrace.

STRATEGIC FOCUS AREAS IN 2019

INCREASE CITY REVENUES

- Completed Skeena Industrial Development Park Marketing and Foreign Direct Investment Strategy.
- Completed Transload Facility Feasibility Study.
- Held Business Walk.

ENHANCE CIVIC PRIDE

- Workforce and Resident Attraction Initiative:
 - » The project is engaging regional stakeholders and taking input to help brand the northwest. With Terrace at the heart, this is expected to help support community pride.

ADVOCATE FOR COMMUNITY, SOCIAL, AND ENVIRONMENTAL ISSUES

- Active participation at LNG and industrial project engagement opportunities:
 - » LNG Canada Social Management Roundtable
 - » Coastal GasLink Socio-Economic Effects Management Plan (SEEMP)
 - » Kitimat LNG EAO Working Group

Economic Development

2019 FACTS AND STATS



38 BUSINESSES
SURVEYED
in the 4th annual
Business Walk

2 projects
focused on
investment
attraction



Transload facility
feasibility study



SIDP Marketing and
Investment Attraction
Strategy



1 project focused on workforce
and resident attraction

STRATEGIC FOCUS AREAS FOR 2020

Increase City Revenues

- Investment attraction:
 - » Informed by the SIDP FDI (foreign direct investment) strategy, and depending on available budget, a multi-pronged approach is desirable to lead to account-based marketing:
 - ◆ Social media and digital marketing
 - ◆ Print media marketing
 - ◆ Email marketing and lead generation
 - ◆ Trade shows and road shows (COVID-19 regulations dependent)
 - ◆ VR site visits
 - » Improving upon existing policies and procedures, a more direct “pathway to purchase” can be created by domestic interest in Terrace:
 - ◆ CRM optimization and local follow-up
 - ◆ Optimization of business licensing processes
- Business retention and expansion
 - » Local business supports have collaborated extremely well during the pandemic and will continue doing so outside of the emergency:
 - ◆ Terrace and District Economic Response Team
 - ◆ Business Concierge Service: improved connection between current and prospective businesses with the supports and networks that could improve their profits
 - ◆ Better local listening for understanding what improvements the City could make to existing

policies and programs, or what potential programs or policies could be introduced

- » Improved activity and uptake of the Love Terrace program from both a business and consumer perspective
- Workforce and Resident Attraction (WARA) Initiative
 - » Marketing the northwest to people who would be a best fit with Terrace from a career and lifestyle standpoint will lend itself to better business succession planning, community vibrancy, and stable economic growth

Enhance Civic Pride

- Grant writer: the availability of a grant writer to local non-profits for the next year will provide the opportunity for community improvement projects that will undoubtedly lead to enhanced civic pride and community vibrancy
- WARA: stakeholder engagement in this project will allow stakeholders around the region to make the brand theirs, use it to their advantage, and give them polished, cohesive assets to share

Advocate for Community, Social, and Environmental Issues

- Ongoing engagement in industrial development stakeholder outreach opportunities (Social Management Roundtable, Environmental Assessment Office working groups, etc.)

Right:

Two parklets were constructed and loaned to local businesses in the downtown as part of the 2019 Parklet Pilot Project. This project aligns with goals of the 2018 Downtown Action Plan and Urban Design Guidelines to create a “downtown living room” through seasonal programming that increases the vibrancy and number of gathering spaces in the public realm.



DEVELOPMENT SERVICES DEPARTMENT

terrace.ca/DevelopmentServices

The Development Services Department oversees the many municipal processes that enable and support development in our growing community. We are responsible for all community and land use planning activities, from long range planning to the processing of subdivision, development permit, and development variance permit applications. The Development Services Department also oversees initiatives related to corporate and community sustainability. Other primary services within the Development Services department include building inspection and business licensing, geographic information systems and mapping, as well as bylaw compliance and animal control.

What does Development Services do?

- Often serves as the first point of contact for land development information from residential to commercial development.
- Provides information and guides applicants through permit application processes.
- Undertakes long-range planning such as updates to our Official Community Plan Bylaw and Zoning Bylaw.
- Oversees community sustainability initiatives, including climate action commitments.
- Supports and collaborates with other levels of governments and agencies to address social development issues such as housing and homelessness.

STRATEGIC FOCUS AREAS IN 2019

INCREASE CITY REVENUES

- Processed an overall increase in land development applications.
- Continued to process development permit and land application permits with turnaround times well below provincial municipal averages.
- Adjusted existing development fees and charges to meet actual service levels and reflect inflation, through an amendment to our Planning Fees Bylaw.
- Initiated a review and began the process of developing a Development Cost Charge Bylaw.
- Shelter: increased shelter fees for adoptions, impounds, boarding, cremation services, bathing services, and ticketing.

ENHANCE CIVIC PRIDE

- Mapping Department: Printed off images for floats and made banners, custom maps, or signage for events.
- Bylaw Dept:
 - » Rebranded Bylaw Officer vehicles to create a more visible presence in the community.
 - » Currently finishing our graffiti/tagging blitz. The goals are to rid the city and downtown area of graffiti and tagging. We issued 12 letters and have received an 80% compliance rate on removal. This strategy works in conjunction with our graffiti/tagging removal kits, which can be loaned to businesses to effect the removal of graffiti/tagging within a 24-hour timeline. In some cases we have been successful in having graffiti/tagging removed that has been present for several years.
- Shelter:
 - » Maintained filling of dog bag stations more often.
 - » Attended complaints in person for quicker resolution as opposed to writing letters.
 - » Included public in social media posts regarding animal welfare and responsibilities.

VALUE OUR NATURAL ASSETS AND LIFESTYLE

- Initiated planning work, in conjunction with Leisure Services, to collaborate with Terrace Off Road Cycling Association (TORCA) to rehabilitate a network of existing trails on City park land.

ADVOCATE FOR COMMUNITY, SOCIAL, AND ENVIRONMENTAL ISSUES

- Mapping Dept: Created maps, banners, and signage for community and events, including Garbathon, Terrace Food Bank, Riverboat Days, Terry Fox Run, Relay for Life, Minerals North Trade Show, Chamber of Commerce Trade Show, and more.
- Bylaw Dept:
 - » Supported Northern Health in their sharps disposal program.
 - » Now sits on the City of Terrace Situation Table. This Table was established in 2019 to help frontline staff from the public safety, health, and social service sectors to identify vulnerable people and collaboratively and rapidly connect them to services before they experience a negative or traumatic event (e.g., victimization, overdose, eviction, etc.). Situation Tables empower agencies to reduce a broad range of risks that can impact a person's well-being and safety.
- Participated in provincial step code implementation processes, and began the process of developing our municipal approach to step code and ensuring the energy efficiency of buildings in our community.
- Supported the Greater Terrace Beautification Society in hosting the annual City Garbathon event.
- Measured and reported out on greenhouse gas emissions from City operations, as per our commitment under the BC Climate Action Charter.

Development Services

2019 FACTS AND STATS



20
development permits issued

13 in 2018

108

land use applications

58 in 2018



Read about Development Services' divisions on the following pages.

STRATEGIC FOCUS AREAS FOR 2020

Increase City Revenues

- Continue to work with developers to facilitate subdivision and land development activity.
- Continue to process land development applications in an expedient manner.
- Complete and adopt new Development Cost Charge bylaw for the City of Terrace.

Enhance Civic Pride

- Mapping Dept: Configure and implement new TerraMap online interactive mapping site.
- Bylaw Dept: Continue to address graffiti issues as they arise.

Advocate for Community, Social, and Environmental Issues

- Continue to measure and report publicly on greenhouse gas emissions from City operations, as per our commitment under the BC Climate Action Charter.

DEPARTMENT OVERVIEW

Right:

Our Bylaw Enforcement team has conducted regular patrols of parks and other public spaces to ensure bylaw infractions are addressed and public spaces remain safe for the Terrace community.



Bylaw Enforcement

Bylaw Compliance Officers investigate complaints and monitor concerns related to 16 different municipal bylaws that have been adopted by Mayor and Council. Bylaw Compliance Officers are also trained to provide an important preventative enforcement presence in our community and work in close partnership with the Terrace Fire Department and the Terrace RCMP to promote public safety.

Daily responsibilities

- Enforce parking regulations; ensure a healthy and safe downtown; and conduct park and downtown foot patrols.
- Investigate unsightly property complaints and work with property owners to take corrective action towards compliance.
- Interact with public in a positive manner during street walks, both in the downtown and residential neighbourhoods.

Bylaw Enforcement

2019 FACTS AND STATS

176
official
complaints



That's a 25% increase
141 complaints in 2018

401
bylaw warnings
for street +
traffic bylaw
infractions

INCREASE IN TRANSIENT COMMUNITY

2 tent encampments at 4421
Keith Ave and 4450 Little Ave

In both cases,
Bylaw worked with
the property owner
to deal with the
unwanted activities
and clear away the
encampments.



Building & Licensing

2019 FACTS AND STATS



27,309,412

total 2019
construction
value



INSPECTED

800

construction
projects and
business
operations



Closed 81 permits

1,164

active
business
licences

Issued 33
single-
family
dwelling
permits

Issued 146
demolition,
plumbing, and
building permits

Building and Licensing

The Building and Licensing division is mandated to ensure that all buildings and business applications are code compliant. This division performs technical work in enforcing a variety of provincial and municipal regulations governing building construction and alteration including structural work and plumbing installations. They oversee business licensing and enforce miscellaneous bylaws within the City of Terrace. Another responsibility is reviewing and approving all building plans and specifications for compliance with municipal building and zoning regulations, BC Building, BC Plumbing, and Fire Code, as well as issuing building permits.

Daily responsibilities

- Conduct on-site inspections of the building and business proposals.
- Do site inspections for buildings under construction, additions, and repair to existing buildings, including water and sewer connections, for conformance to BC Building Code, municipal building and zoning regulations, and development permit requirements.
- Issue building permits and occupancy permits.
- Administer and enforce the building regulations bylaws.
- Administer and enforce the Business Licence Bylaw.
- Respond to inquiries relating to building construction and building code.
- Oversee the Business Licence function.
- Prepare reports and maintain records and statistics.
- Prepare bylaws and resolutions.
- Regulating buildings, new construction, and business licensing.

Mapping/GIS

The Mapping/GIS division maintains all City mapping and GIS data, such as cadastral parcels, zoning, administrative boundaries, Official Community Plan information, trails, addressing, engineering, imagery, cemetery, and more. They also maintain and update GIS reports for internal and external users. When other departments request custom GIS maps and databases, the Mapping/GIS division creates them. Another core responsibility is maintaining and updating the City of Terrace online web mapping site (TerraMap) for internal and external users.

Daily responsibilities

- Maintain and update CAD/GIS files as required.
- Maintain and update engineering drawings and related GIS for water, sanitary, and storm infrastructure.
- Assign addressing and upload addressing data to regional 911 system.
- Create custom maps/reports/analysis/calculations for other City departments and external users requiring or requesting City CAD/GIS data.
- Update of existing and new Service Cards.
- Maintain and update TerraMap.
- Database management.

Mapping/GIS
2019 FACTS AND STATS

1,000+ cemetery marker photos linked to cemetery records

Engineering plan/profiles scanned in and linked to TerraMap for internal users

Created new 2019 contour data

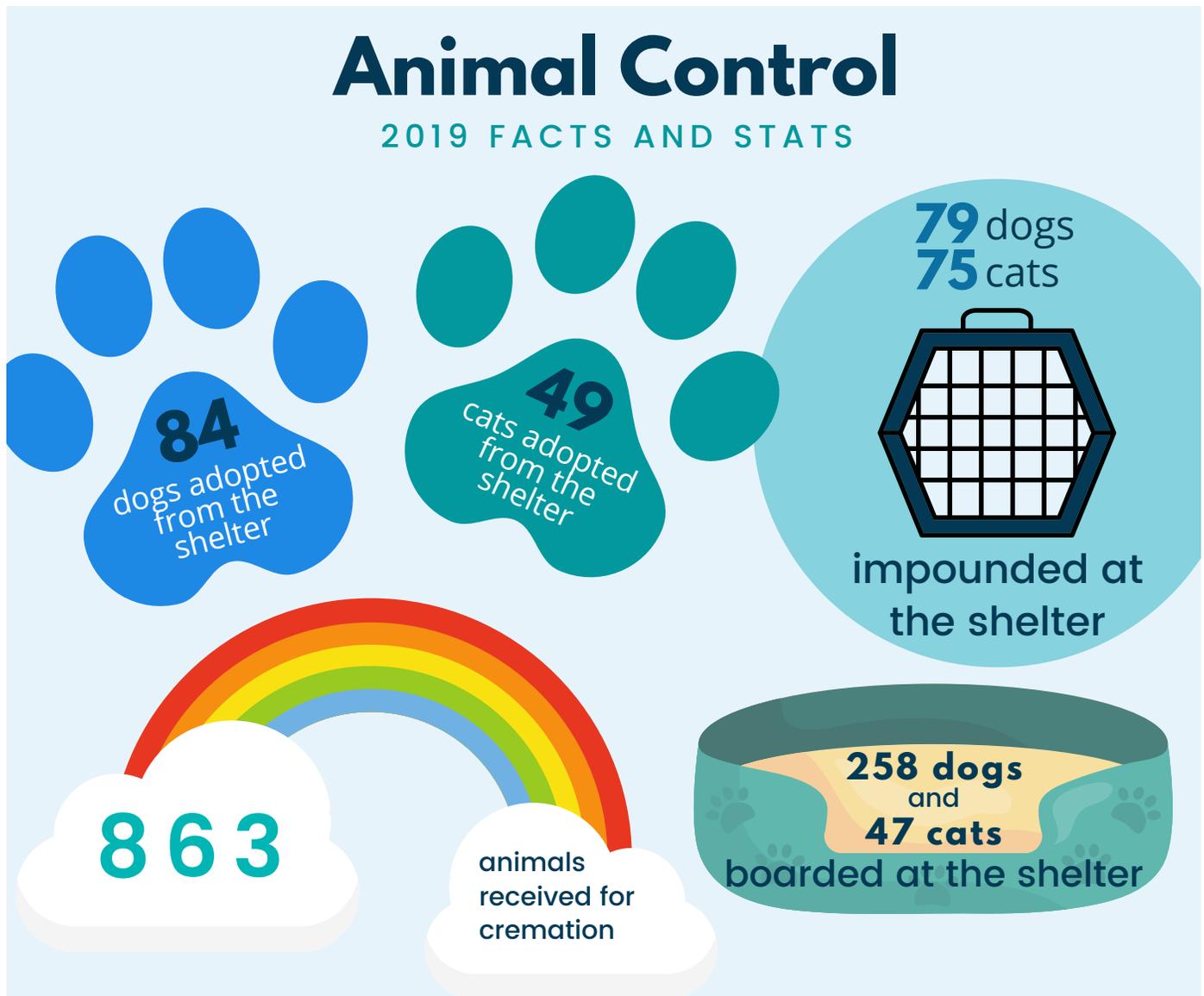
Acquired 2019 10-cm resolution colour orthophoto

Acquired 2018/2019 LiDAR Data (Bare Earth and Non Bare Earth)
LiDAR = light detection and ranging
It uses laser light to produce an accurate 3D rendering of the earth's surface.

City-owned street lights and fibre optic layers created and added to TerraMap

CAD/GIS Data Packages prepared and delivered to assist:
Economic Development Investment Portal | Storm Water Master Plan | Grant Applications | University Students | TORCA | Developers | Ministry of Forests BC Wildfire Service | Integrated Cadastral Information Society

Reviewed and researched replacement software for TerraMap in 2020.



Animal Control

The Animal Control Department helps to ensure that stray/abandoned/lost/injured animals are safely housed, fed, and cared for until such time as they are claimed or adopted. They also enforce the City Animal Control Bylaws, including but not limited to licensing, running at large, and barking. The department also provides information and education to the public regarding responsible animal ownership. In addition, they run a fully functioning crematorium.

Daily responsibilities

- House and care for shelter animals.
- Clean and sanitize the shelter.
- Cremate deceased pets/process remains.
- Investigate complaints.
- Reception duties including answering phone, collecting fees, inputting data.
- Enforce animal control regulations and bylaws/issue dog licences.
- Patrol and pick up dogs running loose.
- Board animals.
- Ship/receive animal cremations/cremains.
- Order and pick up supplies for the animal shelter.
- Interact with the public.
- Handle adoptions/impounds of animals.
- Transport animals for vetting.
- Other related duties as required.

DEPARTMENT OVERVIEW

*Top:
Thanks to our City and community volunteers
for a community-wide litter pickup!*

*Bottom:
Leisure Services staff created a Halloween jail
managed by jailer (and Director of Leisure
Services) Carmen Didier.*



LEISURE SERVICES DEPARTMENT

terrace.ca/Parks-Recreation

Leisure Services is responsible for the overall operations of indoor and outdoor recreation facilities for the City including the Terrace & District Aquatic Centre, Sportsplex, parks, trails, playgrounds, as well as cemeteries and the campground.

The principal goal of Leisure Services is to provide opportunities, through recreation and sport, for residents to lead healthier and more active lives and create opportunities for social connection.



Top left:

Our 2019 Summer Daze camp was nearly sold out for the entire summer! A huge thank you goes to Ryan our Supervisor and our three Leaders: Elizabeth, Correina, and Carter.

Bottom left:

The Terrace & District Aquatic Centre opened in 2019 after renovations were completed.

Top right:

Economic Development Manager Deklan Corstanje dressed as the big red guy for our free Santa Skate and absolutely rocked it.

Guiding Statements

As listed in the Parks and Recreation Master Plan

1. Promote healthy living and provide opportunities for resident to live healthy lifestyles
2. Provide services that reflect the diversity of Terrace's population
3. Enhance the visual appearance of the parks and public spaces
4. Protect and enhance the natural environment
5. Provide a range of programs and facilities that meet the community's needs
6. Be financially accountable in the management and development of parks and recreation facilities
7. Retain the qualities of Terrace as a welcoming and safe community with a strong sense of place

Leisure Services responsibilities

- Supervise facilities.
- Oversee applicable codes and regulations for facilities.
- Facilitate and work with community clubs and organizations.
- Create facility and staff schedules.
- Rent and administer facility bookings.
- Issue facility passes/memberships and registrations.
- Organize and implement community activities and special events.
- Purchase supplies.
- Operate applicable office, arena, aquatic, and parks equipment.
- Complete preventative equipment maintenance on plumbing, mechanical, and irrigation systems.
- Maintain and oversee arena and pool mechanical.
- Clean and maintain facilities.
- Keep financial records and handle cash.
- Fix equipment.
- Answer public inquiries.
- Instruct recreation programs.
- And more.



*Left:
During Riverboat Days, we hosted a
Movie in the Park at George Little Park.
We watched The Lego Movie #2 and had
roughly 900 people join us.*

STRATEGIC FOCUS AREAS IN 2019

INCREASE CITY REVENUES

Leisure Services’ facilities operate on cost recovery. The goal is that user fees will make up 35% of the total cost of operations. It is understood that this investment in recreation services and facilities have direct and indirect benefits to the residents of Terrace and surrounding area. Direct benefits are easily quantified through usage and indirect benefits are connected to the department’s guiding statements. The challenge to sustain this cost recovery is in the addition of park facilities that do not generate user fees.

ADVOCATE FOR COMMUNITY, SOCIAL, AND ENVIRONMENTAL ISSUES

Leisure Services offers one weekly free admission swim and skate timeslot for its residents. In addition to this, a Leisure Access Program will allow residents (families) who qualify for government financial assistance to attend drop-in programs at a discounted rate. Attendances for free and discounted admissions are listed in the infographic (on the next page). Leisure Services invested significant resources in 2019 to deal with the increased drug paraphernalia and homeless camps that emerged both on public and private lands. Leisure Services was also a key contributor to the Terrace Clean Team Project, which secured funding to hire peer workers and implement an ongoing community cleanup program.

VALUE OUR NATURAL ASSETS AND LIFESTYLE

Leisure Services oversees over 270 hectares of parks and green spaces and recognizes the value that they provide to foster an active and healthy lifestyle for residents. Leisure Services works with many community partners, from organizations to community volunteers, to enhance existing park assets and build new ones. Larger projects in 2019 included the McElhanney Trail, Howe Creek trail upgrades, and the Kitsumgallum Cemetery Lookout.

ENHANCE CIVIC PRIDE

Enhancing the visual appearance of City parks and public spaces fosters much community pride. In 2019, Leisure Services hired two additional summer students to look after the gardens and landscapes. The flower basket program was increased by 10 baskets.

RESPONSIBLE ASSET MANAGEMENT

The City of Terrace has made considerable investments in renewing and adding to its recreation infrastructure over the past 10 years with the Sportsplex, pool, and splash park being the largest projects. 2019 asset investments include the pool entrance vestibule, steam sauna, Kin Park playground equipment, renewed banquet room floor, and columbarium.

STRATEGIC FOCUS AREAS FOR 2020

Increase City Revenues

- Admissions and rental rate review scheduled

Responsible Asset Management

- Christy Park Field report
- Ferry Island outhouses

Enhance Civic Pride

- Public Art Policy
- 2020 public art projects include Howe Creek Trail Eagle’s Next, Howling Wolves on Terrace Mountain, and Kinsmen Bear for George Little Park

Value Our Natural Assets and Lifestyle

- Howe Creek Trail
- HuB project

Leisure Services

2019 FACTS AND STATS

CITY-SPONSORED AND/OR PARTNERSHIP SPECIAL EVENTS

Family Day Circus Camp
NATIONAL INDIGENOUS DAY **Movie in the Park**
Canada Day
 All Nations Basketball Tournament
Terry Fox Run **RIVERBOAT DAYS**



2,338 attended public skates

1,078 attended free public skates

6,982 attended drop-in fitness classes

Terrace & District Aquatic Centre

OPEN 84 HOURS PER WEEK

77 private reservations
 980 children registered in swimming lessons
 4,802 people came to free public swims
 787 Leisure Access Pass uses



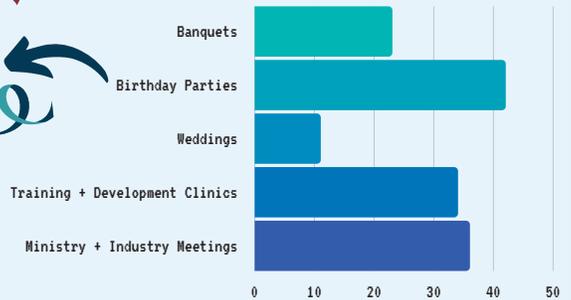
FERRY ISLAND CAMPGROUND
6,330 campers

SPORTSPLEX FACILITY RESERVATIONS

18 Large block multi-day facility reservations (Business Expo, Women's Conference, All Nations Basketball, Job Fair)



Single Day Sportsplex Facility Reservations



ARENA OPERATIONS

Main arena: 6 months at 47% usage
 Hidber arena: 8 months at 66% usage

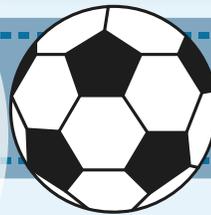
3,358 total ice hour reservations

15 hockey tournaments

4 figure skating events

39 Skeena Valley Hockey League games

12 Terrace River Kings games



ISPARC Soccer Provincials 15U & 18U Male and Female Divisions

CEMETERY SERVICES

Grave space reservations: 32
 Niche reservations: 7
 Interments: 57



FIRE DEPARTMENT

terrace.ca/fire

In accordance with the Establishment Bylaw, the Department will respond to and take the lead role for responsibility for the following:

- a) Medical First Responder (EMA - FR level)
- b) Confined space rescue
- c) High angle rescue
- d) Motor vehicle incident rescue
- e) Fire prevention
- f) Fire suppression

The Department will respond to and assist the Department's level of training for the following:

- a) Search and Rescue (SAR) operations
- b) Commercial/industrial hazmat incidents
- c) Trench rescue
- d) Water and swift water rescue
- e) Building collapse rescue
- f) Airport first responder (backup to BCAS)
- g) Floods
- h) Mudslides
- i) And other similar incidents

On a day-to-day basis our first priority is to respond to emergency. The Fire Department's other activities include:

- Vehicle and equipment checks and repairs
- Performing commercial inspections and other fire prevention activities
- Skills training
- Fire Hall cleaning and upkeep



*Previous page and this page:
Firefighters take part in
various training exercises.*

STRATEGIC FOCUS AREAS IN 2019

RESPONSIBLE ASSET MANAGEMENT

Planned for the upkeep and replacement of equipment and vehicles as required. Secured funding to replace rescue truck in 2020.

ADVOCATE FOR COMMUNITY, SOCIAL, AND ENVIRONMENTAL ISSUES

Secured funding, in cooperation with other departments, through the UBCM Community Resiliency Investment Program – FireSmart Community Funding in order to reduce the risk and impact of wildfire in our community.





*Above:
Training includes firefighting, hazmat, and confined space
training, among other exercises.*

STRATEGIC FOCUS AREAS FOR 2020

Responsible Asset Management

- Plan for the upkeep and replacement of equipment and vehicles as required. Receive and take ownership of the new rescue truck in mid-2020.

Advocate for Community, Social, and Environmental Issues

- 2nd round to secure funding, in cooperation with other departments, through the UBCM Community Resiliency Investment Program – FireSmart Community Funding in order to reduce the risk and impact of wildfire in our community.

Fire Department

2019 FACTS AND STATS



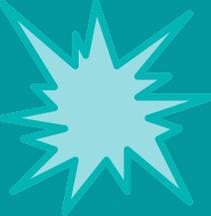
231
fire-
related
calls



1,388
9-1-1
dispatch
incidents



159
complaints



120
rescue
+
motor vehicle
incident calls



878
first responders +
medical calls



Off-duty
members
responded to
1,805
emergency
calls



23,693
total on-call
hours
for career
+ volunteer
firefighters making
themselves available
off-duty to respond
to emergency calls



387
commercial
inspections

DEPARTMENT OVERVIEW

Right:

In 2019, Public Works crews paved Jack Talstra way, located at the Skeena Industrial Development Park (SIDP).



PUBLIC WORKS DEPARTMENT

terrace.ca/City-Services

Public Works operates, maintains, and renews the community's water, sewer, drainage, and transportation infrastructure. This department is also responsible for the City's mobile fleet, purchasing, solid waste collection, and many City buildings. Terrace's Engineering Services group is also part of the Public Works Department, providing capital project delivery, development reviews, technical planning, and support.

What does Public Works do?

The 32 employees in Public Works work in six groups, managing most City operations and assets:

Roads and Drainage

- Complete winter and summer maintenance of city streets, sidewalks, and boulevards.
- Operate, maintain, and repair the City's water distribution system, including hydrant and valve maintenance, service installations, and break repairs.
- Operate, maintain, and repair the City's wastewater collection system including line cleaning, manhole repairs, service installations, and blockage removals.
- Clean and maintain catch basin, storm piping, and ditches.
- Maintain and renew all street signage and pavement markings.
- Collect residential solid waste of four different material types as well as maintain street-side litter receptacles in the downtown.

Environmental Services

- Operate, monitor, and maintain the community's three production water wells and associated chlorine and fluoride systems.
- Maintain the City's two surface water emergency backup sources at Deep Creek and Little Island.
- Operate and maintain water reservoir, pumping station, and booster station.
- Test and analyze water quality daily, monthly, and annually, including testing of water in the Regional District of Kitimat-Stikine's North Terrace water network.
- Operate, monitor, and maintain wastewater treatment plant, including screening, pumping, aeration, and discharge systems.
- Operate the City's five sewer lift stations as well as the Kitsumkalum Village sanitary lift station.
- Sample and test wastewater daily and monthly to ensure compliance with permit requirements.
- Complete all permit reporting to federal and provincial governments and Northern Health.

Building Maintenance and Electrical

- Maintain and upgrade all building systems for most City-owned structures, excluding the Sportsplex, Aquatic Centre, and some small buildings in parks.
- Maintain emergency alarm systems responses.
- Manage operations for street lights, traffic signals, and ornamental lighting.

Engineering Services

- Design, manage, and implement most Capital Works projects.
- Undertake long-term infrastructure master planning and project prioritization.
- Set infrastructure requirements for subdivisions and developments, and review and approve design submissions.
- Review and issue permits for works on City Rights of Way.
- Technical and CADD support to other departments.

Mechanical Shop

- Maintain and repair all mobile equipment.
- Fabricate steel and aluminum tools and infrastructure for other departments.
- Monitor and maintain the City's nine diesel emergency generators.
- Research and recommend purchases and disposal of City equipment.

Purchasing department

- Procure and manage inventory of materials for all City operations.
- Manage Hazardous Materials inventory and maintain WHMIS database.
- Research and make recommendations on new materials, suppliers, and supply chain management for City operations.

STRATEGIC FOCUS AREAS IN 2019

INCREASE CITY REVENUES

- Formalized the agreement with a local firm to place advertising benches at transit stops and other suitable locations in the community, providing annual revenue to the City and reducing administration requirements.
- Instituted a standard deposit on Building Permits to have builders responsible for construction impacts on City property remedied or ensure cost recovery if City forces are required to complete restoration or repairs.

MANAGE THE IMPACTS OF GROWTH

- Submitted a major Infrastructure grant application to senior levels of government to address multiple transportation issues between the Bench and the core of the community.
- Began work on Drainage Master Plan with a focus on planning core drainage infrastructure for growth areas of the community.
- Worked with BC Transit to improve coverage and efficiencies on existing routes.

DEPARTMENT OVERVIEW

STRATEGIC FOCUS AREAS IN 2019 (CONT'D)

RESPONSIBLE ASSET MANAGEMENT

- Initiated a Storm Water Master Study to identify deficiencies in the system, estimate the impacts of climate change on the infrastructure, and recommend upgrades and additions to the system.
- Worked with the Finance Department on refining and extending the Asset Management Financial Plan.
- Completed video inspection and condition reports on approximately 5 kilometres of major sanitary main.
- Continued water leak detection program; located and repaired three previously unidentified major leaks.

VALUE OUR NATURAL ASSETS AND LIFESTYLE

- Worked with the Ministry of Forests, Lands, Natural Resource Operations, and Rural Development and the Terrace Off Road Cycling Association (TORCA) to approve, design, and construct additional bike trails on city lands and in the City's designated watershed.

ENHANCE CIVIC PRIDE

- Designed and delivered the Lakelse Boulevard Enhancement Project.
- Provided needle pickup and disposal on City and private property throughout the community.
- Installed new community events and information sign near the Visitor's Info Centre.

ADVOCATE FOR COMMUNITY, SOCIAL, AND ENVIRONMENTAL ISSUES

- Drafted an occupation agreement with the Northwest Watershed Enhancement Society for the Eby Street hatchery.
- Partnered with the Community Energy Association to work towards providing EV charging stations on City properties in the community.



Above:
In 2019, the City stepped up enforcement for recycling, requiring all items to be loose in the blue recycling cart, with the goal of eliminating contamination from soft plastics.

STRATEGIC FOCUS AREAS FOR 2020

Increase City Revenues

- Review of grant funding opportunities for projects included the Capital Plan and/or potential projects that could be primarily grant funded.

Responsible Asset Management

- Complete Asset Management Plan.
- Continue with water leak detection and sanitary video inspection programs.

Value our Natural Assets and Lifestyle

- Complete temporary upgrades to Eby storm intake and outfall; commence planning for habitat protection measures at sites.
- Work with the Department of Fisheries and Oceans and local groups to restart storm drain marking program to promote awareness of connections to fish habitat.
- Continue to support TORCA & Terrace Community Forest on trail upgrade projects.

Manage the Impact of Growth

- Complete Drainage Master Plan and prioritize identified projects.
- Complete Wilson Reservoir Cascade Valve Project to enhance water reservoir efficiency.
- Complete Lanfear Hill Geotechnical Investigation and Preliminary Design.

Enhance Civic Pride

- Increase litter pickup, weed control, and bus shelter cleaning in the downtown.

Public Works

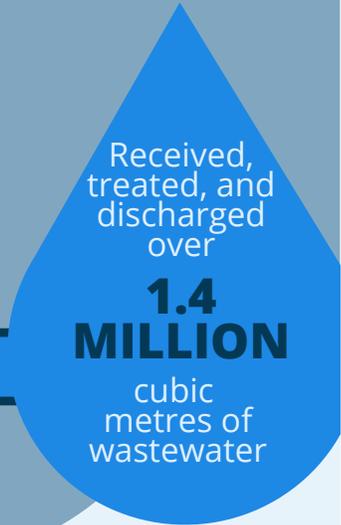
2019 FACTS AND STATS



Renewed all transit stop signage in the City



Provided over **2.9 MILLION** cubic metres of potable water to the community



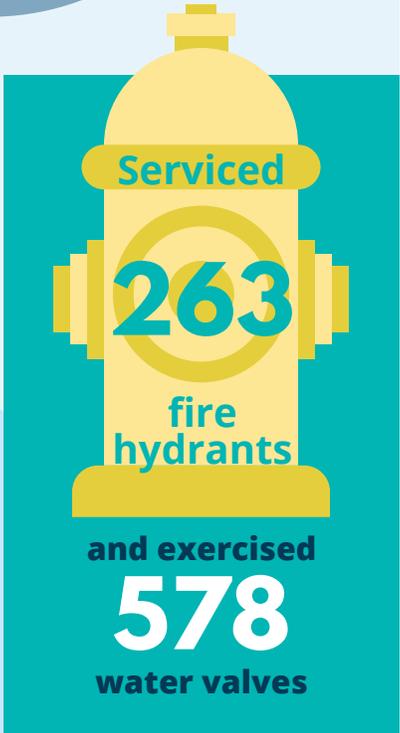
Received, treated, and discharged over **1.4 MILLION** cubic metres of wastewater



Cleaned over **35,000** metres of sanitary sewer mains



Spent over **1,750** worker hours patching potholes



Serviced **263** fire hydrants and exercised **578** water valves

COLLECTED:



578 tonnes of green bin organics



388 tonnes of recycling



1,318 tonnes of refuse



and a very large quantity of yard waste



FINANCE DEPARTMENT

terrace.ca/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 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 coordinates expenditures through the annual budget process; prepares internal and external financial statements and reports for various stakeholders; maintains property records; and administers property tax collection. This department completes payroll and general accounting functions; insurance and risk management; and secures and manages debt. Cash flow is managed to ensure funds are available to fulfill the five-year financial plan. The department is also responsible for delivery of front counter service and administration of all IT systems.

STRATEGIC FOCUS AREAS IN 2019

INCREASE CITY REVENUES

A review of the water and sewer funds was completed, along with a subsequent increase to user fees, to ensure these funds remain self-sustainable.

RESPONSIBLE ASSET MANAGEMENT

The Finance Department continued to work on the development of a long-term asset management plan. The City owns and maintains a wide range of infrastructure required to support the provision of needed and desired services for our community. Ongoing work in planning for infrastructure replacement will ensure sustainable service delivery for future generations.

ADVOCATE FOR COMMUNITY, SOCIAL, AND ENVIRONMENTAL ISSUES

An update of the Permissive Tax Exemption Policy was undertaken to provide clarity and direction to the administration and approval of permissive tax exemptions, with the goal of supporting worthy charitable/non-profit organizations that provide valuable services to the community.

MANAGE THE IMPACTS OF GROWTH

The Finance Department is working together with other departments to analyze cashflow versus changes in the community. It is also working with various entities to ensure "profit sharing" for the benefit of the community.

STRATEGIC FOCUS AREAS FOR 2020

Increase City Revenues

- Create a financial reserves and surplus policy to provide consistent direction for the establishment, maintenance, and use of reserves and surplus in meeting the City's short-term and long-term financial goals.
- The Finance Department is committed to reviewing and adjusting, where possible, existing user fees and examining and implementing new user fees, where feasible, in order to minimize overall property tax increases and reliance on reserves to maintain service levels.
- Ongoing review of the water and sewer user fees to ensure these services remain self-sustaining.

Responsible Asset Management

- Further the Asset Management Plan to include long-term financial planning based on the City's desired risk tolerance and level of service.

Advocate for Community, Social, and Environmental Issues

- Continuous monitoring of the Permissive Tax Exemption Policy and review of new applicants that meet the criteria.

Manage the Impacts of Growth

- Provide support with cost benefit analysis in pursuit of opportunities regarding cost sharing, profit sharing, and revenue generation to further grow our revenue base.

Enhance Civic Pride

- Due to the unprecedented times with COVID-19 and with the coordination of other departments at the City, the initial proposed tax increase of 8% has been reduced to 4% and the penalty delayed an additional three months to help alleviate the burden our citizens were feeling with lack of business and personal income.
- Conduct ongoing review of the budget to find savings and continuous improvements to enhance services delivered to our citizens.
- Train and coach our staff to continue to provide the best solutions and service to our citizens.

Finance Department

2019 FACTS AND STATS

CITY REVENUES



EXPENSES TOTALLED

\$26.5 million

which, when deducted from revenues, created the annual surplus of

\$9.5 million

Businesses and residents each contribute



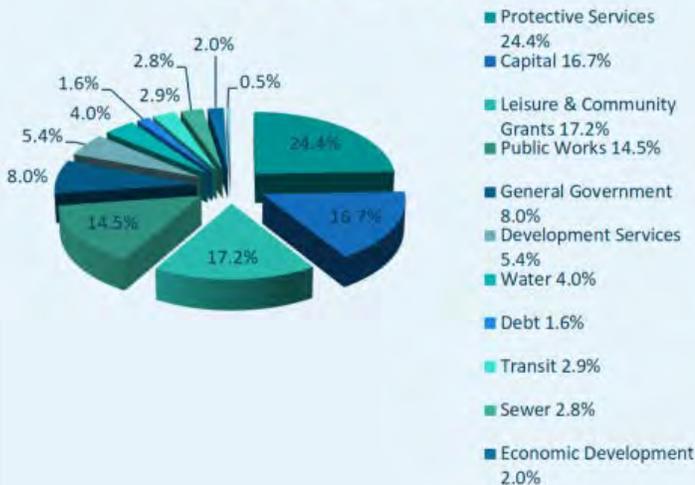
of the total property taxation

6%

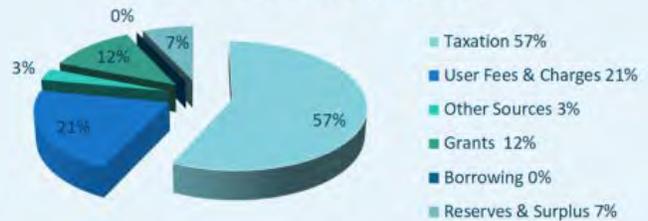
increase in expenses over 2018, with some of the main drivers being increases in protective services and a full operating season of the aquatic centre.



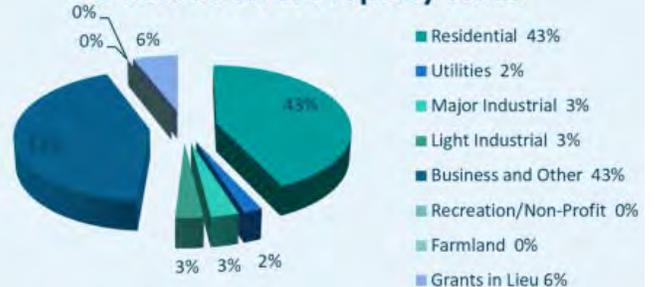
Expense Breakdown



Revenue Sources



Distribution of Property Taxes



Right:

There's still time for fun in the Finance Department. At Halloween, City Hall staff, including Finance and Administration departments, dressed up like monkeys along with "ringleader" CAO Heather Avison.



FINANCIAL INDICATORS

The City tracks certain financial indicators in the form of ratios, which provide some insight into financial sustainability, flexibility, and vulnerability. Over time, these indicators are helpful as they can illustrate certain trends that are occurring.

Financial Indicators	2019	2018	2017	2016	2015
Sustainability indicators:					
Total assets to total liabilities	6.39	5.39	5.77	5.59	5.68
Financial assets to total liabilities	1.95	1.47	1.63	1.56	1.50
Flexibility indicators:					
Total debt servicing costs to total revenues	0.02	0.03	0.01	0.01	0.01
Vulnerability indicators:					
Total government transfers to total revenues	0.34	0.18	0.30	0.15	0.13

- **Sustainability indicators** provide a general indication of the City's financial position. The City is experiencing a positive trend in its total assets to total liabilities and financial assets to total liabilities. This indicates a general trend that the City does not necessarily rely on future revenues to discharge its liabilities, at this time.
- **Flexibility indicators** provide a general indication of the City's reliance on long-term debt financing. The indicator shows that a very small portion of total revenues is typically committed to debt servicing costs.
- **Vulnerability indicators** provide a general indication of the City's reliance on transfers from senior levels of government. While the City appears to be more reliant on government transfers in 2019, this is primarily due to the Northern Capital and Planning Grant received in the year.



2019 ANNUAL POLICING REPORT TERRACE DETACHMENT ROYAL CANADIAN MOUNTED POLICE (RCMP)

terrace.ca/RCMP

This report is intended to provide an overview of events and activities undertaken by the Terrace RCMP during the past year. This includes a statistical comparison of the number and types of investigations, as well as the various proactive and community policing initiatives.

The increase in development and economic activity in the region has many benefits, but it also brings challenges. Once again, 2019 was a busy year for Terrace Detachment with several major incidents.

The Terrace RCMP members and staff remain committed to the safety and security of the communities which we service 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 INSPECTOR JAYSON LUCASH

As the Officer in Charge of Terrace Detachment, it was no surprise to find that 2019 was another busy year with the Terrace detachment receiving 14,029 calls for service with 9,607 occurring within the City of Terrace, an increase of 13% from the previous year. Additionally, Terrace members forwarded a total of 703 Reports to Crown Counsel in 2019, remaining relatively consistent from the previous year.

Terrace Detachment undertook a number of proactive enforcement initiatives throughout the year in support of Detachment priorities. Examples include the Crime Reduction Unit, focused on statistical hot spots such as the downtown core; the High Risk Domestic Violence committee; foot and bicycle patrols; curfew and licensed premises checks; and road checks focusing on impaired and distracted driving.

Looking ahead to 2020 our detachment will be growing with the addition of several front-line officers under both our municipal and provincial contracts. We will also continue in our efforts to modernize our service-delivery with the implementation of Online Crime Reporting and Electronic Ticketing.

2019 policing priorities

- Reduce substance abuse through partnerships with external agencies to address mental health and addictions;
- Increase police & community relations;
- Improve road safety by targeting distracted and impaired driving;
- Through partnerships and enforcement reduce the level of family violence.



*Below:
RCMP members conduct winter tire checks; the RCMP had a booth at the Terrace Heritage Fair.*



CONTACT US

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3205 Eby Street
Terrace, BC
V8G 2X7

Tel: 250-638-7400
Fax: 250-638-7448

brcrcmp@rcmp-grc.gc.ca



Department Overview

Terrace RCMP is 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.

Terrace Detachment also provides 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

Above:

RCMP members participated in the Remembrance Day ceremony in front of City Hall, despite the cold, snowy weather.

Court Liaison Officer. 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 complements the Detachment. Volunteering a minimum of 160 hours per year, they perform a variety of community services at special events throughout the year.

Department Statistics

The following statistics give a comparative overview by category of the number of activities performed by the members and staff at Terrace Detachment.

Comparison of Total Calls for Service:

2017:	7,943 Terrace Calls for Service
	11,629 Total Calls for Service
2018:	8,589 Terrace Calls for Service
	12,440 Total Calls for Service
2019:	9,607 Terrace Calls for Service
	14,030 Total Calls for Service



*Above:
The RCMP took part in Riverboat Days in 2019.*

Activity	2018	2019
Persons Offences (assault, threats, homicide)	844	692
Property Offences (damage, theft)	1,260	1,699
Criminal Code Traffic Offences	162	129
Total Other Criminal Code Offences	2,162	1,768
Drug Related Offences	129	71
Breach Probation, Conditions, etc.	433	474
Other Federal Statute Offences	44	43
Provincial Offences Excluding Traffic or Liquor	762 (296 MHA)	636 (302 MHA)
Liquor Act Offences	716	965
Provincial Traffic Offences/Collisions	721	695
Municipal Bylaw Offences	166	245
Assist General Public/Miscellaneous Offences (False Alarms)	2,055 (338)	3,119 (404)
Police Information Checks (volunteer)	636 (191)	511 (221)
Child Protective Services Checks	168	176
Municipal Prisoners Lodged	1,427	1,550
Provincial/Federal Prisoners Lodged	298	301
Reports to Crown Counsel	725	703

Department Activities

Along with investigations and enforcement, members and employees of Terrace RCMP are involved in a wide variety of programs and activities. We 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, and the United Way.



*Clockwise from top:
Riverboat Days King and Queen;
Cram the Cruiser;
Guns n' Hoses; Pink Shirt Day.*

APPENDICES

APPENDIX A: DECLARATION OF DISQUALIFICATIONS

There were no disqualifications made under Section III of the Community Charter in 2019.

Alisa Thompson,
Corporate Administrator

APPENDIX B: PERMISSIVE 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 2019 in addition to any statutory exemptions provided by the Chamber Charter.

Name	Address	2019 City Exempt Taxes (\$)	2019 Other Exempt Taxes (\$)
Governing Council of the Salvation Army	3236 Kalum	6,799	2,212
645999 BC LTD (Salvation Army-Lease)	4544 Lazelle	5,062	1,536
Seventh Day Adventists (All Nations Centre)	3312 Sparks	2,506	731
My Recreational Mountain Co-op	2510 Eby	1,265	376
Terrace Cerebral Palsy Assoc. (T.Child Dev)	4665 Park	68	46
Terrace Cerebral Palsy Assoc. (T.Child Dev)	3210 School	6,469	2,149
Terrace Child Development Centre	3625 Kalum	4,708	1,514
Terrace Curling Association	3219 Eby	12,790	4,033
Terrace Elks Lodge	4530 Lakelse	1,278	663
Terrace & District Community Serv	3221 Eby	6,554	2,025
Terrace & District Community Serv	4832 Loen	15,215	5,119
Terrace & District Community Serv	2806 Eby	7,615	2,336
Terrace & District Community Serv	4650 Davis	1,654	1,245
Terrace & District Community Serv	4823 Graham	1,493	1,138
Terrace & District Community Serv	4904 Medeek	1,445	1,108
Terrace & District Community Serv	4903 Medeek	1,421	1,092
Terrace & District Community Serv	4511 Keith	1,343	1,053
Terrace & District Community Serv	2908 Eby	1,153	881
Canadian Red Cross - 645999 BC Ltd lease	2906 Eby	4,283	1,428
K'San House Society	2911 Sparks	8,451	6,688
K'San House Society	4640 Park	3,683	2,830
K'San House Society	4623 Tuck	15,160	5,156
K'San House Society	4643 Walsh	2,871	999
K'San House Society - Provincial Housing	3602 Sparks	3,572	2,796
K'San House Society- City of Terrace	3602 Sparks	1,617	1,103
City of Terrace-Visitor Information Centre	4511 Keith	5,857	1,801
Congregation of Jehovah's Witnesses	2908 Eby	643	316
Trustees of Kingdom Hall	2906 Eby	643	316
Zion Baptist Church	2911 Sparks	1,944	955
Terrace Evangelical Free Church	4640 Park	4,310	2,117
Terrace & District Council for Social Resources	4623 Tuck	2,271	1,549

PERMISSIVE TAX EXEMPTIONS (CONT'D)

Name	Address	2019 City Exempt Taxes (\$)	2019 Other Exempt Taxes (\$)
Skeena Gursikh Society	4634 Walsh	1,099	540
Pentecostal Assemblies	4643 Walsh	885	435
Christian Reformed Church	3602 Sparks	850	418
Christian Reformed Church	3602 Sparks	55	16
Parking (next to Kwinitza House)	4801 Hwy 16 W	2,948	854
Terrace Calvin Christian School	3608 Sparks	3,894	1,128
Terrace Gospel Hall	4802 Scott	724	355
Knox United Church	4907 Lazelle	2,156	1,059
Pentecostal Assemblies	3511 Eby	1,813	890
Roman Catholic Episcopal Corp.	4836 Straume	2,310	669
Roman Catholic Episcopal Corp.	4836 Straume	616	302
Salvation Army	3236 Kalum	246	121
Anglican Synod Diocese	4506 Lakelse	2,701	1,327
BC Old Age Pensioners (Happy Gang)	3266 Kalum	1,519	788
George Little House	3100 Kalum	1,138	330
Skeena Valley Guru Nanak Soc.	4916 Medeek	960	472
Christian and Missionary Alliance	4927 Agar	807	396
Uplands Baptist Church	5003 Halliwell	641	315
Mountain View Christian Academy	3306 Griffiths	1,024	503
Seventh-Day Adventist Church	5401 McConnell	880	432
Fisherman's Park	5831 Hwy 16 W	1,347	662
Terrace Beautification Society (Lease)	Greig	290	142
Terrace Kitimat Airport Society	4401 Bristol	162,531	47,088
	Totals	325,577	116,553

APPENDIX C: CONSOLIDATED FINANCIAL STATEMENTS

City of Terrace

Consolidated Financial Statements

December 31, 2019

City of Terrace

December 31, 2019

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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.



CAROL LECLERC
MAYOR



LORI GREENLAW
DIRECTOR OF FINANCE

**CITY OF TERRACE
COUNCIL AND APPOINTED
OFFICIALS - 2019**

MAYOR

Carol Leclerc

COUNCILORS

Sean Bujtas
Lynne Christiansen
James Cordeiro
Brian Downie
Jessica McCallum-Miller
Evan Ramsay

APPOINTED OFFICIALS - 2019

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 consolidated financial statements of the City of Terrace, which comprise the statement of financial position as at December 31, 2019, and the 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, 2019 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.

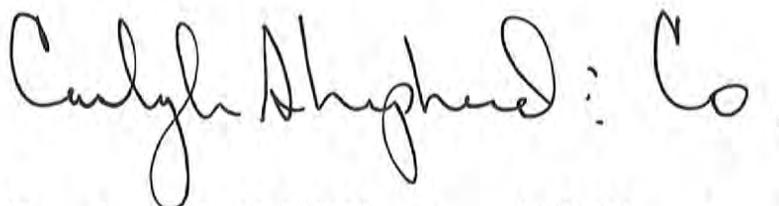
Responsibilities of Management and Council for the Financial Statements

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
October 8, 2020



City of Terrace

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2019

	2019	2018
Financial Assets		
Cash and short-term investments (Notes 1 and 2)	\$ 32,966,146	\$26,167,310
Taxes receivable	1,249,155	898,336
Accounts receivable (Note 3)	2,492,586	3,172,034
Land held for resale (Note 1)	1,407,646	1,407,646
Municipal Finance Authority of BC - debt reserve fund (Note 4)	79,002	65,645
Investment in affiliated entities (Note 5)	1,153,860	1,697,031
	39,348,395	33,408,002
Liabilities		
Accounts payable and accrued liabilities	3,149,932	4,093,251
Deposits and prepayments	1,704,707	1,805,122
Accrued vacation	766,598	752,354
Care fund liability (Note 7)	220,958	215,788
Landfill closure liability (Note 8)	201,697	196,648
Skeena Industrial Development Park joint venture (Note 6)	8,818,673	11,357,758
Long term debt (Note 9)	5,294,167	4,343,493
	20,156,732	22,764,414
Net financial assets	19,191,663	10,643,588
Non-financial assets		
Inventory and other (Note 1)	780,942	680,980
Tangible capital assets (Note 1 and Schedule 2)	89,518,958	88,650,853
	90,299,900	89,331,833
City Position	109,491,563	99,975,421
City Position consists of:		
Operating fund	6,715,365	7,863,035
Reserves funds (Schedule 3)	18,551,407	9,038,693
Equity in tangible capital assets (Note 10)	84,224,791	83,073,693
	\$109,491,563	\$99,975,421

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, 2019

	2019	2019 Unaudited Budget	2018
Revenues			
Net taxes available for municipal purposes (Note 11)	\$ 15,948,092	\$ 15,915,770	\$ 15,574,917
User fees and sale of goods and services	4,997,220	4,583,116	4,441,763
Government grants and cost sharing (Note 12)	12,315,682	2,726,575	4,865,001
Investment income	701,211	200,000	436,080
Developer contributions	997,144	-	-
Other	1,023,530	61,200	2,432,313
	35,982,879	23,486,661	27,750,074
Expenses			
Protective services	6,313,018	6,653,051	5,897,585
Leisure services	4,645,709	4,731,912	4,302,351
Transportation and transit	4,082,634	4,533,605	4,030,622
Development services	2,289,751	2,456,606	2,077,682
General government	2,195,354	2,207,267	1,894,412
Waste management	455,505	689,133	431,011
Water operations	1,024,456	1,142,860	1,150,531
Sewer operations	608,566	804,792	531,113
Interest and bank charges	570,992	205,280	768,302
(Gain)/Loss on disposal of tangible capital assets	55,030	-	(39,870)
Other services	154,529	150,760	96,926
Amortization of tangible capital assets	4,071,193	3,155,183	3,966,169
	26,466,737	26,730,449	25,106,834
Revenues over expenses	9,516,142	(3,243,788)	2,643,240
Opening position	99,975,421	99,975,421	97,332,181
Closing position	\$109,491,563	\$ 96,731,633	\$ 99,975,421

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, 2019

	2019	2018
Revenues over expenses	\$ 9,516,142	\$ 2,643,240
Acquisition of tangible capital assets	(5,119,625)	(8,858,464)
Amortization of tangible capital assets	4,071,193	3,966,169
(Gain)/Loss on disposal of tangible capital assets	55,030	(39,870)
Proceeds on sale of tangible capital assets	125,297	104,338
Inventory and other	(99,962)	(18,405)
Increase (decrease) in net financial assets	8,548,075	(2,202,992)
Net financial assets - beginning of year	10,643,588	12,846,580
Net financial assets - end of year	\$19,191,663	\$10,643,588

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, 2019

	2019	2018
Operating transactions		
Revenues over expenses	\$ 9,516,142	\$ 2,643,240
Non-cash items:		
Amortization	4,071,193	3,966,169
(Gain)/Loss on the disposal of tangible capital assets	55,030	(39,870)
(Increase) decrease in inventory and other	(99,962)	(18,405)
(Increase) decrease in taxes receivable	(350,819)	(30,266)
(Increase) decrease in accounts receivable	679,448	710,843
Increase (decrease) in accounts payable and accrued liabilities	(943,319)	36,272
Increase (decrease) in deposits and prepayments	(100,415)	107,777
Increase (decrease) in accrued vacation	14,244	13,937
Increase (decrease) in care fund liability	5,170	4,939
Increase (decrease) in landfill closure liability	5,049	3,617
Cash provided (used) by operating transactions	12,851,761	7,398,253
Capital transactions		
Acquisition of tangible capital assets	(5,119,625)	(8,858,464)
Proceeds from the disposal of tangible capital assets	125,297	104,338
Cash applied to capital transactions	(4,994,328)	(8,754,126)
Financing and investing activities		
Debt issued	1,233,700	2,500,000
Debt repayment	(237,616)	(106,503)
(Increase) decrease in investment in affiliated entities	543,171	(1,195,613)
Increase (decrease) in Skeena Industrial Development Park Joint Venture	(2,539,085)	(163,264)
Actuarial adjustments	(45,410)	(41,093)
Increase in MFA debt reserve	(13,357)	(26,040)
Cash (provided) used in financing and investing activities	(1,058,597)	967,487
Increase (decrease) in cash position	6,798,836	(388,386)
Cash and cash equivalents - beginning of year	26,167,310	26,555,696
Cash and cash equivalents - end of year	\$ 32,966,146	\$ 26,167,310

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

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

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, 2019

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, 2019

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:

	2019	2018
Municipal Finance Authority of BC investments:		
MFA Money market fund	\$ 729,689	\$ 871,963
MFA Short-term bond and intermediate funds	21,022,060	10,527,915
MFA Care fund investment	220,958	215,788
Scotiabank investments	10,028,000	13,028,000
	32,000,707	24,643,666
Cash	965,439	1,523,644
	\$ 32,966,146	\$ 26,167,310

3. Accounts receivable

	2019	2018
Government grants receivable:		
Provincial		
Ministry of Municipal Affairs and Housing	\$ 1,465,799	\$ 1,563,122
Ministry of Attorney General - Gaming revenue	197,784	182,181
UBCM - Asset Management Planning	5,900	8,412
Northern Development Initiative Trust	38,442	269,997
Trade receivable - sewer and water	57,397	60,456
GST rebate	-	168,287
Other	727,264	919,579
Accounts receivable	\$ 2,492,586	\$ 3,172,034

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

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.

	2019	2018
Balance Sheet		
Cash and short term investments	\$ 1,364,012	\$ 1,493,943
Accounts and other receivables	5,885	402,368
Equipment	24,000	24,000
Total assets	<u>1,393,897</u>	<u>1,920,311</u>
Trade and other payables	89,917	86,660
Silviculture provision	150,120	136,620
Total liabilities	<u>240,037</u>	<u>223,280</u>
Partner capital	<u>1,153,860</u>	<u>1,697,031</u>
Total liabilities and partner capital	<u>1,393,897</u>	<u>1,920,311</u>
Statement of Comprehensive Income		
Revenue	2,082,705	4,808,315
Direct Costs	(1,607,995)	(3,265,593)
Expenses	(320,009)	(271,508)
Other income	54,738	26,068
Net income (loss) for the year	<u>209,439</u>	<u>1,297,282</u>

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

5. Investment in affiliated entities (continued)

	2019	2018
Summary of Investments in Affiliated Entities		
Owner equity in Terrace Community Forest Limited	\$ 13,575	\$ 14,090
Partnership capital in Terrace Community Forest Limited Partnership	<u>1,140,285</u>	<u>1,682,941</u>
Total investment in affiliated entities	<u>1,153,860</u>	<u>1,697,031</u>

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 known 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 \$12,051,613 and incurred expense totalling \$3,232,940. The Joint Venture is to provide road and water services to the site. The cost to provide these services is currently unknown.

7. Care fund liability

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. The closure cost may need to be reevaluated in the future if Ministry requirements or environmental legislations change while the closure process is underway.

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

9. Long term debt

	2019	2018
Municipal Finance Authority of BC ("MFA")		
Debenture debt matures in 2021 to 2033 and debenture debt annual interest rates range from 2.24% to 3.25%.	\$ 5,294,167	\$ 4,343,493

Principal repayments for the next five years are:

	2020	2021	2022	2023	2024
Principal payment	\$ 303,948	\$ 303,948	\$ 298,639	\$ 298,639	\$ 298,639
Actuarial addition	55,387	67,712	77,920	90,810	104,150
	\$ 359,335	\$ 371,660	\$ 376,559	\$ 389,449	\$ 402,789

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:

	2019	2018
Increases:		
Capital acquisitions funded by operations	\$ 5,119,625	\$ 5,124,799
Retirement of debt - principal repayment	237,616	106,503
Actuarial adjustment	45,410	41,093
Decreases:		
Cost of issue of debt	(33)	-
Dispositions at net book value	(180,327)	(64,469)
Amortization of tangible capital assets	(4,071,193)	(3,966,169)
Change in equity in tangible capital assets	1,151,098	1,241,757
Equity in tangible capital assets - beginning of year	83,073,693	81,831,936
Equity in tangible capital assets - end of year	\$84,224,791	\$83,073,693

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

11. Net taxes available for municipal purposes

	2019	2018
Taxes:		
Property	\$ 21,984,687	\$ 21,651,725
Frontage	672,949	672,831
Utility fees	479,621	492,368
Revenue in lieu of taxes	372,762	363,298
Penalties and interest on taxes	243,278	177,509
	23,753,297	23,357,731
Less taxes on behalf of:		
Province of BC - School	5,079,622	5,164,645
North West Regional Hospital District	1,373,136	1,317,500
Regional District of Kitimat-Stikine	1,258,178	1,203,213
BC Assessment Authority	93,839	97,045
Municipal Finance Authority of BC	430	410
	7,805,205	7,782,813
Net taxes available for municipal purposes	\$ 15,948,092	\$ 15,574,917

12. Government grants and cost sharing

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

	2019	2018
Capital project grants		
- Federal	\$ -	\$ 13,569
- Provincial	8,209,300	1,298,741
- Regional District / Other	1,118,379	826,283
	9,327,679	2,138,593
Operating grants and cost sharing		
- Federal	4,688	12,077
- Provincial	1,441,822	1,373,560
- Regional District / Other	1,541,493	1,340,771
	2,988,003	2,726,408
	12,315,682	4,865,001

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

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, 2018 the Plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

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, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2021 with results available in 2022.

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 \$770,501 for employer contributions to the Plan in fiscal 2019 (\$729,639 in 2018).

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.

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.

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019

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 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.

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2019

14. Segmented Information (continued)

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, 2019

(Schedule 1) Cont.

	Protective services	Leisure services	Transportation and transit	Development services	General government	Waste management
Revenues						
Net taxes available for municipal purposes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
User fees and sale of goods and services	242,457	1,029,092	579,463	785,250	-	710,232
Government grants and transfers	256,197	1,136,963	141,752	112,080	10,668,690	-
Investment income	-	-	-	-	-	-
Developer contributions	-	-	-	-	-	-
Other revenues	-	-	-	-	816,701	-
	<u>498,654</u>	<u>2,166,055</u>	<u>721,215</u>	<u>897,330</u>	<u>11,485,391</u>	<u>710,232</u>
Expenses						
Salaries and wages	2,823,803	2,082,330	1,435,962	1,602,657	1,562,434	239,334
Goods and services	3,489,214	2,563,379	2,646,672	687,094	632,920	216,171
Interest and bank charges	-	181,239	2,072	95,616	292,065	-
Amortization of tangible capital assets	146,846	1,109,977	1,942,234	2,242	214,069	-
(Gain)/Loss on disposal of tangible capital assets	-	15,305	39,725	-	-	-
	<u>6,459,863</u>	<u>5,952,230</u>	<u>6,066,665</u>	<u>2,387,609</u>	<u>2,701,488</u>	<u>455,505</u>
Excess (deficiency) of revenues over expenses	\$ (5,961,209) \$	(3,786,175) \$	(5,345,450) \$	(1,490,279) \$	8,783,903 \$	254,727

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, 2019

(Schedule 1) Cont.

	Water operations	Sewer operations	Other services	Unallocated	2019 Unaudited Budget	2019 \$	2018 \$
Revenues							
Net taxes available for municipal purposes	\$ -	\$ -	\$ -	\$ 15,948,092	\$ 15,915,770	\$ 15,948,092	\$ 15,574,917
User fees and sale of goods and services	1,082,291	506,108	62,327	-	4,583,116	4,997,220	4,441,763
Government grants and transfers	-	-	-	-	2,726,575	12,315,682	4,865,001
Investment income	-	-	-	701,211	200,000	701,211	436,080
Developer contributions	-	-	-	997,144	-	997,144	-
Other revenues	-	-	-	206,829	61,200	1,023,530	2,432,313
	1,082,291	506,108	62,327	17,853,276	23,486,661	35,982,879	27,750,074
Expenses							
Salaries and wages	596,849	233,493	74,388	-	9,948,071	10,651,250	9,395,817
Goods and services	427,607	375,072	(80,143)	-	12,243,209	11,118,272	11,016,416
Interest and bank charges	-	-	-	-	205,280	570,992	768,302
Amortization of tangible capital assets	313,407	342,418	-	-	3,590,215	4,071,193	3,966,169
(Gain) Loss on disposal of tangible capital assets	-	-	-	-	-	55,030	(39,870)
	1,337,863	950,983	(5,755)	-	25,986,775	26,466,737	25,106,834
Excess (deficiency) of revenues over expenses	\$ (255,572)	\$ (444,875)	\$ 68,082	\$ 17,853,276	\$ (2,500,114)	\$ 9,516,142	\$ 2,643,240

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, 2019

(Schedule 2)

	Cost				Accumulated Amortization				Net book value 2018	
	Opening Balance	Additions	Disposals	Ending balance	Opening Balance	Amortization	Accumulated amortization on disposals	Ending balance	Net book value 2019	
Land	\$ 9,620,573	\$ 461,821	\$ -	\$ 10,082,394	\$ -	\$ -	\$ -	\$ -	\$ 10,082,394	\$ 9,620,573
Land Improvements	4,577,669	926,615	(487,610)	5,016,674	3,098,627	206,205	(472,303)	2,832,529	2,184,145	1,479,042
Buildings	32,221,002	579,216	(26,180)	32,774,038	13,658,723	1,056,701	(26,180)	14,689,244	18,084,794	18,562,279
Motor Vehicles	7,108,437	740,777	(378,622)	7,470,592	3,279,364	364,018	(233,082)	3,410,300	4,060,292	3,829,073
Furniture, equipment and technology	3,180,952	-	-	3,180,952	1,979,767	159,536	-	2,139,303	1,041,649	1,201,185
Transportation infrastructure	51,930,837	1,768,078	-	53,698,915	28,227,351	1,348,525	-	29,575,876	24,123,039	23,703,486
Water infrastructure	17,238,988	217,834	(23,330)	17,433,492	7,943,927	313,407	(23,330)	8,234,004	9,199,488	9,295,061
Sanitary sewer infrastructure	15,792,222	114,719	-	15,906,941	8,386,772	342,418	-	8,728,190	7,178,751	7,406,450
Storm sewer	13,742,846	372,539	(48,700)	14,066,685	6,055,327	280,383	(29,220)	6,306,490	7,760,195	7,687,519
Assets under construction	5,866,185	(61,974)	-	5,804,211	-	-	-	-	5,804,211	5,866,185
	\$ 161,279,711	\$ 5,119,625	\$ (964,442)	\$ 165,434,894	\$ 72,628,858	\$ 4,071,193	\$ (784,115)	\$ 75,915,936	\$ 89,518,958	\$ 88,650,853

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, 2019

(Schedule 3)

	Machinery and equipment	Capital works	Land acquisition	Parking space	Community Works	Parks acquisition	Airport Lands Joint Venture	Affordable housing	Active transportation
Balance - Beginning of year	\$ 3,363,405	\$ 3,061,836	\$ 1,247,698	\$ 72,210	\$ -	\$ 55,732	\$ 952,581	\$ 270,754	\$ 14,477
Investment income	86,349	49,948	32,032	1,854	-	1,431	-	6,951	372
Transfers in	571,157	155,541	750,000	-	562,644	87,200	561,651	-	-
Transfers out	(637,210)	(1,000)	(603,944)	-	-	-	-	(100,000)	-
Balance - End of year	\$ 3,383,701	\$ 3,266,325	\$ 1,425,786	\$ 74,064	\$ 562,644	\$ 144,363	\$ 1,514,232	\$ 177,705	\$ 14,849

	Northern Capital and Planning (Schedule 4)	Total
Balance - Beginning of year	\$ -	\$ 9,038,693
Investment income	-	178,937
Transfers in	8,197,000	10,885,193
Transfers out	(209,262)	(1,551,416)
Balance - End of year	\$ 7,987,738	\$ 18,551,407

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

City of Terrace

NORTHERN CAPITAL AND PLANNING GRANT RESERVE FOR THE YEAR ENDED DECEMBER 31, 2019

(Schedule 4)

	2019	2018
Balance - Beginning of year	\$ -	\$ -
Investment income	-	-
Transfers in	8,197,000	-
Transfers out	(209,262)	-
Balance - End of year	\$ 7,987,738	\$ -

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



CITY OF TERRACE

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