

City of Terrace 2024 ANNUAL REPORT

Includes financial statements for the year ended December 31, 2024 City of Terrace, British Columbia, Canada

Canadian Award for Financial Reporting

Recipient of GFOA Award for Excellence in Financial Reporting



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

The City of Terrace British Columbia

> For its Annual Financial Report for the Year Ended

December 31, 2023

huitophu P. Morrill

Executive Director/CEO

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Terrace for its annual financial report for the fiscal year ended December, 31, 2023.

The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

2024 Annual Report & Financial Statements

Includes financial statements for the year ended December 31, 2024 City of Terrace, British Columbia, Canada



Prepared and submitted by: Finance Department and Administration Department, City of Terrace

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We acknowledge that it is an honour to live, work, and play on the Laxyuubm Tsimshian, Kitsumkalum and Kitselas, toyaxsuut nuusm.

90 91

92

New Construction

Permissive Tax Exemptions Declaration of Disqualifications



INTRODUCTORY INFORMATION

MESSAGE FROM

THE MAYOR

Sean Bujtas



On behalf of Council, I am pleased to present the City of Terrace's 2024 Annual Report. This document offers an overview of the accomplishments, challenges, and progress our community has experienced over the past year. It is a reflection of the collective efforts of Council, City staff, residents, local organizations, and partners who continue to build a strong, inclusive, and vibrant community. As we look back on 2024, we do so with pride in what we've achieved and with a renewed sense of momentum for the future.

Economic Activity & Benefits Alliance

Council is energized by the industrial activity taking shape across the region and is eager to see where these developments will lead. From the promising mining potential in the area, to the future plans that Kitsumkalum First Nation may bring forward following their acquisition of Skeena Sawmills, there is a sense of opportunity in the air.

In 2024, the City also signed the five-year Northwest BC Regional Funding Agreement and received its first payment—two monumental steps toward ensuring that communities like Terrace receive a fair share of the economic benefits generated by projects in our region. These funds are critical for new and improved infrastructure and funding strategic priorities. Council is committed to continuing its advocacy for a long-term, sustainable agreement that allows the City to meet the growing demands of community and industry, and strengthen our role as a business and service hub.

Another significant milestone the community celebrated this year was the Province's opening of the new Ksyen Regional Hospital. This state-of-the-art facility is a tremendous asset to all of Northwest BC. This new hospital will have a lasting impact on the quality of life of those in Terrace and surrounding communities.

Reconciliation & Relationship Building

We recognize that meaningful reconciliation is an ongoing journey—one that requires listening, mutual respect, and a shared commitment to the future.

In 2024, Council continued to prioritize strong working relationships with our immediate neighbours—Kitselas and Kitsumkalum First Nations—as well as strengthening ties with other Indigenous communities across the region.





Top photo: Celebrating the Northwest BC Regional Funding Agreement at the Legislature in Victoria.

Bottom photo: Marianne and Midori Nicolson of the Dzawada'enuxw Nation and Kingcome Village, in Terrace, viewing the talking sticks that the City returned after 60 years of having them on display in the Council Chambers at City Hall. Whether through collaboration on shared priorities, support for cultural initiatives, or participation in meaningful acts of reconciliation, the City is committed to fostering trust and understanding.

In the summer of last year, representing the City, I was proud to stand alongside Kitsumkalum First Nation members at the renaming ceremony of the Grand Trunk Pathway to 'Xpilaxha - Charles and Emma Nelson Trail'.

Then, in September, I had the privilege of travelling to Kingcome as part of the return of culturally significant talking sticks to the Dzawada'enuxw First Nation—a reminder of the responsibility all governments share in supporting Indigenous cultural resurgence.

Commitment & Gratitude

Throughout the year, the City advanced a number of key initiatives to support livability, sustainability, wellness and reconciliation. Investments were made in public amenities, infrastructure renewal, and recreation programming, and we continued our work to strengthen partnerships across and with different sectors and governments.

At the heart of all these efforts is a focus on supporting a healthy, thriving community—one where all residents feel valued and where the foundations are in place for future generations to succeed. Council is committed to ensuring our City remains a welcoming and opportunity-rich place to live, work, and invest.

Thank you to everyone who contributed to the success of 2024. We look forward to continuing this important work together.

sean bujtas **Mayor**

MESSAGE FROM THE CITY MANAGER

Maggie Arruda



On behalf of staff at the City of Terrace, I am honoured to present the City's 2024 Annual Report. Leading the organization through the breadth of services and programs that the City provides has been an enormous privilege over the past year.

Our Team

From equipment operators to bylaw officers, lifeguards to engineers, it truly takes the skillsets of so many different people to build and deliver what the community expects, and I am eternally grateful for the hard work of City staff.

We welcome all of our new staff, and extend congratulations to staff who have moved positions within the organization. The City is a positive and progressive place to work, where we do business among people with shared values. If you think this might be the place you'd like to use your talents, we're always interested in hearing from you.

The organization is in a healthy staffing position, having filled some key positions in 2024 and continuing to work on internal succession planning for others on the horizon.

Our Work

The City has been working hard to continue to deliver and build on and improve the services that community members appreciate, and 2024 resulted in some major accomplishments.

We expanded the pickleball courts on Halliwell Avenue, completed construction on the new Eby staircase and trails, upgraded the playground at Ferry Island, and so much more. This year we were proud to have completed improvements to the newly renamed Xpilaxha – Charles and Emma Nelson trail (formerly the Grand Trunk Pathway), connecting the City to Kitsumkalum First Nation. This was an important project to both communities; connecting us through active transportation and safety improvements.

Notably in 2024, the City also began the process of updating our Official Community Plan. This is an important planning document that drives decision-making for the City, and input from the community is critical to its success.





Top photo: Xpilaxha Trail sign, unveiled when the trail was renamed from the Grand Trunk Pathway.

Bottom photo: Steps on the newly upgraded Eby Staircase Trail.

We look forward to ongoing community input and presentation of the final plan in 2025.

Along with the more visible projects that the community sees, the City continued to work hard to planning and providing services and programs residents value. We hosted fitness and cultural programming for residents and visitors of all ages. We processed permits and applications. We maintained and reported on a balanced budget. We repaired and maintained kilometres of roads, sidewalks, and underground utilities. We communicated proactively with the public, guided by transparency and accountability. I am consistently in awe of all that City staff do—only a fraction of which is noted here.

Our Future

As we look forward into 2025, community members can expect to continue to see forward-thinking policies and programs and capital and operational work that makes most efficient use of the City's resources. We will continue to support the community in public safety and emergency management, and will be engaged with the community in the work that we do.

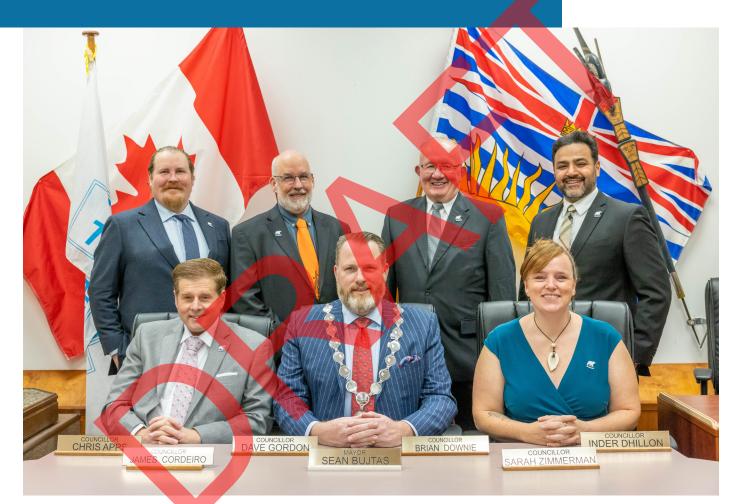
As with most small communities, we are sometimes limited by what we can undertake because of costs, but with high-quality visioning from Council and the dedication of innovation-focused staff, I know that the City will continue to accomplish great things.

MAGGIE ARRUDA

City Manager

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 council meetings in the Municipal Council Chambers at City Hall on the second and fourth Monday of each month. 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.
- Join the Teams meeting to participate virtually.
- Watch the webcast live on our Webcasts page.
- Watch the webcast live (or later on) on our Facebook page.
- · Read the minutes-which are a summary of the actions of Council during the meeting.

Learn more about public participation and find a link to the Council portal at terrace.ca/participate.

COUNCILLORS' AREAS OF RESPONSIBILITY IN 2024

Every year City Councillors serve as liaisons between various committees, community organizations, and City departments. 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 2024.



Mayor Sean Bujtas

- Government Federal, Provincial, Municipal, and First Nations
- North West Regional Hospital District Board
- Regional District of Kitimat-Stikine
- Terrace Community Foundation
- Terrace-Kitimat Airport Society



Councillor Chris Apps

- Kermodei Tourism Society
- Educational Services
 (SD#82/CMtC/UNBC)



Councillor Brian Downie

- Housing Committee
- Skeena Roundtable
- Northern Medical Programs Trust
- North West Regional Hospital District Board



Councillor James Cordeiro Regional District of Kitimat-Stikine

Terrace Public Library



Councillor Dave Gordon

- Northern Development
 Initiative Trust
- Terrace Downtown
 Improvement Area (TDIA)
- Kitimat Airshed Group



Councillor Inder Dhillon

- Healthy Communities
 Committee
- Terrace & District Chamber of Commerce



Councillor Sarah Zimmerman

- Housing Committee
- Terrace & District Museum
 Society

STRATEGIC PLANNING

In January 2023, Council and City staff met to develop the 2023-2026 Corporate Strategic Plan. This plan builds on the work of previous plans and guiding documents and policies of the City.

Council identified five strategic focus areas for the 2023-2026 term of office. These are areas Council considers key priorities for the near and longer term.

- Grow revenues and economic development •
- Responsible asset management
- Livable community
- Community wellness
- Organizational strength and cultural awareness •



More info about Mayor & Council, including the full strategic plan at: terrace.ca/city-hall/mayorcouncil

Our Vision

Terrace will prosper from its surrounding natural abundance through access to outdoor recreation, sustainable resourcebased industry and full use of its agricultural potential. Terrace will be a dynamic city with a diverse economy and will maintain a small-town feel. Compact development and prominent pedestrian paths and bikeways will connect people in their daily travels and excursions. Local businesses will thrive, and support Terrace as a business and retail destination. We will celebrate our diversity in heritage and culture and the social strength that comes from all ages and walks of life working together to create an inclusive, affordable, and vibrant city. We will strive to meet the health and educational needs of residents and visitors alike, achieving community vitality.

Our Mission

The City of Terrace provides services and good governance while maintaining City assets and fostering economic, environmental, and social wellbeing.

CITY OF TERRACE

Our Values

The work and decision making of the City of Terrace is guided by the following values: • Fiscal responsibility

- Reconciliation
- Climate resilie

Strategic Focus Areas

Grow Revenues and Economic Development

Livable Community

1888 a. 20

Responsible Asset Management

The City of Terrace provides services and good

overnance while maintaining City assets and ering economic, environmental, and social

ing. (BC Community Charter Sec. 7)

Our Mission

Corporate Strategic Plan 2023-2026



Our Vision

abundance through access to outdoor recreation, sustainable resource-based industry and full use of its agricultural potential.

Terrace will be a dynamic city with a diverse economy and will maintain a small-town feel. Compact development and prominent pedestrian paths and bikeways will connect people in their daily travels and excursions. Local businesses will thrive, and support Terrace as a business and retail destination

We will celebrate our diversity in heritage and culture and the social strength that comes from all ages and walks of life working together to create an inclusive, affordable, and vibrant city. We will strive to meet the health and educational needs of residents and visitors alike achieving community vitality.

Community Wellness

- Facilitate and coordinate the provision of services to meet social and health needs in the community Promote a healthy community Support equity, diversity, and inclusion in the community

Organizational Strength and Cultural Awareness

- Be an employer of choice Ensure alignment and implementation of City policies. Strong relationships with government partners Support reconciliation efforts

COUNCIL ACTIVITIES





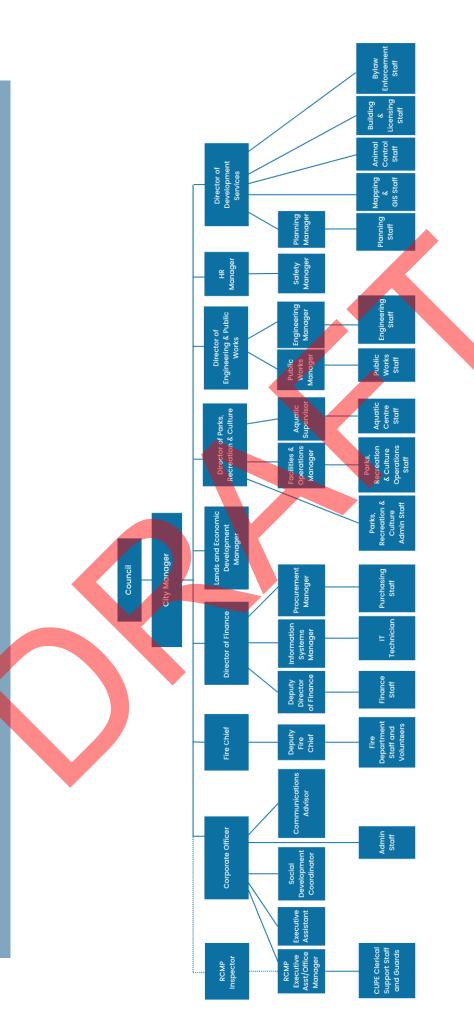
Top photo: City Council and staff celebrating with the Métis Nation of BC at the groundbreaking for their new daycare at the old Co-op property on Greig Avenue.

Middle-photo: Council passing on donations from the Riverboat Days pancake breakfast to the Terrace Church's Foodbank.

Bottom photo: Mayor and Council hosting a town hall to discuss the 2025 budget and answer questions from community members.







DEPARTMENT REPORTS

2024 DEPARTMENT HEADS

City Manager Lands and Economic Development Manager Corporate Officer Director of Finance Fire Chief Officer In Charge, Terrace RCMP Detachment Director of Parks, Recreation & Culture Director of Engineering & Public Works Director of Development Services Maggie Arruda Michael Pucci Rachel Mattiuz Lori Greenlaw Chad Cooper/Joel Brousson Inspector Terry Gillespie Tara Irwin Ben Reinbolt David Block



The following pages include the department reports outlining how activities in 2024 related to one or more of the five strategic focus areas.



Left photo: New pickleball courts on Halliwell Avenue.

Top right photo: New public toilet, the 'Portland Loo', downtown.

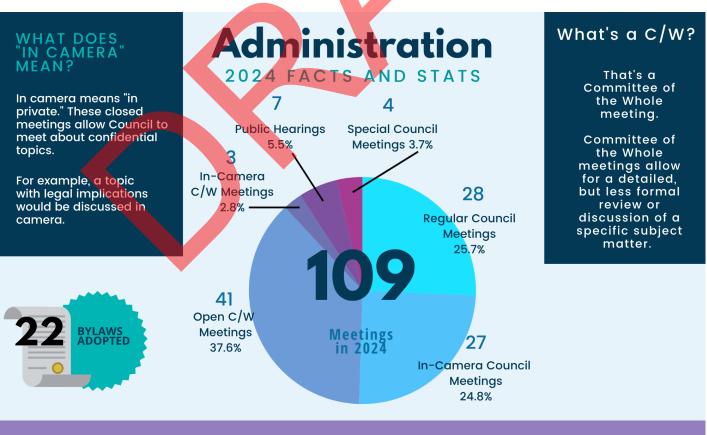
Bottom photo: Progress photo on construction of new Foundry building on Park Avenue, which features seniors housing on the top floor. The City contributed \$100,000 from the Affordable Housing Reserve to this project.



ADMINISTRATION DEPARTMENT

terrace.ca/city-hall

The Administration Department is the governance and organizational hub of the City. The department includes Communications, Economic Development, General Administration, Human Resources, Legislative Services, RCMP Municipal Support, and Safety. Legislative services maintains the records of the City, provides access to information and prepares Council agendas, bylaws and minutes. Communications drafts information for the media, responds to inquiries from the public, and manages the City's websites and social media accounts. Economic Development assists in the development of projects that assist with the stimulation of local economy. RCMP Municipal Support provides administrative and operational support to the police and to the public. Human Resources addresses organizational staffing and supporting employee growth, while Safety is responsible for the health, safety, and well-being of the City's employees and ensures that occupational health and safety obligations and compliance are met.



56 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. 2023: 65 requests 2022: 49 requests 2021: 42 requests 2020: 8 requests 2019: 12 requests 2018: 2 requests

STRATEGIC FOCUS AREAS IN 2024

LIVABLE COMMUNITY

- A City of Terrace LinkedIn page was established and continues to grow.
- The Facebook page is a busy place, with over 7,500 followers and has a reach of almost 900,000 (the total number of Facebook users who see City content).
- Our Engage surveys were popular, with the Movie in the Park Voters' Choice Survey coming in with a whopping 385 responses!
- An item of note of the Livable Community strategic priority area includes Council's adoption of the Strategic Plan for Advocacy for Seniors. The Plan's vision is to create a community where seniors can live independently, safely, and with dignity, and includes the following strategic goals: Accessibility, Housing, Healthcare, Social Wellbeing, and Transportation.
- We prepared a resolution for consideration at the North Central Local Government Association that asked the Province to commit to provide adequate, ongoing, and direct funding to support community safety.
- During the Union of BC Municipalities Conference, staff prepared Council to address the Ministers of Housing, Mental Health and Addictions, Municipal Affairs, Public Safety and Solicitor General, Transportation and Infrastructure, and the Premier to advocate for the following: support for housing in Terrace; support for detox, treatment, and rehabilitation in the Northwest; infrastructure and pedestrian needs; and safety and support for businesses located near shelters.

COMMUNITY WELLNESS

• Continuing our goal of being an Employer of Choice, the following policies were implemented that commit to providing a safe, flexible, working environment to improve work/life balance: Nine Day Fortnight; Remote Work; and Working Alone.

- The Administration Department organized the annual Volunteer Appreciation Dinner. This event is hosted by Mayor and Council to recognize the volunteers that work with the City.
- The Administration Department also organized the Riverboat Days Opening Ceremonies and Council's Annual Pancake Breakfast in George Little Park.
- We organized the Order of Terrace Ceremony to honour six remarkable individuals for their outstanding contributions to the community.
- With support from Administration, in December, Mayor and Council hosted a Townhall as part of the 2025 draft budget consultation process. The event provided an opportunity for community members to engage directly with Council to discuss the City's financial limitations, and to understand resident concerns. Approximately 40 community members attended!

ORGANIZATIONAL STRENGTH & CULTURAL AWARENESS

- An Employee Engagement Survey was conducted, with a participation rate of 74%, highlighting strengths in fostering a positive workplace culture.
 - All City staff took part in Equity, Diversity & Inclusion Training and Cultural Awareness Training.
 - Staff joined in the Moose Hide Campaign by participating in an organization-wide walk to support ending violence towards women and children.
 - In May, the City and Kitsumkalum First Nation officially renamed the Grand Trunk Pathway to 'Xpilaxha – Charles and Emma Nelson Trail'. The Administration team helped organize this historic event and members of City Council and Kitsumkalum First Nation attended.
- The Department was active in the planning of returning Talking Sticks, previously displayed in Council Chambers, to the Dzawada'enuxw First Nation. In September, Mayor Bujtas travelled to Kingcome and returned the Talking Sticks to their place of origin.

STRATEGIC FOCUS AREAS FOR 2025

Livable Community

• Planning will start for Terrace's 100 year celebration in the year 2027!

Grow Revenues and Economic Development

• Staff will continue to explore the sale and lease of City property for revenue generation and development potential.

Responsible Asset Management

 Continue to complete ongoing reviews and updates of City policies.

Community Wellness

 Provide support to Council to advocate for the community by preparing correspondence, writing reports, and doing research as directed by Council, and support Council's attendance at the Union of BC Municipalities Annual Convention and other events.

Organizational Strength and Cultural Awareness

 Continue to build on organizational strength and cultural awareness, beginning with the addition of the Social Development Program to the department. Staff will continue to attend cultural awareness training and take part in Diversity, Equity and Inclusion initiatives.



Economic Development

2024 FACTS AND STATS

Renewed

bowling

alley

lease

until 2031

Met with energy officials on numerous occasions to determine the availability of large-scale power for potential developments in Terrace.

New brochure package developed for Skeena Industrial Development Park. SOLD CO-OP LANDS TO MÉTIS NATION OF BRITISH COLUMBIA

40 new daycare spots ECONOMIC DEVELOPMENT OFFICER JUDGED AT

Kitimat Business Builders Competition



Above: City of Terrace staff learn about Kitselas culture in one of the Kitselas Canyon longhouses as part of cultural training.

Economic Development (part of the Administration Department) develops and implements projects, programs, and policies that assist with the stimulation of the local economy through business attraction, retention, and expansion.

Economic development is a diverse and dynamic field where no day is the same. Day-to-day work can range from liaising with investors, site selectors, and contractors, to managing marketing campaigns and policy reviews. Our work is defined by the common objective to make Terrace a great place to live, work, and do business.

STRATEGIC FOCUS AREAS IN 2024

RESPONSIBLE ASSET MANAGEMENT

- Renewed tenancies at Kwinitsa and George Little House.
- Developed promotion strategy for Skeena Industrial
 Development Park.
- Facilitated redevelopment of City-owned brownfield sites: Co-Op property on Greig Avenue and Keith Avenue/ Kenney Street property.

GROW REVENUES & ECONOMIC DEVELOPMENT

- The City's Lands and Economic Development office joined with its counterparts in Prince Rupert and Prince George to form the Northern BC Hydrogen Hub, which received provincial grant funding to market hydrogen-related opportunities in their respective municipalities.
- Staff met with energy officials on numerous occasions to determine the availability of large-scale power for potential developments in Terrace.

- Several interested potential project proponents for the Skeena Industrial Development Park came forward and the site was also considered as a filming location by a major movie production team.
- New brochure package was developed for Skeena Industrial Development Park. Hydrogen memo was procured for viability of hydrogen production in the area. City supported the sale of the Coachmen Apartments to new owners who are fixing up the property. Staff spoke at Kitsumkalum Economic Development Summit to approximately 35 different businesses related to Kitsumkalum and also participated in strategic planning for the Kitselas First Nation with its Council, staff, and their economic development board of directors. Skeena Sawmill and Pellet Plant completed its receivership process and was sold to Kitsumkalum First Nation.

STRATEGIC FOCUS AREAS FOR 2025

Grow Revenues and Economic Development:

- Staff will continue to explore the sale and lease of City properties for revenue generation and development potential.
- Develop updated plan for Skeena Industrial Development Park (SIDP) sales that considers current economic context.
- Work with purchaser of the "Co-op" block to see full development.
- Find ways to participate in and be supported by major projects in our region.
- Work with NSD Inland Port to ensure positive and safe development of their rail facility
- Continue to embrace new fuel and clean
 technology options that strengthen local industries.

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.

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 expenses through the annual budget process; prepares internal and external financial statements and reports for various stakeholders; maintains property records and administers property tax collection. Also, this department is responsible for front counter service at City Hall; and other general accounting functions such as: payroll, accounts payable, accounts receivable, insurance and risk management, and securing and managing debt.

Operating within the Finance Department is the City's IT Department and, as of 2024, the Purchasing and Procurement Department. The IT Department is responsible for managing the technology infrastructure, systems, and services that support municipal operations. Its goal is to ensure secure, efficient, and reliable technology solutions that enable municipal employees to perform their duties and provide services to residents. The Purchasing and Procurement Department is responsible for procuring goods, services, and materials needed to support the operations and objectives of the municipality.

STRATEGIC FOCUS AREAS IN 2024

GROW REVENUES & ECONOMIC DEVELOPMENT

- Water and Sewer user fees were increased by 2% and 2.5%, respectively, to ensure these funds remain self-sustainable. The collection of bulk wastewater at our treatment plant and the sale of bulk water at our water loading station continued in 2024. This additional revenue assists with sewer and water infrastructure requirements.
- General taxes increased by 8.83%. While most of these increases were operational in nature, 1% was for asset management and will be set aside for future infrastructure requirements.
- Investment income remained high at \$2.8M; the majority of this gets redistributed to the reserves where the funds remain until the money is spent.

RESPONSIBLE ASSET MANAGEMENT

- Asset Management Leadership Team presented to Council on their Sidewalks Level of Service project. An update to the Inspection and Maintenance of Sidewalks Policy No. 49 was adopted and Council was provided with a draft list of priority sidewalks for the coming years. An annual budget of \$220,000 was included in the 2025-2029 Capital Plan to continue the process of improving the condition of all sidewalks to a condition of fair or better and it is estimated it will take five to seven years to achieve this goal.
- Asset Management Leadership Team was successful in applying for a Union of British Columbia Municipalities grant for Capital Planning Framework. This work will be underway in 2025.

STRATEGIC FOCUS AREAS FOR 2025

Grow Revenues & Economic Development

- General taxes for the City will increase by 7.64% in 2025.
 This is primarily due to wage increases, operational changes and incorporates a 1% asset management increase further discussed below.
- Water and Sewer taxes and user fees will increase by 3.5% and 4.5%, respectively, in 2025. This increase is needed to keep up with increasing costs and incorporates a 1.5% and 2.5% asset management increase.

Responsible Asset Management

 City continues to work towards a long-term plan of renewing capital in a sustainable manner. This means saving over time for capital requirements so that the funds are in place when the need arises. The Water fund will receive a 1.5% fee increase in 2025 and the Sewer fund will be receiving a 2.5% fee increase in 2025. These amounts will be transferred annually to a dedicated water and sewer reserve and will be used to fund the future replacement of water and sewer capital assets.

- In 2025, a 1% tax increase will be set aside for asset management in the general fund. This amount will be transferred annually to a dedicated asset management reserve and will be used to fund the future replacement of general assets. General assets include all assets other than water and sewer and vehicles, for example, buildings, roads, parks, storm, etc.
- The City is working on a Building Condition Assessment project to be completed in Spring/Summer of 2025 to have this information for the 2026 budgeting cycle.
- Asset Management Leadership Team has a Capital Planning Framework project started in early 2025. This project's goal is to develop a consistent and repeatable framework for long-term capital project planning. The framework will allow staff to compile project justifications and costs, and rank projects based on priority. This will be especially helpful for ranking dissimilar projects. The project will include piloting the developed framework with the City's existing capital plan.

Right photo: Front cover of the 2025 budget consultation document.

Every year, the City provides financial information to the public in a detailed consultation document about the next year's budget. The public then has the chance to fill out a survey and give feedback on the next year's proposed budget.

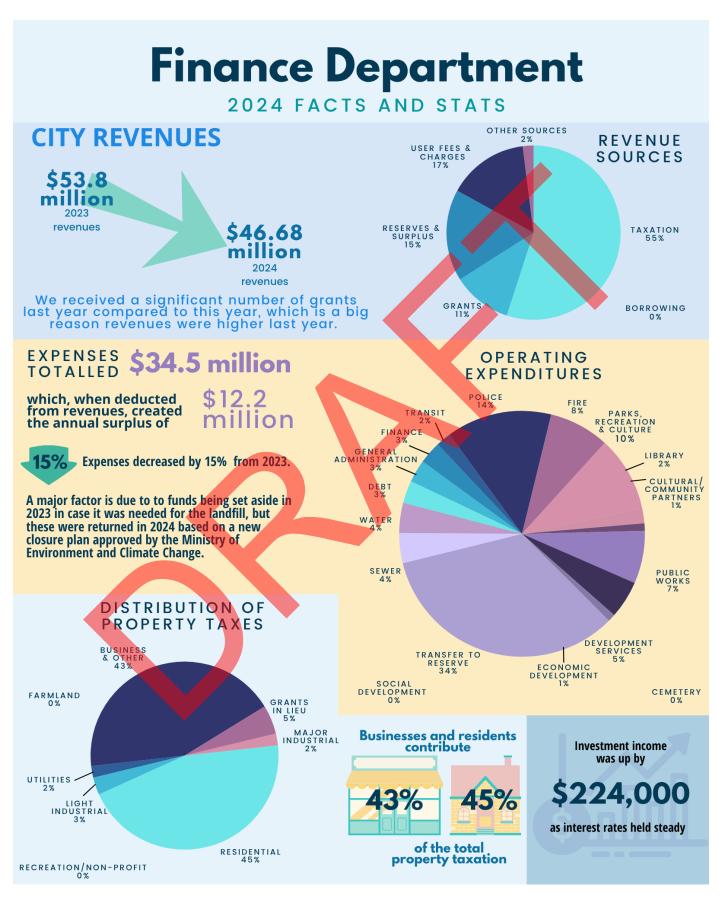
TERRACE City of Terrace

2025 DRAFT BUDGET

2025-2029 Five-Year Financial Plan - Public Consultation Document

WHAT'S INSIDE		WE ARE DEVELOPING THE 2025 BUDGET AND		
BUDGET BASICS	2	WANT TO HEAR FROM THE COMMUNITY!		
GENERAL OPERATING FUND	3	City of Terrace Council is currently considering the 2025 to 2029 Financial Plan, with a focus on the 2025 Budget.		
Revenue Revenue Sources Community Comparisons Municipal Services Funded by Taxation	3 3 4 6	How to give feedback Read through the information provided in this document for information on the City's budget and provide comment:		
User Fees & Charges Cost Sharing with RDKS Expenditures Proposed Budget Changes Proposed Operating Expenditures by Department	8 9 9	 ONUNE: Visit engage.terrace.cc/budget-2025 to provide comment through an online survey. ON PAPER: Printed copies of the survey are available at. a Terrace CIty Halt 3216 Eby 31 Terrace CUH valt 3216 Eby 31 Terrace Public Library: 4610 Park Ave IN PERSON-Provide comment in person at. b December 17, 2024, Town Hall with Mayor & Council, from 6-Bpm, in the Sportsplex Banquet Room. 		
SEWER OPERATING FUND	14	 January 14, 2025, Committee of the Whole meeting focused on budget at 12 noon at City hall. 		
WATER OPERATING FUND	14	The deadline to complete the survey (online or paper)		
2025-2029 CAPITAL PLAN: GENERAL, SEWER, & WATER	15	is Monday, January 6, 2025. Please return paper copies to City Hall, 3215 Eby St, V8G 2X8. All online and on-paper comments will be compiled and presented to Council at		
Capital Funding Sources Planned Capital Projects	15 16	the January 14 meeting. General feedback on the budget will be accepted until		
Draft Capital Plan	18	Tuesday, January 14.		
RESERVES AND DEBT	20	Learn more at: engage.terrace.ca/budget-2025		

BUDGET 2025







Above left and right: Before and after photos of business on Lakelse Avenue that received and utilized a Façade Improvement Grant.

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 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.
- Oversees community sustainability initiatives, including climate action commitments.
- Supports and collaborates with other levels of government and agencies to address social development issues such as housing and homelessness.

Read about Development Services' divisions on the following pages: Planning, Bylaw Enforcement, Building & Licensing, Mapping & GIS, & Animal Control.





Planning

The Planning Department oversees the development of land use policies that support and organize development of the community. This includes long range planning such as periodic updates of the Official Community Plan (OCP), and zoning bylaw that set policy and the regulatory scheme for community growth and development.

A considerable amount of the department's activities involve short-term planning including responding to development inquiries and processing zoning and OCP amendment, subdivision, development permit, development variance permit, temporary use permit and sign permit applications.

The department is also involved in other related community initiatives including long range land use planning, climate adaptation planning, social planning and heritage conservation.

Finally, the department is also occasionally called upon to support other City departments and their project, such as the Parks Recreation & Culture, Economic Development, Public Works, and Engineering departments.

> Right: Construction of townhouses on Lazelle Avenue.

Daily responsibilities

Respond to public inquiries concerning land development policy and regulations.

Process land development applications and provide information and guidance throughout the process. Review and update long range planning policies and regulation documents as needed.

Applying to various grants programs for policy and infrastructure projects.

- As required, work with other City departments in support of their initiatives.
- Work collaboratively with external agencies in regional planning and social development.



STRATEGIC FOCUS AREAS IN 2024

GROW REVENUES & ECONOMIC DEVELOPMENT

- 2024 saw an increase in planning department revenue primarily due to the large residential subdivision applications and the larger development permit projects such as the Métis Nation of BC Daycare project and the Ksan affordable housing apartment project.
- The City was successful in its application for the Northern Development Initiative Trust (NDIT) Business Façade Improvement Grant, receiving a \$20,000 grant.

LIVABLE COMMUNITY

- Supported the Housing Committee in the completion of the Housing Needs Assessment in 2024.
- The Lakelse Gateway project was wrapped up, with only the gateway feature remaining to be installed.
- Assisted in the coordination of the removal of the canopy on the 4600 block of Lakelse. Worked with property owners to repair and mitigate the impacts of the canopy removal on the store fronts.
- Administered, with TDIA, the business façade improvement grant program evaluating and processing three applications.
- Planning also contributed to the completion of the grant funded Eby Street staircase project. Assisting in the redesign of the project. Moving away from the original metal staircase concept to a more natural trail and stairway project that allowed for a broader spectrum of users.
- Planning staff worked with two landowners to acquire lands with challenging topography and not suitable for development, for additions to City Parks.

COMMUNITY WELLNESS

- Finished the Complete Communities Assessment report the analyzed the City's completeness in four areas, housing, transportation, daily needs and infrastructure. A complete community is a more livable community for all its residents. The results of the analysis generally confirmed that Terrace is largely a complete community but did make recommendations on ways to make the city more complete.
- In 2024, staff began the process of updating the Official Community Plan, first by reviewing the 10 community goal areas with interested members of the public and stakeholder groups. Then we followed it up with introducing the update process to the general public through postcard mails outs, online engagement and public information booths at the Farmer's market.
- Staff also engaged consultants to do a two-phase assessment of the downtown. Firstly, a downtown zoning analysis to look at the market for multi-family residential and mixed use developments in the downtown. This first phase concluded that market apartment projects are not likely viable even with incentives, while townhouse projects may be viable with some municipal incentives. Phase 2 of the analysis is the retail capacity demand analysis is ongoing in early 2025.

ORGANIZATIONAL STRENGTH & CULTURAL AWARENESS

Planning staff attended two cultural awareness training sessions.

STRATEGIC FOCUS AREAS FOR 2025

Grow Revenues and Economic Development

- Continue to work with and support developers of residential, commercial and industrial projects within the community. Providing advice and helping developers navigate the land use policy directions of the City.
- Support the Lands and Economic Development Managers in the pursuit of and planning for investment of the Skeena Industrial Development Park.

Organizational Strength and Cultural Awareness

Continuing to participate in cultural awareness training.

 Planning staff will periodically attend professional planning workshops and training opportunities to strengthen planning knowledge and keep current with new planning legislation and practice.

Livable Community

- Completion of the Official Community Plan. Including continuing to engage the community's, on community vision, climate policies and on land use policies.
- Work with TDIA in the implementation of the business façade improvement grant program.
- Support engineering department in the design phase of the Lakelse 4600 block reconstruction project scheduled for 2026.

Bylaw Enforcement & Community Safety Officers

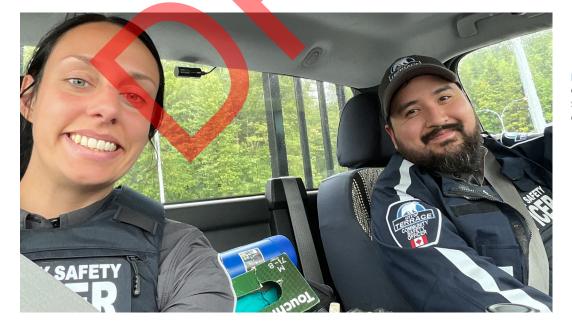
2024 FACTS AND STATS

215 complaints from businesses (35% increase from 2023) 824 written warnings for graffiti/tagging pieces parking/traffic offences (143% increase as a result of 97 tents, camps, or shelters dealt with removed - an 115% increase, as a result of a prolific tagger. more officers involved in (82 in 2023) parking management) Attended: = 23% 80 Municipal Tickets issued for traffic and property 8 increase non-compliance issues calls to RCMP/EHS Community Safety Officers provided vulnerable persons with... **118** drug-related occurrences 718 wellness 238 ride 664 resources checks assists (207 checks

(113 assists in 2023)

542 drinking occurrences (consumption of alcohol in public places) (653 in 2023)

31 disturbances (people creating a disturbance) food, water, clothing, etc (192 in 2023)



Left Community Safety Officers on duty.

Bylaw Enforcement - Development Services

Bylaw Enforcement

The mandate of the Bylaw/Community Safety Officer (CSO) Department is to enforce local government bylaws and to ensure community safety and quality of life. The Bylaw department provides citizens and business with a variety of services related to regulatory issues, public disorder and to be a complement to police services.

The Bylaw department liaises with, and where appropriate, work in collaboration with police, fire services, private security patrollers, and other City departments and health and social service outreach teams.

Daily responsibilities

- Enforce parking regulations.
- Investigate property complaints and work with property owners to take corrective action towards compliance; address complaints from business.
- Monitor downtown activities to ensure safe and clean streets. Deal with alcohol offences, loitering, panhandling and other unwanted activities in the downtown area.
- Bylaw officers work with Community Safety Officers (CSO) on providing municipal support and responses to the community and vulnerable citizens.

STRATEGIC FOCUS AREAS IN 2024

ORGANIZATIONAL STRENGTH & CULTURAL AWARENESS

 Bylaw/CSO Officers participated in Cultural Awareness Training hosted by the City of Terrace in conjunction with Skeena Diversity.

COMMUNITY WELLNESS

- CSOs work collaboratively with the Terrace Situation Table. Situation Tables are community-level initiatives bringing together multisectoral front-line staff from the public safety, health, and social service sectors to collaboratively and rapidly connect at-risk individuals to services and supports before they experience negative or traumatic outcomes such as victimization, overdose, incarceration, eviction, (etc.). In BC 50, tables are funded, in 2024 there were 1009 discussions resulting in assistance to vulnerable populations living at risk.
- This is proven to result in better outcomes and a reduction of risk to the individual and the community.

LIVABLE COMMUNITY

Bylaw/Community Safety Officers participated with other Community Emergency Response Providers (BC Sheriffs, Fire Department, Conservation Officers) and helped raise funds for the Special Olympics. The event called the Polar Plunge runs yearly and each group raises funds for the BC Special Olympics.

In October 2024, we implemented the Trespass Prevention Program. The program is run in collaboration with the RCMP and property owners. A priority is to educate citizens and vulnerable populations about their rights to occupy public/private spaces. The program also supports businesses and commercial property owners by reducing violence and safety concerns raised by citizens and business operators regarding people loitering on private property in the downtown and adjacent areas.

STRATEGIC FOCUS AREAS FOR 2025

Community Wellness

 CSOs & bylaw officers partnering with social service agencies will participate in the annual homeless count contributing to the accurate assessment of homelessness in our community. Working alongside these agencies, CSOs interviewed and collected information from the unhoused population by visiting encampments and shelters.

Livable Community

- Bylaw continues to support a
 livable community by keeping
 our community safe and healthy.
 Bylaw officers continuously collect
 garbage and other debris, helping
 to keep our city clean.
- Constant patrols and an on street presence seven days a week, helps maintain a visible presence in the downtown ensuring the safety of Terrace's citizens and visitors..

Grow Revenues and Economic Development

Bylaw plans on proposing a change from the Municipal Ticketing (MTI) System to the Bylaw Enforcement System (BEN). This will allow the city to mail out fines vs the current system where fines must be served in person. The BEN program also allows disputes to be heard by a provincial adjudicator versus a provincial judge or justice of the peace. This reduces the burden of proof on providing evidence during ticket disputes.



Building and Licensing

The Building and Licensing Department is mandated to ensure that all building and business applications are code compliant. This department reviews and approves 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 and plumbing permits.

The department performs technical work in enforcing a variety of provincial and municipal regulations governing building construction and alternation including renovation works and plumbing works. They oversee business licensing and enforce miscellaneous bylaws within the City of Terrace.

Daily responsibilities

- Process new building permit applications using our Cloudpermit online portal from submission through the plan review and referral stages.
- Conduct stages of site inspections for building construction, additions, and repair to existing buildings, proposed business, including water and sewer connections, for conformance to BC Building Code.
- Assist to ensure compliance with municipal building and zoning regulations and development permit requirements.
- Issue building permits, plumbing permits and occupancy permits. Administer and enforce the Building Regulations Bylaws.
- Administer and enforce the Business License Bylaw.
- Respond to inquiries relating to construction and building codes.
- Oversee the business license function.
- Process business licence applications and ensuring the applicant is compliant with our bylaw and Building Code compliance.
- Prepare reports and maintain records and statistics.
- Prepare bylaws and resolutions that affect regulating buildings, new construction, and business licensing.

STRATEGIC FOCUS AREA IN 2024

GROW REVENUES & ECONOMIC DEVELOPMENT

- We continue to embrace on-line Business License Applications and Renewals, and on-line Building Permits for the Terrace community. A lot of people are aware and knowledgeable of the online process now. It is easier to sort things out for both sides, client and the city.
- Newly adopted Building Regulation bylaws are now in effect and being implemented. This was a multi-year effort that was introduced to the builders during an appreciation lunch event.
- Also, Step Code compliance is mandatory and regulated in the city. Achieving higher steps for Residential and Complex projects. Minimum requirements of the code for Residential is Step 3 and Step 2 for Complex Project. We're so excited to see a lot of energy efficient projects and higher step-code compliance houses and other new projects.
- Issuing final occupancy to the newly built Ksyen Regional Hospital after years of planning and preparation. Occupancy was granted on August 16, 2024, and the hospital has been in operation since November 2024.

Building & Licensing - Development Services

STRATEGIC FOCUS AREAS FOR 2025

Grow Revenues and Economic Development

• We continue to keep our doors open to the Nisga'a Lisims Government and support education and partnership with their developing Building Initiatives and the Community energy association.

Organizational Strength and Cultural Awareness

• We will be implementing changes in the 2024 BC Building Code compliance regarding Bracing to Resist Lateral Loads Due to Wind and Earthquake. We're expecting more detailed structural plans to be submitted and proposed.

> Created an interactive Official

Community Plan

web map for

public input

Mapping/GIS 2024 FACTS AND STATS

Storm sewer videos added to internal TerraMap

> Implemented water valve inspection application for mobile TerraMap users

CAD/GIS Data Packages prepared and delivered to assist with:

Stantec – City of Terrace Complete Communities, All North – STP Road Upsize Gravity Main and North Thomas Road Design Work Capacity, McElhanney – Eby Trail and Bike Park, Urban Systems – Small Scale Multi Unit Housing and Downtown Zoning Capacity Analysis, Behr Integrated Solutions – Fire Service Master Plan, Ministry of Forests – ESA Data, Cygnus Design Group – Signage and Wayfinding Project, Ministry of Transportation and Infrastructure – Sande Overpass Pedestrian Study, GeoAdvice – Water and Storm Sewer Model, Frontera Forest Solutions Inc. – Community Wildfire Resiliency Plan, Voyent Alert – Emergency Alerting Program, Fire Underwriters Survey – Municipal Fire Hydrant data, Data to assist with GIS courses for College/University students, Grant Applications, weekly updates to Integrated Cadastral Information Society

Mapping/GIS

- Maintain all City mapping and GIS data (ie: Cadastral Parcels, Zoning, Administrative Boundaries, Official Community Plan, Trails, Addressing, Engineering, Imagery, Cemetery etc.)
- Maintain and update GIS reports for internal and external users.
- Create custom GIS maps and databases as required by other departments.
- Maintain and update our 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.
- Addressing Assignments 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.
- Manage databases.

Animal Control

2024 FACTS AND STATS



FEATURED FRIEND: DUNCAN

Duncan was brought to our shelter in January 2024, after he was trapped at a local property. He needed immediate vet care for a number of issues. Thankfully, with the help of our Injured Animal Fund, which is 100% funded by donations, we were able to assist Duncan's medical needs.

Shelter staff tried to find this boy a home, however it didn't come to be. Not to worry though! The City shelter has adopted him as one of our beloved "forever family members" 95 dogs & cats impounded

dogs boarded

cats boarded

621

animals cremated

helter

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 animal shelter and operate a crematorium to safely and environmentally responsibly handle deceased animals. The department is led by the Animal Control Officer who is supported by Animal Shelter staff.

Daily responsibilities

- House and care for shelter animals.
- Daily cleaning and sanitation of the shelter.
- Cremate deceased pets/process remains.
- Investigate complaints.
- Reception duties including answering phone, collecting fees, and 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.
- Complete other related duties as required.

PARKS, RECREATION & CULTURE DEPARTMENT

terrace.ca/parks-recreation

The Parks, Recreation & Culture Department oversees the operations of all indoor and outdoor recreational amenities and facilities for the City of Terrace. This includes our municipal Ferry Island campground, over 100 hectares of parks, trails and playgrounds throughout the community, and two cemeteries.

We strive to provide and preserve parks and recreation services to benefit all residents and visitors in on our community. This includes managing and maintaining parks, trails, and recreational facilities, as well as offering programs and services that promote active living, healthy lifestyles, and community building.

Mandate

The Parks, Recreation & Culture Department seeks to provide opportunities, through recreation and sport, for all community residents to lead healthier and more active lives and to support and create opportunities for social connection.



Above: Official opening and celebration of George Little Park playground expansion project. Several new structures were installed including two chosen specifically for their accessibility -a 'nest', a fun chair-type structure, and an adaptive swing, in which someone can be safely secured.

Daily Responsibilities

The Parks, Recreation & Culture Department manages, operates, and maintains the Sportsplex, Aquatic Centre, parks and playgrounds, sport courts and fields, cemeteries, and campground. It also creates programming and designs services that will support recreation, social, and leisure opportunities for our community members.

Our work includes:

- supervising facilities.
- enforcing applicable safety codes and regulations for facilities.
- facilitating and working with community clubs and organizations to create and facilitate programming and events.
- creating facility and staff schedules.
- renting out facilities and administering bookings.
- issuing facility passes/memberships and registrations.
- organizing and implementing community activities and special events.
- purchasing supplies.
- operating applicable office, arena, aquatic and parks equipment.
- performing preventative equipment maintenance on plumbing, mechanical, and irrigation systems.
- maintaining and overseeing arena and pool mechanical needs.
- cleaning and maintaining facilities.
- keeping financial records.
- handling cash.
- fixing equipment.
- answering public inquiries.
- instructing recreation programs.
- and more!

Social Development Program

In 2024, the Social Development Program was part of the Parks Recreation and Culture Department. Starting in 2021, this program was funded by a three-year grant from Northern Development Initiative Trust.

The Social Development Program Coordinator worked collaboratively across, and with, the community, private, public and government sectors to build awareness, identify needs, plan for and implement action and develop resources and initiatives that improve social well-being. They also worked across City departments to inform social initiative needs, opportunities and solutions that fall within a municipal action role.

The position also coordinated activities that support the safety and dignity needs of vulnerable persons and works to obtain funding to expand quality of life supports.

Moving forward the Social Development Program will operate out of the Administration department.

Facilities

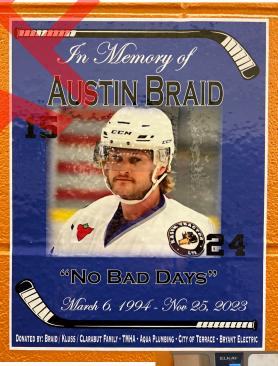
- Sportsplex Two sheets of ice, Meeting rooms, Banquet room, Childcare space
- Terrace and District Aquatic Centre Main pool, leisure
 pool, hot tub and fitness centre

Parks and Trails

 Grand Trunk Pathway (Renamed Xpilaxha – Charles and Emma Nelson Trail in 2024), Howe Creek Trail, Terrace Mountain trails

Amenities

 Ferry Island, Cemeteries (Kitsumgallum and Municipal), Ball diamonds (Riverside, Kerr Rotary), Skateboard Park and Pumptrack, Tennis Courts, Pickleball courts, basketball courts



Top photo: Poster at the Sportsplex in memory of Austin Braid, a former Riverking who passed away from cancer at age 29.

Bottom photo: Water station installed at the Sportsplex in memory of Austin Braid.



STRATEGIC FOCUS AREA IN 2024

GROW REVENUES & ECONOMIC DEVELOPMENT

- Continued implementing Parks and Recreation Fees and Charges Bylaw, which sets fees for all recreation offerings for a 5-year period, ensuring that increasing operating costs are considered.
- Updated fees and charges related to cemetery services to move toward full cost recovery.
- Completed energy audit of our facilities with the end goal of making updates that reduce operating costs.
- Continued to explore new areas for programming.
- Continued to run Childcare program as close to revenue neutral as possible.

RESPONSIBLE ASSET MANAGEMENT

Continue to make considerable investments in renewing and adding to recreation infrastructure. Key infrastructure improvement projects completed in 2024 include:

- Pickleball Expansion Project revitalized and converted tennis courts to meet the demand of pickleball use.
- Banquet Room Front Door project undertaken as part of continual updates to the look and feel of our banquet room.
- Rotary George Little Park Project expanded offerings (including accessibility options) at George Little Park Playground.
- Main Arena Safety Railings Older railings were updated to comply with current building codes.

LIVABLE COMMUNITY

Significant projects in 2024:

- Rotary Kerr Park Playground New equipment installation, and parking lot and pathway updates completed.
- Tetrault Park Revitalization Phase one complete: included updating dugouts (repairs and new fencing) and parking area upgrades
- Ferry Island Playground Update Project With support from Rotary Club, installed a new swing set with regular swings, an accessible swing and a parent tot swing; installed a multi-use teeter-totter; and replaced perimeter landscaping ties.

ORGANIZATIONAL STRENGTH & CULTURAL AWARENESS

 City's internal Accessibility Working Group continued to work with the Joint Accessibility Advisory Committee to identify and enhance areas for improvement to accessibility in our facilities and operations.

COMMUNITY WELLNESS

- Continued to work collaboratively with Development Services department, and specifically Bylaw and Community Safety Officer staff, to ensure parks and public places are safe and welcoming for everyone.
- Continued to meet with large industry and community partners to raise awareness around impacts of growth and to work together to generate workable solutions.
- Worked with various City departments to develop community services that address the needs of our growing community such as before and after school care and expanded child and family programming:
 - Enrollment numbers continue to increase in our before and after school care program.
 - We continue to expand our related childcare programming offerings and family programming, including Spring Break and holiday camps as well as drop in programming for 3-5 year olds.
- Participated and supported annual Garbathon, a community clean up event.
 - Continued the 'Clean Downtown program', a collaboration with The Garage, a local community organization.
- Continued to work with Terrace Community Forest and other community partners to implement public art throughout our parks and trails. An example is the Toad mural, by artist Casey Braam, which envelops the outside of the Campground washroom facilities at Ferry Island.
- Speedbumps were installed at the Sportsplex, along with signage, to decrease speed along the busy Paul Clark Drive roadway.

Below: The playground at Ferry Island got some new additions including an ocean-themed, multi-use teeter totter that can hold 10+ kids.



Parks, Recreation & Culture

STRATEGIC FOCUS AREAS FOR 2025

Grow Revenues and Economic Development

- Continue the implementation of the Fees and Charges bylaw.
- Continue to look for partnership opportunities for programming, as well as capital project planning and implementation.
- Continue to work with community groups to increase the visibility of and growth of recreation that supports economic development.

Responsible Asset Management

- Continue to collaborate in asset management training with other City staff, and participate in the Asset Management group.
- Continue to maintain aging assets, through upgrade projects such as Xpilaxha/Nelson trail and Elks Park upgrades.
- Continue to work with community
 partners to maintain assets, and

identify assets that need maintenance and improvement.

Complete Parks Master Planning
 and Cemetery Master Plan to ensure
 we are effectively planning for
 infrastructure needs of the future.

Livable Community

- Continue trail rehabilitation to our key recreational destinations such as Ferry Island and Howe Creek Trail to ensure sustainability of these assets.
- Continue to work collaboratively with Development Services department, and specifically Bylaw and Community Safety Officer staff, to ensure that parks and public places are safe and welcoming for everyone.
- Continue to work with City departments to develop community services that address the needs of our growing community such as before and after school care and expanded child and family programming.

Community Wellness

- Continue partnership opportunities for enhancing park spaces including public art installations.
- Work with Rotary club to install a sunshade, to increase sun safety in George Little Park and create another gathering area in our main park.
- Budget for additional seasonal horticulturist will allow enhanced landscaping and beautification focus in our green spaces.

Organizational Strength and Cultural Awareness

- Continue to work to increase cultural awareness within our department by supporting staff in participating in training opportunities.
- Continue to implement the Reconciliation Plan.
- Continuing to engage with diverse groups in our community to ensure equitable access to services and programs.

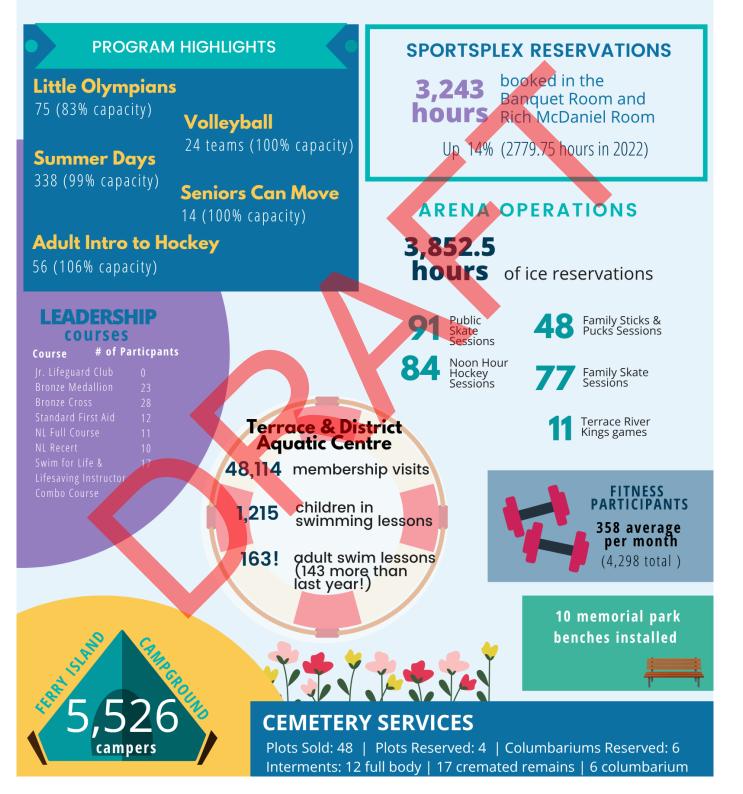




Above left: Staff show off the beauty of the planters near the Old Bridge. Above right: New railings were installed in the arena to comply with current safety and building codes.

Parks, Recreation & Culture

2024 FACTS AND STATS





Above left: City road crew fixing a water main break.



Above right: New crosswalk at the bottom of Lanfear Hill.

ENGINEERING & PUBLIC WORKS DEPARTMENT

terrace.ca/city-services

Public Works operates, maintains, and renews the community's water, sewer, drainage, and transportation infrastructure. It is also responsible for the City's mobile fleet, solid waste collection, and many City buildings. Engineering provides capital project delivery, development reviews, technical planning, and support.

What does Engineering do?

Engineering Services

- Design, manage, and implement a variety of capital projects.
- Undertake long-term infrastructure master planning and project prioritization.
- Set infrastructure requirements for subdivisions and developments, and review and approve design submissions.
- Undertake quality control on major construction projects.
- Review and issue permits for works on City rights of way.
- Provide technical and CADD (Computer Aided Design and Drafting) support to other departments.
- · Identify and apply for grants to fund capital projects.

What does Public Works do?

Public Works has four divisions:

Roads & 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 three 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 treatment systems.
- Maintain the City's two surface water emergency backup sources at Deep Creek and Little Island.
- Operate and maintain water reservoirs, pumping stations, and booster stations.
- 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 the 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.
- Operate, monitor, and maintain the landfill leachate treatment system.
- Complete all permit reporting to federal and provincial governments and Northern Health.

Building Maintenance & Electrical

- Maintain and upgrade all building systems for Cityowned structures including City Hall, Public Works, Firehall, RCMP detachment, Library, Kwinitsa House, Visitor Info Centre, George Little House, and other small park and infrastructure-related structures.
- Maintain emergency alarm systems responses.
- Manage operations for streetlights, traffic signals, and ornamental lighting.
- Maintain and upgrade monitoring systems such as SCADA (Supervisory Control and Data Acquisition) for water, sewer, and leachate treatment facilities.

Mechanical Shop

- Maintain and repair all mobile equipment including light trucks, heavy equipment (graders, loaders, excavators, dump trucks), fire trucks, garbage trucks, and small engines.
- 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.



Above: Sidewalk improvements leading up to Skeenaview point, at the top of Kalum Hill.

STRATEGIC FOCUS AREAS IN 2024

GROW REVENUES & ECONOMIC DEVELOPMENT

- Furthered the engineered designs for the reconstruction of the 4600 block of Lakelse and North Thomas Street to create "shelf-ready" projects to best position the City to apply for upcoming grant opportunities.
- Advanced design of the repairs to the Sewage Treatment Plant outfall pipe.
- Applied to the Northern Healthy Communities fund for the hiring of an Infrastructure Development Technician to put further focus on sustainable development and responsible asset management.

RESPONSIBLE ASSET MANAGEMENT

- Repaired the leaking and problematic storm sewer main along Skeenaview hill.
- Completed the video inspection of 33kms of sanitary sewer mains and 307 manholes to compile the necessary condition assessments for the long-term planning of sanitary sewer replacement projects.
- Crack sealed 117km of mid-life roads throughout the community to extend their useful life.
- Replaced the boiler at the Terrace Public Library
- Replaced the portable emergency generator at the Sewage Treatment Plant.
- Replaced the variable frequency drives at the Frank
 Street Wells.
- Replaced the rooftop AC units at the Terrace Public Library.
- Completed the installation of the upsized sanitary main along Graham Avenue and repaved the road with a new sidewalk.
- Completed the engineered design for the upsizing of the sanitary Sewer Main along the Sewage Treatment Plant road.
- The Sewer Treatment Plant Lagoon Sludge Survey was finished in order to identify the best year for desludging and make sure that sludge buildup isn't affecting the effectiveness of the treatment process.
- Completed the regrading of the DLC (Demolition, Land Clearing, and Construction Waste) and old waste sections of the Terrace Landfill to redirect surface water and prevent leachates.
- Kicked off the "Water Sustainability Study" to establish a long-term plan for maintaining a sustainable water supply as the community continues to grow.
- Completed the design and planned for construction of a new flow controlled inlet of Howe Creek at Eby Street.

- Completed the engineered design of the Eby storm drainage inlet repairs to keep Howe Creek in its natural path and prevent the creek from spilling into the storm drainage system.
- Completed an options assessment for the Sewage Treatment Plan effluent outfall pipe and submitted applications with regulatory authorities for replacement.

LIVABLE COMMUNITY

- Designed and installed a crosswalk at the bottom of Lanfear Hill to improve the connectivity of Howe Creek Trail.
- Repaired the failing sidewalk and section of road near the intersection of Greig Avenue and Emerson Street.
- Prepared and distributed guidelines to the public on Outdoor water usage to increase water conservation awareness.
- Partnered with Regional District of Kitimat-Stikine (RDKS) to store and supply backyard compost bins and rain barrels for sale at cost to Terrace and RDKS residents

Reconstructed the 'Pumphouse Trail' and constructed the new Terrace Viewpoint Trail as apart of the 'Eby Staircase and Trails' Project to improve active transportation accessibility to the upper bench.

Implemented the new curbside collection program of yard waste.

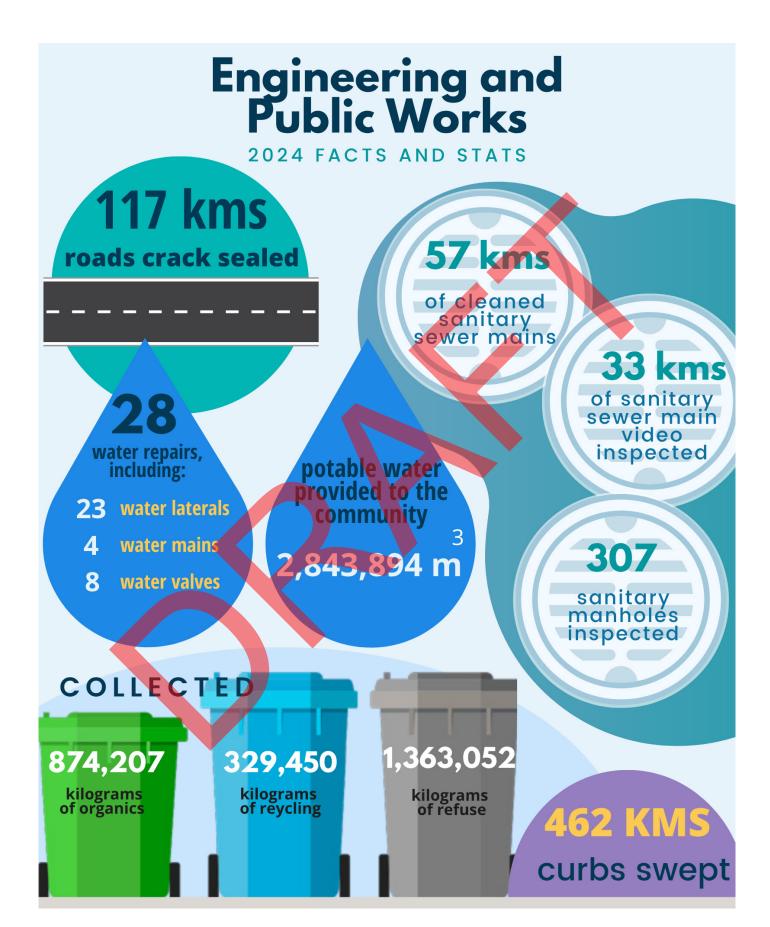
Completed construction of the Grand Trunk Pathway Extension from Frank Street to the Kitsumkalum River bridge.

COMMUNITY WELLNESS

- Installed the "Portland Loo" downtown washroom facility on the 4600 block of Lakelse Avenue.
- Completed the engineered design of the accessible parking stalls and George Little Park connectivity improvements at the Terrace Public Library.
- Completed the connection of the Skeenaview Hill and Sparks Avenue sidewalks.

ORGANIZATIONAL STRENGTH & CULTURAL AWARENESS

- Installed an automated gate at the Public Works yard to increase security for the site.
- Constructed additional parking spaces with 3 EV chargers at the RCMP detachment.
- Held various training courses for employees including Confined Space Training and Water Distribution Level 1 Course



STRATEGIC FOCUS AREAS FOR 2025

Grow Revenues and Economic Development

- Seek grant funding for a variety of energy efficiency projects planned for Public Works, City Hall, the RCMP detachment, and the Terrace Public Library.
- Work with ICBC to identify funding opportunities for traffic safety improvements made during capital and operational roadworks projects.
- Apply to the BC Active Transportation Grant stream for the construction of a multi-use pathway and concrete sidewalk along North Thomas.
- Apply to BC Transit's Bus Shelter Program to cost share in the installation of bus benches at the City's most utilized bus stops.
- Initiate and progress the engineered designs of the reconstruction of Lanfear Hill and the reconstruction of the 4600 Block of Lakelse to serve as "shelf ready" projects for potential grant opportunities.
- Following the engineered designs completed in 2024, seek grant funding opportunities for the Sewage Treatment Plant Outfall project and the McConnell/ Cooper/Thomas Roundabout project.

Responsible Asset Management - Asset Management Planning Initiatives

- Develop a "Pavement Management Plan" to ensure a systematic, long-term approach to optimizing pavement maintenance.
- Incorporate condition assessments into the City's Sanitary Master Plan to support the long-term planning of critical infrastructure projects.
- Work with the Asset Management Leadership Team to develop a Capital Planning Framework.
- Complete building condition assessments of all City owned buildings and develop a 10-year capital plan for the repair and maintenance of key aging building components.

Responsible Asset Management - Infrastructure Repair, Replace, and Improveme<mark>nt Projects</mark>

- Complete the road resurfacing on the following roads.
 - Kalum Street Skeenaview Hill to Davis Avenue (Driving lanes only).
 - Emerson Street Park Avenue to Greig Avenue.
 - Tetrault Street Haugland Avenue to Graham Avenue.
 - McConnell Avenue Eby Street to just east of Rowland Street.
 - Eby Street McConnell Avenue to the north Parkside School entrance.

- Repaint the exterior walls of the George Little House.
- Replace the aged out boiler in Public Works.
- Complete the direct digital control upgrades to the RCMP detachment and City Hall.
- Replace the aging speed radar signs in the Horseshoe.
- Replace the rotten storm drain that runs down Eby Street (Pumphouse Trail).
- Reconstruct North Thomas Street from Cooper to Halliwell Avenue.
- Complete the repairs to the Eby Street storm inlet at the Howe Creek Trail head.
- Replace the roof of the George Little House.
- Replace the rooftop air conditioning unit at the Terrace Public Library.
- Replace the emergency generator at the Park Avenue pumphouse.

Livable Community

- Install a multi-use pathway and concrete sidewalk along North Thomas street from Halliwell to Cooper.
- Resurface the following sidewalks:
 - Sparks Street Skeenaview to Halliwell Avenue Kalum Street – replace select failing concrete panels from Skeenaview to Park Avenue
 - Eby Street Straume Avenue to Scott Avenue and Tuck Avenue to Soucie Avenue.
- Complete the Kalum Lane Reconfiguration project extending the bike lanes and 2 way left turn lane along Kalum Street from Park Avenue to Greig Avenue.

Community Wellness

- Install benches at the most utilized BC Transit stops throughout the community.
- Construct the accessible parking stalls and the pathway connectivity improvements at the Terrace Public Library.

Organizational Strength and Cultural Awareness

- Enroll Building Maintenance staff in 'Asbestos Abatement Certification' training to allow for City crews to take on capital building improvement projects inhouse.
- Purchase a sweeper attachment for Public Works' loader to increase street sweeping efficiencies during spring clean-up.









Top: Engineering Manager Travis Christianson on the new Eby Staircase trail.

Middle left: New electric vehicle charging station at Terrace RCMP detachment, installed by Public Works staff.

Middle middle: Excavation of Greig Avenue, on corner of Emerson Street, before paving.

Middle right: Portland loo, the new downtown public toilet on Lakelse Avenue.

Bottom right: Frank Street Variable Frequency Drive (VFD) Station.





Left:

Terrace Firefighters skills competency training for live fire and victim rescues.

FIRE DEPARTMENT

terrace.ca/fire

Terrace Fire Department provides emergency response to the following incidents:

- Medical first responder
- Technical rescue
- Motor vehicle incident rescue
- Fire suppression
- Airport crash rescue
- Hazardous materials response
- Ice rescue
- Fire prevention & Education

On a day-to-day basis, the Fire Department responds to emergencies and completes other non-emergency activities:

- · Fire apparatus and equipment readiness checks
- BC Fire Code inspections
- Public fire prevention activities
- · Firefighter skills competency training
- Fire station upkeep
- Fire investigations
- Emergency management
- Fleet management
- Non-emergency public inquiries

Mission

To promptly and professionally serve the needs of our community with pride, dedication, and excellence, never failing to deliver quality emergency life safety services with the highest level of integrity, commitment, teamwork, and community engagement.

Vision

To set the standard for excellence in emergency response, saving lives and protecting properties with the utmost professionalism, efficiency, and compassion.

STRATEGIC FOCUS AREAS IN 2024

GROW REVENUES & ECONOMIC DEVELOPMENT

- We are continually looking at ways to be better equipped for overall operational readiness and response for our community.
- The Department identified the upgrade of portable radios for overall firefighter safety and communications.
- We sought out grant funding for FireSmart, a wildfire prevention program.
- A FireSmart Coordinator was hired and has been instrumental in assessing our community's level of risk and will continue supporting our community in being proactive and educated in wildfire prevention and mitigation.

ORGANIZATIONAL STRENGTH & CULTURAL AWARENESS

- The Department identifies several factors that contribute to its organizational strength: strategic planning, strong membership and a dedication to serving the community
- Our members strive to demonstrate cultural awareness when serving the public through qualities such as empathy and open-mindedness.
- The Terrace Firefighters local 2685 is dedicated to helping members of the community that need assistance through charity events such as the Guns N' Hoses hockey game; proceeds go to charity, and families who need assistance.
- The local takes tremendous pride in being present within the community and continually looks for ways to support those that are in need.



LIVABLE COMMUNITY

- The Department is committed to managing the impacts of growth effectively, ensuring our services evolve in tandem with the community's expansion.
- We proactively assess and adapt to the increased demands on our resources, maintaining our capability to respond efficiently to emergencies.
- Our strategic planning includes monitoring personnel levels, enhancing training programs, and upgrading equipment and facilities to meet the rising needs of a growing population.
- By closely monitoring urban development and population trends, we align our emergency preparedness and response strategies to safeguard the community against the challenges posed by growth, ensuring sustained public safety and service excellence.

COMMUNITY WELLNESS

- The Department's dedication to serving the community as effective first responders, as well as providing public education and participating in community events, upholds our commitment to community wellness.
- The Terrace Fire Department boosts civic pride by demonstrating high standards in public safety and engaging actively with the community.
- Our professionalism and dedication foster trust and respect, enhancing residents' sense of security and community cohesion.

RESPONSIBLE ASSET MANAGEMENT

- We prioritize and focus on the upkeep and enhancement of fire apparatus, protective gear, and tools to ensure operational excellence and safety.
 - To maintain high service standards, the Department does regular assessments and strategically invests in technology and infrastructure. This approach ensures our resources are optimally allocated and helps us to support our commitment to the community's safety.

Left: Terrace Fire Department giving a charity donation to the Starfish Backpack Program.

STRATEGIC FOCUS AREAS FOR 2025

Grow Revenues & Economic Development

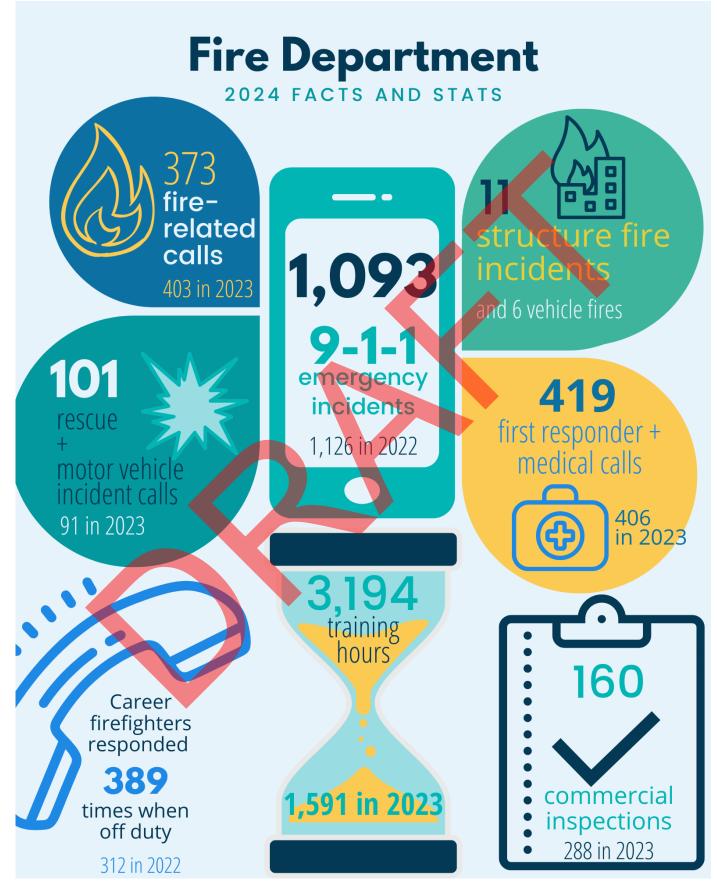
- The Department will continue to bolster the FireSmart program, a wildfire prevention program that educates the public about wildfire prevention and mitigation. The FireSmart program will continue to offer home inspections, a service that provides exterior inspections of homes and properties, offering up alternatives to ensure the home is FireSmart with the aim of offering home rebates in the future.
- We will work closely with our surrounding communities to ensure collaboration and inter-agency growth.

Responsible Asset Management

 Continuous maintenance and testing of our fire apparatus is planned to ensure the fleet remains in peak operating condition. This practice is vital for the safety of the team and the community it serves, ensuring that the department is always ready to respond promptly to emergencies.



Above: Member of the community receiving the Chiefs Commendation Plaque, recognizing his bravery and ability to step in and help at a motor vehicle incident, providing life saving measures.



Left:

RCMP members lined up prior to the Remembrance Day proceedings.



TERRACE RCMP

terrace.ca/RCMP

For nearly 150 years, the Royal Canadian Mounted Police (RCMP) has been Canada's national police service. Municipal policing mandates include crime prevention and investigation, keeping the peace, keeping communities safe, and enforcing federal, provincial/territorial, and municipal law.

What does the **RCMP** do?

- The Terrace RCMP delivers high-quality police work that involves community outreach, prevention programs, assisting other agencies, and investigating crimes reported to our detachment.
- Police officers respond to all manner of calls throughout the day. Officers complete licenced premise checks, foot patrols, and curfew checks; author reports to Crown Counsel and document files; liaise with schools; and assist partner agencies such as ambulance services and the coroner.
- Crime reduction officers work together with other officers to identify and monitor prolific offenders, wanted
 persons, and individuals who have court-imposed conditions.
- Victims Services and Community Policing attend committee meetings for High-Risk Domestic Violence, Homeless
 Intervention Programs, Situation Table Meetings, and High-Risk Youth. Community Policing also drafts our media
 releases, liaises with schools, facilitates Speedwatch, talks to service clubs, works with business and community
 groups, and oversees the Restorative Justice and Police Auxiliary programs. Victims Services provides support to
 victims of crime and trauma and attends court cases.
- Detachment office staff provide daily support to police officers, manage police records systems and files, transcribe statements, process police information checks, answer phones, complete disclosure requests, manage exhibits, fulfill court liaison duties, and many more tasks. The Detachment Finance Clerk is responsible for financial records, mail, and all ordering for the detachment.

STRATEGIC FOCUS AREAS IN 2024

GROW REVENUES & ECONOMIC DEVELOPMENT

- Application of good governance and strong fiscal management of the municipal policing budget, resulting in the return of funds to the City of Terrace.
- Application of good governance and strong fiscal management of the municipal policing budget, access additional funding via grant applications, resulting in the return of funds to the City of Terrace.

RESPONSIBLE ASSET MANAGEMENT

- Continued management and encouragement of Online Crime Reporting to help police better allocate resources and capture information that might otherwise go unreported.
- Priority screening of calls for service to better reflect what police need to be investigating, i.e., domestic violence, sexual assaults, drug trafficking, and stolen property offences, rather than the RCMP being a common go-to to solve daily or repetitive non-police matters or social and/or chronic occurrences and situations.
- Completion of virtual bail capabilities, thereby reducing efforts and costs needed to house and guard prisoners.

LIVABLE COMMUNITY

 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, Youth Sports, Big Brothers/Big Sisters, and the United Way.

ORGANIZATIONAL STRENGTH & CULTURAL AWARENESS

- Human resource support for provincial disaster response to fires and floods and industry-related protests.
- Management team meets with Kitsumkalum and Kitselas leadership regularly.

COMMUNITY WELLNESS

- Participation in:
 - » Remembrance Day ceremony
 - » Positive Ticketing Campaign
 - » Youth Sports Events
 - » Cram-A-Cruiser
 - » Moose Hide Campaign
 - » Pink Shirt Day (Anti-bullying)
- Attend committee meetings for High-Risk Domestic Violence, Homeless Intervention Programs, Situation Table Meetings, and High Risk Youth.





Top photo: Terrace Detachment members wear pink for anti-bullying day.

Bottom photo: RCMP members participated in Cram-a-Cruiser.

STRATEGIC FOCUS AREAS FOR 2025

Responsible Asset Management

- Crime reduction strategies to include a prolific offender management program, downtown presence, and partnership and project-based disruption investigations.
- Focusing on crime reduction through enhanced bail comments and the targeting of prolific offenders.
- Increased accountability of prolific offenders through
 maintaining high number of curfew checks
- Increased visibility of police in the community by maintaining the high number of foot patrols conducted

Livable Community

- Participation in community events, including:
 - » Guns and Hoses hockey game
 - » Remembrance Day
 - » Riverboat Days 2024 and all its activities
 - » Bike Rodeos and Positive Ticketing Campaign

» Canada Day

Community Wellness

- Trauma Informed Policing
- Initial Critical Incident Response
- United Against Racism
- School Liaison
- Attend committee meetings for High-Risk Domestic Violence, Situation Table Meetings, and High-Risk Youth
- Officer in Charge community engagement with various community leaders
- Increased restorative justice referrals

Organizational Strength and Cultural Awareness

Mental health and wellness of detachment employees.
 Community engagement with various community leaders.

Below left: Mother and son, Corporal Madonna Saunderson and Constable Jonathan Saunderson.

Below right: From left to right, Inspector Terry Gillespie, with RCMP Commissioner Mike Duheme, and Mayor Sean Bujtas during the Commissioner's visit to Terrace.



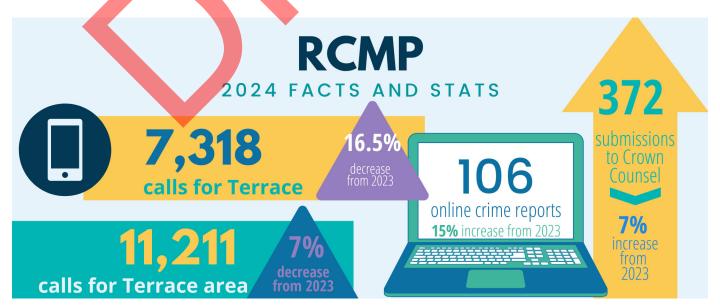




Above and right:

Terrace RCMP supports Special Olympics BC events, and promote bicycle safety at a public event.









FINANCIAL INFORMATION



REPORT FROM THE DIRECTOR OF FINANCE

I am pleased to present the City of Terrace's audited 2024 financial statements. The purpose of this letter is to inform the reader on the City of Terrace's financial performance in 2024. The financial statements are the responsibility of management and have been prepared by City staff pursuant to Section 167 of the Community Charter, and in accordance with Canadian public sector accounting standards. Management's responsibilities include maintaining a system of internal controls for financial statement reliability purposes, and to ensure the safeguarding of the City's assets. The City of Terrace has continued to comply with the Canadian Award for Financial Reporting program requirements.

The City's independent external auditors, Vohora LLP, have audited the City's financial statements in accordance with Canadian generally accepted auditing standards. As expressed in their audit report, in their opinion the City's financial statements present fairly in all material respects, the financial position of the City of Terrace at December 31, 2024 and the results of operations, changes in net financial assets, and cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

The financial statements include:

- Statement of Financial Position (a summary of year-end balances of financial assets, liabilities, and non-financial assets);
- Statement of Operations and Accumulated Surplus (a summary of the annual surplus for the year, which consists of revenues earned during the year, expenses incurred, and the estimated usage of tangible capital assets);
- Statement of Change in Net Financial Assets (a reconciliation of the annual surplus for the year to the change in value of net financial assets); and
- Statement of Cash Flows (a summary of how the City's cash and cash equivalents changed during the year, sorted into operating, investing, financing, and capital transactions).

Additionally, the notes and schedules to the financial statements provide a variety of explanations and details to assist the reader's understanding.

Entity

The City of Terrace owns, maintains, and operates a wide range of infrastructure to support the provisions of needed and desired services for our community. Examples of these assets include:

- Police and Fire protection
- Roads and sidewalks
- Street lighting
- Pipes and facilities for disposal of sewer and storm water
- Arenas, pools, sports fields, and playgrounds

Whether your garbage is being collected, your street is being plowed, or you are visiting the splash park, you are witnessing your tax dollars at work. It is municipal budget decisions, at the direction of Mayor and Council, that set the funding levels for the programs and services that maintain our quality of life.

The City of Terrace is located in the Regional District of Kitimat Stikine (RDKS). The RDKS cost shares approximately 30% of the costs of several services provided by the City of Terrace. These shared services include recreation, cemetery, transit, victims' assistance, Terrace Public Library, as well as cost sharing in contributions made to Riverboat Days Society and Terrace Search & Rescue.

Affiliates

Terrace Community Forest Limited Partnership manages the community forest license in three general areas around Terrace. The City of Terrace, as sole limited partner, has 99% partnership interest with the general partner, Terrace Community Forest Limited, holding the remaining 1%. The government business enterprise has been consolidated into the City's financial statements on a modified equity basis.

Financial Highlights

At the end of 2024, the City had net financial assets of \$44.1 million, based on the difference between its financial assets (\$71.3 million) and its liabilities (\$27.1 million). This is compared to net financial assets of \$32.5 million at the end of 2023. Although there are fluctuations in different asset and liabilities accounts, the most notable change is in short-term investments (\$13.5 million). This difference is made up of multiple transactions, however, it is largely due to grants transferred to reserves which includes receipt of \$6.9 million dollars in funding from the Province for the Northwest Regional Funding Agreement (NRFA) signed in 2024. The NRFA is a five-year agreement with the Province to support planning and construction of infrastructure such as roads, water, sewer and other community facilities needed to create livable communities.

Additional impacts to net financial assets are: investments in affiliated entities increased by \$1.1 million and taxes receivable decreased by \$2 million.

The City had non-financial assets of \$100.1 million, which largely consisted of the amortized historical cost of tangible capital assets. The City's net financial assets and non-financial assets together account for the \$144 million accumulated surplus as at December 31, 2024. Details of the composition of accumulated surplus, with comparable figures for the prior year, are as follows:

	2024 Accumulated Surplus	2023 Accumulated Surplus	Increase (Decrease)
Unrestricted surplus	\$11,555,051	\$8,144,965	\$3,410,086
Reserve funds	\$37,491,672	\$29, <mark>2</mark> 39,338	\$8,252,334
Investment in tangible capital assets	\$95,221,943	\$94,770,915	\$451,028
Total accumulated surplus	\$144,268,666	\$132,155,218	\$12,113,448

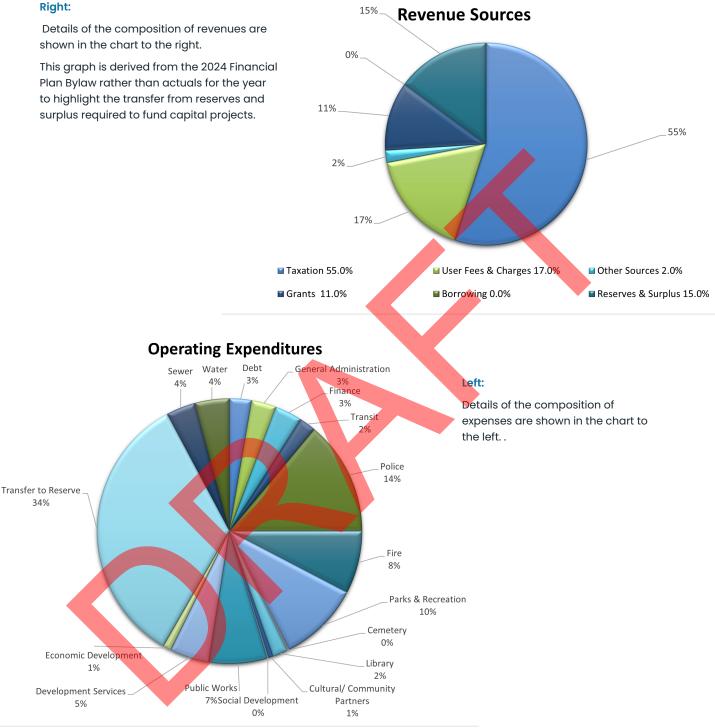
The increase in accumulated surplus is due to the net of unrestricted surplus increasing by \$3.4 million, reserve funds increasing by \$8.3 million and an increase in investment in tangible capital assets of \$451 thousand. The increase in investment in tangible capital assets of \$451 thousand of the assets for that year.

The City had revenues of \$46.6 million in 2024, down from \$53.8 million in 2023. Funds received from grants were down by \$6.3 million. Developer contributions and investment income were down by \$3.5 million and up by \$200 thousand, respectively. User fees and sale of goods and services remained relatively consistent with 2023 at \$6.7 million.

Expenses totaled \$34.5 million in 2024, which when deducted from revenues created the annual surplus of \$12.1 million. Expenses decreased by 17% over the prior year. In 2023, the City incurred additional expenses for the McConnell Landslide and Landfill Closure projects which were reduced significantly in 2024. A large portion of this increase was funded by Provincial project grants, which is also why the City saw a decrease in grant funding in 2024.

Other significant changes affecting expenses in 2024 include:

- The Ministry accepted an amended closure plan in 2025 resulting in a reduced scope of work. It was therefore determined that the landfill liability was over funded by \$1,600,000 and that amount was removed from the liability and returned to the general surplus through the waste management function in 2024.
- RCMP saw an increase in their approved membership by 1.5 members in 2024 and an increase in their contract rate.
- The Fire department had an increase in their staff of two career firefighters.



Long-Term Debt

The City had \$3.4 million of long-term debt outstanding at the end of 2024, compared to \$3.8 million at the end of 2023. The outstanding debt is related to the borrowing for the Hidber Arena at the Sportsplex and the upgrades to the Terrace Aquatic Centre. The City has been making steady progress at paying down this debt and has significant borrowing capacity available to take on future debt should it choose to do so.

Internal Debt

Internal debt occurs when one City reserve fund borrows from another City reserve fund. The City does not have any internal debt.

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	2024	2023	2022	2021	2020
Sustainability indicators:					
Total assets to total liabilities	6.32	5.86	5.09	5.31	6.06
Financial assets to total liabilities	2.63	2.19	2.02	2.06	2.18
Flexibility indicators:					
Total debt servicing costs to total revenues	0.03	0.03	0.01	0.01	0.01
Vulnerability indicators:					
Total government transfers to total revenues	0.27	0.35	0.17	0.13	0.37

- Sustainability indicators provide a general indication of the City's financial position. The City has seen an increase in its total assets to total liabilities and financial assets to total liabilities. These values indicate 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 are typically committed to debt servicing costs.
- Vulnerability indicators provide a general indication of the City's reliance on transfers from senior levels of government. In 2024, the City's reliance on government transfers decreased from 2023. This was largely due to the Growing Communities funds, the Landfill Closure and McConnell Landslide projects from 2023 that no longer required that level of funding.

Looking Forward

The City is committed to improving its financial position by:

- Diversifying property tax base and increasing other sources of revenue, to reduce reliance on residential property taxes:
 - » Reviewing current user fees within each department to ensure that they remain fair
 - » Continuing to collect bulk wastewater at our treatment plant and selling bulk water from our water loading station to supplement revenues in those functions
- · Continuing to build reserve balances, and thus internal financing capacity, by increasing annual transfers to reserves;

• Gaining a better understanding of infrastructure life-cycle costs through ongoing development of asset management program. The City continues to work towards a long-term plan of renewing capital in a sustainable manner. This means saving over time for capital requirements so that the funds are in place when the need arises. The Water fund will be receiving a 1.5% fee increase in 2025 and the Sewer fund will be receiving a 2.5% fee increase in 2025 for asset management purposes. These amounts will be transferred annually to a dedicated water and sewer reserve and will be used to fund the future replacement of water and sewer capital assets. In 2025, a 1% tax increase will also be set aside for asset management in the general fund. This amount will be transferred annually to a dedicated asset management reserve and will be used to fund the future replacement of general assets. General assets include all assets other than water and sewer and vehicles, for example, buildings, roads, parks, storm, etc. The City is grateful for the recent signing of the Northwest Regional Funding Agreement which is an important part of its 5 year capital plan.

In conclusion, the City of Terrace maintains a strong financial position. Councils are continually challenged to maintain current infrastructure and services while also addressing the demand for enhanced and new services – and keeping it all within affordable levels for our community. Growth in the community will require expansion to existing infrastructure to provide municipal services for new residents and businesses. Going forward, the City of Terrace will continue to budget with long-term financial stability for the future of the community as well as focusing on the wants and needs of today in mind. I look forward to working with Council and the community to implement their vision and thank staff for all their hard work and dedication to our City.

KHALIE GENEREAUX Interim Director of Finance

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 Vohora LLP. Their report to the Mayor and City Council, stating the scope of their examination and opinion on the consolidated financial statements accompanies this statement.

LORI GREENLAW INTERIM CITY MANAGER ay, 17, 2025 Date:

KHALIE-GENEREAUX INTERIM DIRECTOR OF FINANCE

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Vohora LLP CPAs & Business Advisors

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of City of Terrace

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of City of Terrace (the "City"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2024, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the City in accordance with ethical requirements that are relevant to our audit of the consolidated 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated 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 management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

PASSIONINTEGRITYEXCELLENCE



Offices located in Vancouver, South Surrey, Abbotsford, Prince Rupert, Terrace and Smithers BC



Vohora LLP CPAs & Business Advisors

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(continues)



Vohora LLP CPAs & Business Advisors

INDEPENDENT AUDITOR'S REPORT (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Terrace, BC May 12, 2025

Vohora LLP

Chartered Professional Accountants

City of Terrace CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2024

Financial Assets Cash and short-term investments (Notes 1 and 2) Taxes receivable Accounts receivable (Note 3) Land held for resale (Note 1) Municipal Finance Authority of BC - debt reserve fund (Note 4) Investment in affiliated entities (Note 5) Liabilities Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	\$ 63,314,527 767,239 2,468,863 969,993 88,534 3,643,494 71,252,650 5,611,883 3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375 3,006,963	\$ 49,761,2 2,814,7 3,055,6 1,407,6 85,5 2,532,4 59,657,2 4,328,6 2,809,2 550,0 244,1 5,208,5 217,4 7,095,9 3,797,1
Taxes receivable Accounts receivable (Note 3) Land held for resale (Note 1) Municipal Finance Authority of BC - debt reserve fund (Note 4) Investment in affiliated entities (Note 5) Liabilities Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	767,239 2,468,863 969,993 88,534 3,643,494 71,252,650 5,611,883 3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	2,814,7 3,055,6 1,407,6 85,5 2,532,4 59,657,2 4,328,6 2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Accounts receivable (Note 3) Land held for resale (Note 1) Municipal Finance Authority of BC - debt reserve fund (Note 4) Investment in affiliated entities (Note 5) Liabilities Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	2,468,863 969,993 88,534 3,643,494 71,252,650 5,611,883 3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	3,055,6 1,407,6 85,5 2,532,4 59,657,2 4,328,6 2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Land held for resale (Note 1) Municipal Finance Authority of BC - debt reserve fund (Note 4) Investment in affiliated entities (Note 5) Liabilities Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	969,993 88,534 3,643,494 71,252,650 5,611,883 3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	1,407,6 85,5 2,532,4 59,657,2 4,328,6 2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Municipal Finance Authority of BC - debt reserve fund (Note 4) Investment in affiliated entities (Note 5) Liabilities Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	88,534 3,643,494 71,252,650 5,611,883 3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	85,5 2,532,4 59,657,2 4,328,6 2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Investment in affiliated entities (Note 5) Liabilities Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	3,643,494 71,252,650 5,611,883 3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	2,532,4 59,657,2 4,328,6 2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Liabilities Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	71,252,650 5,611,883 3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	59,657,2 4,328,6 2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	5,611,883 3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	4,328,6 2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Accounts payable and accrued liabilities Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Deposits and prepayments Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	3,050,589 581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	2,809,2 550,0 244,1 5,208,5 217,4 7,095,9
Accrued vacation Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	581,340 247,829 3,242,345 599,333 7,377,275 3,394,375	550,0 244,1 5,208,5 217,4 7,095,9
Care fund liability (Note 6) Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	247,829 3,242,345 599,333 7,377,275 3,394,375	5,208,5 217,4 7,095,9
Landfill closure liability (Note 7) Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	3,242,345 599,333 7,377,275 3,394,375	5,208,5 217,4 7,095,9
Restricted revenue - development cost charges (Notes 1 and 8) Skeena Industrial Development Park joint venture (Note 9) Long term debt (Note 10) Asset Retirement Obligations (Note 11)	7,377,275 3,394,375	7,095,9
Long term debt (Note 10) Asset Retirement Obligations (Note 11)	3,394,375	, ,
Asset Retirement Obligations (Note 11)		3,797,1
	3 006 963	
Net financial assets	0,000,000	2,936,4
Net financial assets	27,111,932	27,187,7
	44,140,718	32,469,5
Non-financial assets		
Inventory (Note 1)	1,115,257	759,2
Prepaid Expenses	396,373	358,3
Tangible capital assets (Note 1 and Schedule 2)	98,616,318	98,568,0
	100,127,948	99,685,6
Accumulated surplus	144,268,666	132,155,2
Accumulated surplus consists of:		
Operating fund	11,555,051	8,144,9
Reserves funds (Schedule 3)	37,491,672	29,239,3
Equity in tangible capital assets (Note 12)	95,221,943	94,770,9
	\$144,268,666	\$132,155,2

Approved by:

SEAN BUJTAS

KHALIE GENEREAUX INTERIM 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, 2024

	2024	2024 Unaudited Budget	2023
Revenues			
Net taxes available for municipal purposes (Note 13)	\$ 22,448,978	\$ 22,476,602	\$ 20,843,013
User fees and sale of goods and services	6,669,557	5,487,659	6,584,097
Grants and cost sharing (Note 14)	12,704,25 <mark>5</mark>	4,803,393	18,989,776
Investment income (loss)	2,795,121	172,000	2,570,739
Land sales, net	349,850		-
Developer contributions (Schedule 2)	-	-	3,499,423
Affiliated entities (Note 5) and Other	1,634,019	31,800	1,276,851
	46,601,780	32,971,454	53,763,899
Expenses			
Protective services	9,783,447	8,932,445	7,263,631
Parks, recreation and culture	5,796,825	5,682,482	5,592,150
Transportation and transit	5,876,597	6,232,409	5,176,267
Development services	3,012,680	3,073,780	6,881,300
General government	3,098,737	2,894,971	2,848,066
Waste management (Note 7)	(1,003,712)	1,332,157	5,120,127
Water operations	976,639	1,212,098	1,106,401
Sewer operations	856,411	954,750	699,219
Interest and bank charges	1,119,996	231,522	1,223,574
(Gain)/Loss on disposal of tangible capital assets	89,222	· · ·	(84,547
Other Services	87,803	98,660	94,695
Amortization of tangible capital assets	4,793,687	-	4,558,809
	34,488,332	30,645,274	40,479,692
Annual surplus (deficit)	12,113,448	2,326,180	13,284,207
Accumulated surplus at beginning of year	132,155,218	132,155,218	118,871,011
Accumulated surplus at end of year	\$144,268,666	\$134,481,398	\$132,155,218

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, 2024

	2024 Unaudited 2024 Budget 2023
Annual surplus (deficit)	\$12,113,448 \$ 2,326,180 \$13,284,207
Capital acquisitions	(5,437,952) (4,879,187) (15,140,043)
Amortization of tangible capital assets	4,793,687 - 4,558,809
(Gain)/Loss on disposal of tangible capital assets	89,222 - (84,547)
Proceeds on sale of tangible capital assets	76,811 - 143,726
Inventory and other	35,974 - 141,012
Increase (decrease) in net financial assets	11,671,190 (2,553,007) 2,903 ,164
Net financial assets - beginning of year	32,469,528 32,469,528 29,566,364
Net financial assets - end of year	\$ 44,140,718 \$ 29,916,521 \$ 32,469,528

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, 2024

	2024	2023
Operating transactions		
Annual surplus (deficit)	\$ 12,113,448	\$ 13,284,207
Non-cash items:		
Amortization of tangible capital assets	4,793,687	4,558,809
(Gain)/Loss on the disposal of tangible capital assets	89,222	(84,547
(Increase) decrease in inventory	(356,012)	(39,308
(Increase) decrease in prepaid expenses	(38,008)	180,321
(Increase) decrease in taxes receivable	2,047,520	(1,074,214
(Increase) decrease in accounts receivable	586,784	(585,794
Increase (decrease) in accounts payable and accrued liabilities	1,353,733	693,570
(Increase) decrease in land held for resale	437,653	
Increase (decrease) in deposits and prepayments	241,304	65,090
Increase (decrease) in accrued vacation	31,256	(114,766
Increase (decrease) in care fund liability	3,643	5,710
Increase (decrease) in landfill closure liability	(1,966,171)	(62,379
Decrease in land inventory	429,995	
Increase (decrease) in restricted revenue	381,891	43,428
Cash provided (used) by operating transactions	20,149,945	16,870,127
Capital transactions		
Acquisition of tangible capital assets	(5,437,952)	(15,140,043
Proceeds from the disposal of tangible capital assets	76,811	143,726
Cash provided (used) by capital transactions	(5,361,141)	(14,996,317
Financing activities		
Debt repayment	(402,789)	,
Decrease in MFA debt reserve	(2,979)	(2,579
Cash provided (used) by fin <mark>anci</mark> ng activities	(405,768)	(392,028
Investing Activities		
(Increase) decrease in investment in affiliated entities	(1,111,046)	852,42
Increase (decrease) in Skeena Industrial Development Park Joint Venture	281,301	(2,085,60
Cash used in investing activities	(829,745)	(1,233,18
Increase (decrease) in cash position	13,553,291	248,60
Cash and cash equivalents - beginning of year	49,761,236	49,512,63
	A SAMPLE MUCH SHOULD BE AN ADDRESS OF A DECK OF A DECK OF A DECK OF	

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

1. Significant Accounting Policies

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

a) Basis of accounting

The financial statements of the City are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and becomes measurable. Expenses are recognized as they are incurred and become measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

b) Fund accounting

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

Operating Fund	This fund,	consisting of the	general, water	and sewer operating funds,
	comprises	the operating costs	of the services	provided by the City.

Capital Fund

This fund, consisting of the general, water and sewer capital funds, comprises property, plant and equipment expenditures and related financing.

Reserves Fund

The reserves fund has been established to hold assets for specific future purposes as approved by City Council. Allowable transfers to and from these funds are defined in reserve fund establishment bylaws.

c) Use of estimates

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

1. Significant Accounting Policies (continued)

d) Revenue recognition

(i) Taxation for municipal purposes

Taxes for municipal purposes are recognized in the year levied. Levies imposed by other taxing authorities (Note 13) are not included in these financial statements.

(ii) User fees and sale of goods and services

User fees and sale of goods and services are recognized in the year that the service is provided or the amount earned, provided the amount can be estimated and collection is reasonably assured.

(iii) Grants and cost sharing

The City recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the City recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

(iv) Investment income

Investment income is recorded in the year it is earned, provided the amount can be estimated and collection is reasonably assured.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

1. Significant Accounting Policies (continued)

e) Financial instruments

The City measures financial assets and liabilities at cost 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.

Add Note about why there is no Remeasurement of Gains and Losses?

The City's financial assets and liabilities are measured as follows:

Financial statement component	Measurement
Cash	Cost
Short-term investments	Amortized cost
Taxes receivable	Lower of cost or net realizable value
Accounts receivable	Lower of cost or net realizable value
Accounts payable and accrued liabilities	Cost
Deposits and prepayments	Cost
Accrued vacation	Cost
Long term debt	Amortized cost

f) 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.

Restricted revenue

g)

Revenues or receipts that are restricted by legislation or that contain stipulations that create a liability are deferred and reported as restricted revenues. When qualifying expenses are incurred and/or stipulations are met, restricted revenues are recognized as revenues in the period which this occurs.

h) Non-financial assets

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

1. Significant Accounting Policies (continued)

i) Inventory

Inventories held for City services is recorded at average landed cost.

Tangible capital assets j)

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 Furniture, equipment and technology Motor vehicles Transportation infrastructure Storm sewer Dyke and erosion protection Water infrastructure Sanitary sewer infrastructure

20 to 50 years 5 to 20 years 13 to 20 years 25 to 50 years 50 years 25 years 50 years 50 years

k) 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, interorganizational 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.

The City's reporting entity includes:

Terrace Community Forest LP

Government business enterprise 99%

Terrace Community Forest Limited

Government business enterprise 100%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

2. Cash and short-term investments

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

	2024	2023
Municipal Finance Authority of BC investments:		
MFA Money market fund	\$ <mark>25,221,</mark> 102	\$ 9,454,517
MFA Short-term bond and intermediate funds	30,1 <mark>16,44</mark> 8	28,598,097
MFA Care fund investment	247,829	244,186
Scotiabank investments	6,528,000	10,028,000
	62,113,379	48,324,800
Cash	1,201,148	1,436,436
	\$63,314,527	\$49,761,236
3. Accounts receivable	4	
	2024	2023
Government grants receivable:		
Provincial		
	\$ 177,847	\$ 204,553
Provincial	\$ 177,847 73,117	\$ 204,553 782,242
Provincial Ministry of Attorney General - Gaming revenue		
Provincial Ministry of Attorney General - Gaming revenue Emergency Management BC	73,117	782,242
Provincial Ministry of Attorney General - Gaming revenue Emergency Management BC UBCM - Flood Mitigation, Community Resiliency	73,117 50,000	782,242 142,760
Provincial Ministry of Attorney General - Gaming revenue Emergency Management BC UBCM - Flood Mitigation, Community Resiliency Northern Development Intiative Trust	73,117 50,000 939,905	782,242 142,760 490,251

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.

City of Terrace NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

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.

	•	2024 \$		2023 \$
Balance Sheet				
Cash and short term investments	\$	3,218,017	\$ 1	,329,638
Marketable securities, accounts and other receivables		1,748,086	1	,684,479
Equipment	_	110,379		121,259
Total assets		5,076,482	3	,135,376
Trade and other payables		1,081,288		191,468
Silviculture provision		351,700		411,460
Total liabilities		1,432,988		602,928
Partner capital		3,643,494	2	,532,448
Total liabilities and partner capital		5,076,482	3	,135,376
Statement of Comprehensive Income				
Revenue		6,417,367	2	,744,443
Direct Costs		(4,969,252)	(1	,837,489)
Expenses		(370,943)		(391,708)
Other income		239,876		136,437
. Net income for the year	\$	1,317,048	\$	651,683
		2024 \$		2023 \$
Summary of Investments in Affiliated Entities				
Owner equity in Terrace Community Forest Limited	\$	53,970	\$	46,802
Partnership capital in Terrace Community Forest Limited Partnership		3,589,524	2	,485,646
Total investment in affiliated entities	\$	3,643,494	\$ 2	,532,448

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

6. Care fund liability

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

7. Landfill Closure Liability

The landfill closure liability has been established to close the Terrace landfill in accordance with a closure plan approved by the Ministry of Environment and Climate Change Strategy in 2021.

In 2024, the landfill closure liability was reduced by \$1,600,000 and funds returned to Waste Management operations.

Closure costs of \$185,000 have been accrued to fund surface water management.

Post-closure costs relating to ongoing and required site monitoring, which are required for a period of 25 years from the date of closure, have been accrued in the amount of \$177,000 annually with a balance remaining of \$48,345 in 2042.

8. Restricted Revenue - Development Cost Charges

	2024 \$	2023 \$
Opening balance	\$ 217,442	\$ 174,014
Interest income	10,899	9,102
Fees collected	370,992	34,326
Subtotal - collections	599,333	217,442
Ending balance	\$ 599,333	\$ 217,442

9. Skeena Industrial Development Park joint venture

The City and the Kitselas First Nation have entered into a multi-year Joint Venture agreement for the sale of land know as the Skeena Industrial Development Park. The main purpose of the Joint Venture is to stimulate economic development in the area. The Joint Venture has an agreement with the Province of B.C. to purchase land as needed in the specified area. The profits, if any, are to be shared equally when all the land is sold. The joint venture has received \$11,432,749 and incurred expenses totalling \$4,055,474. The Joint Venture is to provide road and water services to the site. The cost to provide these services is currently unknown.

City of Terrace NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

10. Long term debt

							2024	2023
							\$	\$
Municipal Finance Authority of Britis	h Col	umbia ("MI	FA")					
Debenture debt matures in 202 rates range from 2.24% to 4.1%		2034 and d	eber	nture debt	annı	ual interest	\$ 3,394,375	\$ 3,797,164
Interest paid on long term debt				- 1	2		\$ 191,702	\$ 184,862
Principal repayment for the next five	years	s are:						
		2025		2026		2027	2028	2029
Principal payment	\$	298,639	\$	298,639	\$	<mark>298,6</mark> 39	\$ 298,639	\$ 258,341
Actuarial addition		117,957		132,247		147,036	162,345	130,192
	\$	416,596	\$	430,886	\$	445,675	\$ 460,984	\$ 388,533

Total principal payments required from 2030 to retirement are \$869,325.

11. Asset retirement obligations

The City owns and operates several assets that are know to have asbestos and lead paint, which represent a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials. Following the adoption of Public Accounting Standard PS 3280 Asset Retirement Obligations, the City recognized an obligation relating to the removal of the hazardous materials in these assets as estimated at January 1, 2023. The transition and recognition of asset retirement obligations involved an accompanying increase to the Buildings Infrastructure capital assets. This increase in capital assets is amortized on a straight-line basis over the remaining useful life of the related assets.

The City has not discounted their cash flows and uses the prospective method for asset retirement obligations. Under the prospective method, the assumptions used on initial recognition are those as of the date of adoption of the standard. The timing of these expenditures is expected to occur between 2038 and 2073.

City of Terrace NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

12. 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:

	2024	2023
Increases:		
Capital acquisitions	\$ 5,437,952	\$15,140,043
Retirement of debt - principal repayment	298,639	298,639
Actuarial adjustment	104,150	90,810
Decreases:		
Dispositions at net book value	(596,026)	(59,179)
Amortization of tangible capital assets	(4,793,687)	(4,558,809)
Change in equity in tangible capital assets	451,028	10,911,504
Equity in tangible capital assets - beginning of year	94,770,915	83,859,411
Equity in tangible capital assets - end of year	\$95,221,943	\$94,770,915

City of Terrace NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

2024 2023 Taxes: **\$29,040,466** \$27,175,527 Property 790,855 779,747 Frontage 560,505 648,433 Utility fees 547,895 504,922 Revenue in lieu of taxes 299,478 400,262 Penalties and interest on taxes 29,508,891 31,239,199 Less taxes on behalf of: 5,981,503 5,828,862 Province of BC - School North West Regional Hospital District 1,535,927 1,510,625 Regional District of Kitimat-Stikine 1,155,254 1,212,380 116,925 113,406 **BC** Assessment Authority Municipal Finance Authority of BC 612 605 8,790,221 8,665,878 **\$22,448,978** \$20,843,013 Net taxes available for municipal purposes

13. Net taxes available for municipal purposes

14. Grants and Cost Sharing

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

2	024	2023
Capital project grants		
	608,768	\$13,843,294
- Regional District / Other	376,337	1,416,616
	85,105	15,259,910
Operating grants and cost sharing	24,234	5,227
- Federal		1,740,856
)17,104	
- Regional District / Other 2,2	277,813	1,983,783
4,3	219,151	3,729,866
12,	704,256	18,989,776

City of Terrace NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2024

15. Commitments and contingencies

a) Pension plan

The City of Terrace and its employees contribute to the Municipal Pension Plan (a jointly trusteed 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 are based on a formula. As at December 31, 2023 the plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 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 may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2024.

The City of Terrace paid \$995,977 for employer contributions to the Plan in fiscal 2024 (\$909,192 in 2023).

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.

Third party claims

b)

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

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

15. Commitments and contingencies (continued)

c) Contingent liabilities

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

16. 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; Parks, Recreation and Culture; 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.

Parks, Recreation and Culture

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

Transportation and Transit

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

Development Services

The Development Services department is responsible for land use, sustainable planning and general development services. This includes building inspection, business licensing, animal control, planning, mapping and bylaw enforcement. The Skeena Industrial Development Park Joint Venture with the Kitselas First Nation

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024

16. Segmented Information (continued)

Development Services (continued)

is managed by the City and reported under this segment. Tourism services provided by Kermodei Tourism Society and economic development are also reported under this segment.

General Government

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

Waste Management

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

Water Operations

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

Sewer Operations

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

Other Services

Other services include cemetery services.

City of Terrace consolidated schedule of segmented revenues and expenses for the year ended december 31, 2024 (schedule 1)

(oclientie I)							
		Protective re services	Parks, recreation and Transportation Development culture and transit services	ansportation [and transit		General government r	Waste management
Reventies							
Net taxes available for municipal purposes		\$ '	\$ '	\$ '	\$ '	\$ '	1
User fees and sale of goods and services		538,047	1,634,042	667,073	807,449	1	762,794
Government grants and cost sharing		202,058	1,622,964	860,046	908,085	9,111,103	н,
Investment income			,)	1)	1
Developer contributions	- 20		,	1	1	1	1
Land sales, net			ı	1	,	1	'
Other		-	•		I	322,973	
		740,105	3,257,006	1,527,119	1,715,534	9,434,076	762,794
Expenses			- - -				
Salaries and wages		4,106,721	2,946,054	2,185,998	1,958,284	1,942,929	594,661
Goods and services		5,676,726	2,850,771	3,690,599	1,054,396	1,155,808	(1,598,373)
Interest and bank charges		-	228,902		156,422	734,671	1
Amortization of tangible capital assets		178,481	1,205,035	2,096,133	79,154	209,594	225,190
(Gain)/Loss on disposal of tangible capital assets		3,015	5,378	(3,243)	1	-	
		9,964,943	7,236,140	7,969,487	3,248,256	4,043,002	(778,522)
Excess (deficiency) of revenues over expenses	2	\$ (9,224,838) \$	(9,224,838) \$ (3,979,134) \$	(6,442,368) \$	(6,442,368) \$ (1,532,722) \$	5,391,074 \$	1,541,316

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

						2024	
	Water	Sewer			2024	Unaudited	2023
	operations	operations Othe	Other services Unallocated	allocated	\$	Budget	\$
Ravanijas							
Net taxes available for municipal purposes	\$	ዓ 1	- \$	2,448,978 \$	22,448,978 \$	- \$ 22,448,978 \$ 22,448,978 \$ 22,476,602 \$ 20,843,013	20,843,013
User fees and sale of goods and services	1,413,972	790,666	55,515	,	6,669,557	5,487,659	6,584,097
Government grants and cost sharing		·	ı		12,704,255	4,803,393	18,989,776
Investment income				2,795,121	2,795,121	172,000	2,570,739
Developer contributions	•	1	,	I.	•	ı	3,499,423
Land sales, net			ı	L	349,850	ı	1
Other	,	-	•	1,311,046	1,634,019	31,800	1,276,851
	1,413,972	79 <mark>0,666</mark>	55,515 2	26,555,145	46,601,780	32,971,454	53,763,899
Expenses					a N		
Salaries and wages	638,844	256,090	70,954	ľ	14,700,535	14,473,720	13,781,682
Goods and services	337,795	600,321	16,849		13,784,892	15,756,032	21,000,174
Interest and bank charges		-	- 1		1,119,996	231,522	1,223,574
Amortization of tangible capital assets	379,672	420,428	1.	1	4,793,687	ı	4,558,809
(Gain)/Loss on disposal of tangible capital assets	84,072	-	ł	-	89,222	1	(84,547)
	1,440,383	1,276,839	87,803	-	34,488,332	30,461,274	40,479,692
Excess (deficiency) of revenues over expenses	\$ (26,411) \$	(26,411) \$ (486,173) \$	(32,288) \$ 2	6,555,145 \$	12,113,448 \$	(32,288) \$ 26,555,145 \$ 12,113,448 \$ 2,510,180 \$ 13,284,207	13,284,207

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

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ė	LE CAPITAL ASSETS DECEMBER 31 2024	
City of Terrace	SCHEDULE OF TANGIBLE CAPITAL ASSET EOR THE YEAR FUNED DECEMBER 31 202	

(Schedule 2)

In 2024, there were no capital assets received from developers through property development activities or by donation; in 2023, the total for this was \$3,499,423.

		Cost	st		4	Accumulated Amortization	Amortization			
	Opening Balance	Additions	Disposals	Ending balance	Opening Balance	Amortization	Accumulated amortization on disposals	Ending balance	Net book value 2024	Net book value 2023
Land	\$ 10,954,320 \$		\$ (429,993) \$	10,524,327 \$		-	\$ '	'	\$ 10,524,327 \$ 10,954,320	\$ 10,954,320
Land Improvements	7,896,008	1,966,757	(45,607)	9,817,158	3,711,456	400,341	(40,229)	4,071,568	5,745,590	4,184,552
Buildings	37,141,308	538,926		37,680,234	19,088,061	1,220,545	,	20,308,606	17,371,628	18,053,247
Motor Vehicles	9,438,554	613,549	(581,036)	9,471,067	3,480,545	521,337	(507,467)	3,494,415	5,976,652	5,958,009
Furniture, equipment and technology	2,572,305	483,471	(162,364)	2,893,412	1,426,721	231,696	(159,349)	1,499,068	1,394,344	1,145,584
Transportation infrastructure	61,546,137	1		61,546,137	33,826,750	1,325,680	,	35,152,430	26,393,707	27,719,387
Water infrastructure	18,746,887	209,724	(116,038)	18,840,573	9,356,340	379,672	(31,966)	9,704,046	9,136,527	9,390,547
Sanitary sewer infrastructure	18,072,070	242,573	ľ	18,314,643	10,220,585	420,428	r	10,641,013	7,673,630	7,851,485
Storm sewer	15,004,009		,	15,004,009	7,388,131	293,988		7,682,119	7,321,890	7,615,878
Assets under construction	5,695,071	1,382,952	-	7,078,023	-	1	1	,	7,078,023	5,695,071
	\$ 187,066,669 \$		\$(1,335,038) \$	5,437,952 \$(1,335,038) \$ 191,169,583 \$ 88,498,589 \$ 4,793,687 \$	88,498,589	\$ 4,793,687 \$		(739,011) \$ 92,553,265 \$ 98,616,318 \$ 98,568,080	98,616,318	\$ 98,568,080

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

UND ACTIVITIES	Machinery and Land Parking equipment acquisition space Sewer capital Water capital works	(851 \$ 3,907,952 \$ 592,009 \$ 82,141 \$ 1,037,979 \$ 747,732 \$ 3,623,041 \$ 753,197 1,577,495 17,500 302,300 437,353 698,400 - 753,197 1,577,495 17,500 302,300 437,353 698,400 047 195,880 29,674 4,117 52,027 37,479 178,062 - (186,796) (20,775) (6,532) (412,310) (324,663) (214,028)	 \$ 4,670,233 \$ 2,178,403 \$ 97,226 \$ 979,996 No No No Community Affordable Active Admonstration Joint venture Sof 	,000 \$ 1,709,396 \$ 92,706 \$ 18,003 \$ 1,629,018 \$ 8,348,773 \$ 443,607 ,000 200,000 - - 15,000 - - - 501 85,681 4,647 907 - 418,470 22,235 - (428,196) - - - (2,322,537) (294,075) .501 \$ 1,566,881 97,353 \$ 19,000 \$ 1,644,018 6,444,706 \$ 171,767	
City of Terrace consolidated schedule of reserve fund activities for the year ended december 31, 2024	Parks acquisition	Balance - Beginning of year \$ 439,8 Transfers in Investment income 22;6 Transfers out	of year \$ 461 Anim shelt cremato	Balance - Beginning of year\$ 10,0Transfers in10,0Investment income5Transfers out5Balance - End of year\$ 20,5	

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

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City of Terrace NORTHERN CAPITAL PLANNING GRANT RESERVE FOR THE YEAR ENDED DECEMBER 31, 2024

(Schedule 4)

(Schedule 5)

2023

640,383

33,497

(230,273)

443,607

2024

443,607 \$

22,235

(294,075)

171,767 \$

\$

\$

			-		2024	2023
Balance - Beginning of year				\$	8,348,773	\$ 11,589,012
Investment income (loss)			. '		418,470	606,199
Transfers out	τ.	E ²			(2,322,537)	(3,846,438)
Balance - End of year				\$	6,444,706	\$ 8,348,773

		City	of	Terrace	
--	--	------	----	---------	--

COVID-19 SAFE RESTART GRANT RESERVE FOR THE YEAR ENDED DECEMBER 31, 2024

Balance - Beginning of year
Investment income (loss)
Transfers out

Balance - End of year

City of Terrace GROWING COMMUNITIES RESERVE FOR THE YEAR ENDED DECEMBER 31, 2024

(Schedule 6)

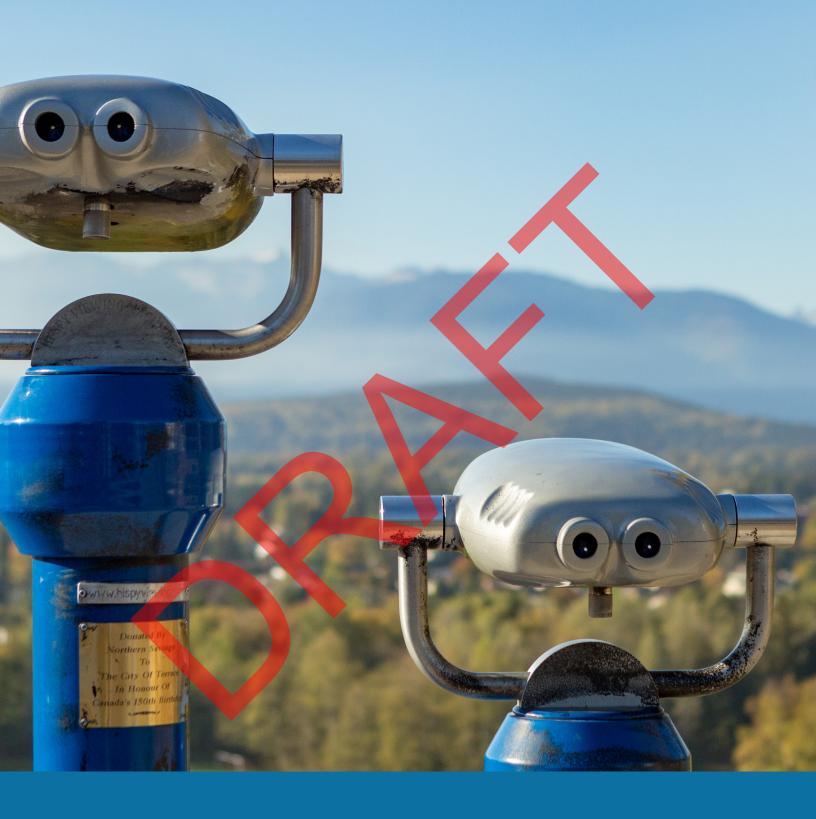
The province of British Columbia distributed conditional Growing Communities Fund (GCF) grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of populating growth. The GCP provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

-	2024	2023
Balance - Beginning of year	\$ 4,633,0	00 \$
Transfers in		- 4,633,00
Investment income	232,2	22
Eligible costs		
Local roads	(178,2	34)
Balance - End of year	\$ 4,686,9	88 \$ 4,633,000

2024 GCF Investments	Project Highligh <mark>ts</mark>
Local Roads	Reconstruction of a portion of a road on Park Avenue to accomodate new townhouse developments

City of Terrace CAPACITY FUNDING FOR LOCAL GOVERNMENT HOUSING INITIATIVES FOR THE YEAR ENDED DECEMBER 31, 2024

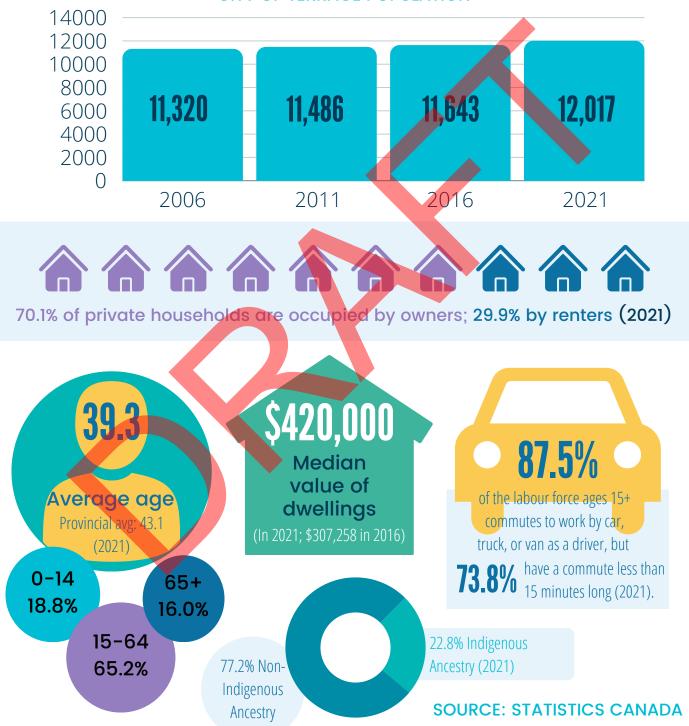
OR THE YEAR ENDED DECEMBER 31, 2024		(Schedu	le 7)
	2	2024	2023
Transfers in	\$	210,297 \$	-
Transfers out		(127,177)	-
Balance - End of year	\$	83,120 \$	-

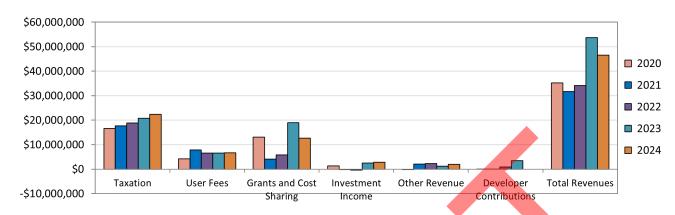


STATISTICAL INFORMATION



CITY OF TERRACE POPULATION





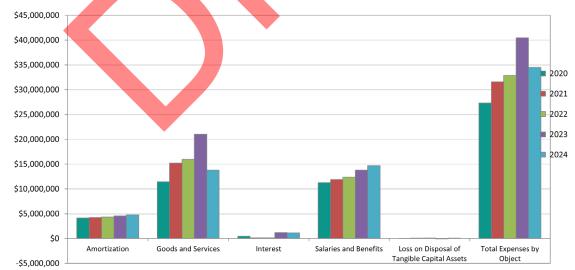
REVENUES BY SOURCE - LAST 5 FISCAL YEARS

EXPENSES BY FUNCTION - LAST 5 FISCAL YEARS



■ 2020 ■ 2021 ■ 2022 ■ 2023 ■ 2024

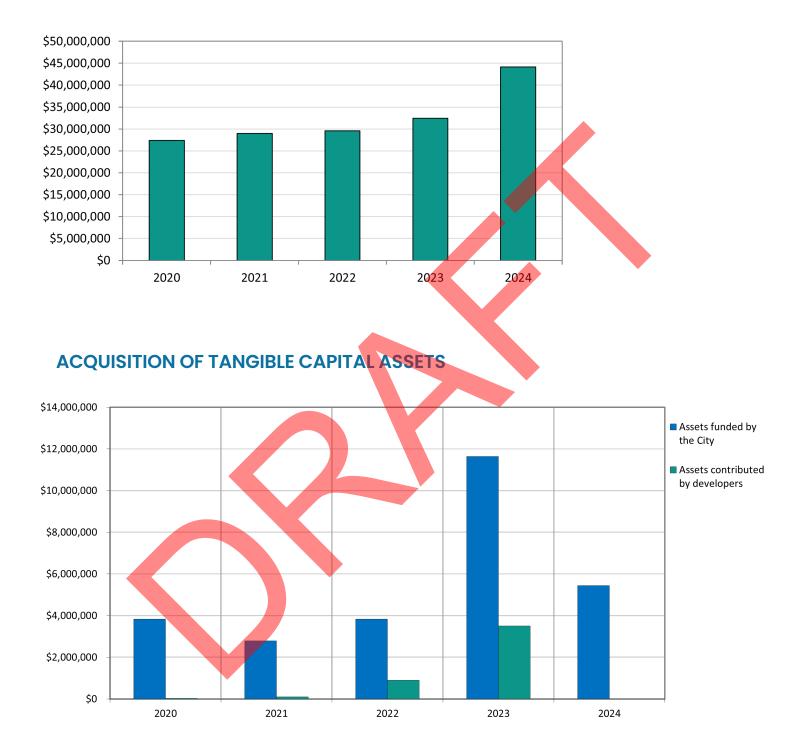
EXPENSES BY OBJECT - LAST 5 FISCAL YEARS



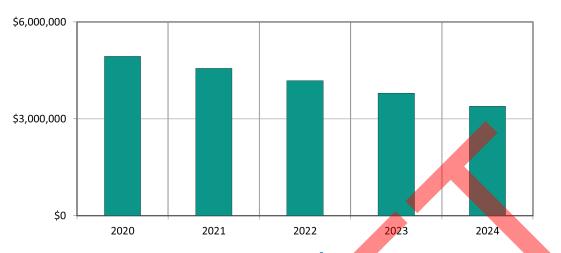
TOTAL ANNUAL SURPLUS



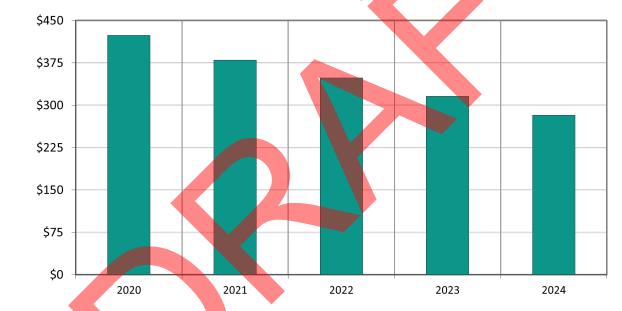
NET FINANCIAL ASSETS



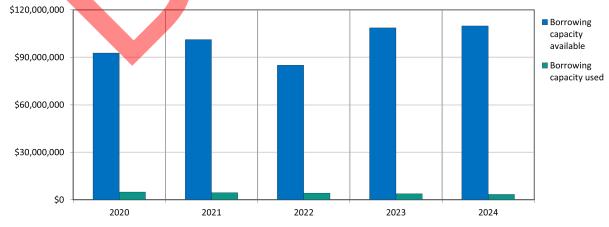




LONG-TERM GENERAL DEBT PER CAPITA (SUPPORTED BY PROPERTY TAXES)







Note: Borrowing capacity is estimated based on market interest rates at each year-end

PROPERTY TAX COLLECTIONS

	2020	2021	2022	2023	2024
Current taxes levied ¹	23,470,727	25,234,394	26,487,732	28,850,602	30,391,826
Current taxes collected	22,246,088	24,146,300	25,411,418	27,440,435	29,752,538
Current taxes outstanding as at December 31	1,224,639	1,088,094	1,076,314	1,410,167	639,288
Percentage of current taxes collected	94.8%	95.7%	95.9%	95.1%	97.9%

¹Includes residential flat rate utilities, collections for other authorities, and penalties; excludes grants in lieu of tax and interest

OTHER MAJOR TAX LEVIES AND COLLECTIONS

	2020	2021	2022	2023	2024
School District	4,542,173	5,481,439	5,584,493	5,828,862	5,981,503
Hospital District	1,457,765	1,441,853	1,459,286	1,510,625	1,535,927
Regional District	1,119,930	1,187,450	1,248,079	1,212,380	1,155,254
BCA/MFA	115,051	115,303	112,744	114,011	117,537



PRINCIPAL CORPORATE TAXPAYERS

2024 MAJOR TAX REVENUE BASE (INCLUDES GENERAL MUNICIPAL TAXES ONLY; DOES NOT INCLU	JDE TRANSIT	·)
1355390 BC LTD		\$522,394.95
PROGRESSIVE VENTURES LTD		\$376,335.66
WAL-MART CANADA CORP		\$363,510.72
LOON PROPERTIES (SKEENA) INC		\$281,444.42
CANADIAN NATIONAL RAILWAY CO. (VN119638)		\$216,184.04
CANADIAN TIRE REAL ESTATE LTD		\$205,614.59
NSD DEVELOPMENT CORPORATION		\$204,953.14
TELUS COMMUNICATIONS INC		\$204,487.94
SUNSHINE INN EXECUTIVE SUITES INC.		\$199,983.36
645999 BC LTD		\$163,009.77
	TOTAL	\$2,737,918.59

NEW CONSTRUCTION

TYPE OF PERMIT	2024	2023	2022	2021	2020
Single Residential	6,027,000	6,065,000	7,204,507	12,759,000	11,528,000
Duplex Residential	4,140,673	500,000		799,200	960,000
Multi-Residential	175,000		16,625,000	18,795,200	
Commercial New	500,000	330,000	2,200,000	596,488	1,088,000
Industrial New	118,500	800,000	278,500	2,206,525	2,672,955
Institutional New	60,000			296,325,000	765,500
TOTALS	11,021,1 <mark>73</mark>	7,695,000	26,308,007	331,481,413	17,014,455

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 2024 in addition to any statutory exemptions provided by the Community Charter.

Name	Address	2024 City Exempt Taxes (\$)	2024 Other Exe	mpt Taxes (\$)
Canadian Red Cross - 645999 BC Ltd (Lease)		124-4720 Lazelle	6,441	1,609
Governing Council of the Salvation Army		3236 Kalum	13,982	3,459
645999 BC LTD (Salvation Army-Lease)		3227-3229 Sparks	1,439	706
My Recreational Mountain Co-op		101-4805 Hwy 16 W	2,214	505
Terrace Child Development Centre		4665 Park	8,069	1,986
Terrace Cerebral Palsy Assoc. (T.Child Dev)		2510 Eby	8,346	2,108
Terrace Curling Association		3210 School	19,282	4,489
Terrace & District Community Serv		3219 Eby	22,671	5,695
Terrace & District Community Serv		4530 Lakelse	10,590	2,495
Terrace & District Community Serv		4832 Loen	1,860	1,228
Kermode Friendship Society		4714 Park	38,463	9,607
Kermode Friendship Society		3313 Kalum	15,564	4,006
Ksan House Society		4444 Lakelse	2,533	651
Ksan House Society		2812 Hall	9,562	6,532
Ksan House Society		4838 Lazelle	26,045	8,142
Ksan House Society		2822 Tetrault	10,269	2,367
Mills Memorial Hospital Auxiliary		4544 Lazelle	3,425	804
Royal Canadian Legion Pacific #13		4425 Legion	4,355	1,058
Terrace Little Theatre Society		3625 Kalum	6,877	1,615
Terrace Search & Rescue Society		4455 Greig	12,561	3,167
Clay Artists of Terrace Society		4438 Greig	4,002	985
The Terrace Church's Food Bank		3504 Kalum	5,524	1,387
The Garage Community Space Society (Lease	e)	3504 Kalum	8,071	2,024
Terrace Women's Resource Centre Society		4553 Park	2,445	1,291
Kalum Community School Society (Lease)		3312 Sparks	4,761	1,095
City of Terrace-Visitor Information Centre		4511 Keith	11,003	2,497
Congregation of Jehovah's Witnesses		2908 Eby	828	393
Congregation of Jehovah's Witnesses		2906 Eby	827	392
Zion Baptist Church		2911 Sparks	2,734	1,298
Terrace Evangelical Free Church		4640 Park	3,705	1,759
Terrace & District Council for Social Resources	3	4623 Tuck	670	400

PERMISSIVE TAX EXEMPTIONS (CONT'D)

Pentecostal Assemblies 4643 Walsh 970 461 Christian Reformed Church 3602 Sparks 835 380 Terrace Gospel Hall 4802 Scott 755 359 Knox United Church 4907 Lazelle 2,805 1,332 Pentecostal Assemblies 3511 Eby 1,635 776 Roman Catholic Episcopal Corp. 4836 Straume 3,865 834 Anglican Synod Diocese 4506 Lakelse 2,322 1,103 BC Old Age Pensioners (Happy Gang) 3266 Kalum 1,252 272 Skeena Valley Guru Nanak Soc. 4916 Medeek 1,536 729 Christian and Missionary Alliance 4927 Agar 1,302 618 Uplands Baptist Church 5003 Halliwell 872 444 Seventh-Day Adventist Church 5031 Huy 16 W 1,740 826 Fisherman's Park 5831 Hwy 16 W 1,740 826 Terrace Kitimat Airport Society Terta 845 422 154.692 7563	Skeena Gursikh Society	4634 Walsh	1,184	562
Terrace Gospel Hall4802 Scott755359Knox United Church4907 Lazelle2,8051,332Pentecostal Assemblies3511 Eby1,635776Roman Catholic Episcopal Corp.4836 Straume3,185834Anglican Synod Diocese4506 Lakelse2,3221,103BC Old Age Pensioners (Happy Gang)3266 Kalum1,774874George Little House3100 Kalum1,252272Skeena Valley Guru Nanak Soc.4916 Medeek1,536729Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church503 Halliwell872414Seventh-Day Adventist Church5631 Hwy 16 W1,740826Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Pentecostal Assemblies	4643 Walsh	970	461
Knox United Church4907 Lazelle2,8051,332Pentecostal Assemblies3511 Eby1,635776Roman Catholic Episcopal Corp.4836 Straume3,185834Anglican Synod Diocese4506 Lakelse2,3221,103BC Old Age Pensioners (Happy Gang)3266 Kalum1,774874George Little House3100 Kalum1,252272Skeena Valley Guru Nanak Soc.4916 Medeek1,536729Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Christian Reformed Church	3602 Sparks	835	380
Pentecostal Assemblies3511 Eby1,635776Roman Catholic Episcopal Corp.4836 Straume3,185834Anglican Synod Diocese4506 Lakelse2,3221,103BC Old Age Pensioners (Happy Gang)3266 Kalum1,774874George Little House3100 Kalum1,252272Skeena Valley Guru Nanak Soc.4916 Medeek1,536729Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5831 Hwy 16 W1,740826Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Terrace Gospel Hall	4802 Scott	755	359
Roman Catholic Episcopal Corp.4836 Straume3,185834Anglican Synod Diocese4506 Lakelse2,3221,103BC Old Age Pensioners (Happy Gang)3266 Kalum1,774874George Little House3100 Kalum1,252272Skeena Valley Guru Nanak Soc.4916 Medeek1,536729Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5401 McConnell1,190565Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Knox United Church	4907 Lazelle	2,805	1,332
Anglican Synod Diocese4506 Lakelse2,3221,103BC Old Age Pensioners (Happy Gang)3266 Kalum1,774874George Little House3100 Kalum1,252272Skeena Valley Guru Nanak Soc.4916 Medeek1,536729Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5401 McConnell1,190565Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Pentecostal Assemblies	3511 Eby	1,635	776
BC Old Age Pensioners (Happy Gang)3266 Kalum1,774874George Little House3100 Kalum1,252272Skeena Valley Guru Nanak Soc.4916 Medeek1,536729Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5401 McConnell1,190565Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Roman Catholic Episcopal Corp.	4836 Straume	3,185	834
George Little House3100 Kalum1,252272Skeena Valley Guru Nanak Soc.4916 Medeek1,536729Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5401 McConnell1,190565Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Anglican Synod Diocese	4506 Lakelse	2,322	1,103
Skeena Valley Guru Nanak Soc.4916 Medeek1,536729Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5401 McConnell1,190565Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	BC Old Age Pensioners (Happy Gang)	3266 Kalum	1,774	874
Christian and Missionary Alliance4927 Agar1,302618Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5401 McConnell1,190565Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	George Little House	3100 Kalum	1,252	272
Uplands Baptist Church5003 Halliwell872414Seventh-Day Adventist Church5401 McConnell1,190565Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Skeena Valley Guru Nanak Soc.	4916 Medeek	1,536	729
Seventh-Day Adventist Church5401 McConnell1,190565Fisherman's Park5831 Hwy 16 W1,740826Terrace Kitimat Airport SocietyBristol Road352,95875,634	Christian and Missionary Alliance	4927 Agar	1,302	618
Fisherman's Park 5831 Hwy 16 W 1,740 826 Terrace Kitimat Airport Society Bristol Road 352,958 75,634	Uplands Baptist Church	5003 Halliwell	872	414
Terrace Kitimat Airport Society Bristol Road 352,958 75,634	Seventh-Day Adventist Church	5401 McConnell	1,190	565
	Fisherman's Park	5831 Hwy 16 W	1,740	826
	Terrace Kitimat Airport Society	Bristol Road	352,958	75,634
10tuis 040,433 101,489	Totals	645,433	161,489	

DECLARATION OF DISQUALIFICATIONS

There were no disqualifications made under Section 111 of the Community Charter in 2023.

Rachel Mattiuz Corporate Officer





CITY OF TERRACE

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