



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

Christopher P. Morill

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.



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.



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.

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.

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/mayor-council

Our Vision

Terrace will prosper from its surrounding natural 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.

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

Corporate Strategic Plan 2023-2026



Our Values

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

- Fiscal responsibility
- Reconciliation
- Climate resilience
- Equity, diversity, inclusion, & justice

Our Mission

The City of Terrace provides services and good governance while maintaining City assets and fostering economic, environmental, and social wellbeing. (BC Community Charter Sec. 7)

Our Vision

Terrace will prosper from its surrounding natural 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.

Strategic Focus Areas

Grow Revenues and Economic Development

- Increase City revenues

Livable Community

- Address housing gaps and needs
- Improve community accessibility
- Continue to improve Terrace downtown
- Improve active transportation opportunities
- Review and update OCP
- Enhance communications to the public

Responsible Asset Management

- Ensure City infrastructure is maintained and replaced into the future

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.

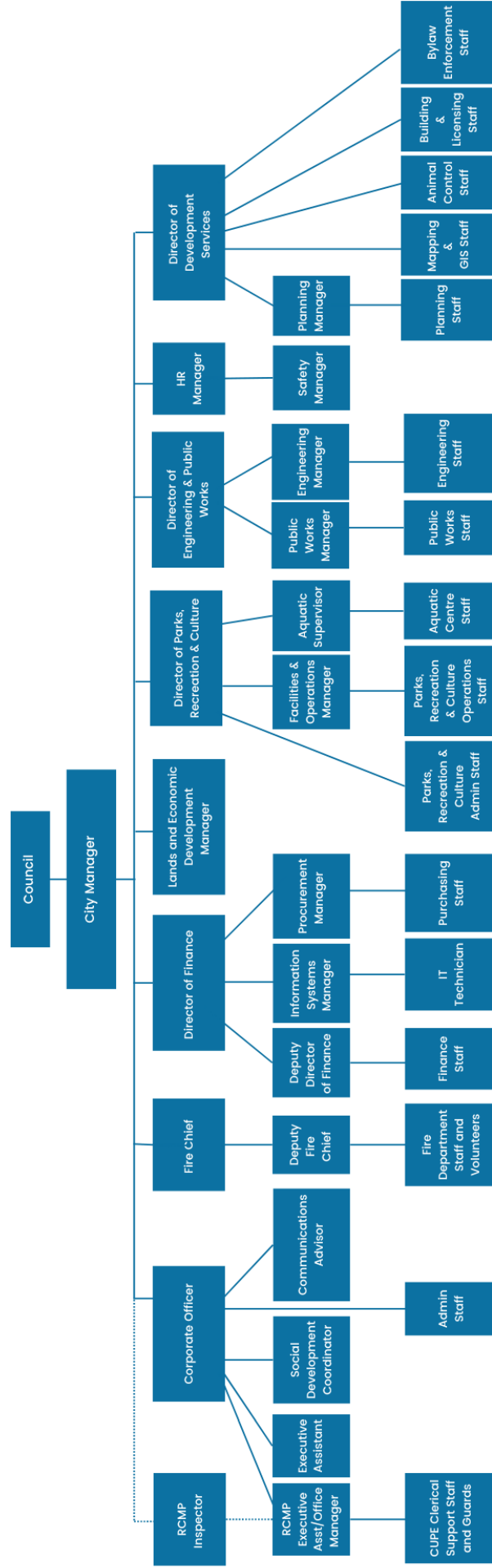


Middle photo: Council passing on donations from the Riverboat Days pancake breakfast to the Terrace Church's Foodbank.

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



ORGANIZATIONAL CHART



DEPARTMENT REPORTS

2024 DEPARTMENT HEADS

City 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
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.



Top left photo: New pickleball courts on Halliwell Avenue.



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



Bottom right 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.

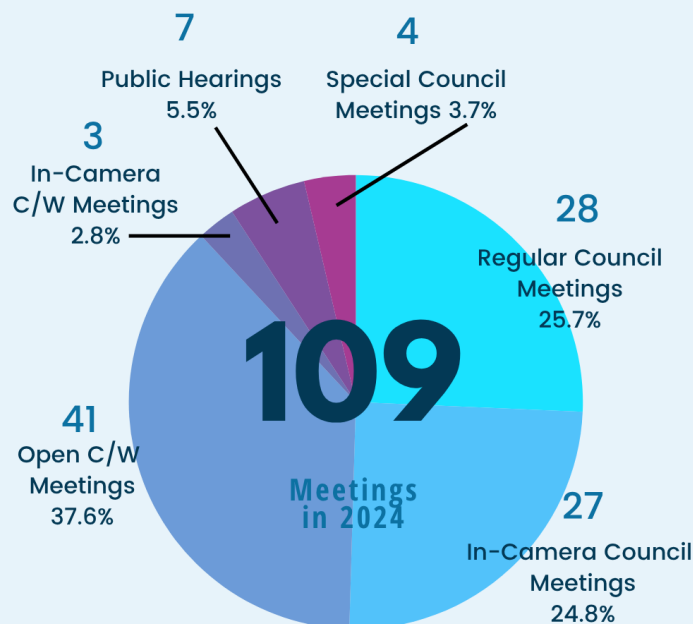
WHAT DOES "IN CAMERA" MEAN?

In camera means "in private." These closed meetings allow Council to meet about confidential topics.

For example, a topic with legal implications would be discussed in camera.

Administration

2024 FACTS AND STATS



What's a C/W?

That's a Committee of the Whole meeting.

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



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.

Communications

2024 FACTS AND STATS



893
posts

facebook.com/cityofterrace

9,779
total followers

1,249
new
followers

**15% increase
in followers**



**ENGAGE
TERRACE**
ENGAGE.TERRACE.CA

engage.terrace.ca



5,600+ site visits

8 new project pages published



[linkedin.com/
company/
city-of-terrace](https://linkedin.com/company/city-of-terrace)

65 posts

676 total followers

341 new followers

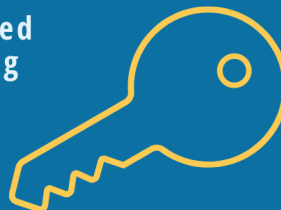
**102% increase
in followers**

Economic Development

2024 FACTS AND STATS

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

**Renewed
bowling
alley
lease
until
2031**



**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 Kwinitza 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.



Finance Department

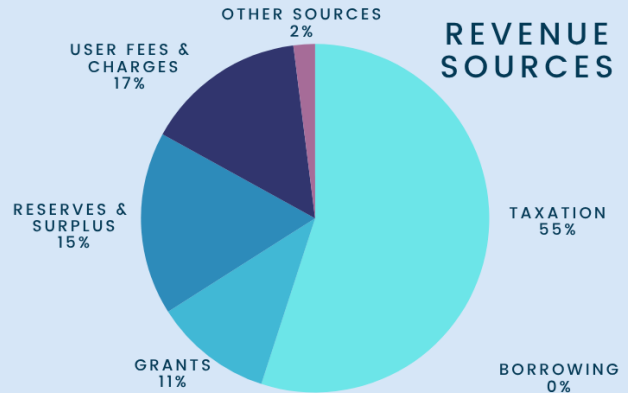
2024 FACTS AND STATS

CITY REVENUES

\$53.8 million
2023
revenues

\$46.68 million
2024
revenues

We received a significant number of grants last year compared to this year, which is a big reason revenues were higher last year.



EXPENSES TOTALLED \$34.5 million

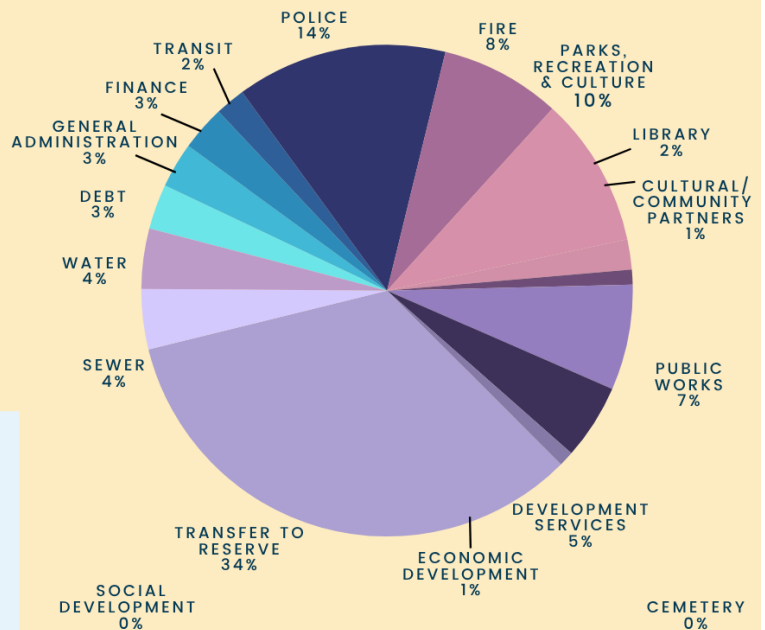
which, when deducted from revenues, created the annual surplus of

\$12.2 million

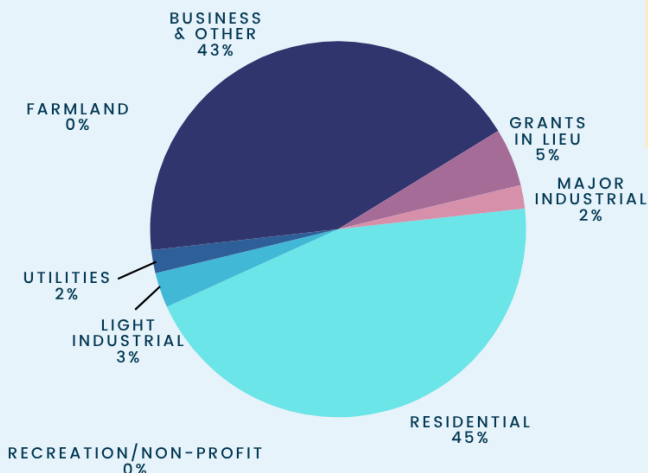
15% Expenses decreased by 15% from 2023.

A major factor is due to funds being set aside in 2023 in case it was needed for the landfill, but these were returned in 2024 based on a new closure plan approved by the Ministry of Environment and Climate Change.

OPERATING EXPENDITURES



DISTRIBUTION OF PROPERTY TAXES



Businesses and residents contribute



of the total property taxation

Investment income was up by

\$224,000

as interest rates held steady



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.

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.

Right: Construction of townhouses on Lazelle Avenue.



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 that 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)

97 graffiti/tagging pieces removed - an 115% increase, as a result of a prolific tagger.

Attended:

853 loitering occurrences
(persons loitering in doorways, bus stops, etc. (647 in 2023)

118 drug-related occurrences
(persons using drugs in public spaces) (262 in 2023)

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

31 disturbances
(people creating a disturbance)



824 written warnings for parking/traffic offences
(143% increase as a result of more officers involved in parking management)

80 Municipal Tickets issued for traffic and property non-compliance issues



86 tents, camps, or shelters dealt with
(82 in 2023)

80 calls to RCMP/EHS
= 23% increase

Community Safety Officers provided vulnerable persons with...

718 wellness checks
(207 checks in 2023)



238 ride assists
(113 assists in 2023)



664 resources 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

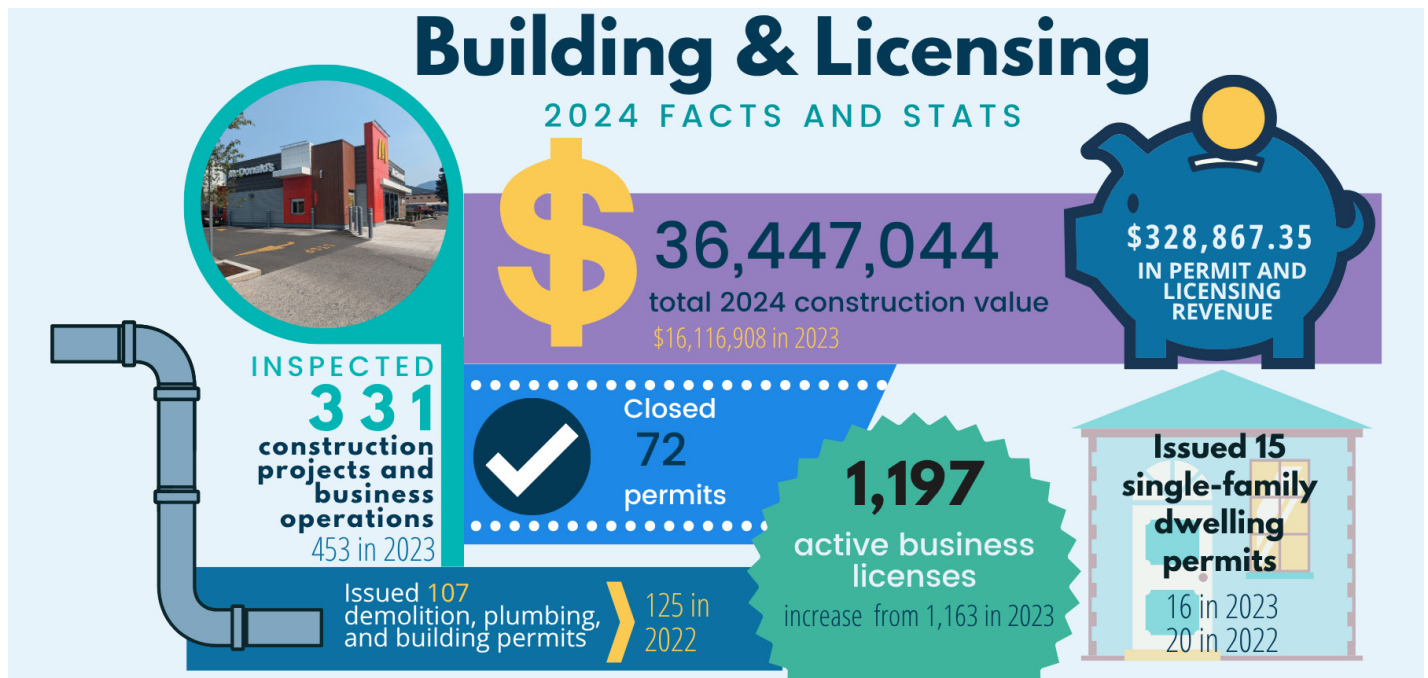
- CSOs & bylaw officers partnering with social service agencies will participate in the annual homeless count contributing to the accurate assessment of homelessness in our community. Working alongside these agencies, CSOs interviewed and collected information from the unhoused population by visiting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

Mapping/GIS

2024 FACTS AND STATS

Storm sewer videos added to internal TerraMap

Created an interactive Official Community Plan web map for public input

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"



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

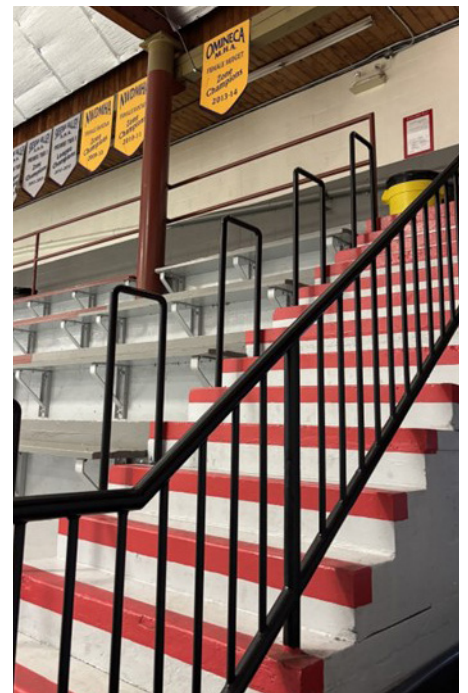
- Continue partnership opportunities for enhancing park spaces including public art installations.
- Work with Rotary club to install a sunshade, to increase sun safety in George Little Park and create another gathering area in our main park.
- Budget for additional seasonal horticulturist will allow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

PROGRAM HIGHLIGHTS

Little Olympians

75 (83% capacity)

Volleyball

24 teams (100% capacity)

Summer Days

338 (99% capacity)

Seniors Can Move

14 (100% capacity)

Adult Intro to Hockey

56 (106% capacity)

LEADERSHIP courses

Course # of Participants

| | |
|-----------------------|----|
| Jr. Lifeguard Club | 0 |
| Bronze Medallion | 23 |
| Bronze Cross | 28 |
| Standard First Aid | 12 |
| NL Full Course | 11 |
| NL Recert | 10 |
| Swim for Life & | 17 |
| Lifesaving Instructor | |
| Combo Course | |

SPORTSPLEX RESERVATIONS

**3,243
hours**

booked in the
Banquet Room and
Rich McDaniel Room

Up 14% (2779.75 hours in 2022)

ARENA OPERATIONS

**3,852.5
hours**

of ice reservations

91

Public
Skate
Sessions

48

Family Sticks &
Pucks Sessions

84

Noon Hour
Hockey
Sessions

77

Family Skate
Sessions

11

Terrace River
Kings games

Terrace & District Aquatic Centre

48,114 membership visits

1,215

children in
swimming lessons

163!

adult swim lessons
(143 more than
last year!)

FITNESS PARTICIPANTS

**358 average
per month**
(4,298 total)

**10 memorial park
benches installed**



5,526
campers

CEMETERY SERVICES

Plots Sold: 48 | Plots Reserved: 4 | Columbariums Reserved: 6
Interments: 12 full body | 17 cremated remains | 6 columbarium



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 City-owned 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 Plant 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

Engineering and Public Works

2024 FACTS AND STATS

117 kms

roads crack sealed

57 kms

of cleaned
sanitary
sewer mains

33 kms

of sanitary
sewer main
video
inspected

28

water repairs,
including:

23 water laterals

4 water mains

8 water valves

potable water
provided to the
community

2,843,894 m³

307

sanitary
manholes
inspected

COLLECTED

874,207

kilograms
of organics

329,450

kilograms
of recycling

1,363,052

kilograms
of refuse

462 KMS

curbs swept

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 Improvement Projects

- 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

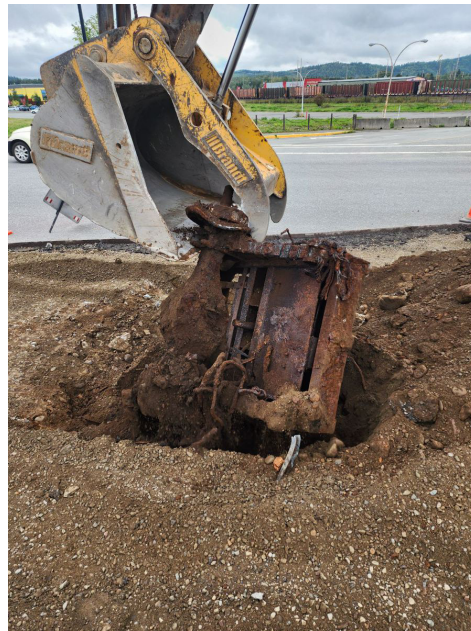
- Install a multi-use pathway and concrete sidewalk along North Thomas street from Halliwell to Cooper.
- Resurface the following sidewalks:
 - Sparks Street – Skeenaview to Halliwell Avenue
 - Kalum Street – replace select failing concrete panels from Skeenaview to Park Avenue
 - Eby Street – Straume 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 in-house.
- 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

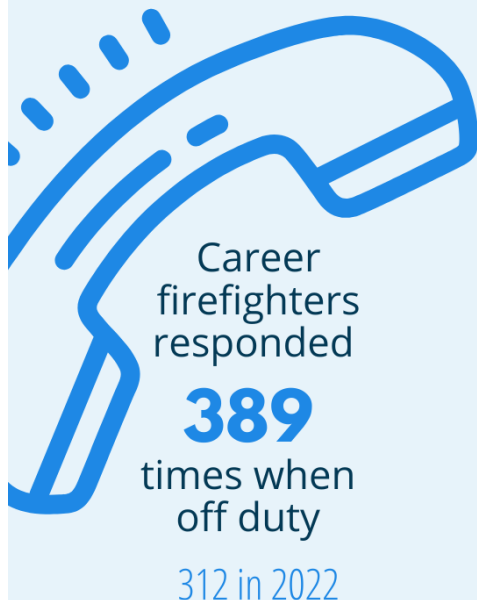
- Continuous maintenance and testing of our fire apparatus is planned to ensure the fleet remains in peak operating condition. This practice is vital for the safety of the team and the community it serves, ensuring that the department is always ready to respond promptly to emergencies.



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.

Fire Department

2024 FACTS AND STATS





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.

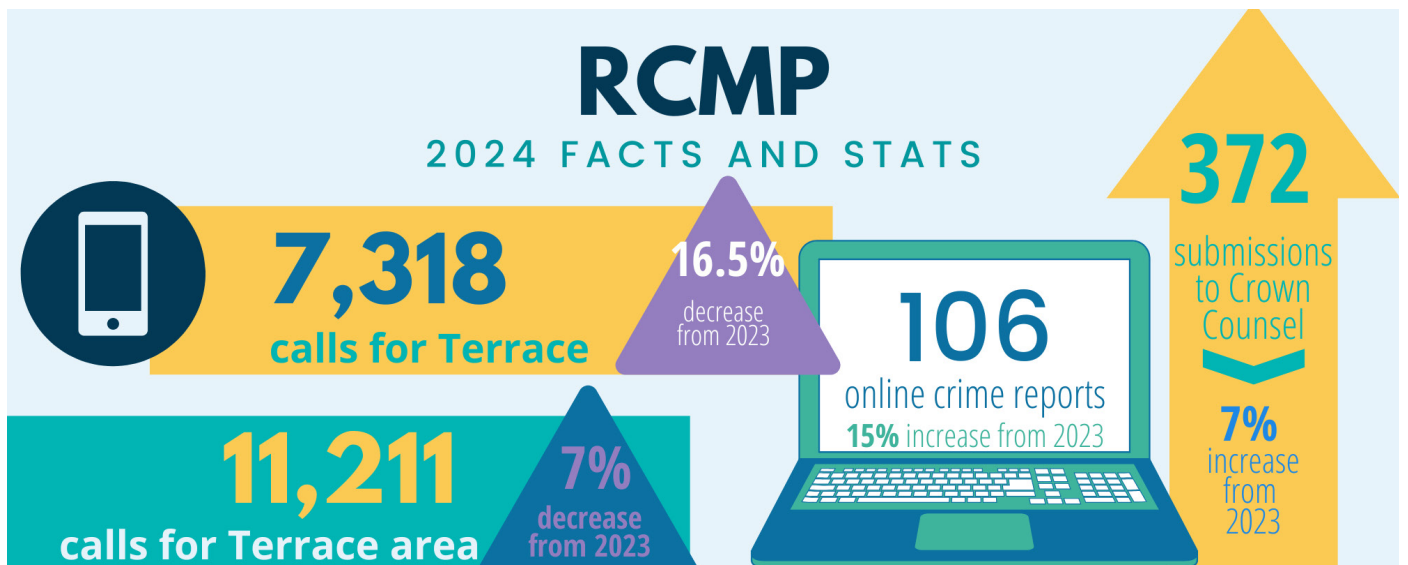
Below left: Mother and son, Corporal Madonna Saunderson and Constable Jonathan Saunderson.

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



May 15, 2025

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 | \$29,239,338 | \$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 means that the investments in 2024 were more than the total amortization 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.

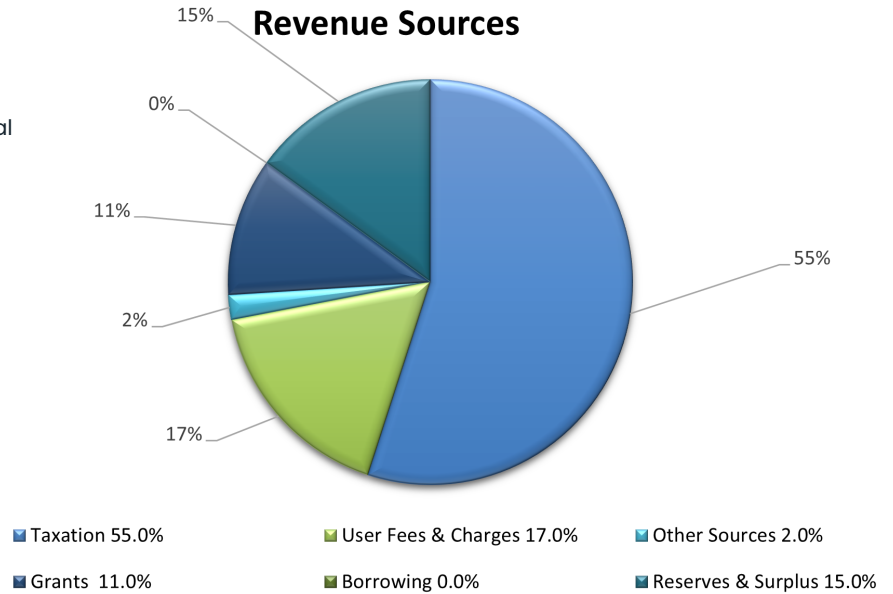
Other significant changes affecting expenses in 2024 include:

- 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.

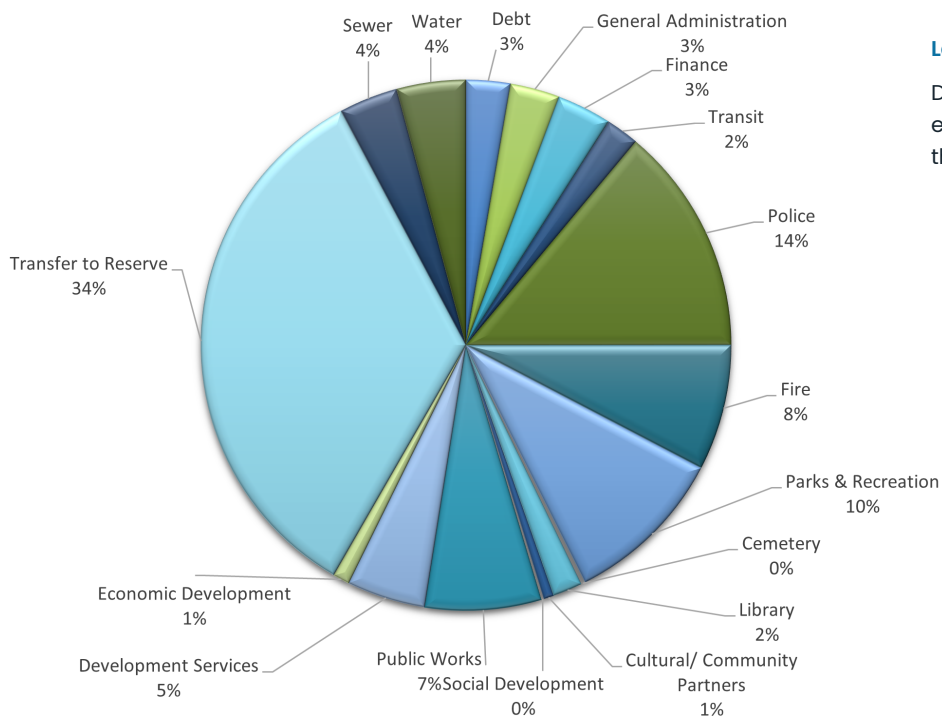
Right:

Details of the composition of revenues are shown in the chart to the right.

This graph is derived from the 2024 Financial Plan Bylaw rather than actuals for the year to highlight the transfer from reserves and surplus required to fund capital projects.



Operating Expenditures



Left:

Details of the composition of expenses are shown in the chart to the left.

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.

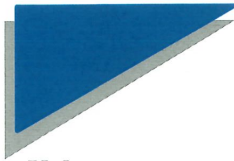


LORI GREENLAW
INTERIM CITY MANAGER



KHALIE GÉNEREAUX
INTERIM DIRECTOR OF FINANCE

Date: May 17, 2025



Vohora LLP
CPAs & Business Advisors

2nd Floor – 4544 Lakelse Avenue
Terrace, BC V8G 1P8

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Toll Free Phone: (800) 281-5214
Email: firm@vohora.ca
www.vohora.ca

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.

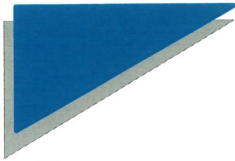
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INDEPENDENT AUDITOR'S REPORT *(continued)*

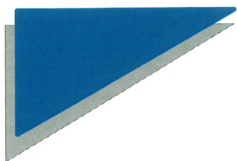
Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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)



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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

| | 2024 | 2023 |
|--|----------------------|----------------------|
| Financial Assets | | |
| Cash and short-term investments (Notes 1 and 2) | \$ 63,314,527 | \$ 49,761,236 |
| Taxes receivable | 767,239 | 2,814,759 |
| Accounts receivable (Note 3) | 2,468,863 | 3,055,647 |
| Land held for resale (Note 1) | 969,993 | 1,407,646 |
| Municipal Finance Authority of BC - debt reserve fund (Note 4) | 88,534 | 85,555 |
| Investment in affiliated entities (Note 5) | 3,643,494 | 2,532,448 |
| | 71,252,650 | 59,657,291 |
| Liabilities | | |
| Accounts payable and accrued liabilities | 5,611,883 | 4,328,625 |
| Deposits and prepayments | 3,050,589 | 2,809,285 |
| Accrued vacation | 581,340 | 550,084 |
| Care fund liability (Note 6) | 247,829 | 244,186 |
| Landfill closure liability (Note 7) | 3,242,345 | 5,208,516 |
| Restricted revenue - development cost charges (Notes 1 and 8) | 599,333 | 217,442 |
| Skeena Industrial Development Park joint venture (Note 9) | 7,377,275 | 7,095,974 |
| Long term debt (Note 10) | 3,394,375 | 3,797,164 |
| Asset Retirement Obligations (Note 11) | 3,006,963 | 2,936,487 |
| | 27,111,932 | 27,187,763 |
| Net financial assets | 44,140,718 | 32,469,528 |
| Non-financial assets | | |
| Inventory (Note 1) | 1,115,257 | 759,245 |
| Prepaid Expenses | 396,373 | 358,365 |
| Tangible capital assets (Note 1 and Schedule 2) | 98,616,318 | 98,568,080 |
| | 100,127,948 | 99,685,690 |
| Accumulated surplus | 144,268,666 | 132,155,218 |
| Accumulated surplus consists of: | | |
| Operating fund | 11,555,051 | 8,144,965 |
| Reserves funds (Schedule 3) | 37,491,672 | 29,239,338 |
| Equity in tangible capital assets (Note 12) | 95,221,943 | 94,770,915 |
| | \$144,268,666 | \$132,155,218 |

Approved by:


SEAN BUJTAS
MAYOR


KHALIE GÉNÉREUX
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) | 12,704,255 | 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 | 2024 Unaudited 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) | (389,449) |
| Decrease in MFA debt reserve | (2,979) | (2,579) |
| Cash provided (used) by financing activities | (405,768) | (392,028) |
| Investing Activities | | |
| (Increase) decrease in investment in affiliated entities | (1,111,046) | 852,429 |
| Increase (decrease) in Skeena Industrial Development Park Joint Venture | 281,301 | (2,085,609) |
| Cash used in investing activities | (829,745) | (1,233,180) |
| Increase (decrease) in cash position | 13,553,291 | 248,602 |
| Cash and cash equivalents - beginning of year | 49,761,236 | 49,512,634 |
| Cash and cash equivalents - end of year | \$ 63,314,527 | \$ 49,761,236 |

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

City of Terrace

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.

City of Terrace

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.

City of Terrace
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.

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.

g) Restricted revenue

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.

City of Terrace

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.

j) Tangible capital assets

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

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

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, inter-organizational transactions and balances are not eliminated and the City recognizes annual earnings or losses in its statement of operations with a corresponding increase or decrease in the investment. Any distributions reduce the carrying value of the investment.

The City's reporting entity includes:

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

City of Terrace

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 | \$ 25,221,102 | \$ 9,454,517 |
| MFA Short-term bond and intermediate funds | 30,116,448 | 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

| | 2024 | 2023 |
|---|---------------------|---------------------|
| Government grants receivable: | | |
| Provincial | | |
| Ministry of Attorney General - Gaming revenue | \$ 177,847 | \$ 204,553 |
| Emergency Management BC | 73,117 | 782,242 |
| UBCM - Flood Mitigation, Community Resiliency | 50,000 | 142,760 |
| Northern Development Initiative Trust | 939,905 | 490,251 |
| Trade receivable - sewer and water | 64,741 | 68,018 |
| Other | 1,163,253 | 1,367,823 |
| Accounts receivable | \$ 2,468,863 | \$ 3,055,647 |

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 |

City of Terrace

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 British Columbia ("MFA") | | |
| Debenture debt matures in 2028 to 2034 and debenture debt annual interest rates range from 2.24% to 4.1%. | \$ 3,394,375 | \$ 3,797,164 |
| Interest paid on long term debt | \$ 191,702 | \$ 184,862 |

Principal repayment for the next five years are:

| | 2025 | 2026 | 2027 | 2028 | 2029 |
|--------------------|------------|------------|------------|------------|------------|
| Principal payment | \$ 298,639 | \$ 298,639 | \$ 298,639 | \$ 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 known 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

13. Net taxes available for municipal purposes

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

14. Grants and Cost Sharing

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

| | 2024 | 2023 |
|-----------------------------------|-------------------|-------------------|
| Capital project grants | | |
| - Provincial | \$ 7,608,768 | \$13,843,294 |
| - Regional District / Other | 876,337 | 1,416,616 |
| | 8,485,105 | 15,259,910 |
| Operating grants and cost sharing | | |
| - Federal | 24,234 | 5,227 |
| - Provincial | 1,917,104 | 1,740,856 |
| - Regional District / Other | 2,277,813 | 1,983,783 |
| | 4,219,151 | 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 trustee 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.

b) Third party claims

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

City of Terrace

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 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)

| | Protective services | Parks, recreation and culture | Transportation and transit | Development services | General government | Waste management |
|--|------------------------|-------------------------------------|-------------------------------|-------------------------|-----------------------|---------------------|
| Revenues | | | | | | |
| Net taxes available for municipal purposes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| User fees and sale of goods and services | 538,047 | 1,634,042 | 667,073 | 807,449 | - | 762,794 |
| Government grants and cost sharing | 202,058 | 1,622,964 | 860,046 | 908,085 | 9,111,103 | - |
| Investment income | - | - | - | - | - | - |
| Developer contributions | - | - | - | - | - | - |
| Land sales, net | - | - | - | - | - | - |
| Other | - | - | - | - | 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 | - |
| 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) | - | - | - |
| | 9,964,943 | 7,236,140 | 7,969,487 | 3,248,256 | 4,043,002 | (778,522) |
| Excess (deficiency) of revenues over expenses | \$ (9,224,838) | \$ (3,979,134) | \$ (6,442,368) | \$ (1,532,722) | \$ 5,391,074 | \$ 1,541,316 |

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

City of Terrace
CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Schedule 1)

| | Water operations | Sewer operations | Other services | Unallocated | 2024 \$ | 2024 Unaudited Budget | 2023 \$ |
|--|---------------------|---------------------|--------------------|----------------------|----------------------|-----------------------------|----------------------|
| Revenues | | | | | | | |
| Net taxes available for municipal purposes | \$ - | \$ - | \$ - | \$ 22,448,978 | \$ 22,448,978 | \$ 22,476,602 | \$ 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 | - | - | - | - | 12,704,255 | 4,803,393 | 18,989,776 |
| Investment income | - | - | - | 2,795,121 | 2,795,121 | 172,000 | 2,570,739 |
| Developer contributions | - | - | - | - | - | - | 3,499,423 |
| Land sales, net | - | - | - | - | 349,850 | - | - |
| Other | - | - | - | 1,311,046 | 1,634,019 | 31,800 | 1,276,851 |
| | 1,413,972 | 790,666 | 55,515 | 26,555,145 | 46,601,780 | 32,971,454 | 53,763,899 |
| Expenses | | | | | | | |
| Salaries and wages | 638,844 | 256,090 | 70,954 | - | 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 | - | - | - | - | 1,119,996 | 231,522 | 1,223,574 |
| Amortization of tangible capital assets | 379,672 | 420,428 | - | - | 4,793,687 | - | 4,558,809 |
| (Gain)/Loss on disposal of tangible capital assets | 84,072 | - | - | - | 89,222 | - | (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) | \$ (486,173) | \$ (32,288) | \$ 26,555,145 | \$ 12,113,448 | \$ 2,510,180 | \$ 13,284,207 |

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

City of Terrace
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

(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 | | | Accumulated Amortization | | | Net book value 2024 | Net book value 2023 |
|-------------------------------------|-----------------|--------------|----------------|--------------------------|-----------------|--------------|---------------------|---------------------|
| | Opening Balance | Additions | Disposals | Ending balance | Opening Balance | Amortization | Ending balance | |
| Land | \$ 10,954,320 | \$ - | \$ (429,993) | \$ 10,524,327 | \$ - | \$ - | \$ - | \$ 10,524,327 |
| Land Improvements | 7,896,008 | 1,966,757 | (45,607) | 9,817,158 | 3,711,456 | 400,341 | 4,071,568 | 5,745,590 |
| Buildings | 37,141,308 | 538,926 | - | 37,680,234 | 19,088,051 | 1,220,545 | 20,308,606 | 17,371,628 |
| Motor Vehicles | 9,438,554 | 613,549 | (581,036) | 9,471,067 | 3,480,545 | 521,337 | 3,494,415 | 5,976,652 |
| Furniture, equipment and technology | 2,572,305 | 483,471 | (162,364) | 2,893,412 | 1,426,721 | 231,696 | 1,499,068 | 1,394,344 |
| Transportation infrastructure | 61,546,137 | - | - | 61,546,137 | 33,826,750 | 1,325,680 | 35,152,430 | 26,393,707 |
| Water infrastructure | 18,746,887 | 209,724 | (116,038) | 18,840,573 | 9,356,340 | 379,672 | 9,704,046 | 9,136,527 |
| Sanitary sewer infrastructure | 18,072,070 | 242,573 | - | 18,314,643 | 10,220,585 | 420,428 | 10,641,013 | 7,673,630 |
| Storm sewer | 15,004,009 | - | - | 15,004,009 | 7,388,131 | 293,988 | 7,682,119 | 7,321,890 |
| Assets under construction | 5,695,071 | 1,382,952 | - | 7,078,023 | - | - | - | 7,078,023 |
| | \$ 187,066,669 | \$ 5,437,952 | \$ (1,335,038) | \$ 191,169,583 | \$ 88,498,589 | \$ 4,793,687 | \$ 92,553,265 | \$ 98,616,318 |
| | | | | | | | | \$ 98,568,080 |

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

City of Terrace

CONSOLIDATED SCHEDULE OF RESERVE FUND ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024

(Schedule 3)

| | Parks acquisition | Machinery and equipment | Land acquisition | Parking space | Sewer capital | Water capital | Capital works | Gaming | Community works | LGCAP |
|------------------------------------|----------------------|-------------------------------|---------------------|------------------|---------------|---------------|---------------|------------|--------------------|------------|
| Balance - Beginning of year | \$ 439,851 | \$ 3,907,952 | \$ 592,009 | \$ 82,141 | \$ 1,037,979 | \$ 747,732 | \$ 3,623,041 | \$ 447,220 | \$ 1,341,746 | \$ 135,075 |
| Transfers in | - | 753,197 | 1,577,495 | 17,500 | 302,300 | 437,353 | 698,400 | 832,227 | 610,592 | 354,779 |
| Investment income | 22,047 | 195,880 | 29,674 | 4,117 | 52,027 | 37,479 | 178,062 | 22,416 | 67,253 | 6,770 |
| Transfers out | - | (186,796) | (20,775) | (6,532) | (412,310) | (324,663) | (214,028) | (343,770) | (745,644) | (15,779) |
| Balance - End of year | \$ 461,898 | \$ 4,670,233 | \$ 2,178,403 | \$ 97,226 | \$ 979,996 | \$ 897,901 | \$ 4,285,475 | \$ 958,093 | \$ 1,273,947 | \$ 480,845 |

| | Animal shelter crematorium | Community forest | Affordable housing | Active transportation | Airport lands joint venture | Northern capital and planning (Schedule 4) | COVID-19 safe restart (Schedule 5) | Growing communities (Schedule 6) | Northwest Regional Funding Agreement | Total |
|------------------------------------|----------------------------------|---------------------|-----------------------|--------------------------|--------------------------------|---|--|--|---|---------------|
| Balance - Beginning of year | \$ 10,000 | \$ 1,709,396 | \$ 92,706 | \$ 18,093 | \$ 1,629,018 | \$ 8,348,773 | \$ 443,607 | \$ 4,633,000 | \$ - | \$ 29,239,339 |
| Transfers in | 10,000 | 200,000 | - | - | 15,000 | - | - | - | 6,889,185 | 12,698,028 |
| Investment income | 501 | 85,881 | 4,847 | 907 | - | 418,470 | 22,235 | 232,222 | - | 1,380,388 |
| Transfers out | - | (428,196) | - | - | - | (2,322,537) | (294,075) | (178,234) | (332,744) | (5,826,083) |
| Balance - End of year | \$ 20,501 | \$ 1,566,881 | \$ 97,353 | \$ 19,000 | \$ 1,644,018 | \$ 6,444,706 | \$ 171,767 | \$ 4,686,988 | \$ 6,556,441 | \$ 37,491,672 |

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

City of Terrace

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

(Schedule 4)

| | 2024 | 2023 |
|------------------------------------|---------------------|---------------------|
| Balance - Beginning of year | \$ 8,348,773 | \$ 11,589,012 |
| Investment income (loss) | 418,470 | 606,199 |
| Transfers out | (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

(Schedule 5)

| | 2024 | 2023 |
|------------------------------------|-------------------|-------------------|
| Balance - Beginning of year | \$ 443,607 | \$ 640,383 |
| Investment income (loss) | 22,235 | 33,497 |
| Transfers out | (294,075) | (230,273) |
| Balance - End of year | \$ 171,767 | \$ 443,607 |

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 GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The City of Terrace received \$4,633,000 of GCF Funding in March 2023.

| | 2024 | 2023 |
|------------------------------------|--------------|--------------|
| Balance - Beginning of year | \$ 4,633,000 | \$ - |
| Transfers in | - | 4,633,000 |
| Investment income | 232,222 | - |
| Eligible costs | | |
| Local roads | (178,234) | - |
| Balance - End of year | \$ 4,686,988 | \$ 4,633,000 |

| 2024 GCF Investments | Project Highlights |
|----------------------|---|
| 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

(Schedule 7)

| | 2024 | 2023 |
|------------------------------|------------|------|
| Transfers in | \$ 210,297 | \$ - |
| Transfers out | (127,177) | - |
| Balance - End of year | \$ 83,120 | \$ - |

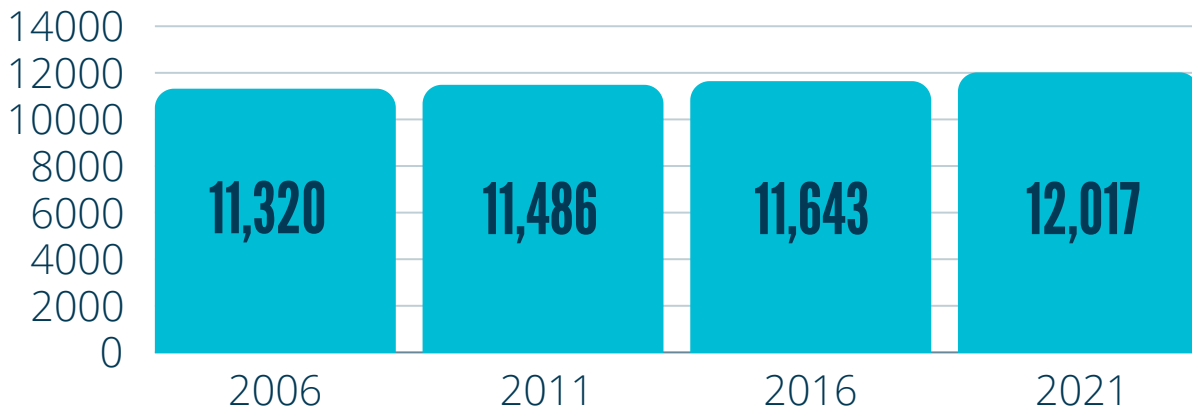


STATISTICAL INFORMATION

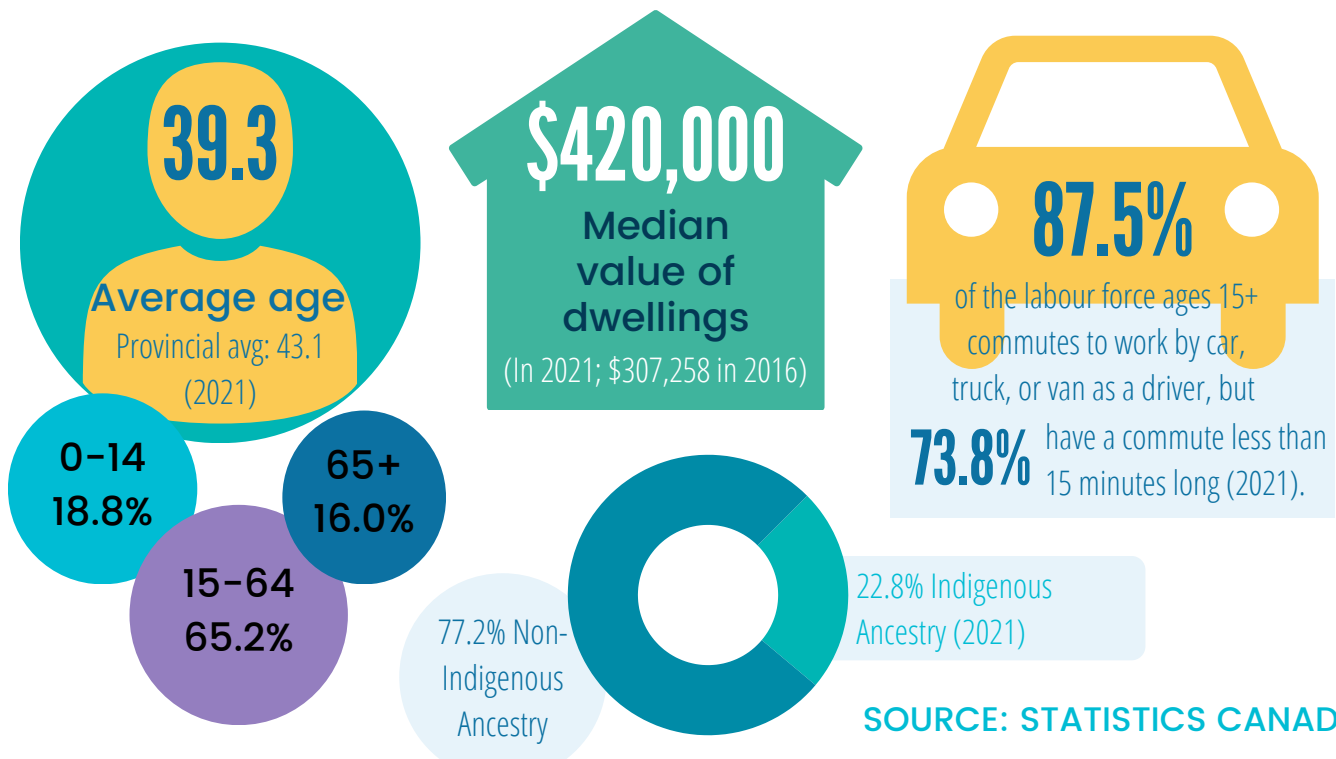
City of Terrace

AT A GLANCE

CITY OF TERRACE POPULATION

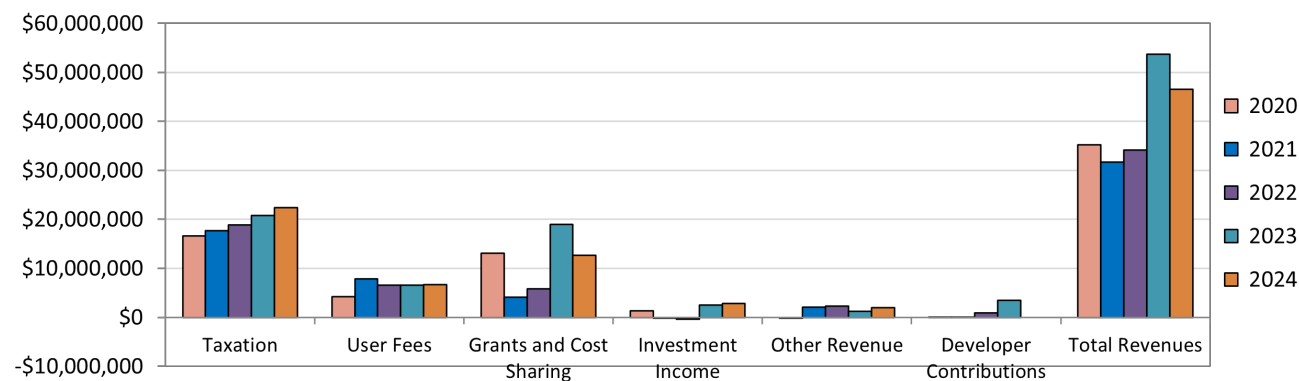


70.1% of private households are occupied by owners; 29.9% by renters (2021)

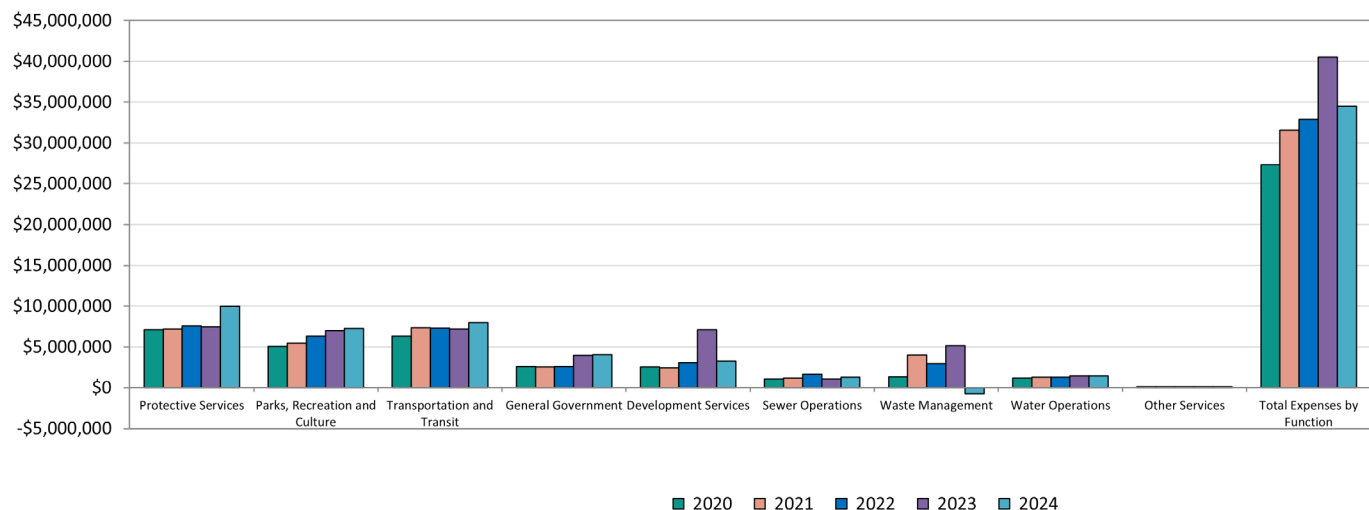


SOURCE: STATISTICS CANADA

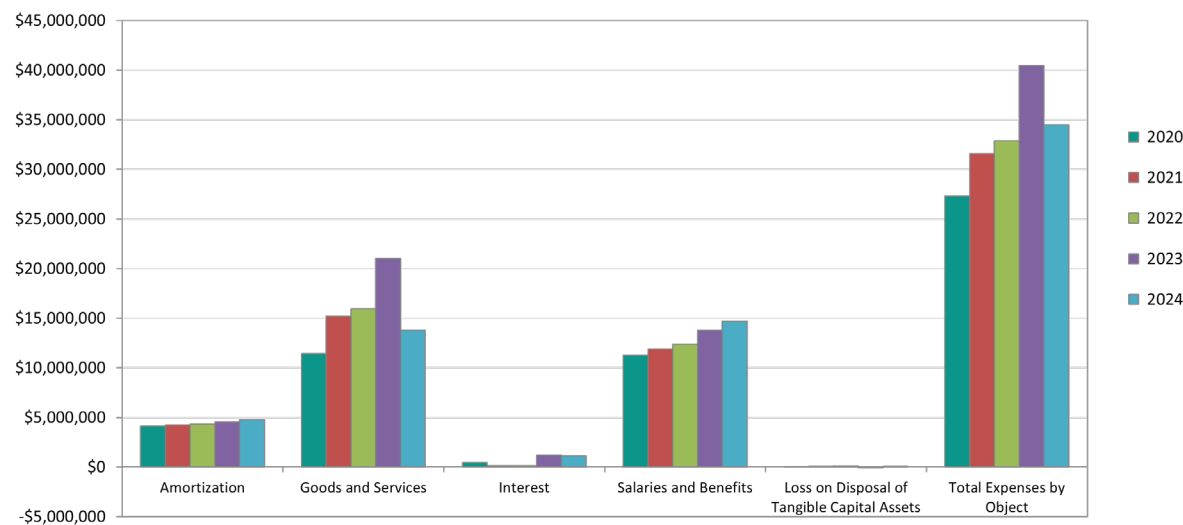
REVENUES BY SOURCE – LAST 5 FISCAL YEARS



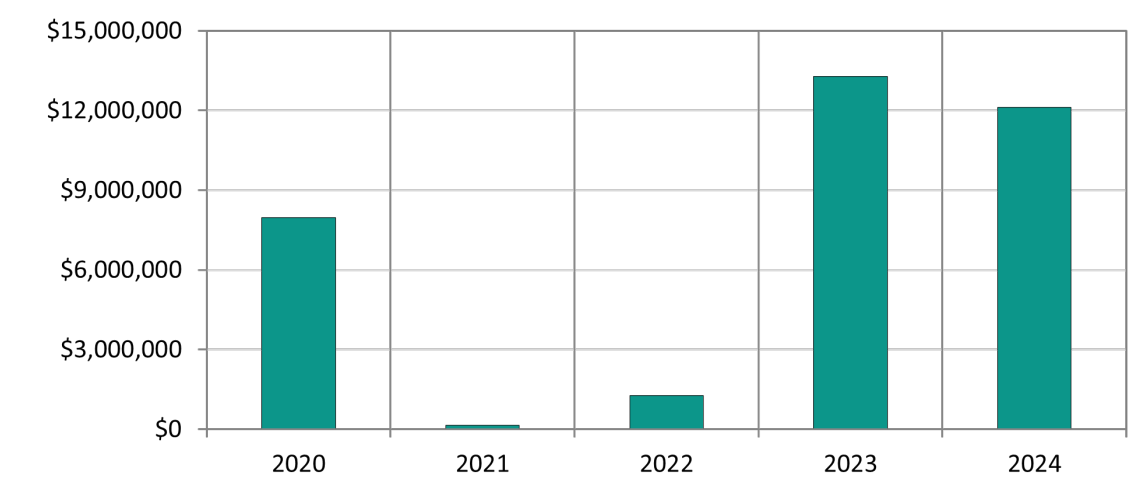
EXPENSES BY FUNCTION – LAST 5 FISCAL YEARS



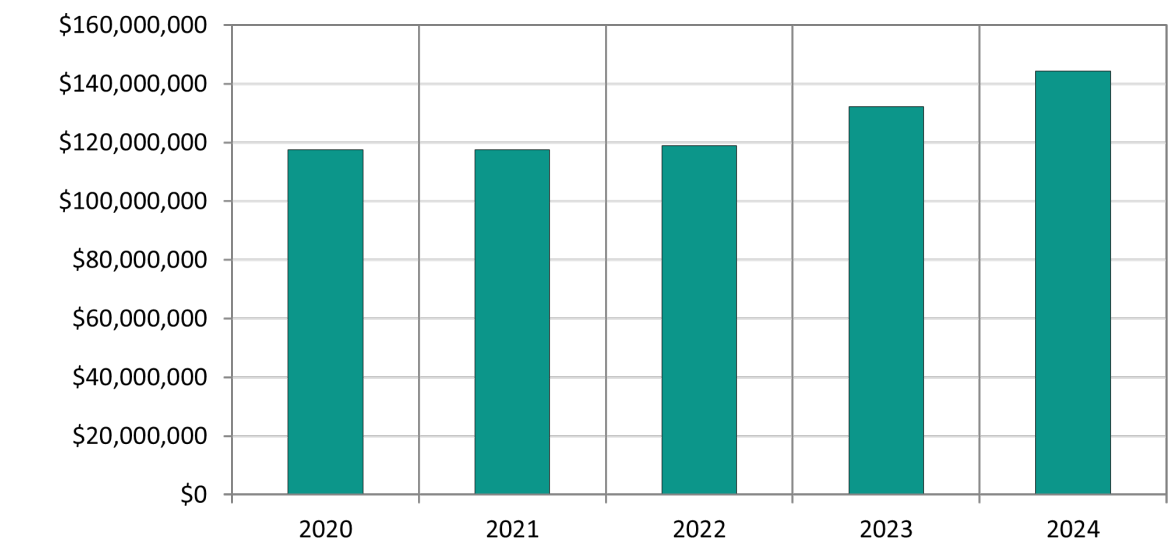
EXPENSES BY OBJECT – LAST 5 FISCAL YEARS



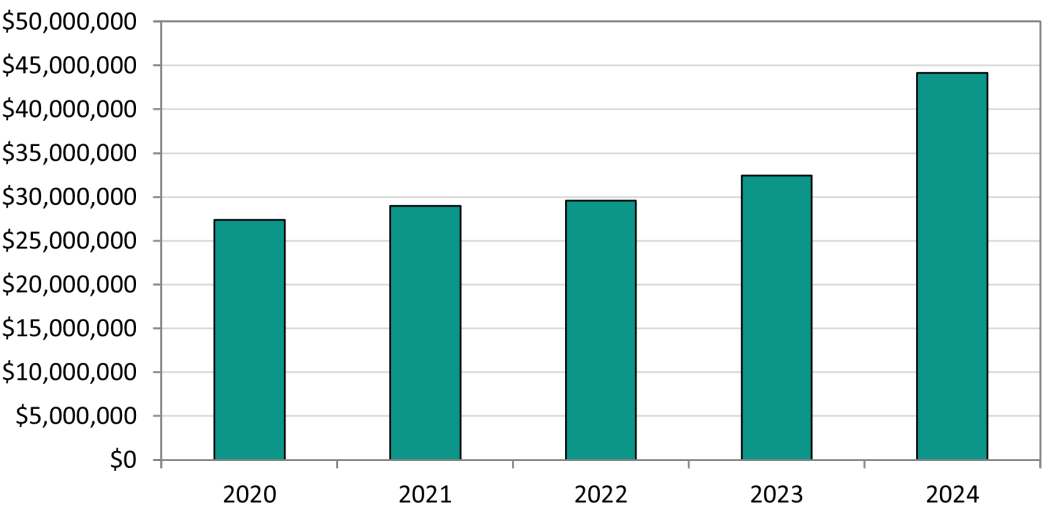
TOTAL ANNUAL SURPLUS



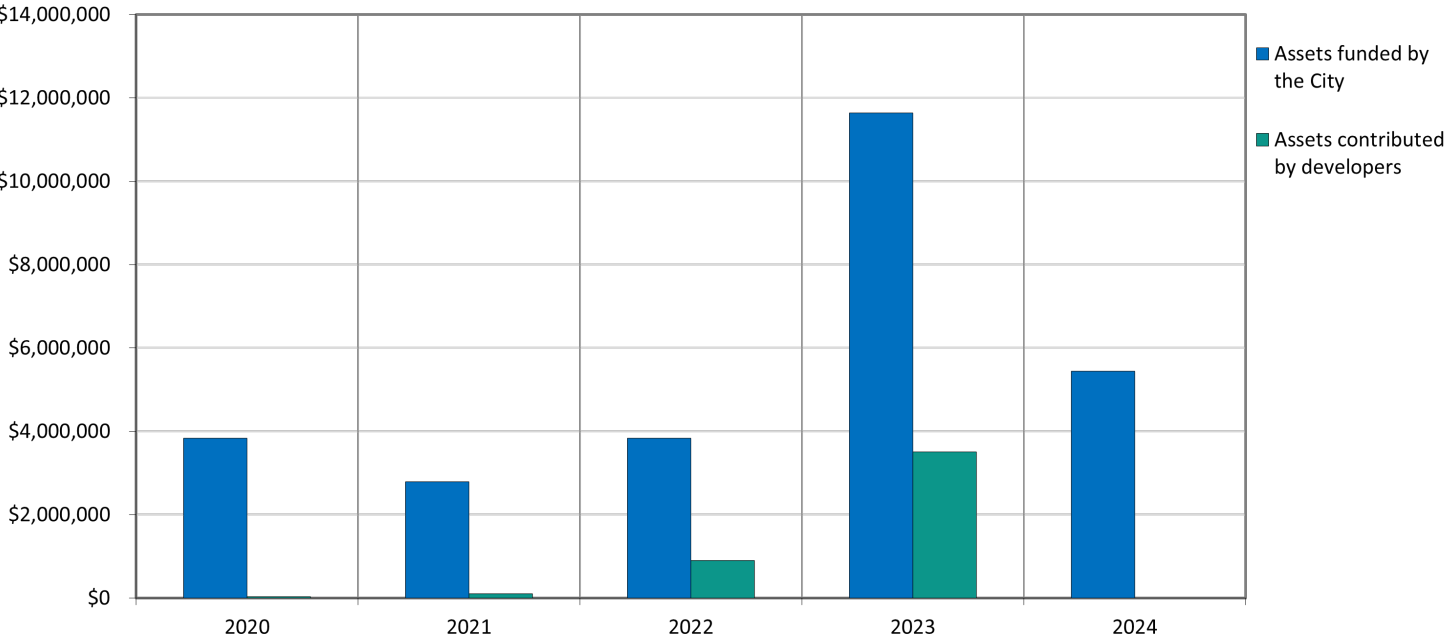
TOTAL ACCUMULATED SURPLUS



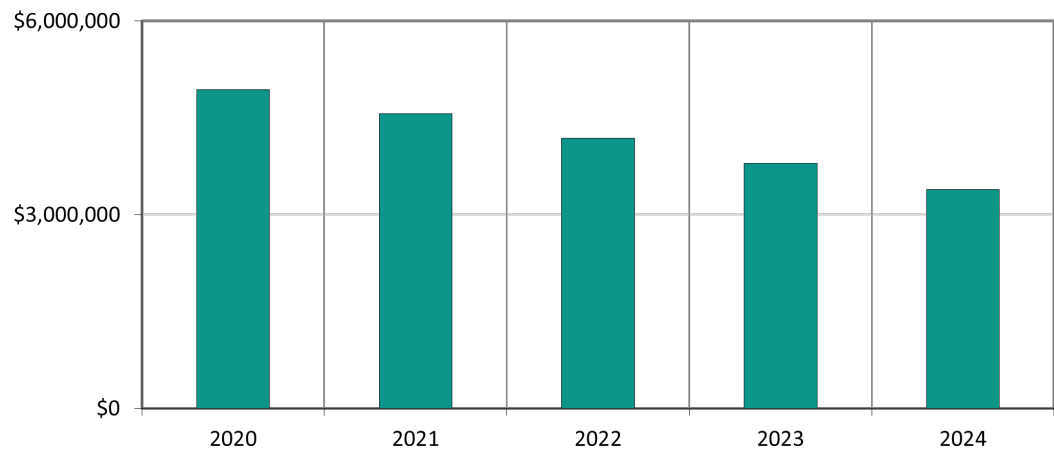
NET FINANCIAL ASSETS



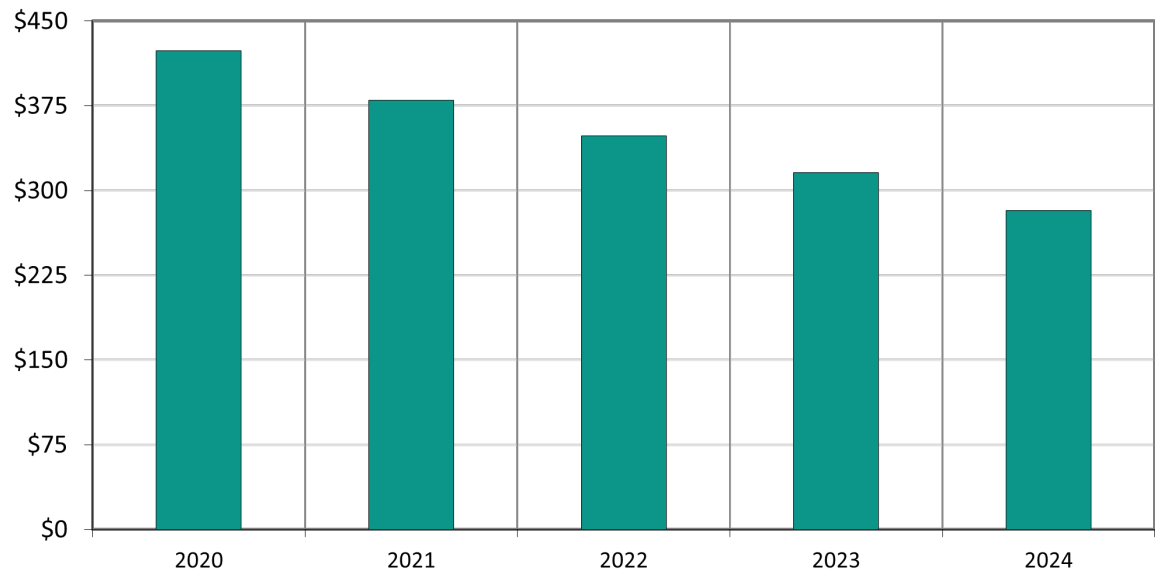
ACQUISITION OF TANGIBLE CAPITAL ASSETS



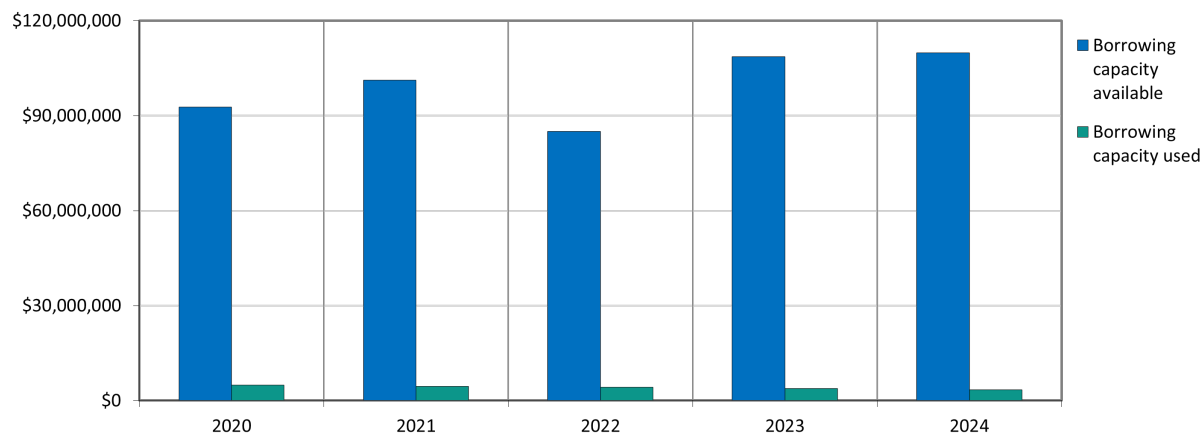
LONG-TERM GENERAL DEBT OUTSTANDING (SUPPORTED BY PROPERTY TAXES)



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



LEGISLATED BORROWING CAPACITY



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

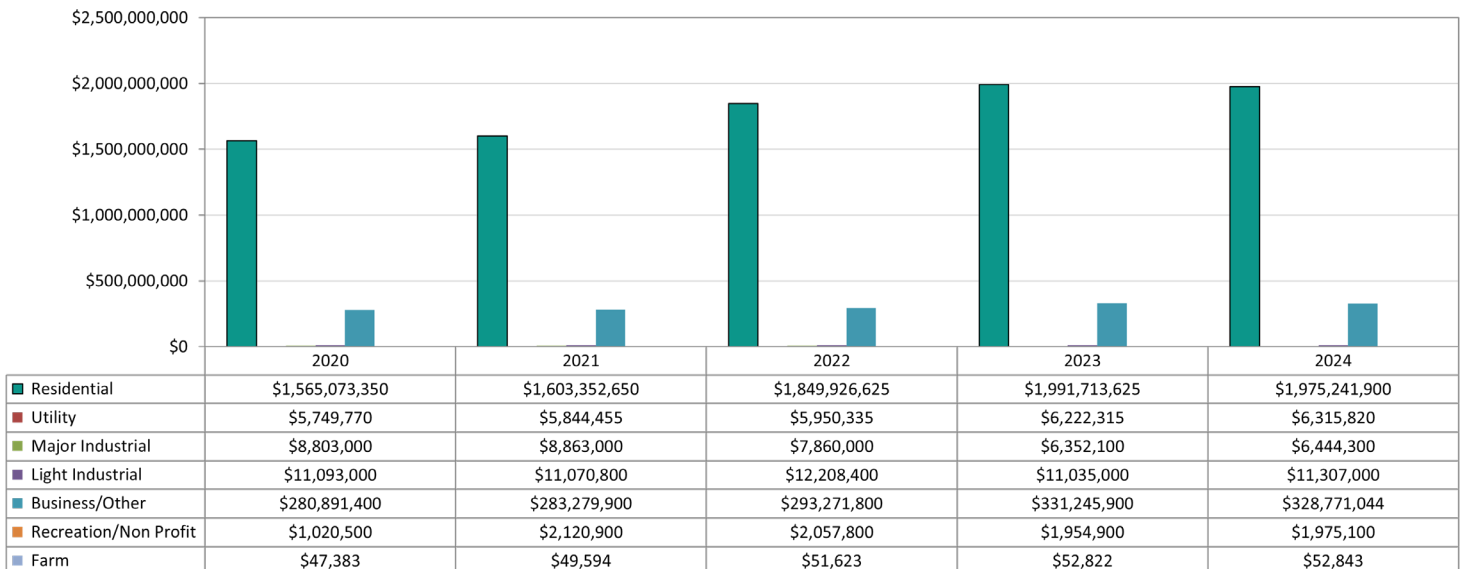
PROPERTY TAX COLLECTIONS

| | 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% |
| <i>¹Includes residential flat rate utilities, collections for other authorities, and penalties; excludes grants in lieu of tax and interest</i> | | | | | |

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 |

ASSESSED VALUES



PRINCIPAL CORPORATE TAXPAYERS

| 2024 MAJOR TAX REVENUE BASE (INCLUDES GENERAL MUNICIPAL TAXES ONLY; DOES NOT INCLUDE 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 | 11,021,173 | 7,695,000 | 26,308,007 | 331,481,413 | 17,014,455 |

Unaudited Statistical Information, Source: City of Terrace Finance Department

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 Exempt 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) | 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 | 4623 Tuck | 670 | 400 |

PERMISSIVE TAX EXEMPTIONS (CONT'D)

| | | | |
|------------------------------------|----------------|------------------|------------------|
| Skeena Gursikh Society | 4634 Walsh | 1,184 | 562 |
| 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 | 3,185 | 834 |
| Anglican Synod Diocese | 4506 Lakelse | 2,322 | 1,103 |
| BC Old Age Pensioners (Happy Gang) | 3266 Kalum | 1,774 | 874 |
| George Little House | 3100 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 | 414 |
| 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 |
| Totals | | \$645,433 | \$161,489 |

DECLARATION OF DISQUALIFICATIONS

There were no disqualifications made under Section 111 of the Community Charter in 2024.

Rachel Mattiuz
Corporate Officer



CITY OF TERRACE

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