Richmond City Council

Front row, left to right:
Councillor Carol Day,
Councillor Bill McNulty,
Mayor Malcolm Brodie,
Councillor Linda McPhail,
Councillor Harold Steves

Back row, left to right:
Constable Adam Carmichael,
Richmond RCMP,
Councillor Chak Au,
Councillor Derek Dang,
Councillor Ken Johnston,
Councillor Alexa Loo,
Captain Jack Beetstra,
Richmond Fire-Rescue

City of Richmond’s Vision:
To be the most appealing, livable and well-managed community in Canada
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This report features highlights from Richmond’s 2015 Annual Report. For the detailed 2015 Annual Report that meets legislated requirements, please visit www.richmond.ca (City Hall > Finance, Taxes & Budgets > Budgets & Financial Reporting > Annual Reports).


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Message from the Mayor

2015 was a remarkable time of growth and transformation for the City of Richmond.

The bold future expressed in our ambitious Official Community Plan is beginning to be realized. New construction hit an all-time record pace, our City Centre continued its rapid evolution and we saw steady job growth with the opening of major new businesses and continued expansion of our existing business core.

Our Council has supported continuing growth with strategies to enhance our robust economy, protect our environment and sustain Richmond’s enviable quality of life. Sound financial planning has also enabled us to pursue an aggressive agenda to dramatically renew and expand our community amenities and infrastructure while we enhance civic services and innovate to improve customer service.

In the first year of a new four-year mandate Council updated its Term Goals for 2014-2018. This Annual Report highlights many of the City’s achievements during 2015 that support those goals. Some of the highlights include:

- An all-time record in building activity, with nearly $1 billion in new construction.
- The busiest filming year on record, marking Richmond as a major film hub.
- The opening of the new 28,000 sq. ft. City Centre Community Centre, providing recreation and arts opportunities for the fastest growing and most diverse area of the city.
- The official opening of the ROX (Richmond Olympic Experience) at the Richmond Olympic Oval, providing a major new community amenity and tourism attraction.
- Occupancy of the Kiwanis Towers Seniors Housing project, with 296 units of subsidized seniors rental housing.

• Commencement of construction on the City’s new Minoru Complex, which will house aquatic and seniors’ centres, plus additional sports and recreation amenities.
• Completion of design and construction enabling works for two new, post-disaster fire halls, which will open in 2017.

While 2015 marked many positive achievements, it was not without challenges. Thus, Council also took decisive action to address community concerns from over-sized new single-family homes to threats posed by port expansion on agricultural land. Council, staff, our community partners and volunteers will continue to work collaboratively to build on our achievements of the past year. I invite you to contact the Mayor’s Office to learn more about our accomplishments in 2015 and our plans for Richmond’s future.

Malcolm Brodie
Mayor, City of Richmond
I am proud to present the City of Richmond’s 2015 Annual Report, which details the City’s outstanding financial position, along with another extraordinary year of excellence in service delivery and innovation for our administration.

Our visionary Official Community Plan and City Centre Area Plan, along with construction of the Canada Line and the Richmond Olympic Oval, have all been catalysts for a record period of growth and transformation for Richmond, reaching an all-time record pace in 2015.

As Richmond grows, our City administration has kept pace with substantial and strategic investments in new parks, civic amenities and infrastructure to serve our community.

We’ve also made sustainability the foundation upon which we grow, ensuring the enviable quality of life enjoyed in Richmond today will continue for generations to come. Our award-winning district energy program continued its aggressive expansion to service thousands of residents along with major commercial and institutional users. District energy is just one part of Richmond’s internationally-recognized leadership in promoting energy efficiency, putting us on target to achieve carbon neutrality for a third straight year in 2015. The City, along with the Richmond Olympic Oval, was also invited to be founding partners with AISTS (the International Academy of Sport Science Technology in Lausanne, Switzerland) to promote sustainable event planning around the globe.

The AISTS partnership is one of many examples of how Richmond continues to benefit from our significant investments in the 2010 Olympic Games and the Richmond Olympic Oval. In 2015, we realized a major goal with the opening of the ROX (Richmond Olympic Experience), which is quickly establishing itself as a major new tourist attraction.

Tourism continues to build upon the boost provided by the 2010 Games. Our local hotels enjoyed the highest occupancy rates in Canada during 2015. This success was, in part, thanks to the Richmond Sport Hosting program, which since its establishment in 2010 has now generated more than 100,000 hotel room stays, amounting to more than $32 million in economic spinoffs.

The Richmond Olympic Oval also received a new five-year contract to become home to Canada’s women’s national volleyball team, further cementing its reputation as an international destination of choice for elite athlete training and competition.

The accomplishments detailed in this Annual Report are made possible through prudent fiscal management and ongoing commitment to the City’s innovative Long Term Financial Management Strategy. Richmond remains committed to continuous improvement and our vision to be one of Canada’s best managed communities.

George Duncan
Chief Administrative Officer
2015 highlights

In 2015, the City achieved a number of milestones in fulfilling Council’s Term Goals for 2014-2018. Some of the more significant achievements of the year are highlighted on these pages:

**Safe Community**
Construction began on two new post-disaster rated fire halls. When these buildings are complete in 2017, all of Richmond’s public safety buildings will have been replaced or upgraded since 2002.

**Vibrant, Active, and Connected City**
The first ever Richmond World Festival, celebrating our community diversity, was a critical and popular success. The Festival was named the Most Outstanding Event in Canada in the Canadian Event Industry Awards.
The ROX (Richmond Olympic Experience) opened at the Richmond Olympic Oval, creating a new community cultural amenity and regional tourist attraction. The new City Centre Community Centre opened. Serving Richmond’s fastest growing neighbourhood, it is the City’s first urban focussed community centre.

**Well-Planned Community**
Richmond was among the first municipalities in the province to enact bylaws providing for early termination of Land Use Contracts. The City also passed new bylaws to address community concerns about over-sized homes, placing new limits on building heights and massing.
Guided by the City’s Official Community Plan, building permit construction value reached nearly $1 billion in 2015, an all-time record.
Leadership in Sustainability
The continued implementation of the Council approved Green Fleet Action Plan resulted in an overall 1.9% reduction in litres of fuel consumed per 100 km. driven as compared to the previous year.

Partnerships and Collaboration
Residents took occupancy of the new Kiwanis Towers, which includes 296 units of subsidized rental housing for seniors. The City provided $20.8 million in capital funding for this project. The City received the 2015 UBCM Community Excellence Award for Partnerships for the project, which involved multiple partners including community groups and government agencies.

Quality Infrastructure Networks
In 2015, 1,500 new water meters were installed. 85% of single-family residences are currently metered, with all single-family homes being metered within the next three years.

Site preparation works were completed for construction of the $79 million Minoru Complex, which will house new aquatic and seniors’ centres and other recreational services.

Strong Financial Stewardship
The 2015 tax increase of 1.89% was among the lowest in the region, ensuring Richmond property owners continue to receive high value for their tax dollars.

Supportive Economic Development Environment
The Richmond Film Office recorded its busiest filming year on record. In addition to several TV series, two major feature films, Deadpool and the newest Planet of the Apes movie, filmed for extended periods in Richmond.

Well-Informed Citizenry
The City expanded its network of free Wi-Fi to now include 14 civic facilities, with more facilities to be added in 2016, improving access to information for all residents.
Richmond has established a strong reputation as a leader in local government service delivery and innovation. The many awards the City received in 2015 reflect this reputation and our commitment to continuous improvement. The awards included:

- The **2015 Gold Quill Award of Excellence** from the International Association of Business Communicators recognizing the extensive public information program to launch the expanded Green Cart organics waste recycling program.

- The **2015 UBCM Community Excellence Award** for Partnerships for the Kiwanis Towers Seniors Housing project.

- The **2015 Sustainable Communities Award** from the Federation of Canadian Municipalities recognizing the City Centre Area Plan as the roadmap for a highly livable, transit-oriented, urban centre with a strong mix of commercial, residential and public development.

- The Richmond Olympic Oval received the “**All Time Award**” from the International Association of Sports and Leisure Facilities (IAKS) and the International Olympic Committee (IOC). This is an award reserved for landmark sports facilities in the world over the past half-century.

- A third consecutive selection as a **Top 10 City of the Future** for 2015-16 by *Foreign Direct Investment* magazine.

- A **2015 Climate and Energy Action Award** Honourable Mention for a Richmond Ice Centre project which significantly reduced greenhouse gas emissions.

- For the City’s annual report, a 13th consecutive **Canadian Award for Financial Reporting** and 6th consecutive **Award for Outstanding Achievement in Popular Financial Reporting**, from the Government Finance Officers Association.

- Selection of the Richmond Maritime Festival as a Finalist for **Best Public Entertainment Event or Festival in Canada** at the 2015 Canadian Event Industry Awards.

- A **Regional Citation Award** from the Canadian Society of Landscape Architects for the Terra Nova Play Environment.
Financial information

The City continued to strengthen its financial position in 2015. The City's net worth reached $2.7B (2014: $2.6B) and cash and investments increased to $951.4M (2014: $864.7M). Net financial assets increased to $664.0M (2014: $602.6M). Statutory reserves increased to $461.2M (2014: $376.6M). These highlights reflect City Council's focus on long term financial sustainability guided by the Long Term Financial Management Strategy.

Revenues for 2015 were $527.1M (2014: $496.3M) and expenses were $373.6M (2014: $360.9M). The revenue increases were mainly due to increased development activity resulting in increased contributed assets, community amenity contributions and permit fees. The construction value of building permits issued in 2015 reached an all-time high of $983.4M (2014: $475.6M).

The expense increases were mainly due to significant contributions for affordable housing, collective agreement increases, policing and an expanded organics recycling program.

Once again, the City was recognized by the Government Finance Officers Association with two awards for annual financial reporting.

Although there are still a number of challenges to overcome such as affordable housing and ageing infrastructure, Richmond's economy continues to prosper and the current financial position is strong. The outlook is also positive as we continue to enhance the City's economic well-being for future generations without compromising the high standard of living that exists today.

Andrew Nazareth, BEc, CPA, CGA
General Manager, Finance and Corporate Services

### Balance Sheet (in $000s)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Assets</td>
<td>$1,017,492</td>
<td>$931,657</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>353,482</td>
<td>329,037</td>
</tr>
<tr>
<td>Non-Financial Assets</td>
<td>2,067,184</td>
<td>1,975,020</td>
</tr>
<tr>
<td>Accumulated Surplus</td>
<td>$2,731,194</td>
<td>$2,577,640</td>
</tr>
</tbody>
</table>

A Balance Sheet provides a snapshot of what the City owns (assets) and owes (liabilities). Financial assets are similar to cash resources and are fairly liquid. Non-financial assets are owned and will be utilized for future services, including tangible capital assets, inventories and prepaid expenses. Accumulated surplus is an indicator of the City's overall financial health. It is equivalent to the net worth of an organization.

### Income Statement (in $000s)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>$527,128</td>
<td>$496,337</td>
</tr>
<tr>
<td>Total Expense</td>
<td>373,574</td>
<td>360,927</td>
</tr>
<tr>
<td>Annual Surplus</td>
<td>$153,554</td>
<td>$135,410</td>
</tr>
</tbody>
</table>

An Income Statement provides a summary of amounts received (revenues) and amounts spent (expenses). The difference between revenue and expenses shows the City's net position (annual surplus). A positive change in net position indicates the City had enough revenues to cover its expenditures. The annual surplus represents the change in accumulated surplus on the Balance Sheet and includes amounts collected for transfer to reserves, recognition of restricted capital revenues and for contributed assets.
Financial data used to prepare this information is taken directly from the Consolidated Financial Statements for highlight purposes only. This information presented is in conformity with generally accepted accounting principles (GAAP). For a copy of the full 2015 Annual Report, including the Audited Financial Statements, go to www.richmond.ca/cityhall/finance/reporting/reports or contact the City of Richmond Finance Department at 604-276-4218.

**Revenue by Source 2011–2015**

![Revenue by Source 2011–2015](image)

*Capital funding includes: Development cost charges and other capital funding sources
**Other includes: Provincial and federal grants, licenses and permits and other sources.
Source: City of Richmond Finance and Corporate Services

**2015 Actual Breakdown of $1 of Municipal Tax**

![2015 Actual Breakdown of $1 of Municipal Tax](image)

Source: City of Richmond Finance and Corporate Services

**Expenses by Function 2011–2015**

![Expenses by Function 2011–2015](image)

*Other entities includes: Richmond Olympic Oval, Richmond Public Library and Lulu Island Energy Company.
** Expenses for Community services include one-time contributions toward affordable housing of $11.8m: 2014 and $12.3m: 2015
Source: City of Richmond Finance and Corporate Services

**Expenses by Object 2011–2015**

![Expenses by Object 2011–2015](image)

Source: City of Richmond Finance and Corporate Services
Demographic information


Source: City of Richmond Policy Planning Division

Language spoken most often at home 2006–2015

Source: Statistics Canada 2011 Census of Population

Occupations of Richmond residents

Source: Statistics Canada, 2011 National Household Survey (NHS)