



# City of Richmond

## Report to Committee

**To:** Finance Committee

**Date:** May 12, 2023

**From:** Jerry Chong  
General Manager, Finance and Corporate  
Services

**File:** 01-0375-01/2023-Vol  
01




**Re:** 2022 Annual Report and 2022 Annual Report Highlights

### Staff Recommendation

That the reports titled, "2022 Annual Report and 2022 Annual Report – Highlights" be approved.

Jerry Chong  
General Manager, Finance and Corporate Services  
(604-276-4064)

Att. 2

<b>REPORT CONCURRENCE</b>	
<b>CONCURRENCE OF GENERAL MANAGER</b>	
	
<b>SENIOR STAFF REPORT REVIEW</b>	<b>INITIALS:</b> 
<b>APPROVED BY CAO</b>	
	

## Staff Report

### Origin

Pursuant to Section 98 of the Community Charter, before June 30<sup>th</sup>, in each year, a Council must:

- a) Prepare an annual report
- b) Make the report available for public inspection
- c) Have the report available for public inspection at a Council or other public meeting

This report supports Council's Strategic Plan 2022-2026 Focus Area #4 Responsible Financial Management and Governance:

*Responsible financial management and efficient use of public resources to meet the needs of the community.*

*4.1 Ensure effective financial planning to support a sustainable future for the City.*

*4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.*

### Analysis

The City of Richmond's annual report formally presents the audited financial statements and other relevant financial, economic and demographic indicators to the public. The report also highlights many of the City's significant achievements and milestones from 2022.

Two versions of the Annual Report are produced each year in order to reach the different audiences interested in this information. The comprehensive 2022 Annual Report meets all legislative requirements for financial reporting as required under the Community Charter for British Columbia's local governments. This version will be publicly available through the City's [website](#) and printed only on a demand basis. The comprehensive version includes the City's audited consolidated financial statements; the City's corporate objectives and success indicators, as identified through Council's Term Goals; and a listing of permissive exemptions. In addition to the statutorily required information, the comprehensive version provides information on the City's milestones from 2022, including awards and achievements and a variety of key corporate financial and community demographic statistical data for the year.

For a broader audience, the City also produces a condensed financial reporting document known as the 2022 Annual Report – Highlights. This shorter version, which is designed to be accessible and easily understandable for a general audience, provides information about the City of Richmond, its services, highlights from 2022 and the City's financial condition. In order to support sustainable practices the condensed version is available through the City's website and distribution will be done electronically. There will be limited printed copies for presentation purposes and to fulfill statutory obligations.

Both copies will be submitted to the Government Finance Officers Association for consideration in their annual awards program. The previous year's awards for the 2021 reports were received for both the Canadian Award for Financial Reporting (20<sup>th</sup> consecutive year) and the Outstanding Achievement in Popular Financial Reporting Award (13<sup>th</sup> consecutive year).

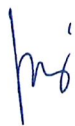
The reports are produced entirely in house through the joint efforts of the Finance Department and the Corporate Communications and Marketing Department, with design by the in-house Production Centre team. The 2022 reports also feature photos submitted by City of Richmond employees who were asked to submit images to showcase their city, and recognize the talent and contributions of staff outside their day-to-day work environments.

**Financial Impact**

None.

**Conclusion**

The City of Richmond 2022 Annual Report and the 2022 Annual Report – Highlights satisfy the Community Charter requirements for financial reporting and are important instruments in ensuring public transparency and accountability for the management of City finances. The reports also provide useful information on the City's achievements and milestones during the 2022 fiscal year.



Mike Ching  
Director, Finance  
(604-276-4137)



Clay Adams  
Director, Corporate Communications and  
Marketing  
(604-276-4399)

- Att. 1: 2022 Annual Report
- 2: 2022 Annual Report – Highlights





City of  
Richmond  
British Columbia, Canada

# 2022 Annual Report

For the year ended December 31, 2022









# City of Richmond

British Columbia, Canada

# 2022 Annual Report

For the year ended December 31, 2022

*Our vision is to be the most appealing, livable  
and well-managed community in Canada*

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For an online copy of this report, please visit <https://richmond.ca/city-hall/finance/reporting/reports.htm>



The City of Richmond is proud of its diverse and committed workforce. This year, we asked our employees to take photos and send us images of “their Richmond” for this report. Photos with the camera icon are just some of the submissions, and we are delighted to share them with you. None are professional photographers.

**COVER PHOTO:** SPRING TIME AT RICHMOND CITY HALL



# Message from the Mayor



The City of Richmond has always been a civic leader, and our City Council is known for its bold, innovative, sustainable programs and strategies that benefit residents and businesses.

Those programs and strategies were key to our City's continuing emergence from the pandemic and supported the community through the economic challenges and increasingly forceful impacts of climate change. Throughout 2022, Council worked tirelessly to support our 225,000 residents and almost 14,000 businesses to ensure Richmond continued to be a safe, strong, active and resilient city.

Investment and growth supported by implementation of the City's Resilient Economy Strategy resulted in sustained job creation, with Richmond businesses now providing around 130,000 local jobs. With one of the strongest job-to-worker ratios in the region, Richmond continues to be an important employment centre and almost 20 per cent more new business licenses were issued in 2022 compared to the previous year. That meant new jobs, new opportunities and renewed economic energy.

Council supported building permits for over \$926 million in construction value, not only leading to economic growth but more housing options for our community. In 2022, several significant projects were opened or announced. The award-winning Keltic Paramount development at No. 3 and Cook Roads is one example. Beyond its stunning First Nations-themed façade and artwork are 530 residential units, including 27 affordable housing units, as well as a large City-owned child care hub that has drawn accolades and awards.

Approval was given to another development in the emerging Hamilton Village Centre at the corner of Westminster Highway and Gilley Road, which will feature 223 residential units—including much-needed affordable housing—and around 25,000 square feet of commercial space.

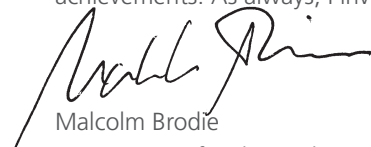
Ground was broken on the long-awaited replacement Steveston Community Centre and Library. This \$95 million, three-storey, 60,000 square foot facility will include a double gymnasium, fitness centre and active studio, as well as an extensive library to showcase enhanced collections with child and youth spaces and educational program rooms.

Maintaining strong infrastructure to keep our city safe from extreme weather was another priority. Council approved several initiatives including the raising of an additional 1.5 kilometres of dikes as well as new drainage pump stations at No. 3 and Gilbert Roads. Upgrades were made to over 1,270 feet of water mains, 2,200 feet of sanitary mains and 1,400 feet of drainage in the Burkeville neighbourhood alone.

Over the past year, Council took sustainable action and invested for future generations through the support and approval of several environmentally-focused initiatives such as the Circular City Strategy to guide the transition to a fully circular economy in Richmond by 2050. Coupled with our ground-breaking single-use plastics bylaw, expansion of electric vehicle use and active transportation alternatives, as well as increased investment in our award-winning Lulu Island District Energy program, the City of Richmond continued to be a leader in sustainability and environmental stewardship.

This past year also saw a number of significant changes in governance and administration. Long-standing Councillors Harold Steves and Linda McPhail retired after years of dedicated community leadership, choosing not to seek re-election. In their place, Council welcomed Laura Gillanders and Kash Heed as newly-elected members. The City also welcomed long-serving staff member Serena Lusk to a new role as Chief Administrative Officer following the retirement of George Duncan, as well as Jim Wishlove as the new Chief of Richmond Fire-Rescue. Chief Superintendent Dave Chauhan was also appointed as the new Officer in Charge of the Richmond RCMP detachment.

While the past year may have seen changes, through wise investments, sound management and innovative action, our staff, volunteers and businesses—as well as our community and government partners—continued to work together to make Richmond a better place for all. This 2022 Annual Report contains examples of just some of our goals and achievements. As always, I invite your comments and questions through my office.



Malcolm Brodie  
Mayor, City of Richmond

# Richmond City Council

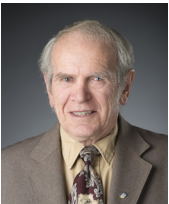


### Back row, left to right:

Lieutenant Jim Dickson—Richmond Fire-Rescue, Councillor Andy Hobbs, Councillor Kash Heed\*, Councillor Laura Gillanders\*, Councillor Michael Wolfe, Constable Jordan Hitchon—Richmond RCMP

### Front row, left to right:

Councillor Alexa Loo, Councillor Bill McNulty, Mayor Malcolm Brodie, Councillor Chak Au, Councillor Carol Day



**Left:** Councillor Harold Steves  
**Right:** Councillor Linda McPhail  
(did not seek re-election in October 2022)

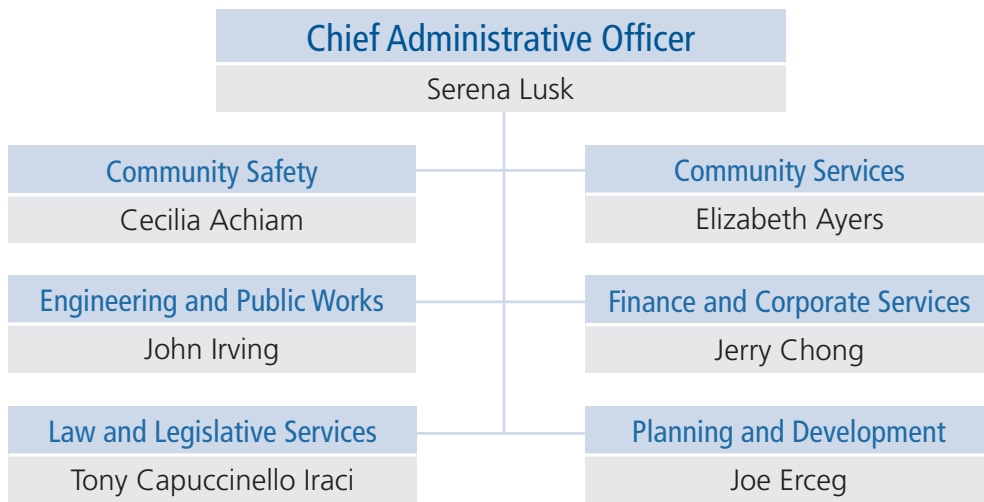
\*elected to Council October 2022

## Connect with Richmond City Council

To contact Council, email [MayorAndCouncillors@richmond.ca](mailto:MayorAndCouncillors@richmond.ca) or call 604-276-4000.  
For Council Meetings agendas and minutes, visit <https://citycouncil.richmond.ca/agendas.htm>.  
To live stream Council meetings or view videos of past meetings, visit <https://citycouncil.richmond.ca/meetings/watch-video.htm>.



# City of Richmond Senior Management Team 2022



Chief Administrative Officer .....	Serena Lusk (as of July 1, 2022*)
General Manager, Community Services .....	Elizabeth Ayers
General Manager, Community Safety.....	Cecilia Achiam
General Manager, Engineering and Public Works .....	John Irving
General Manager, Finance and Corporate Services .....	Jerry Chong
General Manager, Planning and Development.....	Joe Erceg
General Manager, Law and Legislative Services.....	Tony Capuccinello Iraci

## Public safety agencies

Chief, Richmond Fire-Rescue.....	Jim Wishlove
Officer in Charge, Royal Canadian Mounted Police .....	Dave Chauhan

## Banker

Scotiabank

## Auditors

KPMG

\* replaced George Duncan who retired June 30, 2022

# Message from the Chief Administrative Officer



I am pleased to present the City of Richmond’s 2022 Annual Report. It details our strong financial position and outlines many of the important initiatives we are undertaking to serve our community.

This past year, the City continued its restoration of programs and services as we emerged from the isolation and restrictions of the pandemic. Richmond City Hall, which had provided services remotely since closing in March 2020, reopened its doors to the public once again. Many of our recreation and fitness programs and activities also fully returned and were quickly embraced by the community. Recreation and day camp registration jumped 50 per cent as over 20,000 youth and children signed up.

Physical activity and healthy lifestyles are important to our community and Richmond was named BC’s Most Active Community in the 2022 ParticipACTION Community Better Challenge. This nation-wide initiative recognized our community’s activity levels along with the creative ways we engaged people to become more physically active.

Many popular festivals and events became in-person again, with over 40,000 visitors attending the Richmond Maritime Festival. Thousands also enjoyed the 75th Steveston Salmon Festival and Canada Day celebration. While the Cherry Blossom Festival remained online, it attracted over 66,000 social media visits and 7,400 video views, paving the way for an in-person return in 2023.

The City’s Remembrance Day ceremony also returned to City Hall in-person for the first time since 2019, with the community, veterans and military representatives attending to show their respects.

Promoting diversity and inclusiveness is essential in a city as uniquely multicultural as Richmond. Over 80 per cent of our population is a visible minority, the highest proportion of any British Columbia municipality, so accessibility and acceptance is important as we build strong, healthy communities in Richmond. Our Newcomers Video Series is one example of how we welcome immigrants to our city, with the online videos captioned in Chinese, Punjabi, Ukrainian, Arabic and Farsi.

The City and Richmond Multicultural Community Services began working together to encourage diversity and promote multiculturalism through an anti-racism arts project. The Aspire | Build | Celebrate (ABC) project was funded by a grant from the Department of Canadian Heritage Community Support, Multiculturalism and Anti-Racism Initiatives program and is another example of our commitment to diversity and inclusion.

Richmond also commemorated National Indigenous History Month (June) and National Indigenous Peoples Day (June 21) with a number of in-person and virtual events to recognize the heritage and strength of Indigenous Peoples. Canada’s National Day for Truth and Reconciliation (September 30) was another opportunity to learn, commemorate and reflect on the historical and ongoing impacts of residential schools.

Building a sense of community is important, and several new parks were opened to provide more outdoor options for people to gather and connect. Alexandra Park in the east Cambie neighbourhood, phase two of Aberdeen Neighbourhood Park in the Capstan area and Tait Riverfront Community Park in Bridgeport were all unveiled.

However, the year was not without challenges. Housing affordability continued to drive exploration of new and innovative ways to meet the growing housing needs of existing and incoming residents. Rezoning applications for around 2,500 units received initial approval in 2022, of which over 40 per cent will be rental units at market, below-market or Low End Market Rental rates.

Child care remained important to support young families and make Richmond an active, engaged and family-oriented community. The City and its partners provide almost 600 licensed childcare spaces throughout Richmond including Sprouts at Capstan Village and Seedlings in Brighthouse Village, which both opened in 2022.

The overall foundation for success of our city is sound financial stewardship, and the long-term financial management strategy is a hallmark of our administration. It enabled us to continue to maintain effective and responsive service levels so Richmond remains a strong community that is committed to continued growth and success within a framework of diversity, sustainability and value for our taxpayers.

Since my appointment as Chief Administrative Officer in July 2022, I have been continually proud of the commitment of our staff and volunteers to improving the well-being of the community and thank everyone for their efforts and support of me in my new leadership role.

A handwritten signature in black ink that reads "Serena".

Serena Lusk  
Chief Administrative Officer



# Council Strategic Plan: 2018 to 2022

The Community Charter requires BC municipalities to include a statement in the Annual Report of their objectives for the current and future years, along with measures to track success towards those objectives.

The City of Richmond's objectives and success indicators are expressed through the Council Strategic Plan. Soon after Council began its four-year term in October 2018, it undertook a strategic planning process to help fulfill its governance role and achieve a successful term of office. Through that process, Council adopted a revised set of eight Strategic Focus areas, which provided the framework for the City's programs and services during 2022. With a new Council term commencing in October 2022, it is anticipated that these strategies will be reviewed and modified if required for the 2022-2026 Council term.



FIREFIGHTER TRAINING AT RICHMOND FIRE-RESCUE  
PHOTO BY KYLIE MACDONALD, FIRE AND LIFE SAFETY EDUCATOR,  
RICHMOND FIRE-RESCUE. CITY EMPLOYEE SINCE 2008

## 1. A Safe and Resilient Community

Enhance and protect the safety and well-being of Richmond.

### 2022 Achievement

The deployment of 16 additional police resources, delayed due to the pandemic, completed Council's Safe Community Program strategy and supported significant enhancements to the Richmond RCMP's organizational structure and operational response capability. Residential break and enter offences decreased 13 per cent, theft from automobiles dropped 10 per cent, and the number of hate-related events was down 24 per cent from the previous year. Through communications in multiple languages, RCMP investigators were better able to target complex cyber fraud, reducing the number of cases by almost 10 per cent in 2022. Almost half of Richmond's detachment members are non-Caucasians, with 56 per cent of them speaking at least one of 40 languages and dialects spoken in the city as a second language. Richmond Fire-Rescue (RFR) also welcomed new firefighters to strengthen the local complement. Over 10 per cent are women and many self-identify as First Nations, Asian and Middle Eastern, making Richmond among the most diverse departments in the province. RFR continued development of a Fire Risk Prediction Model, using fire incident, inspection and property data to develop predictive models of structure fire risks in the city. Safety also extended to the roads, as City snow and ice response crews pretreated or de-iced over 65,000 kilometres of roadways during winter, the equivalent of driving from Richmond to New York City and back seven times. Through the use of brine, the City has now reduced the amount of salt spread onto our roads by over 6,400 tonnes over the past three years.



## 2. A Sustainable and Environmentally Conscious City

Environmentally conscious decision-making that demonstrates leadership in implementing innovative, sustainable practices and supports the City’s unique biodiversity and island ecology.

### 2022 Achievement

Richmond continued as a leader in sustainable practices and innovation. The City secured \$175 million in long-term funding from the Canada Infrastructure Bank for the expansion of its award-winning Lulu Island District Energy project. Once implemented to capacity, the project is expected to reduce greenhouse gas emissions by over one million tonnes. Richmond was also the first municipality in Canada to receive an E3 Platinum Rating Certification in the national E3 Fleet program for excellence in fleet management and environmental performance. The City’s commitment to water conservation through its water meter and water demand management programs continued to reduce waste, with total water consumption decreasing by 3.5 per cent in 2022 despite a 1.5 per cent population increase. Overall, the City has realized savings of \$10 million in water purchase costs over the past decade.

## 3. One Community Together

Vibrant and diverse arts and cultural activities and opportunities for community engagement and connection.

### 2022 Achievement

Easing of pandemic restrictions meant the return of many in-person festivals and events. The Steveston Salmon Festival saw thousands walk the streets to enjoy the festivities as it marked its 75th anniversary in July, while over 40,000 residents and visitors attended the Richmond Maritime Festival in August. The popular Culture Days celebration returned in the fall with an array of free, artist-led activities to promote arts, culture and creativity. Richmond is consistently recognized as among Canada’s top 10 most engaged cultural cities in the country. Richmond’s natural beauty and excellent location makes it attractive to the film industry with many popular series and movies filmed in and around the city over the years. Emerging from the shutdown, approximately 75 film production permits were issued in 2022, yielding over \$250,000 in service and location fees alone.

## 4. An Active and Thriving Richmond

An active and thriving community characterized by diverse social and wellness programs, services and spaces that foster health and well-being for all.

### 2022 Achievement

Richmond’s rich maritime heritage, the culinary delights of its many restaurants and the beauty of its trails and dikes makes it one of Canada’s most culturally unique and diverse populations who provide a welcoming environment to all. Several new community parks opened in 2022 to provide recreational options, including Alexandra Park in east Cambie, phase two of Aberdeen Neighbourhood Park in the Capstan area and Tait Riverfront Community Park in Bridgeport. The upgraded Bark Park off-leash dog park in south Richmond offered a new outdoor space for four-legged users and their

human friends. Recognizing its commitment to promoting the benefits of physical health and well-being, Richmond was named BC's Most Active Community in the 2022 ParticipACTION Community Better Challenge, while the recently-opened Minoru Centre for Active Living received the Recreation Facilities Association of British Columbia's Outstanding Facility Award for its innovation, design and community-focused services. The City, in partnership with BC Housing and the Provincial Attorney General and Ministry Responsible for Housing, officially opened Aster Place in September, a 40-unit supportive housing building to provide housing and a stable home for residents experiencing or at risk of homelessness.

## 5. Sound Financial Management

Accountable, transparent and responsible financial management that supports the needs of the community into the future.

### 2022 Achievement

Council again supported a budget that enabled several key infrastructure projects to proceed while ensuring operating resources for key operations continued. Over \$1.7 million in one-time grants were approved to support immediate social and community operational and infrastructure needs, while \$107.8 million was approved and allocated to key capital projects ranging from continued disaster and flood mitigation, to improving traffic intersection safety and transit accessibility. Council maintained a 1 per cent commitment to investment for future capital needs and, due to ongoing financial resiliency and strategic management, kept the overall impact to residential property owners to a tax change of around 19 cents per day.



## 6. Strategic and Well-Planned Growth

Leadership in effective and sustainable growth that supports Richmond's physical and social needs.

### 2022 Achievement

Development interest in Richmond continued to grow, reinforcing its importance as one of the most desirable business and residential locations in the region. Building permits for over \$926 million in construction value were issued in 2022, an increase of over 25 per cent from the previous year and higher than the City's 10-year average. Rezoning applications for approximately 2,500 multi-family units received initial approval by Council during 2022. Of these, over 40 per cent are rental units at market, below market and Low End Market Rental rates. Over \$30 million in development cost charges were also collected to help finance future infrastructure and amenities such as parks, utilities, roads and dikes. During the past year, Council officially opened the new animal shelter on No. 5 Road, a purpose-built facility that will enhance access for stray and abandoned animals in a safe, supportive environment, as well as breaking ground on the 60,000 square foot, \$95 million replacement Steveston Community Centre and Library, which is expected to be completed in 2026.

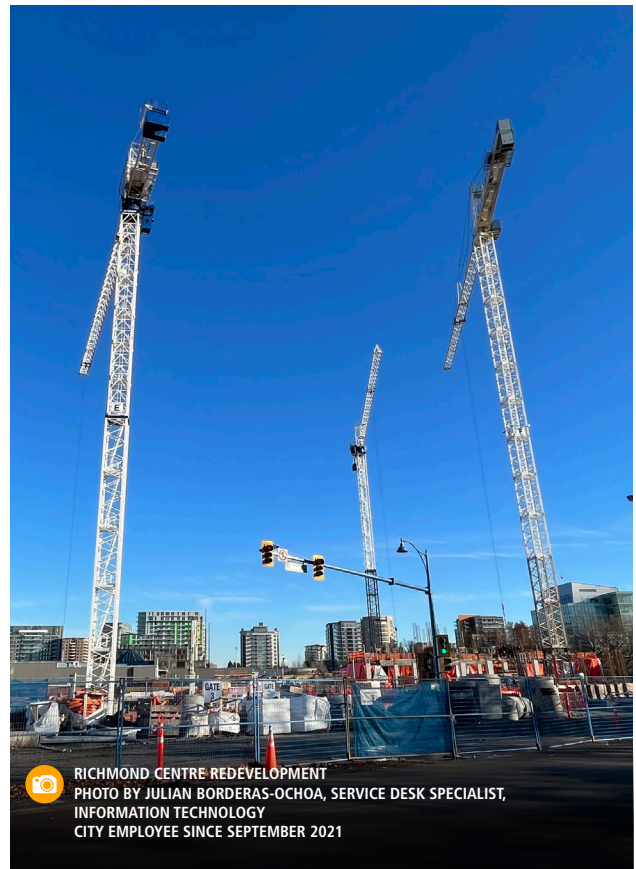


## 7. A Supported Economic Sector

Facilitate diversified economic growth through innovative and sustainable policies, practices and partnerships.

### 2022 Achievement

The City's Resilient Economy Strategy continued to support business investment and growth post-pandemic, resulting in sustained job creation and one of the strongest job-to-worker ratios in the region. The number of new business licences rose almost 20 per cent in 2022, and the City implemented its MyBusiness online portal to enable new and existing business owners the ability to conveniently apply for, update and renew their licences 24/7. In the first few weeks, over 20 per cent of businesses registered for the service. While Richmond has one of the largest industrial land inventories in the region with more than 45 million square feet of built industrial space, Council provided further support to the sector by approving a rezoning application for an additional 180,000 square feet of phased industrial space in East Richmond.



## 8. An Engaged and Informed Community

Ensure that the citizenry of Richmond is well-informed and engaged about City business and decision-making.

### 2022 Achievement

Richmond is proud to be one of the most culturally diverse and unique populations in Canada. In November, the City launched a Newcomers Video Series as a resource for newly-arrived residents. The videos, available online, highlight different ways newcomers can experience our city and are captioned in Chinese, Punjabi, Ukrainian, Arabic and Farsi. Work began on redesigning the City's website to provide a more efficient and user-focused experience for the 3.4 million visits annually, while almost 25,000 users participated in 27 engagement initiatives on the City's LetsTalkRichmond.ca platform.

# Richmond: vibrant, confident and connected



As communities across the country began to emerge from the challenges of the COVID-19 pandemic, the City of Richmond continued to move forward with confidence thanks to a strong history of sound infrastructure investment, planning and leadership.

As 2022 went on, the City was able to safely move away from many of the public health restrictions and return to in-person events and services that strengthened our already vibrant community.

The year began with the re-opening of the City's fitness centres in January, enabling people of all ages to return to the activities and social interactions they had missed since early-2020. A number of new City parks opened – Alexandra Park (June); Aberdeen Neighbourhood Park (July); Tait Riverfront Community Park (August); and the Bark Park off-leash dog park (September). Work also began on the renewal of the popular Minoru Park lakes district in April, with an extensive revitalization expected by mid-2023. The Richmond Curling Club officially re-opened in September, while the Minoru Centre for Active Living received more accolades including the 2022 Outstanding Facility Award from the Recreation Facilities Association of BC.

Several festivals and events returned as in-person gatherings including the 75th annual Steveston Salmon Festival, Richmond Maritime Festival, Garlic Festival at Terra Nova and Culture Days.

With its long-standing commitment to creating accessible and engaging outdoor and indoor spaces, it was no surprise when Richmond was named British Columbia's Most Active Community in the national ParticipACTION Community Better Challenge. Richmond boasts among the highest life expectancy in the world, and a 2022 BC Centre for Disease Control survey found Richmond residents actually used the pandemic to make positive changes to their health and well-being. It said 35 per cent of Richmond respondents were walking, running or cycling more than before the pandemic, while 28 per cent were eating more fruits and vegetables compared to 2020.

The City also supported residents to emerge from the pandemic in other ways. Active transportation remained a priority to support Council's Community Energy and Emissions Plan (CEEP) 2050 – adopted in February 2022 – to set Richmond on a path to achieving a 50 per cent reduction in community greenhouse gas emissions by 2030, and reaching net zero emissions by 2050.



Richmond became the first Metro Vancouver community to offer a shared e-scooter and e-bike service, with around 20,000 users making over 45,000 trips on the electric machines in the first few months. The popular Island City by Bike Tour returned in June, with hundreds of cyclists of all ages coming out to enjoy a free seven or 22 kilometre ride through Richmond. The City also became the first municipality in Canada to receive an E3 Platinum Rating Certification from the national E3 Fleet program for excellence in fleet management and environmental performance, further demonstrating its leadership in the use of green technologies.

While encouraging activity and connectedness was important to reinforce Richmond's sense of community, so too was the need to support businesses as they re-established themselves post-pandemic. City Hall reopened to in-person service in March, and the new online business licencing portal, MyBusiness, was launched in July to enable new and existing business owners to conveniently apply for, update and renew their licences 24/7. In partnership with Tourism

Richmond, the free Richmond Discovery Shuttle and Bike Valet Service returned to Steveston Village to assist residents and visitors to enjoy this popular tourist destination and its many shopping, dining and sightseeing locations.

The year also saw a number of governance and leadership changes. The municipal election in October saw two new members elected to Council after the retirement of two long-serving members. Serena Lusk moved from within to the role of Chief Administrative Officer following the retirement of her predecessor, while Richmond Fire-Rescue welcomed a new Chief, and the RCMP detachment a new Officer in Charge.

The City of Richmond has always been a leader through its development and implementation of bold, innovative programs and strategies that recognize and reflect our character, heritage and reputation as a safe, sustainable and culturally diverse community. The many accomplishments and achievements of the past year demonstrate why Richmond remains one of the most appealing, livable and well-managed communities in Canada.



 COLOURFUL SKY ABOVE THE DIKE ON NO. 3 ROAD  
PHOTO BY SUSAN STEEVES, RECORDS COORDINATOR, CITY CLERK'S OFFICE  
CITY EMPLOYEE SINCE 2002



# 2022 Awards

A measurement of the City's success in achieving its goals are the honours and recognition from our peers and others. In 2022, Richmond again received numerous international, national and provincial awards recognizing our commitment to excellence and innovation.

## Protecting our environment

The City received national recognition for its city-wide Pollinator Program from the Canadian Association of Municipal Administrators (CAMA). Presented with the 2022 CAMA Environmental Leadership and Sustainability Award in the 100,000+ population category, the award was given for excellence in conserving pollinators and developing and protecting their habitat. CAMA said Richmond exemplified how a land manager can be a leader through conscientious community programming and meaningful community engagement, and that "there is much that other municipalities can learn" from the City.

## Healthy lives, healthy communities

Health and well-being is essential to creating healthy communities, and Richmond has long been recognized for its commitment to physical activity and programs aimed to engage and create a sense of community. The National ParticipACTION Community Better Challenge named Richmond British Columbia's Most Active Community in 2022. The award recognized the city's activity levels and the creative ways staff and community partners in Richmond motivated the community to get physically active throughout the national challenge.



## Going green

Richmond's commitment to green energy was again recognized by being named as the only municipal recipient of a Platinum Rating by the national E3 Fleet, a program that assists trucking, utility, urban delivery, courier, government and other fleets to improve their fuel efficiency, reduce emissions, manage expenses and incorporate new technologies. Richmond was the only municipality in Canada to receive the Platinum rating with a performance score of 98 points out of 100. It was the second time the City has received coveted Platinum status.

## Leading edge design and functionality

The Minoru Centre for Active Living, the City of Richmond's state-of-the-art fitness and aquatic facility, continues to be recognized for its design, functionality and innovation. It received the Outstanding Facility Award from the Recreation Facilities Association of British Columbia for its innovative design, energy management, operations, revenue generation and service delivery. The facility was also recognized by Athletic Business as one of its 10 Facilities of Merit for 2022. It was selected for setting a new standard for wellness-oriented facilities that balances the needs of traditional aquatic uses while integrating a wide variety of other amenities that encourage healthy lifestyles, especially for an older-adult population.

## Financial reporting

Once again, the Government Finance Officers Association of the US and Canada presented Richmond with the Canadian Award for Financial Reporting (the 20th year in a row) and the Outstanding Achievement in Popular Financial Reporting Award (the 13th successive year) for its 2021 Annual Reports. Richmond also received an 'A' grade—the highest amongst 32 major Canadian cities—in C.D. Howe's annual Report Card on municipal budgeting, financial reporting and fiscal transparency for 2021.

## Sustainability

The International City Management Association, a US-based group that advances professional local government through leadership, management, innovation and ethics, awarded Richmond its 2022 Community Sustainability Award (Population 50,000 and Greater) for its Recycled Asphalt Pavement Project. In partnership with Lafarge Canada and the National Zero Waste Council, the City pioneered the use of 40 per cent recycled asphalt in paving a major Richmond thoroughfare. The project received the award for setting new standards and demonstrating innovation, excellence and success in balancing the community's economic, environmental and social needs.



Government Finance Officers Association

## Canadian Award for Financial Reporting

Presented to

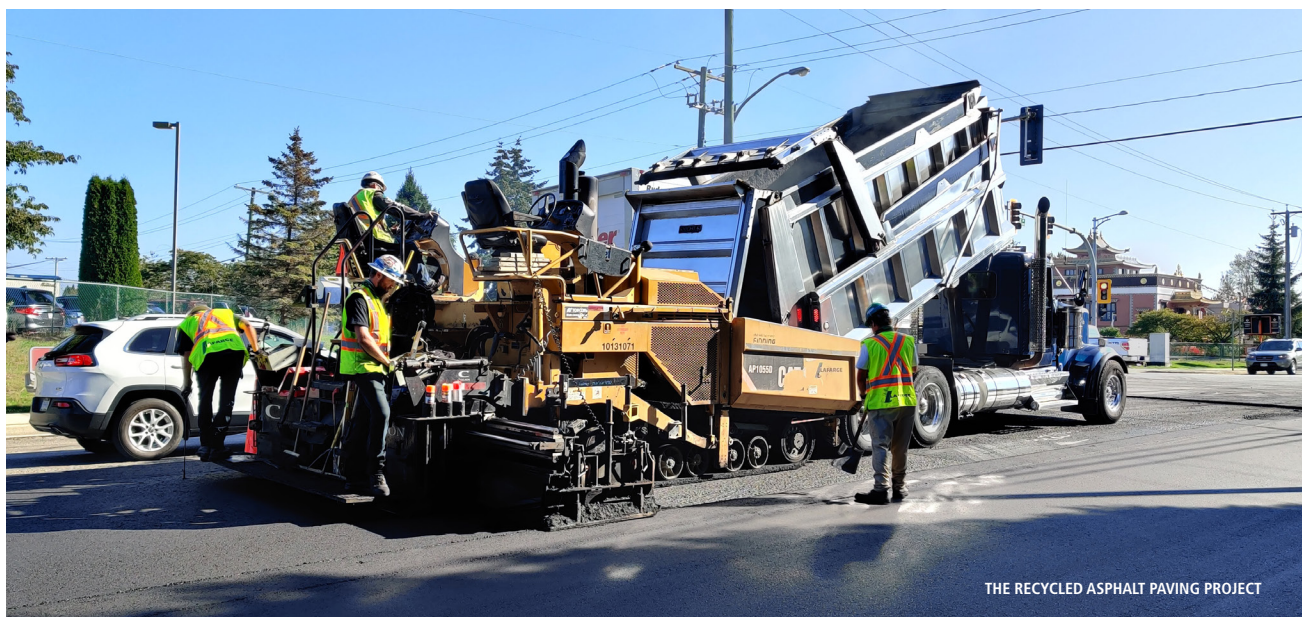
**City of Richmond  
British Columbia**

For its Annual  
Financial Report  
for the Year Ended

**December 31, 2021**

*Christopher P. Morill*

Executive Director/CEO



# Report from the General Manager, Finance and Corporate Services

Mayor Malcom Brodie and Members of Richmond City Council,

I am pleased to submit the Consolidated Financial Statements and Auditors' Report for the fiscal year ended December 31, 2022 for the City of Richmond, pursuant to Section 98 and 167 of the Community Charter. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Preparation of the financial statements is management's responsibility.

KPMG LLP was appointed by City Council to independently audit the City's consolidated financial statements. They have expressed an opinion that the City's consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Richmond as at December 31, 2022 and its consolidated results of operations, its changes in net consolidated financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

These financial statements combine the accounts of the City of Richmond, Richmond Olympic Oval, and Richmond Public Library (collectively referred to as the "City"), as well as the City's investment in Lulu Island Energy Company, which is accounted for as a Government Business Enterprise.

## Consolidated Statement of Financial Position (in \$000s)

	<b>2022 Actual</b>	<b>2021 Actual</b>	<b>Change</b>
Financial Assets	\$ 1,721,772	\$ 1,468,241	\$ 253,531
Liabilities	696,047	528,238	167,809
<b>Net Financial Assets</b>	<b>1,025,725</b>	<b>940,003</b>	<b>85,722</b>
Non-Financial Assets	2,603,444	2,547,884	55,560
<b>Accumulated Surplus</b>	<b>\$ 3,629,169</b>	<b>\$ 3,487,887</b>	<b>\$ 141,282</b>

The City's overall financial position improved by \$141.3 million, with accumulated surplus (similar to net worth of a corporation) totaling \$3.6 billion. A significant part of this increase is due to additions to capital assets and transfers to the statutory reserves for future capital improvements.

The City's cash and investments are \$1.6 billion while long-term debt increased by \$96.0 million with the addition of a new loan for the construction of Steveston Community Centre and Library in order to lock in favourable rates. Meanwhile, the City's tangible capital assets increased by \$54.9 million, which includes \$41.3 million of in-kind contributions from development as conditions of re-zoning.



## Statutory Reserves (in \$000s)

	2018	2019	2020	2021	2022
Total Reserves	\$540,153	\$557,576	\$609,533	\$647,209	\$703,184

Statutory reserves are established by Bylaw for specific purposes, mainly capital expenditures.

The increase in the balance to \$703.2 million is mainly attributable to the timing of these capital expenditures, contributions and increased investment income earned on the balances. There are annual transfers through the City's utility and operating budget as well as through other respective entities annual budget. Council's Long Term Financial Management Strategy also states that increases in transfers through the City's operating budget be done annually.

## Consolidated Statement of Operations (in \$000s)

	2022 Budget	2022 Actual	2021 Actual
Revenue	\$604,730	\$644,348	\$575,444
Expenses	522,614	503,066	471,763
<b>Annual Surplus</b>	<b>\$82,116</b>	<b>\$141,282</b>	<b>\$103,681</b>

The City's consolidated revenue for the year totaled \$644.3 million, an increase of \$68.9 million from 2021 mainly due to increased investment income, property tax and utility fee rates and the continued easing of the impacts from the COVID-19 closures.

Expenses increased by \$31.3 million from prior year mainly due to additional firefighters authorized in 2021 working their first full year in 2022, increased Greater Vancouver Sewerage and Drainage District costs and the increased operational levels of service due to the easing of the impact of the pandemic.

The annual surplus for 2022 was \$141.3 million and represents the change in investment in tangible capital assets, reserves and other accumulated surplus.

## Budget Variance

Consolidated revenue of \$644.3M was greater than budgeted revenue by \$39.6M mainly due to:

- \$17.1M in investment income due to higher investment rates.
- \$15.0M in developer cash contributions that are not budgeted included in other revenue.
- \$6.7M higher than budgeted payments-in-lieu of taxes primarily due to a one-time receipt for properties previously under dispute.
- \$19.9M lower than budgeted other capital funding revenue due to contributed assets received through development and the timing of externally funded capital expenditures.

Consolidated expenses of \$503.1M were lower than budgeted by \$19.5M. The main variances include:

- \$8.3M lower than budgeted community safety costs mainly due to lower policing contract costs.
- \$6.6M lower than budgeted community services costs mainly due to savings in salaries and contract expenses as operations have not fully returned to pre-pandemic levels.
- \$6.6M lower than budgeted general government costs mainly due to vacant positions.

The City's consolidated annual surplus of \$141.3 million exceeded the budgeted annual surplus of \$82.1 million by \$59.2 million, prior to transfers to reserves and other accumulated surplus.

## Year over year change

Consolidated revenue of \$644.3M increased by \$68.9M from 2021 mainly due to:

- an increase of \$23.6M in property taxes and utility fees mainly due to the approved rate increases and growth related to new development.
- an increase of \$15.3M in investment income due to the elevated interest rate environment.
- an increase of \$13.3M in other revenue mainly due to increases in developer cash contributions of \$8.4M.
- an increase of \$8.9M in sales of service mainly due to higher recreational program revenue.
- an increase of \$6.5M in payments-in-lieu of taxes primarily due to a one-time receipt for properties previously under dispute.

Consolidated expenses of \$503.1M increased by \$31.3M over 2021 mainly due to:

- \$9.0M increase in engineering, public works and project development mainly due to costs related to implementing capital projects, increased amortization expense and increased road maintenance and snow response costs.
- \$6.5M increase in general government costs mainly due to higher labour and fringe expenses as operations return towards pre-pandemic levels.
- \$5.1M increase in community services mainly due to expanded operations towards the pre-pandemic levels.
- \$4.5M increase in community safety mainly due to additional firefighters authorized in 2021 working their first full year in 2022.

## Financial Sustainability

The City's consolidated financial position improved in 2022 as operations and programs recover from pandemic levels in prior years. The guiding principles of Council's Long Term Financial Management Strategy was the main factor in supporting the City through the pandemic, while positioning the City in achieving long-term goals and maintaining ongoing financial sustainability to deliver on Council priorities.

Respectfully submitted,



Jerry Chong, CPA, CA  
*General Manager, Finance and Corporate Services*

May 8, 2023

# City of Richmond audited financial statements

Year ended December 31, 2022





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## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the City of Richmond

### **Opinion**

We have audited the consolidated financial statements of the City of Richmond (the "City"), which comprise:

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2022, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless 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.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Vancouver, Canada

May 8, 2023



# CITY OF RICHMOND

Consolidated Statement of Financial Position  
(Expressed in thousands of dollars)

December 31, 2022, with comparative information for 2021

	2022	2021
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 654,651	\$ 672,031
Investments (note 3)	921,493	696,886
Investment in Lulu Island Energy Company ("LIEC") (note 4)	35,028	33,647
Accrued interest receivable	14,676	8,932
Accounts receivable (note 5)	35,446	29,655
Taxes receivable	15,791	14,157
Development fees receivable	43,219	12,425
Debt reserve fund - deposits (note 6)	1,468	508
	<u>1,721,772</u>	<u>1,468,241</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	104,482	86,575
Post-employment benefits (note 7)	37,628	37,395
Development cost charges (note 8)	237,051	224,655
Deposits and holdbacks (note 9)	150,007	106,041
Deferred revenue (note 10)	59,063	56,186
Debt, net of sinking fund deposits (note 11)	107,816	17,386
	<u>696,047</u>	<u>528,238</u>
Net financial assets	1,025,725	940,003
<b>Non-Financial Assets</b>		
Tangible capital assets (note 12)	2,594,212	2,539,267
Inventory of materials and supplies	5,405	4,696
Prepaid expenses	3,827	3,921
	<u>2,603,444</u>	<u>2,547,884</u>
Accumulated surplus (note 13)	<u>\$ 3,629,169</u>	<u>\$ 3,487,887</u>

Contingent demand notes (note 6)  
Commitments and contingencies (note 17)

See accompanying notes to consolidated financial statements.

Approved on behalf of Council:



General Manager, Finance and Corporate Services

# CITY OF RICHMOND

Consolidated Statement of Operations  
(Expressed in thousands of dollars)

Year ended December 31, 2022, with comparative information for 2021

	2022 Budget (notes 2(p) and 23)	2022	2021
<b>Revenue:</b>			
Taxation and levies (note 19)	\$ 268,044	\$ 269,582	\$ 255,837
Utility fees	124,190	127,965	118,144
Sales of services	44,600	44,494	35,601
Payments-in-lieu of taxes	14,650	21,314	14,789
Provincial and federal contributions	10,683	12,893	12,704
Development cost charges (note 8)	17,749	22,434	16,223
Other capital funding sources	71,162	51,220	64,695
<b>Other revenue:</b>			
Investment income	13,165	30,250	14,968
Gaming revenue	14,500	12,562	5,700
Licenses and permits	11,358	15,047	13,995
Other (note 20)	13,683	35,206	21,877
Equity income in LIEC (note 4)	946	1,381	911
	<b>604,730</b>	<b>644,348</b>	<b>575,444</b>
<b>Expenses:</b>			
Community safety	135,999	127,727	123,232
<b>Utilities:</b>			
Water, sewer and sanitation	114,406	110,490	106,519
Engineering, public works and project development	81,335	89,103	80,083
Community services	71,522	64,955	59,873
General government	66,058	59,492	52,995
Planning and development	25,874	23,890	25,166
Richmond Olympic Oval	16,290	16,844	14,079
Richmond Public Library	11,130	10,565	9,816
	<b>522,614</b>	<b>503,066</b>	<b>471,763</b>
Annual surplus	82,116	141,282	103,681
Accumulated surplus, beginning of year	3,487,887	3,487,887	3,384,206
<b>Accumulated surplus, end of year</b>	<b>\$ 3,570,003</b>	<b>\$ 3,629,169</b>	<b>\$ 3,487,887</b>

See accompanying notes to consolidated financial statements.

# CITY OF RICHMOND

## Consolidated Statement of Changes in Net Financial Assets (Expressed in thousands of dollars)

Year ended December 31, 2022, with comparative information for 2021

	2022 Budget (notes 2(p) and 23)	2022	2021
Annual surplus for the year	\$ 82,116	\$ 141,282	\$ 103,681
Acquisition of tangible capital assets	(113,051)	(87,100)	(61,150)
Contributed tangible capital assets	(54,782)	(41,332)	(61,004)
Amortization of tangible capital assets	68,561	72,722	68,519
Net loss on disposal of tangible capital assets	-	222	1,714
Proceeds on sale of tangible capital assets	-	543	793
	(17,156)	86,337	52,553
Acquisition of inventory of materials and supplies	-	(5,405)	(4,696)
Acquisition of prepaid expenses	-	(3,827)	(3,921)
Consumption of inventory of materials and supplies	-	4,696	4,285
Use of prepaid expenses	-	3,921	2,797
Change in net financial assets	(17,156)	85,722	51,018
Net financial assets, beginning of year	940,003	940,003	888,985
Net financial assets, end of year	\$ 922,847	\$ 1,025,725	\$ 940,003

See accompanying notes to consolidated financial statements.



# CITY OF RICHMOND

Consolidated Statement of Cash Flows  
(Expressed in thousands of dollars)

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 141,282	\$ 103,681
Items not involving cash:		
Amortization of tangible capital assets	72,722	68,519
Net loss on disposal of tangible capital assets	222	1,714
Contributions of tangible capital assets	(41,332)	(61,004)
Equity income in LIEC	(1,381)	(911)
Changes in non-cash operating working capital:		
Accrued interest receivable	(5,744)	765
Accounts receivable	(5,791)	(8,134)
Taxes receivable	(1,634)	262
Development fees receivable	(30,794)	16,092
Debt reserve fund	(960)	-
Inventory of materials and supplies	(709)	(411)
Prepaid expenses	94	(1,124)
Accounts payable and accrued liabilities	17,907	(70,400)
Post-employment benefits	233	2,274
Development cost charges	12,396	3,504
Deposits and holdbacks	43,966	8,596
Deferred revenue	2,877	7,162
Net change in cash from operating activities	203,354	70,585
Capital activities:		
Cash used to acquire tangible capital assets	(87,100)	(61,150)
Proceeds on disposal of tangible capital assets	543	793
Net change in cash from capital activities	(86,557)	(60,357)
Financing activities:		
Proceeds from issuance of debt	96,000	-
Repayments of debt	(5,570)	(5,355)
Net change in cash from financing activities	90,430	(5,355)
Investing activities:		
Net sale (purchase) of investments	(224,607)	137,124
Increase (decrease) in cash and cash equivalents	(17,380)	141,997
Cash and cash equivalents, beginning of year	672,031	530,034
Cash and cash equivalents, end of year	\$ 654,651	\$ 672,031

See accompanying notes to consolidated financial statements.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

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## 1. Operations:

The City of Richmond (the “City”) is incorporated under the Local Government Act of British Columbia. The City’s principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, infrastructure, environmental, recreational, water, sewer, and drainage.

## 2. Significant accounting policies:

These consolidated financial statements of the City have been prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada.

### (a) Basis of consolidation:

These consolidated financial statements reflect a combination of the City’s General Revenue, General Capital and Loan, Waterworks and Sewerworks, and Reserve Funds consolidated with the Richmond Public Library (the “Library”) and the Richmond Olympic Oval (the “Oval”). The Library is consolidated as the Library Board is appointed by the City. The Oval is consolidated as they are a wholly-owned municipal corporation of the City. Interfund and interentity transactions, fund balances and activities have been eliminated on consolidation. The City’s investment in Lulu Island Energy Company (“LIEC”), a wholly-owned government business enterprise (“GBE”), is accounted for using the modified equity method.

#### (i) General Revenue Fund:

This fund is used to account for the current operations of the City as provided for in the Annual Budget, including collection of taxes, administering operations, policing, and servicing general debt.

#### (ii) General Capital and Loan Fund:

This fund is used to record the City’s tangible capital assets and work-in-progress, including engineering structures such as roads and bridges, and the related debt.

#### (iii) Waterworks and Sewerworks Funds:

These funds have been established to cover the costs of operating these utilities, with related capital and loan funds to record the related tangible capital assets and debt.

#### (iv) Reserve Funds:

Certain funds are established by bylaws for specific purposes. They are funded primarily by budgeted contributions from the General Revenue Fund and developer contributions plus interest earned on fund balances.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

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## 2. Significant accounting policies (continued):

(b) Basis of accounting:

The City follows the accrual method of accounting for revenue and expenses. Revenue is recognized in the year in which it is earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

(c) Government transfers:

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

(d) Cash and cash equivalents:

Cash and cash equivalents consist of cash, highly liquid money market investments and short-term investments with maturities of less than 90-days from date of acquisition.

(e) Investments:

Investments are recorded at cost, adjusted for amortization of premiums or discounts. Provisions for losses are recorded when they are considered to be other than temporary.

(f) Investment in government business enterprises:

Government business enterprises are recorded using the modified equity method of accounting. The City's investment in the GBE is recorded as the value of the GBE's shareholder's equity. The investment's income or loss is recognized by the City when it is earned by the GBE. Inter-organizational transactions and balances are not eliminated, except for any gains or losses on assets remaining within the City.

(g) Accounts receivable:

Accounts receivable are net of an allowance for doubtful accounts and therefore represent amounts expected to be collected.

(h) Development cost charges:

Development cost charges are restricted by legislation to expenditures on capital infrastructure. These amounts are deferred upon receipt and recognized as revenue when the expenditures are incurred in accordance with the restrictions.

(i) Post-employment benefits:

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employee plan, contributions are expensed as incurred.



# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 2. Significant accounting policies (continued):

### (i) Post-employment benefits (continued):

Post-employment benefits also accrue to the City's employees. The liabilities related to these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits prorated as employees render services necessary to earn the future benefits.

### (j) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

#### (i) Tangible capital assets:

Tangible capital assets are initially recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development, or betterment of the assets. The cost, less estimated residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings and building improvements	10 - 75
Infrastructure	5 - 100
Vehicles, machinery and equipment	3 - 40
Library's collections, furniture and equipment	4 - 20

Amortization is charged over the asset's useful life commencing when the asset is acquired. Assets under construction are not amortized until the asset is available for productive use.

#### (ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

#### (iii) Natural resources, works of art, and cultural and historic assets:

Natural resources, works of art, and cultural and historic assets are not recorded as assets in the consolidated financial statements.

#### (iv) Interest capitalization:

The City does not capitalize interest costs associated with the construction of a tangible capital asset.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

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## 2. Significant accounting policies (continued):

### (j) Non-financial assets (continued):

#### (v) Labour capitalization:

Internal labour directly attributable to the construction, development or implementation of a tangible capital asset is capitalized.

#### (vi) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

#### (vii) Impairment of tangible capital assets:

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

#### (viii) Inventory of materials and supplies:

Inventory is recorded at cost, net of an allowance for obsolete stock. Cost is determined on a weighted average basis.

### (k) Revenue recognition:

Revenue is recognized in the period in which the transactions or events occurred that gave rise to the revenue. All revenue is recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

### (l) Taxes:

The City establishes property tax rates based on assessed market values provided by the British Columbia Assessment Authority ("BCA"). Market values are determined as of July 1<sup>st</sup> of each year. The City records taxation revenue at the time the property tax bills are issued. The City is entitled to collect interest and penalties on overdue taxes.

The City is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the City's taxation revenue.

Payments in Lieu of Taxes ("PILT") for federal properties are calculated on the basis of values and rates which would apply if these properties were taxable. The annual tax rates together with the assessed value on the Grant Roll are used to calculate the PILT levy. The PILT revenue is recorded when the payment is received.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

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## 2. Significant accounting policies (continued):

### (m) Deferred revenue:

The City defers a portion of the revenue collected from permits, licenses and other fees and recognizes this revenue in the year in which related inspections are performed, other related expenses are incurred or services are provided.

Deferred revenue also represents funds received from external parties for specified purposes. This revenue is recognized in the period in which the related expenses are incurred.

### (n) Deposits:

Receipts restricted by the legislation of senior governments or by agreement with external parties are deferred and reported as deposits and are refundable under certain circumstances. When qualifying expenses are incurred, deposits are recognized as revenue at amounts equal to the qualifying expenses.

### (o) Debt:

Debt is recorded net of related sinking fund balances.

### (p) Budget information:

Budget information, presented on a basis consistent with that used for actual results, was included in the City's Consolidated 5 Year Financial Plan (2022-2026) ("Consolidated Financial Plan") and was adopted through Bylaw No. 10327 on January 24, 2022.

### (q) Contaminated sites:

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic or radioactive material of live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The City is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.



# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 2. Significant accounting policies (continued):

### (r) Use of accounting estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenue and expenditures during the reporting period. Areas requiring the use of management estimates relate to performing the actuarial valuation of employee future benefits, the value of contributed tangible capital assets, value of developer contributions, useful lives for amortization, determination of provisions for accrued liabilities, performing the actuarial valuation of employee future benefits, allowance for doubtful accounts, and provision for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

### (s) Segment disclosures:

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City has provided definitions of segments as well as presented financial information in segment format.

## 3. Investments:

	2022		2021	
	Cost	Market value	Cost	Market value
Short-term notes and deposits	\$ 379,378	\$ 379,378	\$ 257,701	\$ 257,701
Government and government guaranteed bonds	361,297	350,352	280,063	280,802
Other bonds	180,818	175,405	159,122	159,283
	<u>\$ 921,493</u>	<u>\$ 905,135</u>	<u>\$ 696,886</u>	<u>\$ 697,786</u>

## 4. Investment in Lulu Island Energy Company Ltd.:

The City owns 100% of the issued and outstanding shares of LIEC, which was incorporated under the British Columbia Business Corporations Act on August 19, 2013. LIEC develops, manages and operates district energy utilities in the City of Richmond, on the City's behalf, including but not limited to energy production, generation or exchange, transmission, distribution, maintenance, marketing and sales to customers, customer service, profit generation, financial management and advisory services for energy and infrastructure.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 4. Investment in Lulu Island Energy Company Ltd. (continued):

Summarized financial information relating to LIEC is as follows:

	2022	2021
Cash, cash equivalents, and investments	\$ 15,516	\$ 15,755
Accounts receivable	2,241	1,676
Tangible capital assets	45,745	38,905
<b>Total assets</b>	<b>63,502</b>	<b>56,336</b>
Accounts payable and accrued liabilities	3,853	2,671
Government grants	241	-
Deferred contributions	13,018	7,754
Project agreement/concession liability	11,362	12,264
<b>Total liabilities</b>	<b>28,474</b>	<b>22,689</b>
<b>Shareholder's equity</b>	<b>\$ 35,028</b>	<b>\$ 33,647</b>
Total revenue	\$ 7,608	\$ 6,431
Total expenses	6,227	5,520
<b>Net income</b>	<b>\$ 1,381</b>	<b>\$ 911</b>

Included in accounts payable and accrued liabilities in the City's consolidated statement of financial position are payables to LIEC in the amount of \$152,937 (2021 - \$151,454).

On October 30, 2014, LIEC and Corix Utilities Inc. ("Corix") entered into a 30-year Concession agreement (the "Concession Agreement"), where Corix will design, construct, finance, operate and maintain the infrastructure for the district energy utility at the Oval Village community (the "OVDEU project"). On September 22, 2022, the LIEC terminated the Concession Agreement after the Company entered into a new project agreement (the "Project Agreement") with Project Contractor, a wholly-owned subsidiary of Corix to design, build, finance, operate and maintain City Centre District Energy Utility infrastructure providing heating and cooling services to new residential and mixed use commercial developments within the City Centre area (the "CCDEU project"). The existing OVDEU project has been transferred into the CCDEU project, and the OVDEU plant and equipment, financing and operations are now executed by the Project Contractor under the Project Agreement.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 5. Accounts receivable:

	2022	2021
Water and sewer utilities	\$ 14,760	\$ 13,243
Casino revenue	3,363	2,701
Capital grants	9,536	6,873
Other trade receivables	7,787	6,838
	<u>\$ 35,446</u>	<u>\$ 29,655</u>

## 6. Debt reserve fund deposits and contingent demand notes:

The City issues its debt instruments through the Municipal Finance Authority (the "MFA"). As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA in a Debt Reserve Fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. These demand notes are contingent in nature and are not reflected in the City's accounts. The details of the cash deposits and contingent demand notes at December 31, 2022 are as follows:

	Cash deposits	Contingent demand notes
General Revenue Fund	\$ 1,468	\$ 5,147

## 7. Post-employment benefits:

The City provides certain post-employment benefits, non-vested sick leave, compensated absences, and termination benefits to its employees.

	2022	2021
Accrued benefit obligation, beginning of year	\$ 35,324	\$ 35,414
Current service cost	2,698	2,644
Interest cost	872	728
Past service cost	21	992
Benefits paid	(2,923)	(2,035)
Actuarial gain	(3,255)	(2,419)
Accrued benefit obligation, end of year	<u>\$ 32,737</u>	<u>\$ 35,324</u>

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2022. This actuarial gain is being amortized over a period equal to the employees' expected average remaining service lifetime of 11-years.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 7. Post-employment benefits (continued):

	2022	2021
Accrued benefit obligation, end of year	\$ 32,737	\$ 35,324
Unamortized net actuarial gain	4,891	2,071
Accrued benefit liability, end of year	\$ 37,628	\$ 37,395

Actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	2022	2021
Discount rate	4.40%	2.40%
Expected future inflation rate	2.50%	2.00%
Expected wage and salary range increases	2.50% to 3.00%	2.50% to 3.00%

## 8. Development cost charges:

	2022	2021
Balance, beginning of year	\$ 224,655	\$ 221,151
Contributions	30,053	16,873
Interest	4,777	2,854
Revenue recognized	(22,434)	(16,223)
Balance, end of year	\$ 237,051	\$ 224,655

## 9. Deposits and holdbacks:

	Balance December 31, 2021	Deposit contributions / interest earned	Refund/ expenditures	Balance December 31, 2022
Security deposits	\$ 84,096	\$ 47,514	\$ (5,329)	\$ 126,281
Developer contributions	7,912	17	(10)	7,919
Damage deposits	5,793	3,533	(2,183)	7,143
Contract holdbacks	3,860	4,778	(3,849)	4,789
Other	4,380	677	(1,182)	3,875
	\$ 106,041	\$ 56,519	\$ (12,553)	\$ 150,007



# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 10. Deferred revenue:

	Balance December 31, 2021	Externally restricted inflows	Revenue earned	Balance December 31, 2022
Taxes and utilities	\$ 25,116	\$ 26,231	\$ (25,116)	\$ 26,231
Building permits/development	14,265	10,052	(7,198)	17,119
Oval	1,551	2,048	(478)	3,121
Capital grants	6,074	6,824	(9,887)	3,011
Business licenses	2,637	2,300	(2,256)	2,681
Parking easement/leased land	2,418	60	(50)	2,428
Other	4,125	4,587	(4,240)	4,472
	\$ 56,186	\$ 52,102	\$ (49,225)	\$ 59,063

## 11. Debt, net of MFA sinking fund deposits:

The City obtains debt instruments through the MFA pursuant to security issuing bylaws under authority of the Community Charter to finance certain capital expenditures.

Gross amount for the debt less principal payments and actuarial adjustments to date are as follows:

MFA issue	Loan authorization bylaw	Gross amount borrowed	Repayments and actuarial adjustments	Net debt 2022	Net debt 2021
127	9075	\$ 50,815	\$ 38,999	\$ 11,816	\$ 17,386
158	10334	96,000	-	96,000	-
		\$ 146,815	\$ 38,999	\$ 107,816	\$ 17,386

Current borrowing includes:

MFA issue	Issue date	Term (yrs.)	Maturity date	Interest rate	Refinancing date
127	April 7, 2014	10	April 7, 2024	3.30%	-
158	September 23, 2022	20	September 23, 2042	4.09%	September 23, 2032

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 11. Debt, net of MFA sinking fund deposits (continued):

Interest expense incurred for the year on the long-term debt was \$2,750,689 (2021 - \$1,676,895).

Repayments on net outstanding debt over the next five years and thereafter are as follows:

2023	\$ 9,187
2024	9,538
2025	3,636
2026	3,764
2027	3,895
Thereafter	77,796
	\$ 107,816

## 12. Tangible capital assets:

Cost	Balance December 31, 2021	Additions and transfers	Disposals	Balance December 31, 2022
Land	\$ 1,077,254	\$ 44,227	\$ -	\$ 1,121,481
Building and building improvements	576,752	22,907	(4,048)	595,611
Infrastructure	1,912,378	45,169	(6,370)	1,951,177
Vehicles, machinery and equipment	166,131	12,419	(1,602)	176,948
Library's collections, furniture and equipment	10,710	1,029	(613)	11,126
Assets under construction	60,690	2,681	-	63,371
	\$ 3,803,915	\$ 128,432	\$ (12,633)	\$ 3,919,714

Accumulated amortization	Balance December 31, 2021	Disposals	Amortization expense	Balance December 31, 2022
Building and building improvements	\$ 229,433	\$ (3,548)	\$ 20,340	\$ 246,225
Infrastructure	916,345	(6,233)	41,043	951,155
Vehicles, machinery and equipment	111,216	(1,474)	10,408	120,150
Library's collections, furniture and equipment	7,654	(613)	931	7,972
	\$ 1,264,648	\$ (11,868)	\$ 72,722	\$ 1,325,502

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 12. Tangible capital assets (continued):

Net book value	December 31, 2022	December 31, 2021
Land	\$ 1,121,481	\$ 1,077,254
Buildings and building improvements	349,386	347,319
Infrastructure	1,000,022	996,033
Vehicles, machinery and equipment	56,798	54,915
Library's collection, furniture and equipment	3,154	3,056
Assets under construction	63,371	60,690
Balance, end of year	\$ 2,594,212	\$ 2,539,267

(a) Assets under construction:

Assets under construction having a value of \$63,371,507 (2021 - \$60,690,017) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair market value at the date of contribution and recorded in other capital funding revenue on the statement of operations. The value of contributed assets received during the year is \$41,331,921 (2021 - \$61,004,232) comprised of land in the amount of \$30,863,846 (2021 - \$17,281,008), infrastructure in the amount of \$5,123,075 (2021 - \$20,810,489), buildings in the amount of \$5,345,000 (2021 - \$22,682,598). There were no machinery and equipment contributed in 2022 (2021 - \$230,137).

(c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

(d) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including building, artifacts, paintings, and sculptures located at City sites and public display areas. The assets are not recorded as tangible capital assets and are not amortized.

(e) Write-down of tangible capital assets:

There were no write-down of tangible capital assets in 2022 (2021 - nil).

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 13. Accumulated surplus:

	General and Reserve Fund	Waterworks Utility Fund	Sewerworks Utility Fund	Richmond Olympic Oval	Library	2022 Total	2021 Total
Investment in tangible capital assets	\$ 2,570,222	\$ -	\$ -	\$ 7,872	\$ 3,155	\$ 2,581,249	\$ 2,521,629
Reserves (note 14)	693,338	-	-	9,846	-	703,184	647,209
Appropriated surplus	245,113	19,157	11,775	1,166	3,351	280,562	256,020
Investment in LIEC	35,028	-	-	-	-	35,028	33,647
Surplus	14,954	885	6,621	610	830	23,900	24,826
Other equity	5,246	-	-	-	-	5,246	4,556
<b>Balance, end of year</b>	<b>\$ 3,563,901</b>	<b>\$ 20,042</b>	<b>\$ 18,396</b>	<b>\$ 19,494</b>	<b>\$ 7,336</b>	<b>\$ 3,629,169</b>	<b>\$ 3,487,887</b>

## 14. Reserves:

	Balance, December 31, 2021	Change during year	Balance, December 31, 2022
Affordable housing	\$ 14,293	\$ 1,134	\$ 15,427
Arts, culture and heritage	3,526	47	3,573
Capital building and infrastructure	122,720	6,905	129,625
Capital reserve	244,445	19,380	263,825
Capstan station	11,149	3,433	14,582
Child care development	10,078	91	10,169
Community legacy and land replacement	1,458	87	1,545
Drainage improvement	57,159	2,581	59,740
Equipment replacement	25,206	1,682	26,888
Hamilton area plan community amenity	3,007	598	3,605
Leisure facilities	18,970	8,798	27,768
Local improvements	7,571	189	7,760
Neighborhood improvement	8,037	551	8,588
Oval	8,100	1,746	9,846
Public art program	4,405	423	4,828
Sanitary sewer	49,611	3,907	53,518
Steveston off-street parking	336	3	339
Steveston road ends	155	(8)	147
Waterfront improvement	187	(6)	181
Watermain replacement	56,796	4,434	61,230
	<b>\$ 647,209</b>	<b>\$ 55,975</b>	<b>\$ 703,184</b>



# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

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## 15. Pension plan:

The City 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 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, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 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, with results available in 2025.

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 individual employers participating in the plan.

The City paid \$13,914,367 (2021 - \$14,125,356) for employer contributions while employees contributed \$12,078,813 (2021 - \$11,777,413) to the plan in fiscal 2022.

## 16. Contingent assets and contractual rights:

### (a) Contingent assets:

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the City's control occurs or fails to occur.

The City has legal claims, service agreements, and land dedications that may qualify as contingent assets. Amounts cannot be estimated as of December 31, 2022. Contingent assets are not recorded in the consolidated financial statements.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 16. Contingent assets and contractual rights (continued):

### (b) Contractual rights:

The City has entered into contracts or agreements in the normal course of operations that it expects will result in revenue and assets in future fiscal years. The City's contractual rights are comprised of leases, licenses, grants and various other agreements, including the provision of police services with the Vancouver Airport Authority. The following table summarizes the expected revenue from the City's contractual rights:

2023	\$ 37,876
2024	13,377
2025	2,947
2026	1,707
2027	1,729
Thereafter	5,778

The City is entitled to receive revenue from certain other agreements. The revenue from these agreements cannot be quantified and has not been included in the amounts noted above.

## 17. Commitments and contingencies:

### (a) Joint and several liabilities:

The City has a contingent liability with respect to debentures of the Greater Vancouver Water District, Greater Vancouver Sewerage and Drainage District and Metro Vancouver Regional District, to the extent provided for in their respective Enabling Acts, Acts of Incorporation and Amending Acts. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

### (b) Lease payments:

The City is committed to operating lease payments for premises and equipment in the following approximate amounts:

2023	\$ 3,839
2024	3,545
2026	2,305
2026	2,173
2027 and thereafter	4,012

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

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## 17. Commitments and contingencies (continued):

(c) Litigation:

As at December 31, 2022, there were a number of claims or risk exposures in various stages of resolution. The City has made no specific provision for those where the outcome is presently not determinable.

(d) Municipal Insurance Association of British Columbia ("Association"):

The City is a participant in the Association. Should the Association pay out claims in excess of premiums received, it is possible that the City, along with other participants, would be required to contribute towards the deficit. Management does not consider external payment under this contingency to be likely and therefore, no amounts have been accrued.

(e) Contractual obligation:

The City has entered into various contracts for services and construction with periods ranging beyond one year. These commitments are in accordance with budgets passed by Council.

(f) E-Comm Emergency Communications for Southwest British Columbia Incorporated ("E-Comm"):

The City is a shareholder of the E-Comm whose services provided include: regional 9-1-1 call centre for the Greater Vancouver Regional District; Wide Area Radio network; dispatch operations; and records management. The City has 2 Class A shares and 1 Class B share (of a total of 37 Class A and 18 Class B shares issued and outstanding as at December 31, 2022). As a Class A shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date.

(g) Community associations:

The City has agreements with the various community associations which operate the community centers throughout the City. The City generally provides the buildings and grounds, pays the operating costs of the facilities, and provides certain staff and other services such as information technology. Typically the community associations are responsible for providing programming and services to the community. The community associations retain all revenue which they receive.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 18. Trust funds:

Certain assets have been conveyed or assigned to the City to be administered as directed by agreement or statute. The City holds the assets for the benefit of and stands in fiduciary relationship to the beneficiary. The following trust fund is excluded from the City's consolidated financial statements.

	2022	2021
Richmond Community Associations	\$ 696	\$ 1,928

## 19. Taxation and levies:

	2022	2021
Taxes collected:		
Property taxes	\$ 524,934	\$ 496,172
Payment-in-lieu of taxes and grants	37,860	24,326
Local improvement levies	84	84
	<u>562,878</u>	<u>520,582</u>
Less transfers to other authorities:		
Province of British Columbia - School taxes	(210,071)	(192,631)
TransLink	(45,904)	(42,926)
Metro Vancouver	(9,116)	(8,029)
BC Assessment Authority	(6,741)	(6,297)
Sewer debt collect via payment in lieu of taxes	(114)	(43)
Other	(36)	(30)
	<u>(271,982)</u>	<u>(249,956)</u>
Less payment-in-lieu of taxes retained by the City	(21,314)	(14,789)
	<u>\$ 269,582</u>	<u>\$ 255,837</u>

## 20. Other revenue:

	2022	2021
Developer contributions	\$ 14,957	\$ 6,580
Tangible capital assets gain on sale of land	260	722
Penalties and fines	6,382	4,210
Parking program	1,781	1,343
Recycle BC	3,083	2,884
Other	8,743	6,138
	<u>\$ 35,206</u>	<u>\$ 21,877</u>



# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 21. Government transfers:

Government transfers are received for operating and capital activities. The operating transfers consist of gaming revenue and provincial and federal contributions. Capital transfers are included in other capital funding sources revenue. The source of the government transfers are as follows:

	2022	2021
<b>Operating</b>		
Province of British Columbia	\$ 19,273	\$ 12,590
TransLink	3,891	3,815
Government of Canada	2,291	1,999
<b>Capital</b>		
Province of British Columbia	8,619	6,069
TransLink	885	2,947
Government of Canada	1,410	567
	<b>\$ 36,369</b>	<b>\$ 27,987</b>

## 22. Segmented reporting:

The City provides a wide variety of services to its residents. For segment disclosure, these services are grouped and reported under service areas/departments that are responsible for providing such services. They are as follows:

- (a) **Community Safety** brings together the City's public safety providers such as Police (RCMP), Fire-Rescue, Emergency Programs, and Community Bylaws. It is responsible for ensuring safe communities by providing protection services with a focus on law enforcement, crime prevention, emergency response, and protection of life and properties.
- (b) **Utilities** provide such services as planning, designing, constructing, operating, and maintaining the City's infrastructure of water, sewer, drainage and diking networks and sanitation and recycling.
- (c) **Engineering, Public Works and Project Development** comprises of General Public Works, Roads and Construction, Storm Drainage, Fleet Operations, Engineering, Project Development, Sustainability and Facility Management. The services provided are construction and maintenance of the City's infrastructure and all City owned buildings, maintenance of the City's road networks, managing and operating a mixed fleet of vehicles, heavy equipment and an assortment of specialized work units for the City operations, development of current and long-range engineering planning and construction of major projects.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

## 22. Segmented reporting (continued):

- (d) **Community Services** comprises of Parks, Recreation, Arts, and Culture and Heritage Services. These departments ensure recreation opportunities in Richmond by maintaining a variety of facilities such as arenas, community centres, pools, etc. It designs, constructs and maintains parks and sports fields to ensure there is adequate open green space and sports fields available for Richmond residents. It also addresses the economic, arts, culture, and community issues that the City encounters.
- (e) **General Government** comprises of Mayor and Council, Corporate Administration, and Finance and Corporate Services. It is responsible for adopting bylaws, effectively administering city operations, levying taxes, legal services, providing sound management of human resources, information technology, finance, and ensuring high quality services to Richmond residents.
- (f) **Planning and Development** is responsible for land use plans, developing bylaws and policies for sustainable development in the City including the City's transportation systems, and community social development.
- (g) **Richmond Olympic Oval Corporation** is formed as a wholly owned subsidiary of the City. The City uses the Richmond Olympic Oval facility as a venue for a wide range of sports, business and community activities.
- (h) **Richmond Public Library** provides public access to information by maintaining 5 branches throughout the City.

	Community safety	Utilities	Engineering public works and project development	Community services	General government	Planning and development	Total city subtotal
<b>Revenue:</b>							
Taxation and levies	\$ -	\$ -	\$ -	\$ -	\$ 269,582	\$ -	\$ 269,582
User fees	-	113,417	14,548	-	-	-	127,965
Sales of services	9,062	2,269	2,439	10,996	10,280	1,778	36,824
Payments-in-lieu of taxes	-	-	-	-	21,314	-	21,314
Provincial and federal grants	219	15	4,061	220	3,724	65	8,304
Development cost charges	-	415	2,392	12,527	2,202	4,898	22,434
Other capital funding sources	350	1,275	10,086	501	30,864	8,144	51,220
<b>Other revenue:</b>							
Investment income	-	272	-	-	29,959	-	30,231
Gaming revenue	753	-	-	-	11,809	-	12,562
Licenses and permits	4,681	41	295	-	15	10,015	15,047
Other	2,037	4,092	1,137	673	11,268	240	19,447
Equity income	-	-	-	-	1,381	-	1,381
	17,102	121,796	34,958	24,917	392,398	25,140	616,311
<b>Expenses:</b>							
Wages and salaries	53,029	15,694	28,210	34,955	31,909	13,634	177,431
Public works maintenance	21	6,793	6,230	2,324	(1,483)	479	14,364
Contract services	68,317	10,010	5,367	2,971	4,331	2,058	93,054
Supplies and materials	2,965	37,634	1,686	11,644	12,548	933	67,410
Interest and finance	103	28,707	9	146	2,370	1	31,336
Transfer from (to) capital for tangible capital assets	(68)	2,654	12,910	2,364	483	3,207	21,550
Amortization of tangible capital assets	3,294	8,947	34,792	10,318	9,100	3,558	70,009
Loss (gain) on disposal of tangible capital assets	66	51	(101)	233	234	20	503
	127,727	110,490	89,103	64,955	59,492	23,890	475,657
<b>Annual surplus (deficit)</b>	<b>\$ (110,625)</b>	<b>\$ 11,306</b>	<b>\$ (54,145)</b>	<b>\$ (40,038)</b>	<b>\$ 332,906</b>	<b>\$ 1,250</b>	<b>\$ 140,654</b>

# CITY OF RICHMOND

## Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

### 22. Segmented reporting (continued):

	Total City subtotal	Richmond Public Library	Richmond Olympic Oval	2022 Consolidated	2021 Consolidated
<b>Revenue:</b>					
Taxation and levies	\$ 269,582	\$ -	\$ -	\$ 269,582	\$ 255,837
User fees	127,965	-	-	127,965	118,144
Sales of services	36,824	57	7,613	44,494	35,601
Payments-in-lieu of taxes	21,314	-	-	21,314	14,789
Provincial and federal grants	8,304	377	4,212	12,893	12,704
Development cost charges	22,434	-	-	22,434	16,223
Other capital funding sources	51,220	-	-	51,220	64,695
<b>Other revenue:</b>					
Investment income	30,231	19	-	30,250	14,968
Gaming revenue	12,562	-	-	12,562	5,700
Licenses and permits	15,047	-	-	15,047	13,995
Other	19,447	10,448	5,311	35,206	21,877
Equity income	1,381	-	-	1,381	911
	616,311	10,901	17,136	644,348	575,444
<b>Expenses:</b>					
Wages and salaries	177,431	7,789	10,396	195,616	179,260
Public works maintenance	14,364	26	-	14,390	13,011
Contract services	93,054	409	-	93,463	89,086
Supplies and materials	67,410	1,771	4,666	73,847	68,056
Interest and finance	31,336	4	-	31,340	30,301
Transfer from (to) capital for tangible capital assets	21,550	(344)	-	21,206	21,094
Amortization of tangible capital assets	70,009	931	1,782	72,722	68,519
Loss (gain) on disposal of tangible capital assets	503	(21)	-	482	2,436
	475,657	10,565	16,844	503,066	471,763
Annual surplus (deficit)	\$ 140,654	\$ 336	\$ 292	\$ 141,282	\$ 103,681

### 23. Budget data:

The budget data presented in these consolidated financial statements is based on the Consolidated 5 Year Financial Plan adopted by Council on January 24, 2022. The table below reconciles the adopted Consolidated Financial Plan to the budget amounts reported in these consolidated financial statements.

	Financial plan Bylaw No. 10327	Financial statement budget
<b>Consolidated financial plan:</b>		
Revenue	\$ 604,730	\$ 604,730
Expenses	522,614	522,614
Annual surplus	82,116	82,116
<b>Less:</b>		
Acquisition of tangible capital assets	(255,375)	-
Contributed tangible capital assets	(54,782)	-
Transfer to reserves	(78,319)	-
Debt principal	(5,570)	-
<b>Add:</b>		
Capital funding	303,542	-
Transfer from surplus	8,388	-
Annual surplus	\$ -	\$ 82,116

# CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2022

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## **24. Comparative information:**

Certain comparative information has been reclassified to conform to the consolidated financial statement presentation adopted for the current year.

## **25. Subsequent events:**

In March 2023, the City received \$20,354,000 from the Province of B.C. relating to the Growing Communities Fund grant. The Growing Communities Fund grant is a one-time grant that can be used to address the City's infrastructure and amenity needs. This amount will be recognized as revenue in 2023.

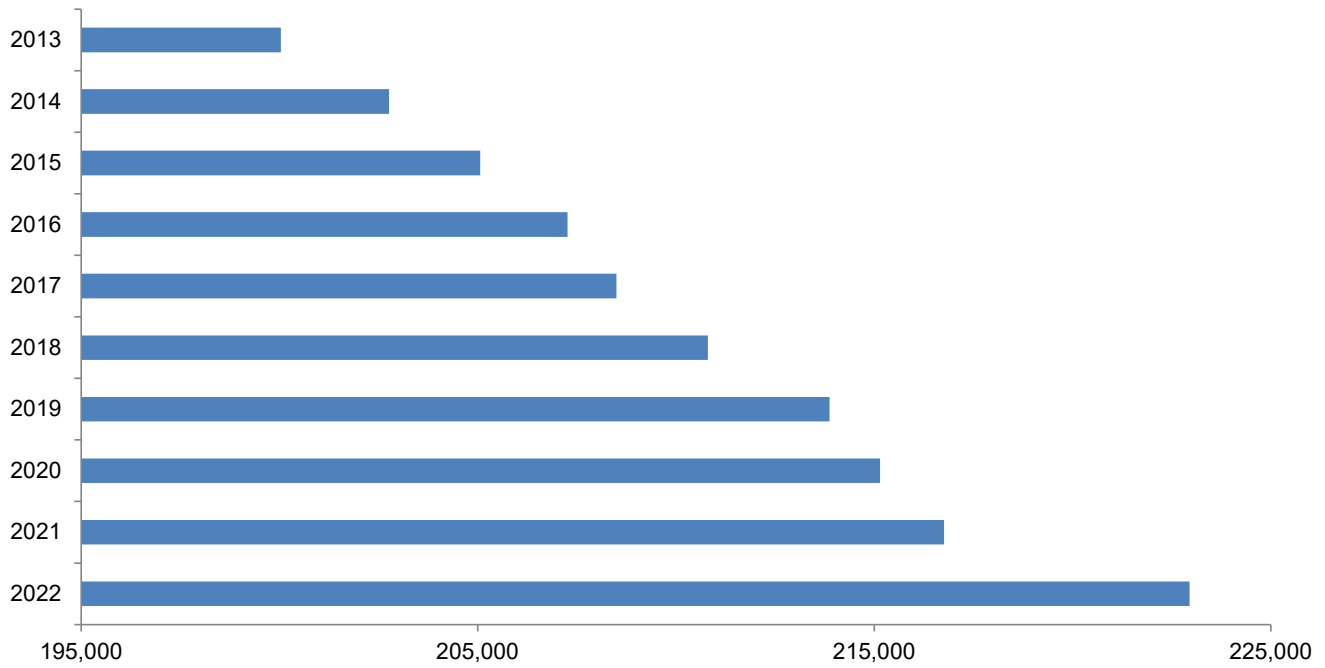




# City of Richmond statistical data

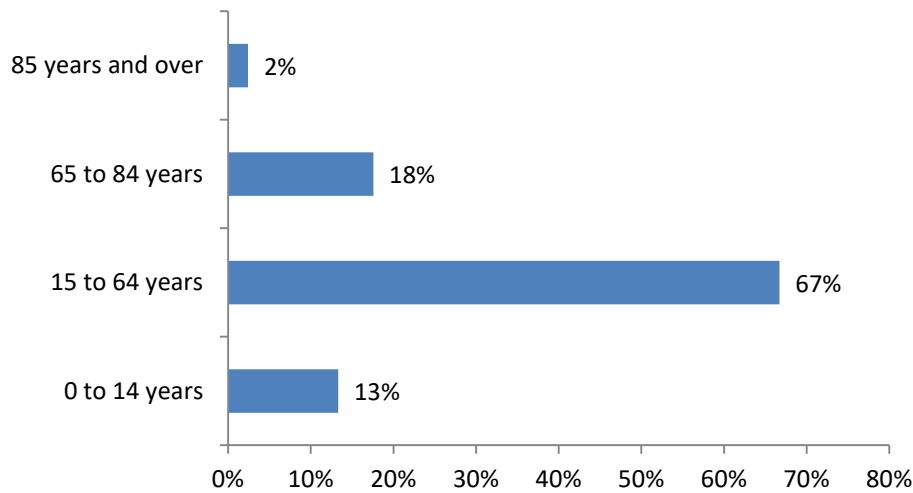
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## City of Richmond population 2013–2022



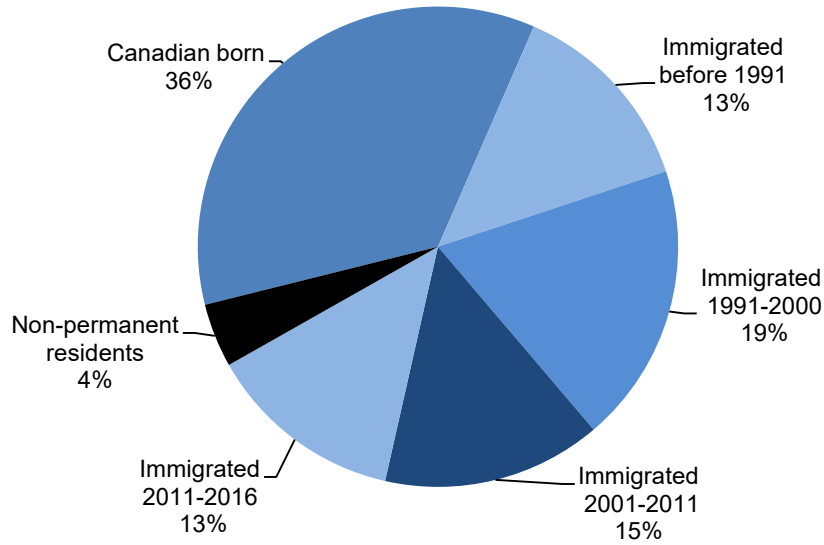
Numbers were revised for 2019–restated based on BC Stats estimates.  
 Source: BC Stats population figures

## Total population by age groups



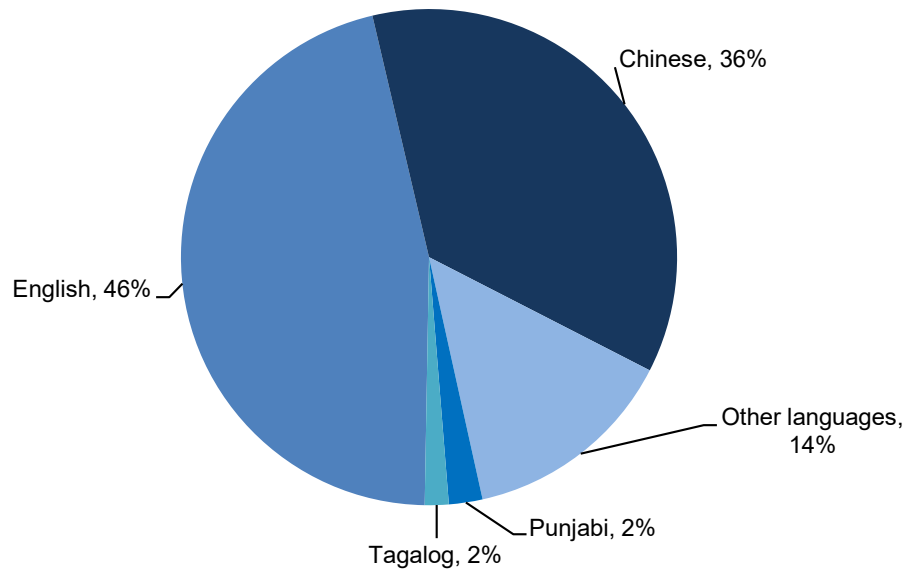
Source: Statistics Canada, 2021 Census of Population

## Immigrant status of Richmond residents by period of immigration



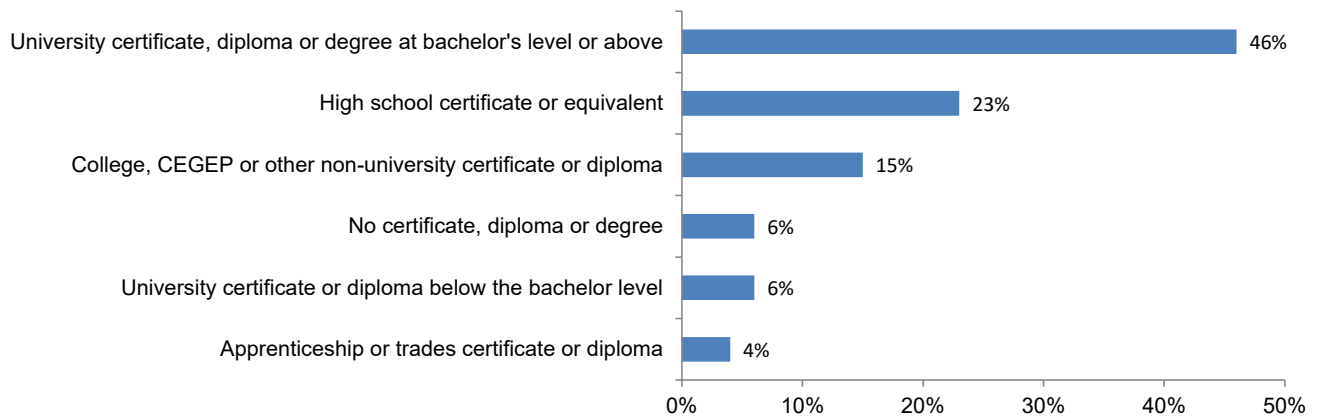
Source: Statistics Canada, 2021 Census of Population

## Language spoken most often at home



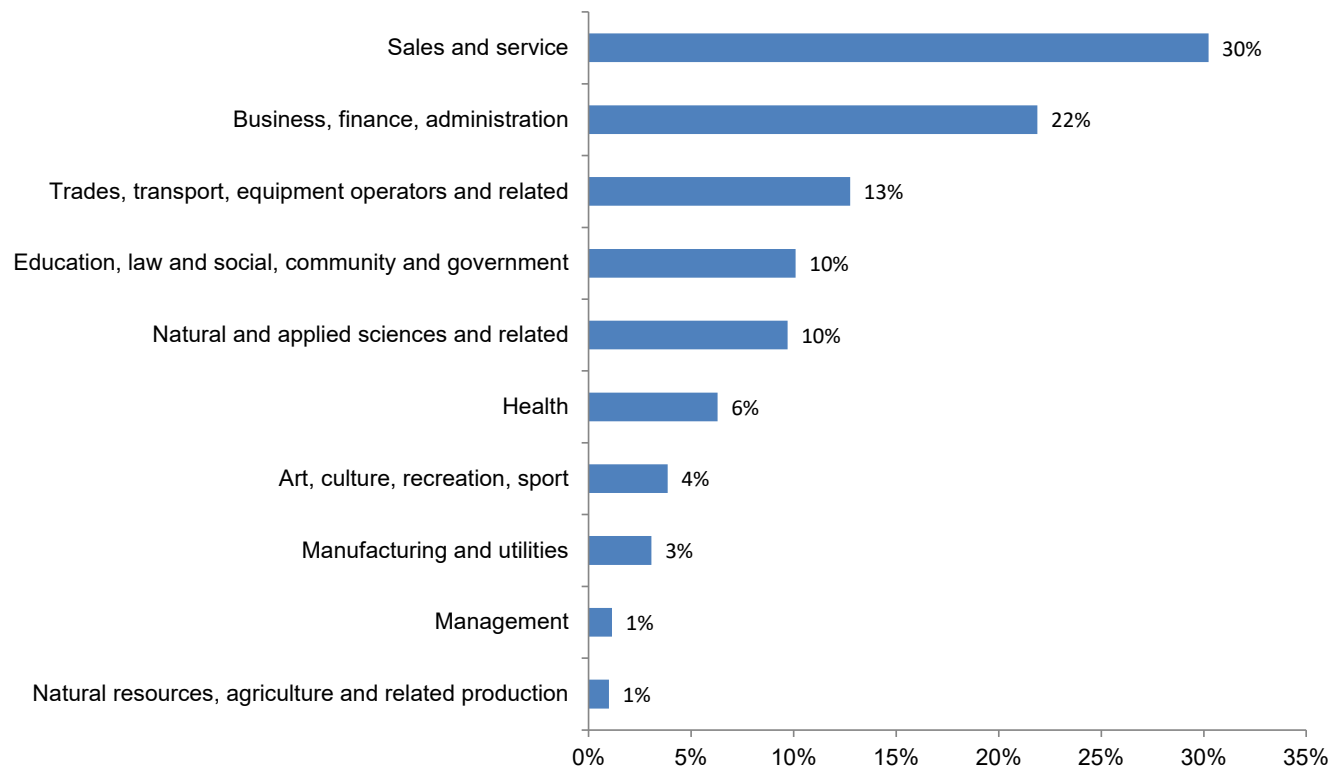
Source: Statistics Canada, 2021 Census of Population

## Highest level of education attained for the population aged 25 to 64



Source: Statistics Canada, 2021 Census of Population

## Occupations of Richmond residents



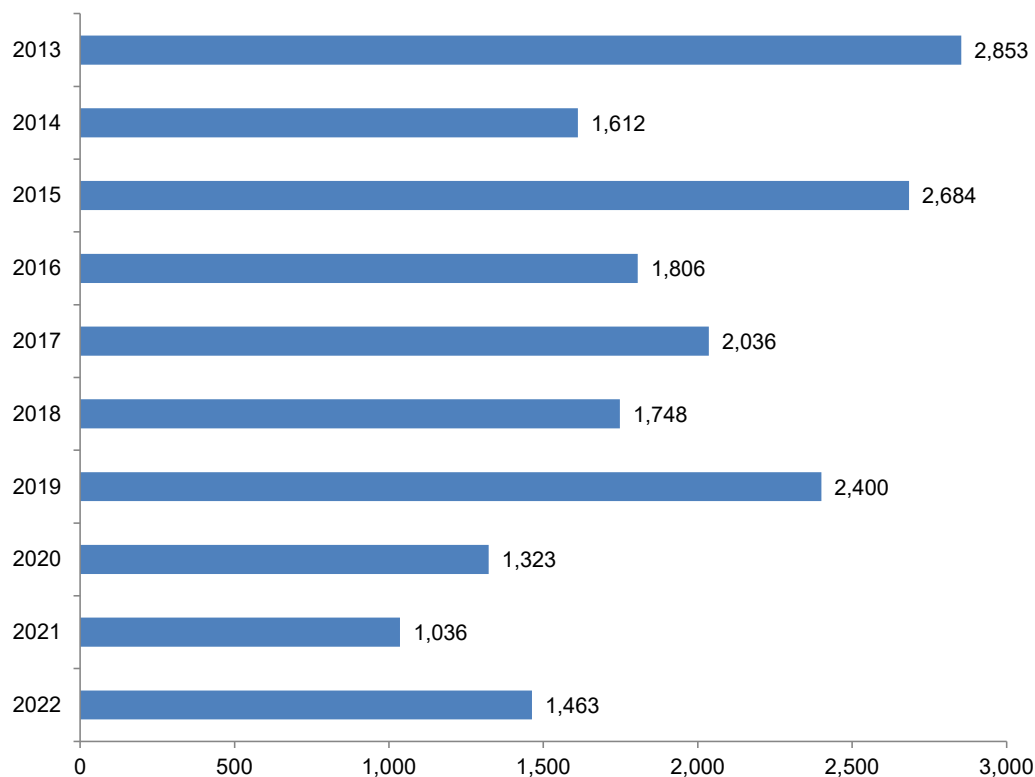
Source: Statistics Canada, 2021 Census of Population



## Major employers in Richmond (in alphabetical order)

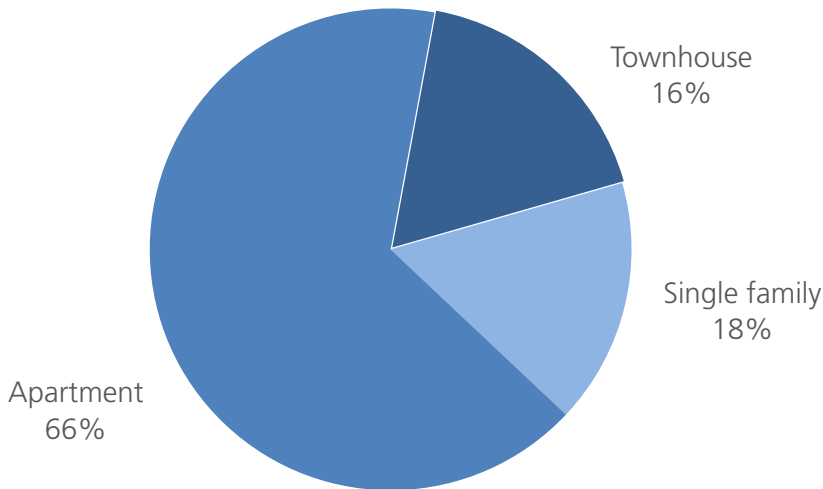
- Air Canada
- Allied Universal Security Services of Canada
- Amazon Canada
- Change Healthcare Canada
- City of Richmond
- Crown Packaging Ltd.
- Gate Gourmet Canada Inc.
- London Drugs Ltd.
- MDA Systems Ltd.
- Richmond Plywood Corporation Ltd.
- River Rock Casino Resort
- School District No.38
- T&T Supermarket
- The Real Canadian Superstore
- Vancouver Coastal Health, Richmond
- WorkSafeBC

## Housing starts in Richmond 2013–2022



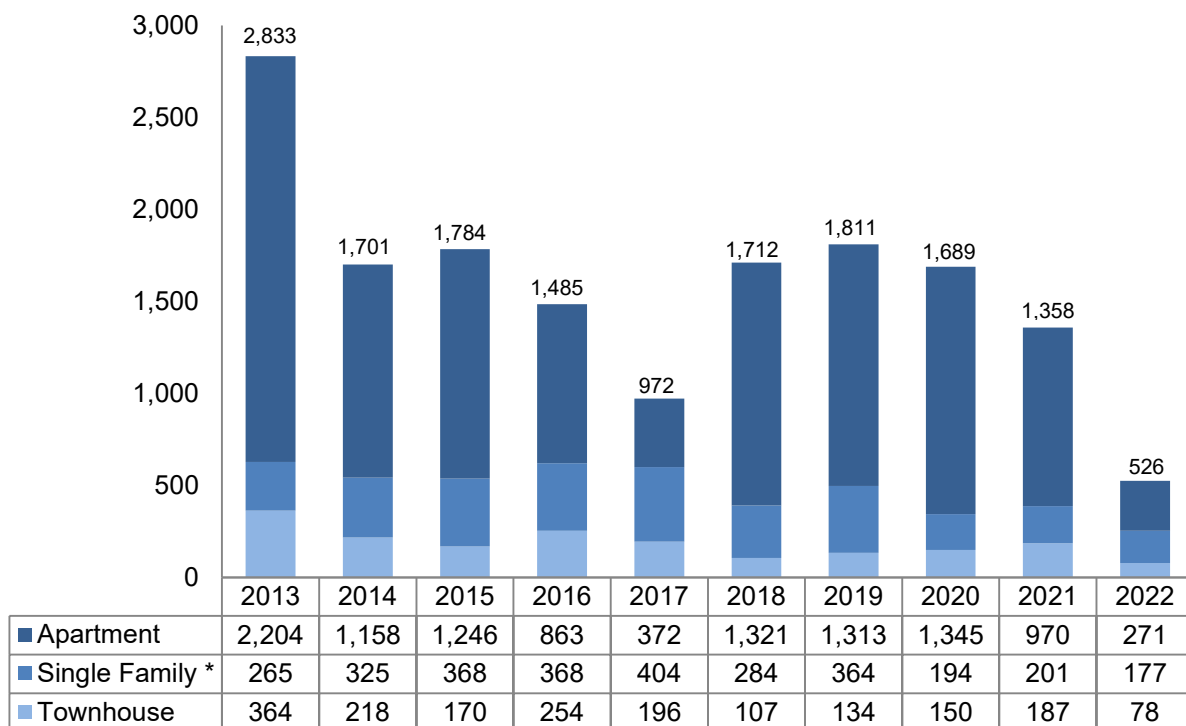
*Includes only projects for new residential construction receiving final building permit in given year.  
Source: City of Richmond building permit records*

## Richmond housing starts by type of units 2022



*Includes only projects for new residential construction receiving final building permit in given year.  
Source: City of Richmond building permit records*

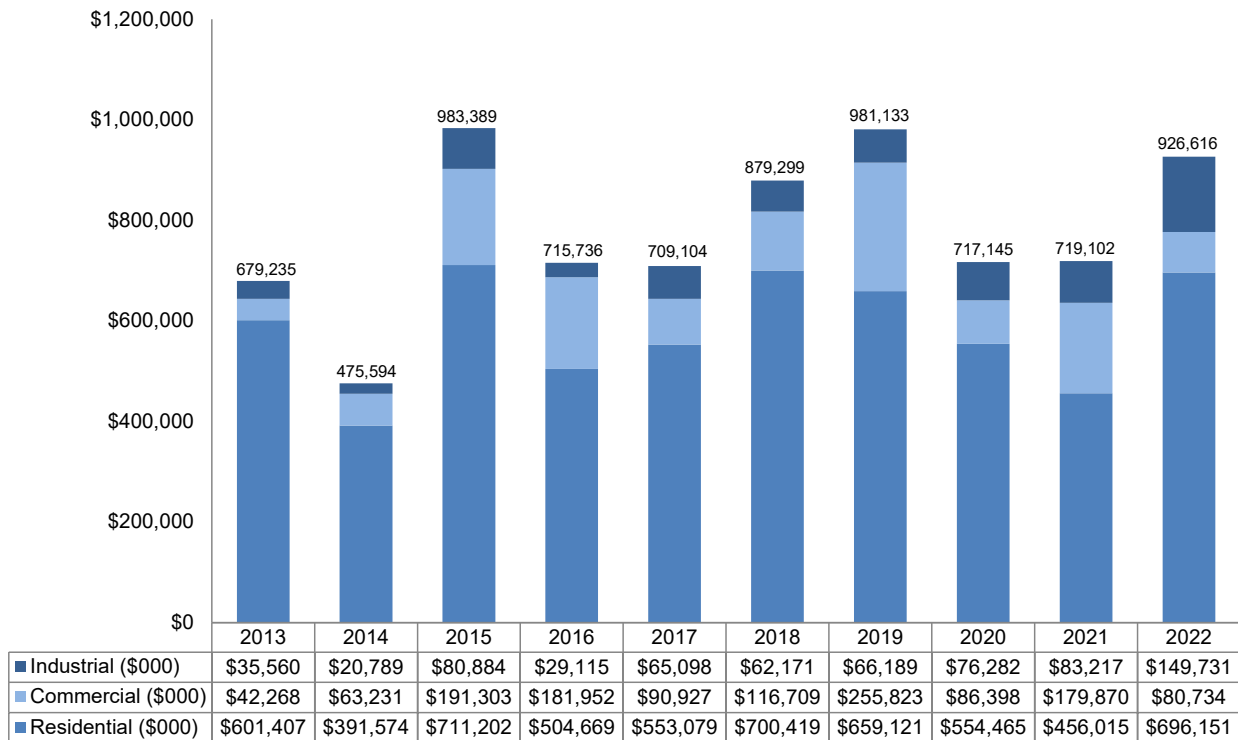
## New dwelling units constructed 2013–2022



*\* Includes one family and two family dwellings.*

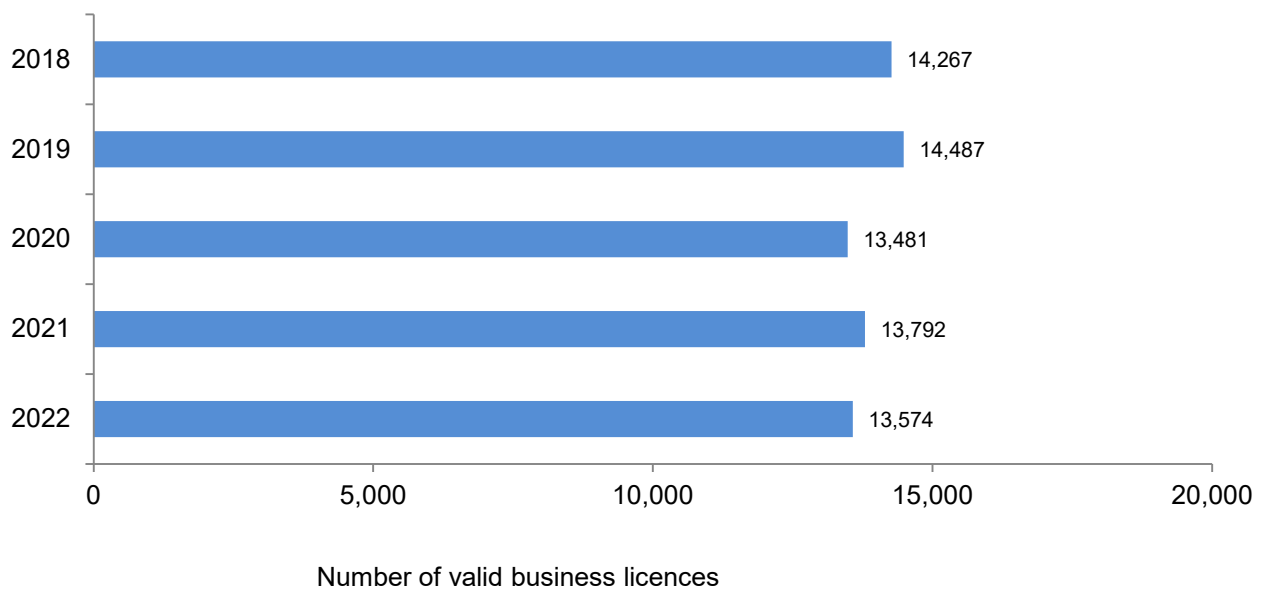
*Includes only projects for new residential construction receiving final building permit in given year.  
Source: City of Richmond building permit records*

## Construction value of building permits issued 2013–2022 (in \$000s)



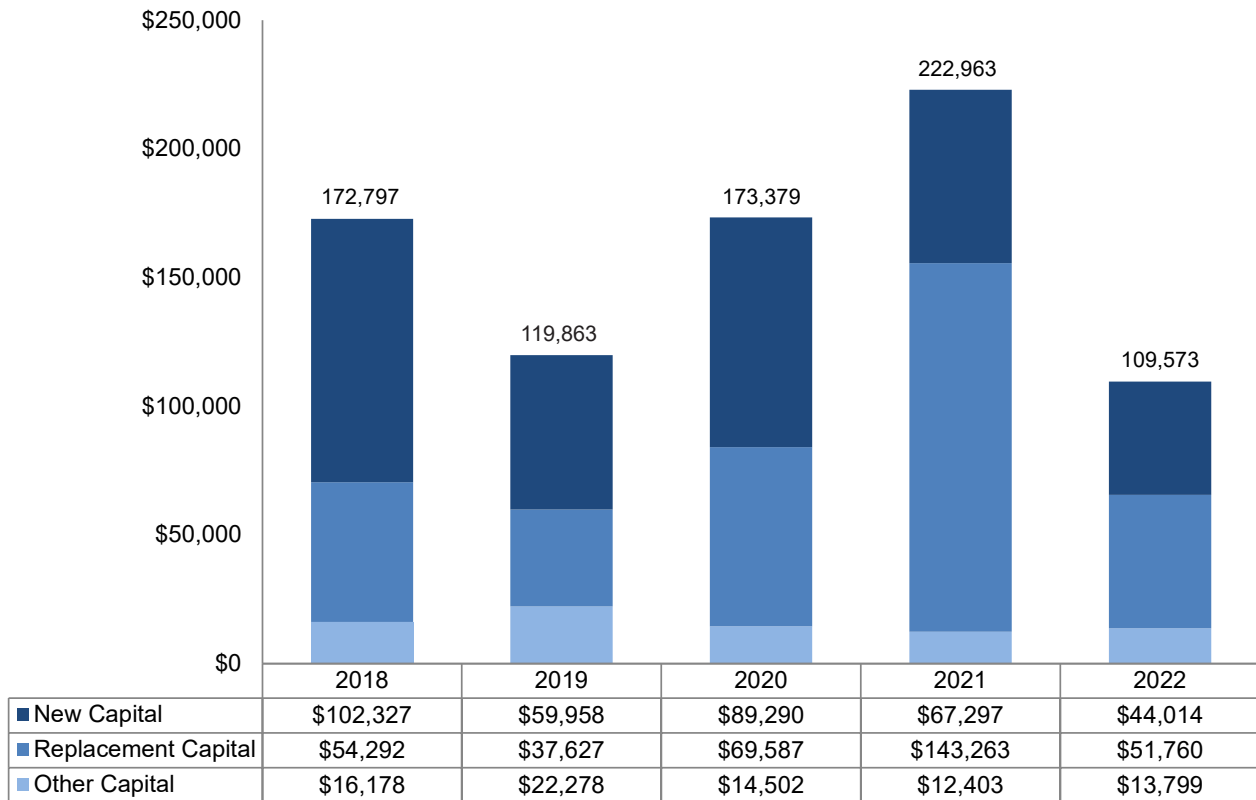
Source: City of Richmond building permit records

## Richmond business licences 2018–2022



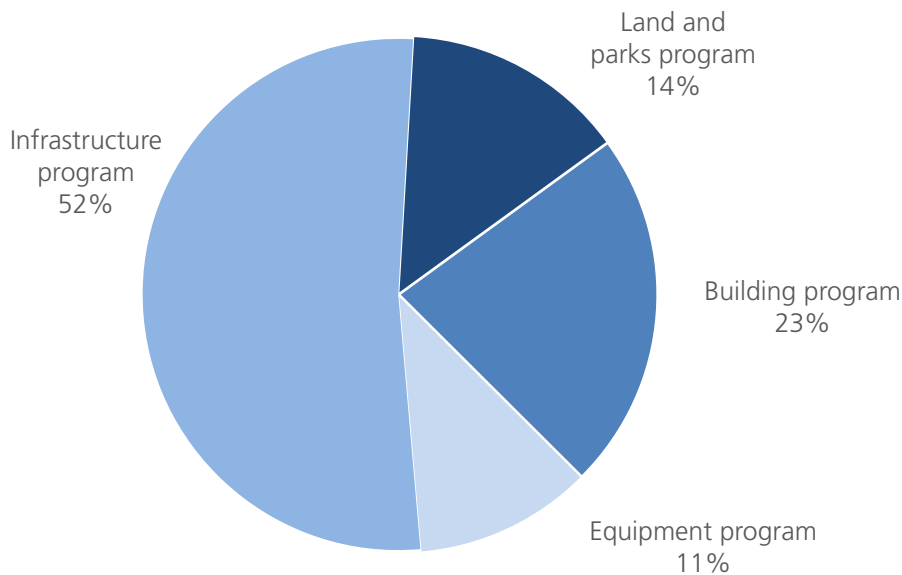
Source: 2022 City of Richmond business licences

## City of Richmond budgeted capital costs 2018–2022 (in \$000s)



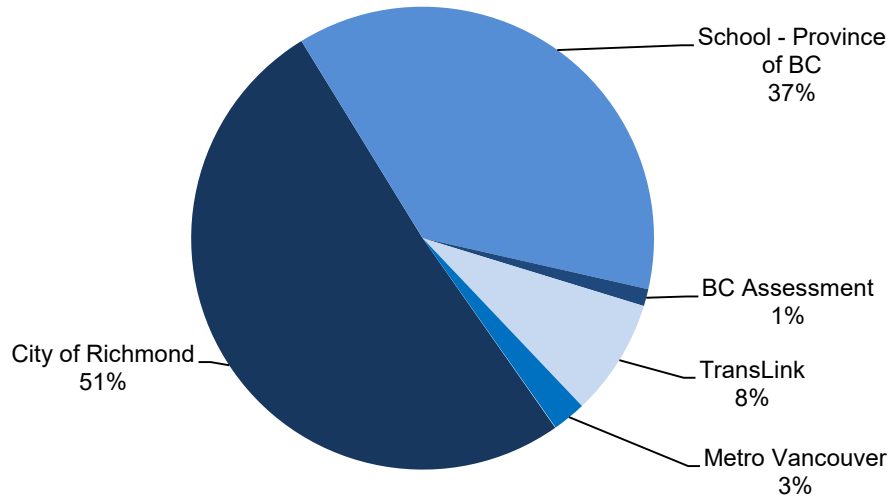
Source: City of Richmond Finance and Corporate Services

## Capital program by type 2022



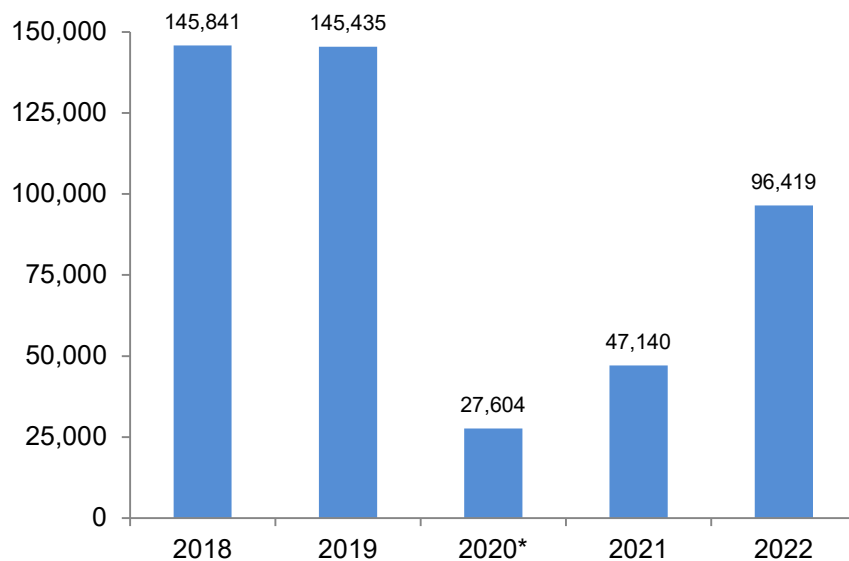
Source: City of Richmond Finance and Corporate Services

## Breakdown of residential tax bill 2022



Source: City of Richmond Finance and Corporate Services

## Registration in Richmond Recreation and Cultural Services programs 2018–2022



\*2020 figure has been restated.

Source: City of Richmond Finance and Corporate Services



## 2022 tax rates

	City of Richmond	School - Province of BC	Metro Vancouver	BC Assessment	Municipal Finance Authority	TransLink
Residential	1.65745	0.99580	0.05127	0.03490	0.00020	0.22590
Business	4.00065	3.52000	0.12562	0.10360	0.00050	0.77870
Light industrial	4.00065	3.52000	0.17433	0.10360	0.00070	0.78220
Seasonal / Recreational	1.35615	2.03000	0.05127	0.03490	0.00020	0.15640
Major industrial	7.51512	1.40800	0.17433	0.46620	0.00070	1.40220
Farm	15.63913	3.49000	0.05127	0.03490	0.00020	0.32390
Utilities	38.53459	12.72000	0.17946	0.46620	0.00070	2.23700

Source: City of Richmond Finance and Corporate Services

## 2022 general revenue fund assessment and taxation by property class (in \$000s)

	Assessment	% of assessment by class	Taxation	% of taxation by class
Residential	\$92,961,083	76.60%	\$154,079	57.09%
Business	22,213,156	18.31%	88,867	32.93%
Light industrial	5,368,958	4.42%	21,479	7.96%
Seasonal / Recreational	353,571	0.29%	480	0.18%
Major industrial	389,851	0.32%	2,930	1.09%
Farm	26,496	0.02%	414	0.15%
Utilities	43,033	0.04%	1,658	0.60%
<b>Total</b>	<b>\$121,356,148</b>	<b>100.00%</b>	<b>\$269,907</b>	<b>100.00%</b>

Amounts are based on billing.

Source: City of Richmond Finance and Corporate Services

## Taxes levied on behalf of taxing authorities (in \$000s)

	2018	2019	2020	2021	2022
City of Richmond	\$216,908	\$231,100	\$241,739	\$257,088	\$269,907
School Board	169,005	181,863	121,559	186,528	197,657
Metro Vancouver	5,915	6,922	9,145	11,146	12,410
BC Assessment	5,737	5,894	6,008	6,088	6,344
TransLink	35,991	38,863	40,189	41,576	43,301
Other	26	29	116	112	117
<b>Total Taxes</b>	<b>\$433,582</b>	<b>\$464,671</b>	<b>\$418,756</b>	<b>\$502,538</b>	<b>\$529,736</b>

Amounts are less supplementary adjustments.

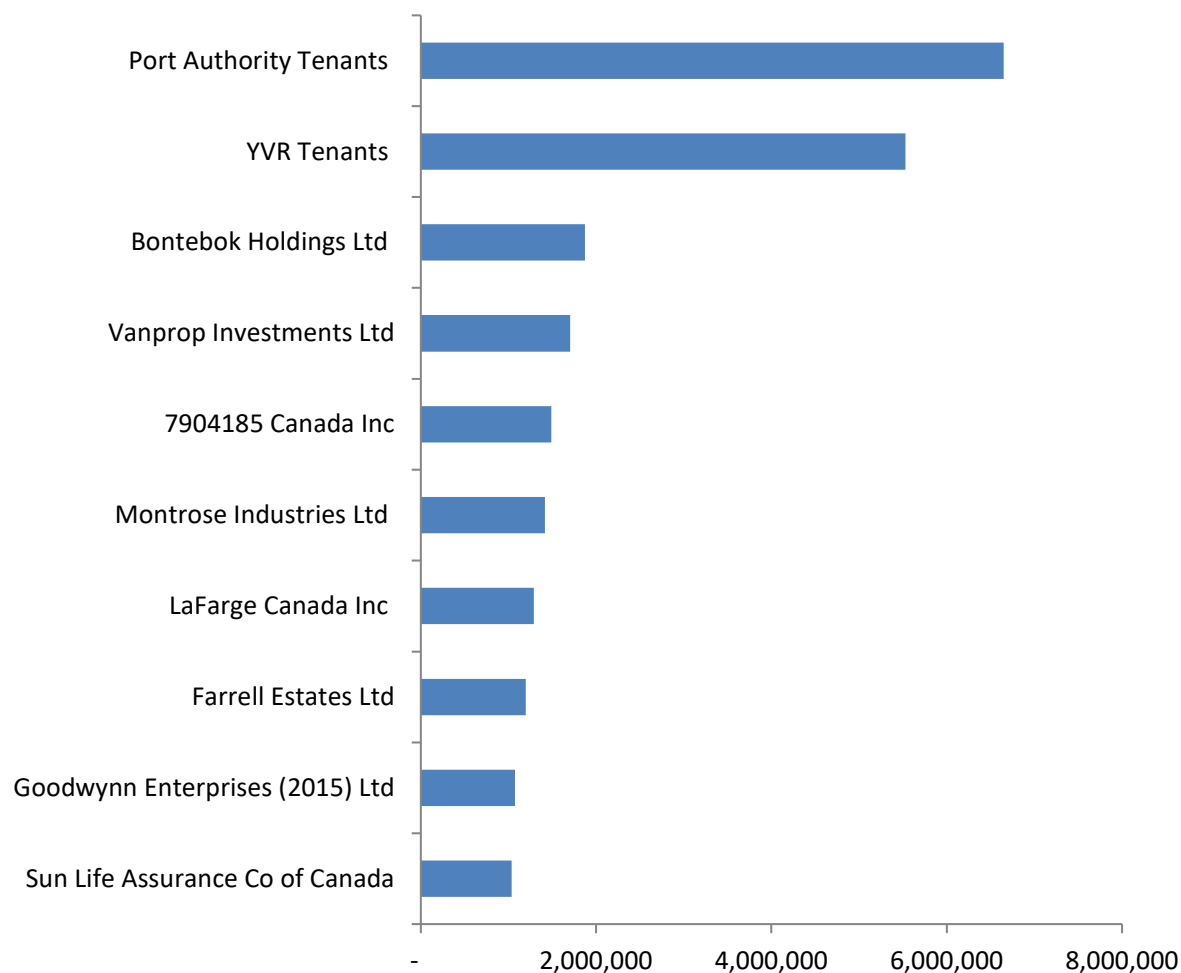
Source: City of Richmond Finance and Corporate Services

## 2018–2022 general assessment by property class (in \$000s)

	2018	2019	2020	2021	2022
Residential	\$80,530,838	\$84,391,147	\$75,895,923	\$78,838,953	\$92,961,083
Business	15,848,533	18,964,170	19,613,458	18,856,561	22,213,156
Light industrial	2,998,757	3,528,011	3,850,127	4,286,605	5,368,958
Seasonal / recreational	200,893	221,291	211,659	213,776	353,571
Major industrial	204,542	259,457	289,800	336,999	389,851
Farm	26,297	26,166	26,103	26,044	26,496
Utilities	29,250	35,869	55,674	41,633	43,033
<b>Total</b>	<b>\$99,839,110</b>	<b>\$107,426,111</b>	<b>\$99,942,744</b>	<b>\$102,600,571</b>	<b>\$121,356,148</b>

Source: City of Richmond Finance and Corporate Services

## Top 10 corporate taxpayers in Richmond



Source: City of Richmond Finance and Corporate Services

## Debt servicing costs compared to general taxation revenue 2018–2022 (in \$000s)

	2018	2019	2020	2021	2022
Debt servicing costs	5,909	6,628	6,826	7,032	8,320
General taxation revenue	\$216,908	\$230,198	\$239,991	\$255,837	\$269,582
Debt servicing costs as a % of general taxation revenue	2.72%	2.88%	2.84%	2.75%	3.09%

Source: City of Richmond Finance and Corporate Services

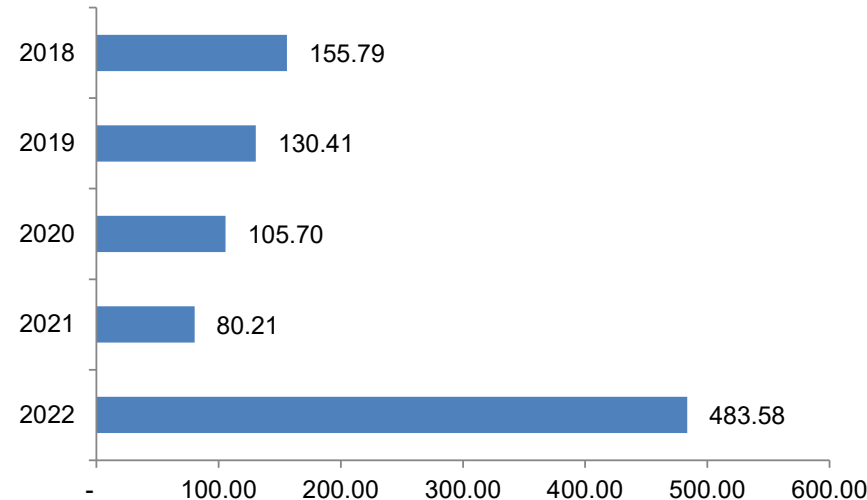
## Liability servicing limit 2018–2022 (in \$000s)

	2018	2019	2020	2021	2022
Liability servicing limit	\$114,285	\$117,239	\$113,768	\$113,663	\$127,512

The liability servicing limit is a calculated amount based on 25% of specific municipal revenues.

Source: City of Richmond Finance and Corporate Services

## City of Richmond debt per capita 2018–2022



Source: City of Richmond Finance and Corporate Services

## Net debt 2018–2022 (in \$000s)

	2018	2019	2020	2021	2022
Net debt	\$32,842	\$27,891	\$22,741	\$17,386	\$107,816

Source: City of Richmond Finance and Corporate Services

## Expenses by function 2018–2022 (in \$000s)

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Community safety	\$98,500	\$106,209	\$112,895	\$123,232	\$127,727
Engineering and public works	68,793	80,940	75,314	80,083	89,103
Community services	63,882	67,522	50,833	59,873	64,955
General government	52,549	55,689	51,495	52,995	59,492
Utilities	89,959	98,653	102,824	106,519	110,490
Planning and development	15,368	48,104*	19,201	25,166	23,890
Library services	9,981	10,601	9,040	9,816	10,565
Richmond Olympic Oval	15,424	15,972	12,586	14,079	16,844
<b>Total expenses</b>	<b>\$414,456</b>	<b>\$483,690</b>	<b>\$434,188</b>	<b>\$471,763</b>	<b>\$503,066</b>

\* Includes one-time TransLink contribution for Capstan Station.

Source: City of Richmond Finance and Corporate Services

## Expenses by object 2018–2022 (in \$000s)

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Wages, salaries and benefits	\$162,331	\$177,363	\$164,788	\$179,260	\$195,616
Public works maintenance	13,405	15,299	13,343	13,011	14,390
Contract services	73,479	79,098	81,642	89,086	93,463
Supplies, materials	67,919	68,801	64,437	68,056	73,847
Interest and finance	23,149	26,089	29,779	30,301	31,340
Transfer from (to) capital for tangible capital assets	13,307	52,244	13,568	21,094	21,206
Amortization of tangible capital assets	60,542	64,228	66,254	68,519	72,722
Loss/(gain) on disposal of tangible capital assets	324	568	377	2,436	482
<b>Total expenses</b>	<b>\$414,456</b>	<b>\$483,690</b>	<b>\$434,188</b>	<b>\$471,763</b>	<b>\$503,066</b>

Source: City of Richmond Finance and Corporate Services

## Revenue by source 2018–2022 (in \$000s)

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Taxation and levies	\$216,908	\$230,198	\$239,991	\$255,837	\$269,582
User fees	102,915	111,472	114,335	118,144	127,965
Sales of services	39,111	42,747	29,090	35,601	44,494
Licences and permits	13,637	13,030	19,407	13,995	15,047
Investment income	20,705	25,142	20,175	14,968	30,250
Grants including casino revenue	42,681	42,104	16,953	18,404	25,455
Development cost charges	17,432	13,802	16,737	15,223	22,434
Capital funding	95,859	39,028	71,051	64,695	51,220
Other	50,169	64,419	51,313	38,577	57,901
<b>Total revenue</b>	<b>\$599,417</b>	<b>\$581,942</b>	<b>\$579,052</b>	<b>\$575,444</b>	<b>\$644,348</b>

Source: City of Richmond Finance and Corporate Services

## Accumulated surplus 2018–2022 (in \$000s)

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Accumulated surplus, beginning of year	\$2,956,129	\$3,141,090	\$3,239,342	\$3,384,206	\$3,487,887
Annual surplus	184,961	98,252	144,864	103,681	141,282
Accumulated surplus, end of year	\$3,141,090	\$3,239,342	\$3,384,206	\$3,487,887	\$3,629,169

Source: City of Richmond Finance and Corporate Services

## Changes in net financial assets 2018–2022 (in \$000s)

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Change in net financial assets	\$65,031	\$42,748	\$83,116	\$51,018	\$85,722
Net financial assets, end of year	\$763,121	\$805,869	\$888,985	\$940,003	\$1,025,725

Source: City of Richmond Finance and Corporate Services

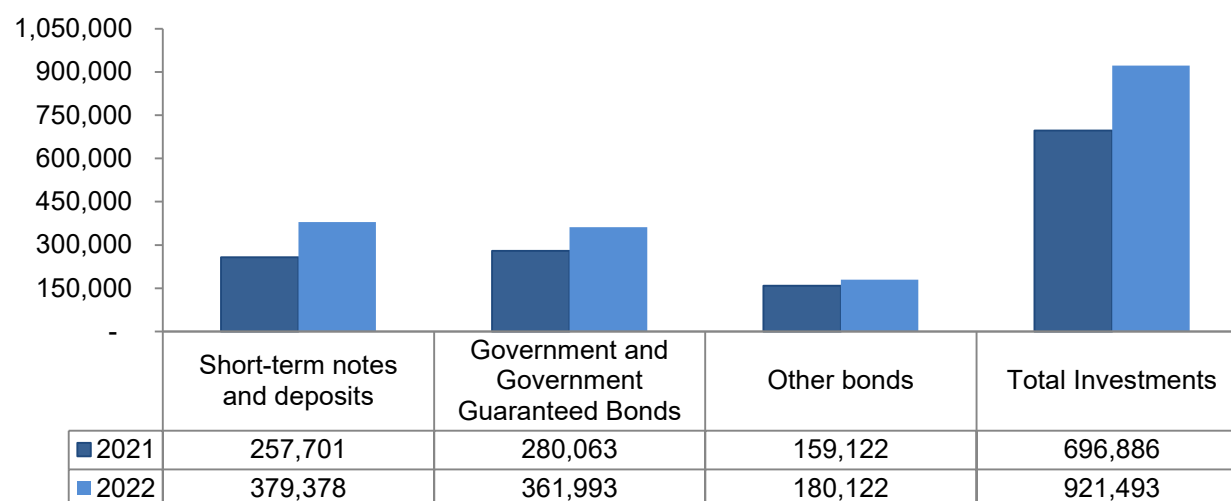


## Reserves 2018–2022 (in \$000s)

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Affordable housing	\$10,836	\$11,705	\$12,250	\$14,293	\$15,427
Arts, culture and heritage	4,003	3,726	3,721	3,526	3,573
Capital building and infrastructure	81,763	100,686	111,528	122,720	129,625
Capital reserve	176,142	171,976	222,778	244,445	263,825
Capstan Station	32,332	32,318	11,477	11,149	14,582
Child care development	6,806	8,922	10,055	10,078	10,169
Community legacy and land replacement	8,852	1,310	1,387	1,458	1,545
Drainage improvement	56,132	55,645	60,597	57,159	59,740
Equipment replacement	19,600	20,203	22,577	25,206	26,888
Hamilton area plan community amenity	752	1,720	2,762	3,007	3,605
Leisure facilities	18,765	17,676	18,097	18,970	27,768
Local improvements	7,155	7,327	7,459	7,571	7,760
Neighbourhood improvement	7,520	7,860	7,919	8,037	8,588
Richmond Olympic Oval	6,324	8,856	7,810	8,100	9,846
Public art program	4,860	4,858	4,582	4,405	4,828
Sanitary sewer	44,107	47,731	48,903	49,611	53,518
Steveston off-street parking	317	325	331	336	339
Steveston road ends	155	150	153	155	147
Waterfront improvement	317	202	195	187	181
Watermain replacement	53,415	54,380	54,952	56,796	61,230
<b>Total reserves</b>	<b>\$540,153</b>	<b>\$557,576</b>	<b>\$609,533</b>	<b>\$647,209</b>	<b>\$703,184</b>

Source: City of Richmond Finance and Corporate Services

## Investment portfolio per type 2021–2022 (in \$000s)



Source: City of Richmond Finance and Corporate Services

## Ratio analysis indicators of financial condition

	2022	2021	2020
<b>Sustainability ratios</b>			
Assets to liabilities (times)	6.2	7.6	6.8
Financial assets to liabilities (times)	2.5	2.8	2.5
Net debt to total revenues	16.7%	3.0%	3.9%
Net debt to the total assessment	0.09%	0.02%	0.02%
Expenses to the total assessment	0.4%	0.5%	0.6%
<b>Flexibility ratios</b>			
Public debt charges to revenues	0.4%	0.3%	0.3%
Net book value of capital assets to its cost	66.2%	66.8%	67.3%
Own source revenue to the assessment	0.5%	0.5%	0.5%
<b>Vulnerability ratios</b>			
Government transfers to total revenues	4.0%	3.2%	3.4%

Source: City of Richmond Finance and Corporate Services

## 2022 permissive property tax exemptions

In accordance with Section 98 (2)(b) of the Community Charter, we disclose that the following properties were provided permissive property tax exemptions by Richmond City Council in 2022. Permissive tax exemptions are those exemptions granted by bylaw in accordance with Section 224 of the Community Charter.

Property / Organization	Address	2022 Municipal tax exempted
<b>Churches and religious properties</b>		
Aga Khan Foundation Canada	4000 May Drive	\$ 13,662
BC Muslim Association	12300 Blundell Road	2,308
Bakerview Gospel Chapel	8991 Francis Road	3,051
Beth Tikvah Congregation	9711 Geal Road	18,413
Bethany Baptist Church	22680 Westminster Highway	8,711
Brighthouse United Church	8151 Bennett Road	17,231
Broadmoor Baptist Church	8140 Saunders Road	4,569
Canadian Martyrs Parish	5771 Granville Avenue	24,806
Christian and Missionary Alliance	3360 Sexsmith Road	13,342
Christian Reformed Church	9280 No. 2 Road	22,021
Church in Richmond	4460 Brown Road	2,686
Church of Latter Day Saints	8440 Williams Road	20,967
Conference of the United Mennonite Churches of BC	11571 Daniels Road	14,736
Cornerstone Evangelical Baptist Church	12011 Blundell Road	739
Dharma Drum Mountain Buddhist Temple	8240 No. 5 Road	1,243
Emmanuel Christian Community	10351 No. 1 Road	10,097
Fraserview Mennonite Brethren Church	11295 Mellis Drive	6,644
Fujian Evangelical Church	12200 Blundell Road	3,196
Gilmore Park United Church	8060 No. 1 Road	3,420
I Kuan Tao (Fayi Chungder) Association	8866 Odlin Crescent	3,384
Immanuel Christian Reformed Church	7600 No. 4 Road	3,570
India Cultural Centre	8600 No. 5 Road	3,121
International Buddhist Society	9160 Steveston Highway	4,683
Johrei Fellowship Inc.	10380 Odlin Road	7,084
Lansdowne Congregation Jehovah's Witnesses	11014 Westminster Highway	3,332
Ling Yen Mountain Temple	10060 No. 5 Road	5,286
Meeting Room	8020 No. 5 Road	2,653
Nanaksar Gurdwara Gursikh Temple	18691 Westminster Highway	2,203
North Richmond Alliance Church	9140 Granville Avenue	5,656
Our Savior Lutheran Church	6340 No. 4 Road	3,485

**Churches and religious properties continued . . .**

Parish of St. Alban's	7260 St. Albans Road	\$ 16,399
Peace Evangelical Church	8280 No. 5 Road	1,249
Richmond Alliance Church	11371 No. 3 Road	2,538
Richmond Baptist Church	6560 Blundell Road	3,920
Richmond Baptist Church	6640 Blundell Road	13,017
Richmond Bethel Mennonite Church	10160 No. 5 Road	4,267
Richmond Chinese Alliance Church	10100 No. 1 Road	16,248
Richmond Chinese Evangelical Free Church	8040 No. 5 Road	2,567
Richmond Emmanuel Church	7451 Elmbridge Way	7,241
Richmond Faith Fellowship	11960 Montego Street	4,183
Richmond Gospel Hall	5651 Francis Road	5,002
Richmond Pentecostal Church	9300 Westminster Highway	3,320
Richmond Pentecostal Church	9260 Westminster Highway	1,959
Richmond Presbyterian Church	7111 No. 2 Road	12,841
Richmond Sea Island United Church	8711 Cambie Road	22,298
Salvation Army Church	8280 Gilbert Road	4,071
Science of Spirituality SKRM Inc.	11011 Shell Road	1,176
Shia Muslim Community	8580 No. 5 Road	1,974
South Arm United Church	11051 No. 3 Road	1,277
St. Anne's Anglican Church	4071 Francis Road	6,808
St. Gregory Armenian Apostolic Church	13780 Westminster Highway	1,242
St. Joseph the Worker Roman Catholic Church	4451 Williams Road	46,480
St. Monica's Roman Catholic Church	12011 Woodhead Road	4,145
St. Paul's Roman Catholic Parish	8251 St. Albans Road	17,181
Steveston Buddhist Temple	4360 Garry Street	19,225
Steveston Congregation Jehovah's Witnesses	4260 Williams Road	11,450
Steveston United Church	3720 Broadway Street	4,762
Subramaniya Swamy Temple	8840 No. 5 Road	1,598
Thrangu Monastery Association	8140 No. 5 Road	3,454
Thrangu Monastery Association	8160 No. 5 Road	1,710
Towers Baptist Church	10311 Albion Road	11,440
Trinity Lutheran Church	7100 Granville Avenue	17,743
Trinity Pacific Church	10011 No. 5 Road	8,027
Ukrainian Catholic Church	8700 Railway Avenue	4,001
Vancouver International Buddhist Progress Society	6690 - 8181 Cambie Road	9,752
Vancouver International Buddhist Progress Society	8271 Cambie Road	10,469
Vedic Cultural Society of BC	8200 No. 5 Road	3,751
Walford Road Gospel Church	9291 Walford Street	1,227

**Recreation, child care and community service properties**

Atira Women's Resource Society	650 - 5688 Hollybridge Way	\$6,745
Cook Road Children's Centre	8300 Cook Road	2,008
Cranberry Children's Centre	23591 Westminster Highway	6,357
Gardens Children's Centre	10640 No. 5 Road	4,915
Girl Guides of Canada	11551 Dyke Road	33,139
Girl Guides of Canada	4780 Blundell Road	6,802
Navy League of Canada	7411 River Road	7,519
Phileo Development Ltd.	5900 Minoru Boulevard	89,563
Richmond Caring Place	7000 Minoru Boulevard	106,409
Richmond Family Place	8660 Ash Street	7,081
Richmond Gymnastics Association	140 - 7400 River Road	15,965
Richmond Lawn Bowling Club	6131 Bowling Green Road	39,589
Richmond Public Library	11580 Cambie Road	3,484
Richmond Public Library	11688 Steveston Highway	3,893
Richmond Rod and Gun Club	140 - 7400 River Road	7,982
Richmond Rod and Gun Club	7760 River Road	28,274
Richmond Tennis Club	6820 Gilbert Road	45,666
Richmond Winter Club	5540 Hollybridge Way	204,624
River Run Early Care and Learning Centre	10277 River Drive	7,888
Riverside Children's Centre	5862 Dover Crescent	1,012
Scotch Pond Heritage	2220 Chatham Street	2,613
Seasoning Child Care Centre	10380 No. 2 Road	16,183
Sharing Farm	2900 River Road	18,526
Terra Nova Children's Centre	6011 Blanshard Drive	2,189
Treehouse Learning Centre	100 - 5500 Andrews Road	1,924
Watermania	14300 Entertainment Boulevard	145,128
West Cambie Children's Centre	4033 Stolberg Street	3,477
YMCA of Greater Vancouver	3368 Carscallen Road	9,872

**Senior citizen housing**

Richmond Legion Senior Citizen Society	7251 Langton Road	\$ 29,581
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**Community care facilities**

Developmental Disabilities Association	6531 Azure Road	\$ 2,911
Developmental Disabilities Association	8400 Robinson Road	3,188
Developmental Disabilities Association	7611 Langton Road	3,182
Greater Vancouver Community Service	4811 Williams Road	3,364
Pinegrove Place, Mennonite Care Home Society	11331 Mellis Drive	12,471
Richmond Lions Manor	9020 Bridgeport Road	25,423
Richmond Society for Community Living	5728 Woodwards Road	2,837
Richmond Society for Community Living	303 - 7560 Moffatt Road	1,012
Richmond Society for Community Living	4433 Francis Road	2,482
Richmond Society for Community Living	9580 Pendleton Road	3,474
Richmond Society for Community Living	431 Catalina Crescent	2,165
Rosewood Manor, Richmond Intermediate Care Society	6260 Blundell Road	39,594
Turning Point Recovery Society	10411 Odlin Road	3,098



# Major services provided by the City of Richmond

## Administration

Includes the office of the Chief Administrative Officer who oversees the overall administration of the City's operations. Also includes Human Resources, Intergovernmental Relations and Protocol, Corporate Communications and Marketing, Corporate Planning and Organizational Development and the Corporate Programs Management Group.

## Community Safety

Brings together the City's public safety providers including RCMP, Fire-Rescue, Emergency Programs, Community Bylaws and Business Licences.

## Community Services

Coordinates, supports and develops Richmond's community services including Parks Services, Recreation and Sport Services and Arts, Culture and Heritage Services.

## Engineering and Public Works

The Engineering and Public Works Departments deliver public works services and utilities, engineering planning, design, construction and maintenance services for all utility and City building infrastructure, as well as sustainability and environmental programs.

## Finance and Corporate Services

Includes Customer Service, Information Technology, Finance, Economic Development, Real Estate Services and Business Services.

## Planning and Development

Includes the Policy Planning, Transportation, Development Applications, Building Approvals and Community Social Development Departments. This division provides policy directions that guide growth and change in Richmond with emphasis on land use planning, development regulations, environmental protection, heritage and livability.

## Law and Legislative Services

Includes the Law Department and the City Clerk's Office.

## Other City entities

### Gateway Theatre

Operates the City's performing arts theatre.

### Lulu Island Energy Company

Operates the City's district energy utilities.

### Richmond Olympic Oval Corporation

Operates the Richmond Olympic Oval and the Richmond Sport Hosting program.

### Richmond Public Library

Operates Richmond's public library, including four branches.

# City of Richmond contacts

The City of Richmond offers many civic services to the community. Additional services are provided through the Richmond Olympic Oval, Richmond Public Library, Gateway Theatre and Lulu Island Energy Company. For more information on City services contact:

## City of Richmond

6911 No. 3 Road  
Richmond, BC V6Y 2C1  
Phone: 604-276-4000  
Email: InfoCentre@Richmond.ca  
www.richmond.ca

 @CityofRichmondBC

 @Richmond\_BC

 @CityofRichmondBC

 /CityofRichmondBC

## Gateway Theatre

6500 Gilbert Road  
Richmond, BC V7C 3V4  
Phone: 604-270-6500  
Box Office: 604-270-1812  
www.GatewayTheatre.com

 @GatewayThtr

 @GatewayThtr

 @GatewayThtr

## Lulu Island Energy Company

6911 No. 3 Road  
Richmond, BC V6Y 2C1  
Phone: 604-276-4011  
Email: Info@LuluIslandEnergy.ca  
www.LuluIslandEnergy.ca

## Richmond Public Library


100-7700 Minoru Gate (Brighthouse Branch)  
Richmond, BC V6Y 1R8  
Library Hours Line: 604-231-6401  
www.YourLibrary.ca

 @YourLibraryRichmond

 @RPLBC

 @RPLBC

 /YourLibraryRichmond

 Account: RPLYourlibrary1

## Richmond Olympic Oval

6111 River Road  
Richmond, BC V7C 0A2  
Phone: 778-296-1400  
Email: Info@RichmondOval.ca  
www.RichmondOval.ca

 @RichmondOval

 @RichmondOval

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City of  
Richmond  
British Columbia, Canada

# 2022 Annual Report Highlights

For the year ended December 31, 2022





# RICHMOND CITY COUNCIL



## Back row, left to right:

Lieutenant Jim Dickson—Richmond Fire-Rescue, Councillor Andy Hobbs, Councillor Kash Heed\*, Councillor Laura Gillanders\*, Councillor Michael Wolfe, Constable Jordan Hitchon—Richmond RCMP

## Front row, left to right:

Councillor Alexa Loo, Councillor Bill McNulty, Mayor Malcolm Brodie, Councillor Chak Au, Councillor Carol Day



Left: Councillor Harold Steves

Right: Councillor Linda McPhail  
(did not seek re-election in October 2022)

\*elected to Council October 2022

## CONNECT WITH RICHMOND CITY COUNCIL

To contact Council, email [MayorAndCouncillors@richmond.ca](mailto:MayorAndCouncillors@richmond.ca) or call 604-276-4000.

For Council meeting agendas and minutes, visit <https://citycouncil.richmond.ca/agendas.htm>.

To live stream Council meetings or view videos of past meetings, visit <https://citycouncil.richmond.ca/meetings/watch-video.htm>.



The City of Richmond is proud of its diverse and committed workforce. This year, we asked our employees to take photos and send us images of “their Richmond” for this report. Photos with the camera icon are just some of the submissions, and we are delighted to share them with you. None are professional photographers.

**COVER PHOTO: SPRING TIME AT RICHMOND CITY HALL**



# CITY OF RICHMOND, BRITISH COLUMBIA 2022 ANNUAL REPORT HIGHLIGHTS

FOR THE YEAR ENDED DECEMBER 31, 2022

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This report features highlights from Richmond’s 2022 Annual Report. For the detailed 2022 Annual Report that meets legislated requirements, or for an online copy of this highlights report, please visit <https://richmond.ca/city-hall/finance/reporting/reports.htm>.

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“Our vision is to be the most appealing, livable and well-managed community in Canada.”



# MESSAGE FROM THE MAYOR



The City of Richmond has always been a civic leader, and our City Council is known for its bold, innovative, sustainable programs and strategies that benefit residents and businesses.


Those programs and strategies were key to our City's continuing emergence from the pandemic and supported the community through the economic challenges and increasingly forceful impacts of climate change. Throughout 2022, Council worked tirelessly to support our 225,000 residents and almost 14,000 businesses to ensure Richmond continued to be a safe, strong, active and resilient city.

Investment and growth supported by implementation of the City's Resilient Economy Strategy resulted in sustained job creation, with Richmond businesses now providing around 130,000 local jobs. With one of the strongest job-to-worker ratios in the region, Richmond continues to be an important employment centre and almost 20 per cent more new

business licenses were issued in 2022 compared to the previous year. That meant new jobs, new opportunities and renewed economic energy.

Council supported building permits for over \$926 million in construction value, not only leading to economic growth but more housing options for our community. In 2022, several significant projects were opened or announced. The award-winning Keltic Paramount development at No. 3 and Cook Roads is one example. Beyond its stunning First Nations-themed façade and artwork are 530 residential units, including 27 affordable housing units, as well as a large City-owned child care hub that has drawn accolades and awards.

Approval was given to another development in the emerging Hamilton Village Centre at the corner of Westminster Highway and Gilley Road, which will feature 223 residential units—including much-needed affordable housing—and around 25,000 square feet

 MUSQUEAM ARTWORK BY THOMAS CANNELL IS FRONT AND CENTRE ON NO. 3 AND COOK ROADS  
PHOTO BY MARCOS ALEJANDRO BADRA, PROGRAM MANAGER, CIRCULAR ECONOMY, SUSTAINABILITY CITY EMPLOYEE SINCE 2018





of commercial space.

Ground was broken on the long-awaited replacement Steveston Community Centre and Library. This \$95 million, three-storey, 60,000 square foot facility will include a double gymnasium, fitness centre and active studio, as well as an extensive library to showcase enhanced collections with child and youth spaces and educational program rooms.

Maintaining strong infrastructure to keep our city safe from extreme weather was another priority. Council approved several initiatives including the raising of an additional 1.5 kilometres of dikes as well as new drainage pump stations at No. 3 and Gilbert Roads. Upgrades were made to over 1,270 feet of water mains, 2,200 feet of sanitary mains and 1,400 feet of drainage in the Burkeville neighbourhood alone.


Over the past year, Council took sustainable action and invested for future generations through the support and approval of several environmentally-

focused initiatives such as the Circular City Strategy to guide the transition to a fully circular economy in Richmond by 2050. Coupled with our ground-breaking single-use plastics bylaw, expansion of electric vehicle use and active transportation alternatives, as well as increased investment in our award-winning Lulu Island District Energy program, the City of Richmond continued to be a leader in sustainability and environmental stewardship.

This past year also saw a number of significant changes in governance and administration. Long-standing Councillors Harold Steves and Linda McPhail retired after years of dedicated community leadership, choosing not to seek re-election. In their place, Council welcomed Laura Gillanders and Kash Heed as newly-elected members. The City also welcomed long-serving staff member Serena Lusk to a new role as Chief Administrative Officer following the retirement of George Duncan, as well as Jim Wishlove as the

new Chief of Richmond Fire-Rescue. Chief Superintendent Dave Chauhan was also appointed as the new Officer in Charge of the Richmond RCMP detachment.

While the past year may have seen changes, through wise investments, sound management and innovative action, our staff, volunteers and businesses—as well as our community and government partners—continued to work together to make Richmond a better place for all. This 2022 Annual Report contains examples of just some of our goals and achievements. As always, I invite your comments and questions through my office.



Malcolm Brodie  
Mayor, City of Richmond





# MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER



I am pleased to present the City of Richmond's 2022 Annual Report. It details our strong financial position and outlines many of the important initiatives we are undertaking to serve our community.

This past year, the City continued its restoration of programs and services as we emerged from the isolation and restrictions of the pandemic. Richmond City Hall, which had provided services remotely since closing in March 2020, reopened its doors to the public once again. Many of our recreation and fitness programs and activities also fully returned and were quickly embraced by the community. Recreation and day camp registration jumped 50 per cent as over 20,000 youth and children signed up.

Physical activity and healthy lifestyles are important to our community and Richmond was named BC's Most Active Community in the 2022 ParticipACTION Community Better Challenge. This nation-wide initiative recognized our community's activity levels along with the creative ways we engaged people to become more physically active.

Many popular festivals and events became in-person again, with over 40,000 visitors attending the Richmond Maritime Festival. Thousands also enjoyed the 75th Steveston Salmon Festival and Canada Day celebration. While the Cherry Blossom Festival remained online, it attracted over 66,000 social media visits and 7,400 video views, paving the way for an in-person return in 2023.

The City's Remembrance Day ceremony also returned to City Hall in-person for the first time since 2019, with the community, veterans and military representatives attending to show their respects.

Promoting diversity and inclusiveness is essential in a city as uniquely multicultural as Richmond. Over 80 per cent of our population is a visible minority, the highest proportion of any British Columbia municipality, so accessibility and acceptance is important as we build strong, healthy communities in Richmond. Our Newcomers Video Series is one example of how we welcome immigrants to our city, with the



THE SEINE NET LOFT AT BRITANNIA SHIPYARDS NATIONAL HISTORIC SITE  
PHOTO BY SUSAN STEEVES, RECORDS COORDINATOR, CITY CLERK'S OFFICE  
CITY EMPLOYEE SINCE 2002



online videos captioned in Chinese, Punjabi, Ukrainian, Arabic and Farsi.

The City and Richmond Multicultural Community Services began working together to encourage diversity and promote multiculturalism through an anti-racism arts project. The *Aspire | Build | Celebrate (ABC)* project was funded by a grant from the Department of Canadian Heritage Community Support, Multiculturalism and Anti-Racism Initiatives program and is another example of our commitment to diversity and inclusion.

Richmond also commemorated National Indigenous History Month (June) and National Indigenous Peoples Day (June 21) with a number of in-person and virtual events to recognize the heritage and strength of Indigenous Peoples. Canada's National Day for Truth and Reconciliation (September 30) was another opportunity to learn, commemorate and reflect on the historical and ongoing impacts of residential schools.

Building a sense of community is

important, and several new parks were opened to provide more outdoor options for people to gather and connect. Alexandra Park in the east Cambie neighbourhood, phase two of Aberdeen Neighbourhood Park in the Capstan area and Tait Riverfront Community Park in Bridgeport were all unveiled.

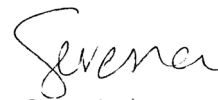
However, the year was not without challenges. Housing affordability continued to drive exploration of new and innovative ways to meet the growing housing needs of existing and incoming residents. Rezoning applications for around 2,500 units received initial approval in 2022, of which over 40 per cent will be rental units at market, below-market or Low End Market Rental rates.

Child care remained important to support young families and make Richmond an active, engaged and family-oriented community. The City and its partners provide almost 600 licensed childcare spaces throughout Richmond including Sprouts at Capstan Village and Seedlings in Brighthouse

Village, which both opened in 2022.

The overall foundation for success of our city is sound financial stewardship, and the long-term financial management strategy is a hallmark of our administration. It enabled us to continue to maintain effective and responsive service levels so Richmond remains a strong community that is committed to continued growth and success within a framework of diversity, sustainability and value for our taxpayers.

Since my appointment as Chief Administrative Officer in July 2022, I have been continually proud of the commitment of our staff and volunteers to improving the well-being of the community and thank everyone for their efforts and support of me in my new leadership role.



Serena Lusk  
*Chief Administrative Officer*







 SUNSET AT GARRY POINT PARK  
PHOTO BY SHANNON UNRAU, LEGISLATIVE SERVICES ASSOCIATE, CITY CLERK'S OFFICE  
CITY EMPLOYEE SINCE 2016



# 2022 Achievement highlights






The City of Richmond's objectives and success indicators are expressed through the Council Strategic Plan. When Council began its four-year term in October 2018, it undertook a strategic planning process to help fulfill its governance role and achieve a successful term of office. It adopted a revised set of eight Strategic Focus areas, which provided the framework for the City's programs and services. With a new Council term commencing in October 2022, it is anticipated that these strategies will be reviewed and modified if required for the 2022-2026 Council term.


## 1. A SAFE AND RESILIENT COMMUNITY

The deployment of 16 additional police resources supported significant enhancements to the Richmond RCMP's organizational structure and operational response capability. Residential break and enter offences decreased 13 per cent, theft from automobiles dropped 10 per cent, and the number of hate-related events was down 24 per cent from the previous year. Through communications in multiple languages, RCMP investigators were better able to target complex cyber fraud, reducing the number of cases by almost 10 per cent in 2022. Richmond Fire-Rescue continued development of a Fire Risk Prediction Model that uses fire incident, inspection and property data to develop predictive models of structure fire risks in the city. Safety also extended to the roads, as City snow and ice response crews pretreated or de-iced over 65,000 kilometres of roadways during winter, the equivalent of driving from Richmond to New York City and back seven times.

## 2. A SUSTAINABLE AND ENVIRONMENTALLY CONSCIOUS CITY

Richmond continued as a leader in sustainable practices and innovation. The City secured \$175 million in long-term funding from the Canada Infrastructure Bank for the expansion of its award-winning Lulu Island District Energy project. Richmond was the first municipality in Canada to receive an E3 Platinum Rating Certification in the national E3 Fleet program for excellence in fleet management and environmental performance. The City's commitment to water conservation through its water meter and water demand management programs continued to reduce waste. Total water consumption decreased by 3.5 per cent in 2022 despite a 1.5 per cent population increase. Overall, the City has realized savings of \$10 million in water purchase costs over the past decade.



 COLOURFUL SKY ABOVE THE DIKE ON NO. 3 ROAD  
PHOTO BY SUSAN STEEVES, RECORDS  
COORDINATOR, CITY CLERK'S OFFICE  
CITY EMPLOYEE SINCE 2002



### 3. ONE COMMUNITY TOGETHER

Easing of pandemic restrictions meant the return of many in-person festivals and events. The Steveston Salmon Festival saw thousands walk the streets to enjoy the festivities as it marked its 75th anniversary in July, while over 40,000 residents and visitors attended the Richmond Maritime Festival in August. The popular Culture Days celebration returned with an array of free, artist-led activities to promote arts, culture and creativity. Richmond is consistently recognized as among Canada's top 10 most engaged cultural cities. Its natural beauty and excellent location makes it attractive to the film industry with many popular series and movies filmed in and around the city. Approximately 75 film permits were issued in 2022, yielding over \$250,000 in service and location fees alone.

### 4. AN ACTIVE AND THRIVING RICHMOND

Richmond's rich maritime heritage, culinary delights and natural beauty makes it one of Canada's most culturally unique and diverse populations. Several new community parks opened in 2022 to provide recreational options, including Alexandra Park in east Cambie, phase two of Aberdeen Neighbourhood Park in the Capstan area and Tait Riverfront Community Park in Bridgeport. Recognizing its commitment to physical health and well-being, Richmond was named BC's Most Active Community in the 2022 ParticipACTION Community Better Challenge, while the Minoru Centre for Active Living received the Recreation Facilities Association of British Columbia's Outstanding Facility Award for its innovation, design and community-focus. In September, the City, in partnership with BC Housing and the Provincial Attorney General and Ministry Responsible for Housing, opened Aster Place, a 40-unit building providing housing and a stable home for residents experiencing or at risk of homelessness.

### 5. SOUND FINANCIAL MANAGEMENT

Council again supported a budget that enabled several key infrastructure projects to proceed while ensuring operating resources for key operations continued. Over \$1.7 million in one-time grants were approved to support immediate social and community operational and infrastructure needs. \$107.8 million was approved and allocated to key capital projects ranging from disaster and flood mitigation, to traffic intersection safety and transit accessibility. Council maintained a 1 per cent commitment to investment for future capital needs and, due to ongoing financial resiliency and strategic management, kept the overall impact to residential property owners to a tax change of around 19 cents per day.

### 6. STRATEGIC AND WELL-PLANNED GROWTH

Development interest continued to grow, reinforcing Richmond's importance as a desirable business and residential location. Building permits for over \$926 million in construction value were issued, an increase of over 25 per cent from the previous year and higher than the City's 10-year average. Rezoning applications for approximately 2,500 multi-family units received initial approval by Council in 2022. Of these, over 40 per cent are rental units at market, below market and Low End Market Rental rates. Over \$30 million in development cost charges were collected to help finance future infrastructure and amenities such as parks, utilities, roads and dikes. During the past year, Council officially opened the new animal shelter on No. 5 Road, as well as breaking ground on the 60,000 square foot, \$95 million replacement Steveston Community Centre and Library.

### 7. A SUPPORTED ECONOMIC SECTOR

The City's Resilient Economy Strategy continued to support business investment and growth post-pandemic, resulting in sustained job creation and one of the strongest job-to-worker ratios in the region. The number of new business licences rose almost 20 per cent, and the City implemented its MyBusiness online portal to enable new and existing business owners to conveniently apply for, update and renew their licences 24/7. In the first few weeks, over 20 per cent of businesses registered for the service. While Richmond has one of the largest industrial land inventories in the region with more than 45 million square feet of built industrial space, Council provided further support to the sector by approving a rezoning application for an additional 180,000 square feet of phased industrial space in East Richmond.

### 8. AN ENGAGED AND INFORMED COMMUNITY

Richmond is proud to be one of the most culturally diverse and unique populations in Canada. In November, the City launched a Newcomers Video Series as a resource for newly-arrived residents. The videos, available online, highlight different ways newcomers can experience our city and are captioned in Chinese, Punjabi, Ukrainian, Arabic and Farsi. Work began on redesigning the City's website to provide a more efficient and user-focused experience for the 3.4 million visits annually, while almost 25,000 users participated in 27 engagement initiatives on the City's LetsTalkRichmond.ca platform.



# Richmond: vibrant, confident and connected

As communities across the country began to emerge from the challenges of the COVID-19 pandemic, the City of Richmond continued to move forward with confidence thanks to a strong history of sound infrastructure investment, planning and leadership.

As 2022 went on, the City was able to safely move away from many of the public health restrictions and return to in-person events and services that strengthened our already vibrant community.

The year began with the re-opening of the City's fitness centres in January, enabling people of all ages to return to the activities and social interactions they had missed since early-2020. A number of new City parks opened – Alexandra Park (June); Aberdeen Neighbourhood Park (July); Tait Riverfront Community Park

(August); and the Bark Park off-leash dog park (September). Work also began on the renewal of the popular Minoru Park lakes district in April, with an extensive revitalization expected by mid-2023. The Richmond Curling Club officially re-opened in September, while the Minoru Centre for Active Living received more accolades including the 2022 Outstanding Facility Award from the Recreation Facilities Association of BC.

Several festivals and events returned as in-person gatherings including the 75th annual Steveston Salmon Festival, Richmond Maritime Festival, Garlic Festival at Terra Nova and Culture Days.

With its long-standing commitment to creating accessible and engaging outdoor and indoor spaces, it was no surprise when Richmond was named British Columbia's

Most Active Community in the national ParticipACTION Community Better Challenge. Richmond boasts among the highest life expectancy in the world, and a 2022 BC Centre for Disease Control survey found Richmond residents actually used the pandemic to make positive changes to their health and well-being. It said 35 per cent of Richmond respondents were walking, running or cycling more than before the pandemic, while 28 per cent were eating more fruits and vegetables compared to 2020.

The City also supported residents to emerge from the pandemic in other ways. Active transportation remained a priority to support Council's Community Energy and Emissions Plan (CEEP) 2050 – adopted in February 2022 – to set Richmond on a path to achieving a 50 per cent reduction



TAIT RIVERFRONT COMMUNITY PARK



in community greenhouse gas emissions by 2030, and reaching net zero emissions by 2050.

Richmond became the first Metro Vancouver community to offer a shared e-scooter and e-bike service, with around 20,000 users making over 45,000 trips on the electric machines in the first few months. The popular Island City by Bike Tour returned in June, with hundreds of cyclists of all ages coming out to enjoy a free seven or 22 kilometre ride through Richmond. The City also became the first municipality in Canada to receive an E3 Platinum Rating Certification from the national E3 Fleet program for excellence in fleet management and environmental performance, further demonstrating its leadership in the use of green technologies.

While encouraging activity and connectedness was important to reinforce Richmond's sense of community, so too was the need to support businesses as they re-established themselves post-pandemic. City Hall reopened to in-person service in March, and the new online business licencing portal, MyBusiness, was launched in July to enable new and existing business owners to conveniently apply for, update and renew their licences 24/7. In partnership with Tourism Richmond, the free Richmond Discovery Shuttle and Bike Valet Service returned to Steveston Village to assist residents and visitors to enjoy this popular tourist destination and its many shopping, dining and sightseeing locations.

The year also saw a number of governance and leadership changes. The municipal election in October saw two


new members elected to Council after the retirement of two long-serving members. Serena Lusk moved from within to the role of Chief Administrative Officer following the retirement of her predecessor, while Richmond Fire-Rescue welcomed a new Chief, and the RCMP detachment a new Officer in Charge.

The City of Richmond has always been a leader through its development and implementation of bold, innovative programs and strategies that recognize and reflect our character, heritage and reputation as a safe, sustainable and culturally diverse community. The many accomplishments and achievements of the past year demonstrate why Richmond remains one of the most appealing, livable and well-managed communities in Canada.







 FLOWERS AND SHRUBS ADORN THE WEST DIKE  
PHOTO BY REENA CLARKSON, COMMUNICATIONS  
PROJECT SUPPORT, CORPORATE  
COMMUNICATIONS AND MARKETING  
CITY EMPLOYEE SINCE 2004





# 2022 Awards

A measurement of the City's success in achieving its goals are the honours and recognition from our peers and others. In 2022, Richmond again received numerous international, national and provincial awards recognizing our commitment to excellence and innovation.

## PROTECTING OUR ENVIRONMENT

The City received national recognition for its city-wide Pollinator Program from the Canadian Association of Municipal Administrators (CAMA). Presented with the 2022 CAMA Environmental Leadership and Sustainability Award in the 100,000+ population category, the award was given for excellence in conserving pollinators and developing and protecting their habitat. CAMA said Richmond exemplified how a land manager can be a leader through conscientious community programming and meaningful community engagement, and that "there is much that other municipalities can learn" from the City.



# AWARDS CONTINUED . . .

## HEALTHY LIVES, HEALTHY COMMUNITIES

Health and well-being is essential to creating healthy communities, and Richmond has long been recognized for its commitment to physical activity and programs aimed to engage and create a sense of community. The National ParticipACTION Community Better Challenge named Richmond British Columbia's Most Active Community in 2022. The award recognized the city's activity levels and the creative ways staff and community partners in Richmond motivated the community to get physically active throughout the national challenge.

## GOING GREEN

Richmond's commitment to green energy was again recognized by being named as the only municipal recipient of a Platinum Rating by the national E3 Fleet, a program that assists trucking, utility, urban delivery, courier, government and other fleets to improve their fuel efficiency, reduce emissions, manage expenses and incorporate new technologies. Richmond was the only municipality in Canada to receive the Platinum rating with a performance score of 98 points out of 100. It was the second time the City has received coveted Platinum status.

## LEADING EDGE DESIGN AND FUNCTIONALITY

The Minoru Centre for Active Living, the City of Richmond's state-of-the-art fitness and aquatic facility, continues to be recognized for its design, functionality and innovation. It received the Outstanding Facility Award from the Recreation Facilities Association of British Columbia for its innovative design, energy management, operations, revenue generation and service delivery. The facility was also recognized by Athletic Business as one of its 10 Facilities of Merit for 2022. It was selected for setting a new standard for wellness-oriented facilities that balances the needs of traditional aquatic uses while integrating a wide variety of other amenities that encourage healthy lifestyles, especially for an older-adult population.





## FINANCIAL REPORTING

Once again, the Government Finance Officers Association of the US and Canada presented Richmond with the Canadian Award for Financial Reporting (the 20th year in a row) and the Outstanding Achievement in Popular Financial Reporting Award (the 13th successive year) for its 2021 Annual Reports. Richmond also received an 'A' grade—the highest amongst 32 major Canadian cities—in C.D. Howe's annual Report Card on municipal budgeting, financial reporting and fiscal transparency for 2021.

## SUSTAINABILITY

The International City Management Association, a US-based group that advances professional local government through leadership, management, innovation and ethics, awarded Richmond its 2022 Community Sustainability Award (Population 50,000 and Greater) for its Recycled Asphalt Pavement Project. In partnership with Lafarge Canada and the National Zero Waste Council, the City pioneered the use of 40 per cent recycled asphalt in paving a major Richmond thoroughfare. The project received the award for setting new standards and demonstrating innovation, excellence and success in balancing the community's economic, environmental and social needs.



Government Finance Officers Association

# Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**City of Richmond  
British Columbia**

For its Annual Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO



THE RECYCLED ASPHALT PAVING PROJECT



# REPORT FROM THE GENERAL MANAGER, FINANCE AND CORPORATE SERVICES

I am pleased to submit the Consolidated Financial Statements and Auditors' Report for the fiscal year ended December 31, 2022 for the City of Richmond, pursuant to Section 98 and 167 of the Community Charter. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Preparation of the financial statements is management's responsibility.

KPMG LLP was appointed by City Council to independently audit the City's consolidated financial statements. They have expressed an opinion that the City's consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Richmond as at December 31, 2022 and its consolidated results of operations, its changes in net consolidated financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

These financial statements combine the accounts of the City of Richmond, Richmond Olympic Oval, and Richmond Public Library (collectively referred to as the "City"), as well as the City's investment in Lulu Island Energy Company, which is accounted for as a Government Business Enterprise.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN \$000S)

	2022 Actual	2021 Actual	Change
Financial Assets	\$ 1,721,772	\$ 1,468,241	\$ 253,531
Liabilities	696,047	528,238	167,809
<b>Net Financial Assets</b>	<b>1,025,725</b>	<b>940,003</b>	<b>85,722</b>
Non-Financial Assets	2,603,444	2,547,884	55,560
<b>Accumulated Surplus</b>	<b>\$ 3,629,169</b>	<b>\$ 3,487,887</b>	<b>\$ 141,282</b>

The City's overall financial position improved by \$141.3 million, with accumulated surplus (similar to net worth of a corporation) totaling \$3.6 billion. A significant part of this increase is due to additions to capital assets and transfers to the statutory reserves for future capital improvements.

The City's cash and investments are \$1.6 billion while long-term debt increased by \$96.0 million with the addition of a new loan for the construction of Steveston Community Centre and Library in order to lock in favourable rates. Meanwhile, the City's tangible capital assets increased by \$54.9 million, which includes \$41.3 million of in-kind contributions from development as conditions of re-zoning.

## CONSOLIDATED STATEMENT OF OPERATIONS (IN \$000S)

	2022 Budget	2022 Actual	2021 Actual
Revenue	\$604,730	\$644,348	\$575,444
Expenses	522,614	503,066	471,763
<b>Annual Surplus</b>	<b>\$82,116</b>	<b>\$141,282</b>	<b>\$103,681</b>

The City's consolidated revenue for the year totaled \$644.3 million, an increase of \$68.9 million from 2021 mainly due to increased investment income, property tax and utility fee rates and the continued easing of the impacts from the COVID-19 closures.

Expenses increased by \$31.3 million from prior year mainly due to additional firefighters authorized in 2021 working their first full year in 2022, increased Greater Vancouver Sewerage and Drainage District costs and the increased operational levels of service due to the easing of the impact of the pandemic.

The annual surplus for 2022 was \$141.3 million and represents the change in investment in tangible capital assets, reserves and other accumulated surplus.

## FINANCIAL SUSTAINABILITY

The City's consolidated financial position improved in 2022 as operations and programs recover from pandemic levels in prior years. The guiding principles of Council's Long Term Financial Management Strategy was the main factor in supporting the City through the pandemic, while positioning the City in achieving long-term goals and maintaining ongoing financial sustainability to deliver on Council priorities.

Respectfully submitted,

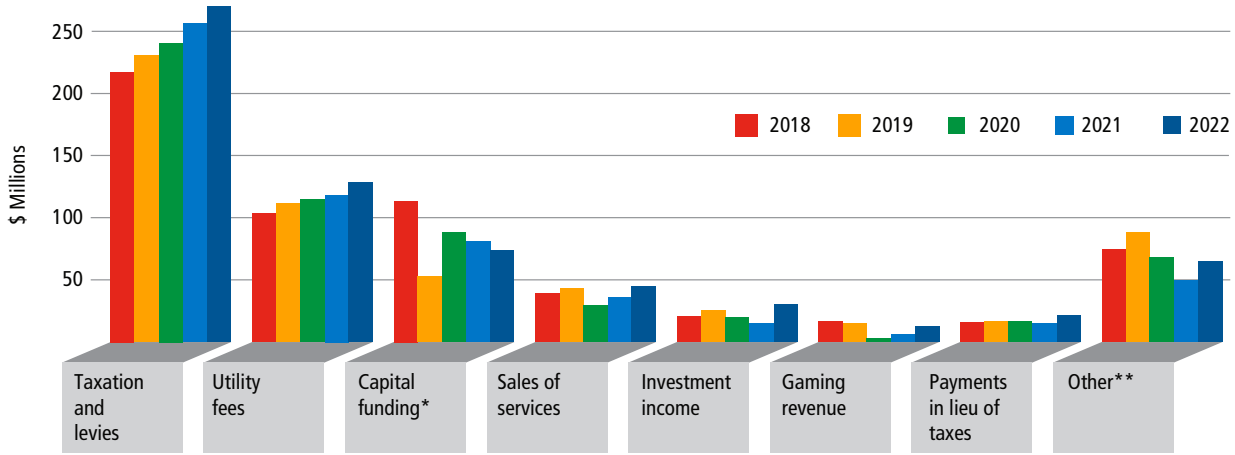


Jerry Chong, CPA, CA  
General Manager, Finance and Corporate Services  
May 8, 2023



**RICHMOND CENTRE REDEVELOPMENT**  
PHOTO BY JULIAN BORDERAS-OCHOA, SERVICE  
DESK SPECIALIST, INFORMATION TECHNOLOGY  
CITY EMPLOYEE SINCE SEPTEMBER 2021

## REVENUE BY SOURCE 2018–2022

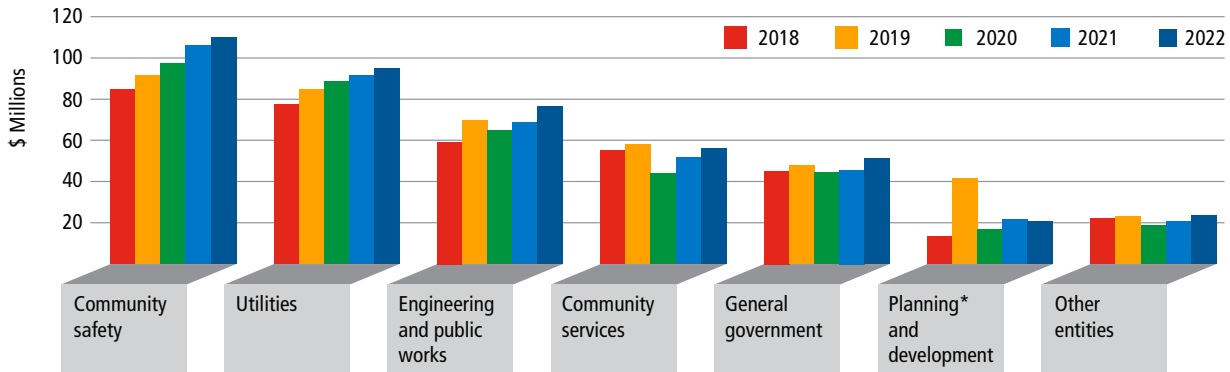


Source: City of Richmond Finance and Corporate Services

\* Capital funding includes: Development Cost Charges and other capital funding sources.

\*\* Other includes: provincial and federal grants, licences and permits and other sources.

## EXPENSES BY FUNCTION 2018–2022



Source: City of Richmond Finance and Corporate Services

\* Expenses for Planning and Development for 2019 include a one-time \$28.1M contribution towards the Canada Line Capstan Station.

# Richmond at a glance

**222,954**  
2022 POPULATION

**November 10, 1879**  
INCORPORATED AS MUNICIPALITY

**129.27**  
SIZE OF CITY IN  
SQUARE KM

**17**  
ISLANDS COMPRISING  
THE CITY

**December 3, 1990**  
DESIGNATED AS CITY OF RICHMOND

## Fast facts

**\$926 million**  
NEW CONSTRUCTION VALUE  
IN 2022—HIGHER THAN THE  
CITY'S 10-YEAR AVERAGE

**39**  
PERCENTAGE OF THE CITY  
WITHIN THE AGRICULTURAL  
LAND RESERVE (ALR)

**871**  
HECTARES THAT MAKE  
UP THE CITY'S 140 PARKS

**830**  
HECTARES OF CRANBERRY  
FIELDS IN PRODUCTION

**49**  
KILOMETRES OF DIKES FOR  
FLOOD PROTECTION

**136**  
KILOMETRES OF WALKING,  
ROLLING AND CYCLING TRAILS

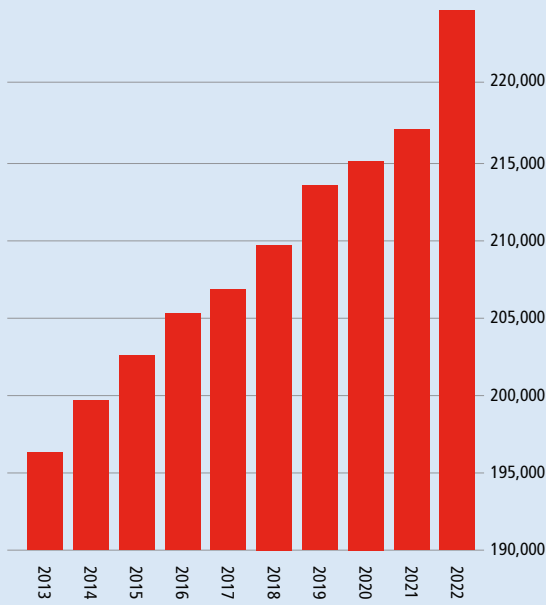
**60.3**  
PERCENTAGE OF THE CITY'S  
POPULATION BORN OUTSIDE  
OF CANADA

**39**  
PUMP STATIONS THAT CAN  
DISCHARGE 1.4 MILLION US  
GALLONS OF WATER PER  
MINUTE—THE EQUIVALENT  
OF OVER TWO OLYMPIC  
SWIMMING POOLS

**80**  
IDENTIFIED HERITAGE  
BUILDINGS OR SITES IN  
RICHMOND



## CITY OF RICHMOND POPULATION 2013–2022



## MAJOR EMPLOYERS IN RICHMOND (IN ALPHABETICAL ORDER)

- Air Canada
- Allied Universal Security Services of Canada
- Amazon Canada
- Change Healthcare Canada
- City of Richmond
- Crown Packaging Ltd.
- Gate Gourmet Canada Inc.
- London Drugs Ltd.
- MDA Systems Ltd.
- Richmond Plywood Corporation Ltd.
- River Rock Casino Resort
- School District No.38
- T&T Supermarket
- The Real Canadian Superstore
- Vancouver Coastal Health, Richmond
- WorkSafeBC

## OCCUPATIONS OF RICHMOND RESIDENTS



**BRITANNIA SHIPYARD**  
PHOTO BY WILBERT TANYAG, ELECTRONICS TECHNICIAN, SEWERAGE AND DRAINAGE  
CITY EMPLOYEE SINCE 2003

Sources: Statistics Canada, City of Richmond, Vancouver International Airport Authority, Steveston Harbour Authority, Metro Vancouver, Richmond School District.



# MAJOR SERVICES PROVIDED BY THE CITY OF RICHMOND

## ADMINISTRATION

Includes the office of the Chief Administrative Officer who oversees the overall administration of the City's operations. Also includes Human Resources, Intergovernmental Relations and Protocol, Corporate Communications and Marketing, Corporate Planning and Organizational Development and the Corporate Programs Management Group.

## COMMUNITY SAFETY

Brings together the City's public safety providers including RCMP, Fire-Rescue, Emergency Programs, Community Bylaws and Business Licences.

## COMMUNITY SERVICES

Coordinates, supports and develops Richmond's community services including Parks Services, Recreation and Sport Services and Arts, Culture and Heritage Services.

## ENGINEERING AND PUBLIC WORKS

The Engineering and Public Works Departments deliver public works services and utilities, engineering planning, design, construction and maintenance services for all utility and City building infrastructure, as well as sustainability and environmental programs.

## FINANCE AND CORPORATE SERVICES

Includes Customer Service, Information Technology, Finance, Economic Development, Real Estate Services and Business Services.

## PLANNING AND DEVELOPMENT

Includes the Policy Planning, Transportation, Development Applications, Building Approvals and Community Social Development Departments. This division provides policy directions that guide growth and change in Richmond with emphasis on land use planning, development regulations, environmental protection, heritage and livability.

## LAW AND LEGISLATIVE SERVICES

Includes the Law Department and the City Clerk's Office.





# CITY OF RICHMOND CONTACTS

The City of Richmond offers many civic services to the community. Additional services are provided through the Richmond Olympic Oval, Richmond Public Library, Gateway Theatre and Lulu Island Energy Company. For more information on City services contact:

## CITY OF RICHMOND

6911 No. 3 Road  
Richmond, BC V6Y 2C1  
Phone: 604-276-4000  
Email: [InfoCentre@Richmond.ca](mailto:InfoCentre@Richmond.ca)  
[www.richmond.ca](http://www.richmond.ca)  
f @CityofRichmondBC  
t @Richmond\_BC  
i @CityofRichmondBC  
v /CityofRichmondBC

## GATEWAY THEATRE

6500 Gilbert Road  
Richmond, BC V7C 3V4  
Phone: 604-270-6500  
Box Office: 604-270-1812  
[www.GatewayTheatre.com](http://www.GatewayTheatre.com)  
f @GatewayThtr  
t @GatewayThtr  
i @GatewayThtr

## LULU ISLAND ENERGY COMPANY

6911 No. 3 Road  
Richmond, BC V6Y 2C1  
Phone: 604-276-4011  
Email: [Info@LuluIslandEnergy.ca](mailto:Info@LuluIslandEnergy.ca)  
[www.LuluIslandEnergy.ca](http://www.LuluIslandEnergy.ca)


## RICHMOND PUBLIC LIBRARY

100-7700 Minoru Gate (Brighthouse Branch)  
Richmond, BC V6Y 1R8  
Library Hours Line: 604-231-6401  
[www.YourLibrary.ca](http://www.YourLibrary.ca)  
f @YourLibraryRichmond  
t @RPLBC  
i @RPLBC  
v /YourLibraryRichmond  
Account: RPLYourlibrary1

## RICHMOND OLYMPIC OVAL

6111 River Road  
Richmond, BC V7C 0A2  
Phone: 778-296-1400  
Email: [Info@RichmondOval.ca](mailto:Info@RichmondOval.ca)  
[www.RichmondOval.ca](http://www.RichmondOval.ca)  
f @RichmondOval  
t @RichmondOval  
i @RichmondOval



 A COLOURFUL WELCOME TO THE CITY'S OPERATIONS YARD  
PHOTO BY KATHY LEE, DEPARTMENTAL ASSOCIATE,  
COMMUNITY SERVICES  
CITY EMPLOYEE SINCE 2003





## City of Richmond

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