



City of Richmond

Report to Committee

To: Parks Recreation & Cultural Services Committee

Date: March 6, 2014

From: Mike Redpath
Senior Manager, Parks

File: 11-7200-01/2013-Vol
01

Re: Richmond Athletic Commission 2014 Update

Staff Recommendations

1. That the report "Richmond Athletic Commission 2014 Update" dated March 6, 2014, from the Senior Manager, Parks be received for information; and
2. That Richmond Athletic Commission Repeal Bylaw No. 9130 be introduced and given first second and third readings.

Mike Redpath
Senior Manager, Parks
(604-247-4942)

Att. 2

REPORT CONCURRENCE		
ROUTED TO: City Clerk	CONCURRENCE <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

At the November 18, 2013 General Purposes Committee Meeting, staff were given the following referral regarding the Richmond Athletic Commission:

“That the Athletic Commission matter be referred to staff to review the disbanding of the Richmond Athletic Commission in light of the establishment of the BC Athletic Commission.”

The purpose of this report is to provide an update on the activities of the Richmond Athletic Commission and its disbandment in light of the recently established B.C. Athletic Commission. This report introduces Bylaw 9130 To Rescind the Richmond Athletic Commission Bylaw 8035.

Analysis

Richmond Athletic Commission Bylaw 8035

In October 2006, Council adopted Bylaw 8035 establishing an Athletic Commission to regulate professional boxing activities in Richmond. Since that time, the Richmond Athletic Commission (comprised of four Council appointed members and a Council liaison) has successfully regulated nine professional boxing events, all of which were held at the River Rock Casino. There were three events in 2007, one in 2008, two in 2009, one in 2010, one in 2011, and one in 2013.

Richmond’s boxing events were high profile, with two of the events televised on ESPN to millions of viewers on a global scale. Furthermore, the events were attended by several famous professional celebrity boxers, including: the late “Smokin” Joe Frazier, “Sugar” Ray Leonard, Thomas “The Hitman” Hearns, “Irish” Mickey Ward (The Fighter), George Chuvalo and others.

B.C. Athletic Commission

Recent amendments by the Federal Government to the Criminal Code of Canada have made professional boxing, kickboxing and mixed martial arts contests legal in Canada when they have the permission of a provincially established athletic board or commission.

Following this change, the Province of B.C. introduced new regulations around combat sport events. The *Athletic Commissioner Act (Bill 50)* legislation establishes the office of a Provincial Athletic Commissioner to regulate and supervise professional contests that feature boxing, kickboxing, and mixed martial arts. The overarching purpose of the B.C. Athletic Commission is to ensure the safety of participants in increasingly popular combat sports such as mixed martial arts and to implement consistent rules, policies and procedures across the Province. This Act and Commission does not apply to amateur contests or events.

With Provincial approval of the *Athletic Commissioner Act* and now the establishment of the Provincial Athletic Commission, local Commissions no longer have jurisdiction to regulate combative sport events. Including Richmond, there were at least nine local active Commissions in the Province. For municipalities that do not wish for professional combat sport events to take place in their communities, they are enabled by the *Community Charter* to prohibit these events by bylaw.

Disbanding of the Richmond Athletic Commission

As a result of these changes, it is recommended that Council rescind Richmond Athletic Commission Bylaw 8035. Attachment 1 includes the proposed Bylaw 9130 - To Rescind the Richmond Athletic Commission Bylaw 8035.

The members of the Richmond Athletic Commission are to be commended for their expertise and their dedication, late nights at the events, and professionalism which ensured safe, legal and well-regulated boxing events in Richmond over the past seven years. These members are:

- Rick Henderson;
- Harry Oppal;
- Gord Racette;
- John Singh; and
- Councillor Harold Steves (Appointed Liaison)

Commission members are aware of the legislative changes and have been notified of the disbanding of the Richmond Athletic Commission. Several members of the Commission have been instrumental in working with the transitional Provincial Commission to ensure that knowledge is transferred, certification and training programs for officials continue, and are also acting as volunteers with events now regulated provincially.

Richmond Athletic Commission Finances and Scholarship Fund

Annual financial reporting for the activities of the Richmond Athletic Commission from 2011 to 2013 inclusive are attached for information (Attachment 2). The financial accounts of the Richmond Athletic Commission have been closed and a cheque in the amount of \$2,126.73 has been received by the City.

The Richmond Athletic Commission has typically generated a small surplus from licensing and event fees from each sanctioned event. This surplus has been previously approved by Council to serve as the funding source for the Richmond Athletic Commission Scholarship Fund for Richmond youth. This fund is managed by the Richmond Community Foundation and currently has a principal amount of \$15,362.05 and will continue to generate interest in perpetuity. Interest earned on the Richmond Athletic Commission Scholarship Fund will be disbursed as an annual scholarship for up to two graduating grade 12 students from Richmond schools.

Financial Impact

There are no financial implications as a result of this report.

Conclusion

This report introduces a Bylaw to repeal the Richmond Athletic Commission Bylaw. Staff will formally thank the members of the Richmond Athletic Commission for their dedicated service and volunteer time permitting and regulating professional boxing events since 2007.


Mike Redpath
Senior Manager, Parks
(604-247-4942)



City of
Richmond

Bylaw 9130

**Richmond Athletic Commission Repeal
Bylaw No. 9130**

The Council of the City of Richmond enacts as follows:

1. Richmond Athletic Commission Bylaw No. 8035 is hereby repealed.
2. This Bylaw is cited as **“Richmond Athletic Commission Repeal Bylaw No. 9130”**.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.
APPROVED for legality by Solicitor

MAYOR

CORPORATE OFFICER

RICHMOND ATHLETIC COMMISSION

Financial Statements

December 31, 2011

(Unaudited - See Notice To Reader)



BLUE FISH GROUP
CHARTERED ACCOUNTANTS

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Richmond Athletic Commission as at December 31, 2011 and the statement of revenue and expenditures and net assets for the period then ended.

We have not performed an audit or a review engagement in respects of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

BLUE FISH GROUP
Chartered Accountants

Burnaby, B.C.
January 21, 2014

RICHMOND ATHLETIC COMMISSION


Statement of Financial Position

December 31, 2011

(Unaudited - See Notice To Reader)

	2011	2010
ASSETS		
CURRENT		
Cash	<u>\$ 16,787</u>	<u>\$ 14,482</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Net refundable security deposits received from Promoters <i>(Note 2)</i>	\$ 825	\$ -
NET ASSETS		
Unrestricted net assets	<u>15,962</u>	<u>14,482</u>
	<u>\$ 16,787</u>	<u>\$ 14,482</u>

ON BEHALF OF THE COMMISSION



Chair

per Good Racette



Treasurer

See accompanying notes to financial statements



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RICHMOND ATHLETIC COMMISSION
Statement of Revenue and Expenditures and Net Assets
Period Ended December 31, 2011
(Unaudited - See Notice To Reader)

	2011	2010
REVENUE		
Event fees	\$ -	\$ 1,500
License fees	2,600	1,080
Promoter's event charge	-	150
	<u>2,600</u>	<u>2,730</u>
EXPENDITURES		
Bank charges	84	41
Meals and entertainment	289	-
Memberships	350	350
Miscellaneous	400	-
	<u>1,123</u>	<u>391</u>
INCOME FROM OPERATIONS	<u>1,477</u>	<u>2,339</u>
OTHER INCOME (EXPENSES)		
Foreign exchange gain (loss)	3	(41)
Interest income	-	1
	<u>3</u>	<u>(40)</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>1,480</u>	<u>2,299</u>
NET ASSETS - Beginning of period	<u>14,482</u>	<u>12,183</u>
NET ASSETS - End of period	<u>\$ 15,962</u>	<u>\$ 14,482</u>

See accompanying notes to financial statements

RICHMOND ATHLETIC COMMISSION

Notes to Financial Statements

Period Ended December 31, 2011

(Unaudited - See Notice To Reader)

1. PURPOSE AND STATUS OF THE COMMISSION

On July 11, 2007, the City of Richmond established the Richmond Athletic Commission by way of the Athletic Commission Bylaw 8035. The Commission's purpose is to regulate, control, supervise or prohibit regulated sporting events such as professional boxing contests within the City of Richmond. The Commission is a not-for-profit organization, and is a tax-exempt entity, under Section 149 of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

License fees, event fees and broadcast fees are recognized as revenue upon the completion of the related event.

Net refundable security deposits received from Promoters

The Commission receives, in trust, refundable security deposits from Promoters of boxing events. These deposits serve to secure the Promoters' obligations in relation to the respective event. These deposits are disbursed by the Commission, on behalf of the Promoters, to various parties such as the athletes, referees, judges, timekeepers, medical personnel, ambulances and other event expenditures. The refundable security deposits received by the Commission are not considered revenue to the Commission. Similarly, the disbursements of funds on behalf of the Promoters are not considered expenditures of the Commission. The net refundable security deposits received from Promoters represents the net excess of funds received over disbursements as at the year-end.

RICHMOND ATHLETIC COMMISSION

Financial Statements

December 31, 2012

(Unaudited - See Notice To Reader)





BLUE FISH GROUP
CHARTERED ACCOUNTANTS

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Richmond Athletic Commission as at December 31, 2012 and the statement of loss and net assets for the period then ended.

We have not performed an audit or a review engagement in respects of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

BLUE FISH GROUP
Chartered Accountants

Burnaby, B.C.
January 22, 2014

RICHMOND ATHLETIC COMMISSION

Statement of Financial Position

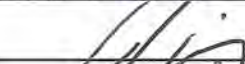
December 31, 2012

(Unaudited - See Notice To Reader)

	2012	2011
ASSETS		
CURRENT		
Cash	\$ 16,362	\$ 16,787
LIABILITIES AND NET ASSETS		
CURRENT		
Net refundable security deposits received from Promoters (Note 2)	\$ 825	\$ 825
NET ASSETS		
Unrestricted net assets	15,537	15,962
	<u>\$ 16,362</u>	<u>\$ 16,787</u>

ON BEHALF OF THE COMMISSION

 _____ Chair *per Gerald Racette*

 _____ Treasurer

See accompanying notes to financial statements



RICHMOND ATHLETIC COMMISSION

Statement of Loss and Net Assets

Period Ended December 31, 2012

(Unaudited - See Notice To Reader)

	2012	2011
REVENUE	\$ -	\$ 2,600
EXPENDITURES		
Bank charges	2	33
Meals and entertainment	-	289
Memberships	200	350
Miscellaneous	200	451
	<u>402</u>	<u>1,123</u>
INCOME (LOSS) FROM OPERATIONS	(402)	1,477
OTHER INCOME (EXPENSES)		
Foreign exchange gain (loss)	(23)	3
	<u>(425)</u>	<u>1,480</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(425)	1,480
NET ASSETS - Beginning of period	15,962	14,482
NET ASSETS - End of period	\$ 15,537	\$ 15,962

See accompanying notes to financial statements

RICHMOND ATHLETIC COMMISSION

Notes to Financial Statements

Period Ended December 31, 2012

(Unaudited - See Notice To Reader)

1. PURPOSE AND STATUS OF THE COMMISSION

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

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Net refundable security deposits received from Promoters

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RICHMOND ATHLETIC COMMISSION

Financial Statements

December 31, 2013

(Unaudited - See Notice To Reader)



BLUE FISH GROUP
CHARTERED ACCOUNTANTS

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Richmond Athletic Commission as at December 31, 2013 and the statement of loss and net assets for the period then ended.

We have not performed an audit or a review engagement in respects of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

BLUE FISH GROUP
Chartered Accountants

Burnaby, B.C.
January 22, 2014

RICHMOND ATHLETIC COMMISSION

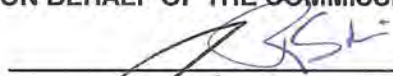
Statement of Financial Position

December 31, 2013

(Unaudited - See Notice To Reader)

	2013	2012
ASSETS		
CURRENT		
Cash	\$ -	\$ 16,362
LIABILITIES AND NET ASSETS		
CURRENT		
Net refundable security deposits received from Promoters <i>(Note 2)</i>	\$ -	\$ 825
NET ASSETS		
Unrestricted net assets	-	15,537
	\$ -	\$ 16,362

ON BEHALF OF THE COMMISSION

 _____ Chair *per Gerald Racette*

 _____ Treasurer

See accompanying notes to financial statements



RICHMOND ATHLETIC COMMISSION

Statement of Loss and Net Assets

Period Ended December 31, 2013

(Unaudited - See Notice To Reader)

	2013	2012
REVENUE		
Event fees	\$ 1,500	\$ -
License fees	450	-
	<u>1,950</u>	<u>-</u>
EXPENDITURES		
Donations	17,489	-
Bank charges	-	2
Memberships	-	200
Miscellaneous	-	200
	<u>17,489</u>	<u>402</u>
LOSS FROM OPERATIONS	<u>(15,539)</u>	<u>(402)</u>
OTHER INCOME (EXPENSES)		
Foreign exchange gain (loss)	-	(23)
Interest income	2	-
	<u>2</u>	<u>(23)</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	<u>(15,537)</u>	<u>(425)</u>
NET ASSETS - Beginning of period	<u>15,537</u>	15,962
NET ASSETS - End of period	<u>\$ -</u>	<u>\$ 15,537</u>

See accompanying notes to financial statements

RICHMOND ATHLETIC COMMISSION

Notes to Financial Statements

Period Ended December 31, 2013

(Unaudited - See Notice To Reader)

1. PURPOSE AND STATUS OF THE COMMISSION

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

License fees, event fees and broadcast fees are recognized as revenue upon the completion of the related event.

Net refundable security deposits received from Promoters

The Commission receives, in trust, refundable security deposits from Promoters of boxing events. These deposits serve to secure the Promoters' obligations in relation to the respective event. These deposits are disbursed by the Commission, on behalf of the Promoters, to various parties such as the athletes, referees, judges, timekeepers, medical personnel, ambulances and other event expenditures. The refundable security deposits received by the Commission are not considered revenue to the Commission. Similarly, the disbursements of funds on behalf of the Promoters are not considered expenditures of the Commission. The net refundable security deposits received from Promoters represents the net excess of funds received over disbursements as at the year-end.
