



City of Richmond

Report to Committee

To: Finance Committee
From: Andrew Nazareth
General Manager, Finance and Corporate
Services
Re: 2015 Annual Report and 2015 Annual Report - Highlights
Date: May 15, 2016
File:

Staff Recommendation

That the reports titled, "City of Richmond 2015 Annual Report" and the "2015 Annual Report – Highlights" be approved.

Andrew Nazareth
General Manager, Finance and Corporate Services Department
(4095)

Att.

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: DW
APPROVED BY CAO 	

Staff Report

Origin

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

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

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 from 2015, in support of Council's Term Goals and objectives.

Two versions of the Annual Report are produced each year in order to reach the widest audience. The comprehensive 2015 Annual Report meets all legislative requirements for financial reporting. 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 as required under the Community Charter for British Columbia's local governments. In addition to the statutorily required information, the comprehensive version provides information on a variety of key statistical data for the year and information on City milestones from 2015, including awards and achievements.

The City also produces a condensed financial reporting document known as the 2015 Annual Report – Highlights. This shorter version which is designed to be accessible and easily understandable to the general public provides information about the City of Richmond, its services, highlights from 2015 and the City's financial condition. This condensed version will also be available through the City's website and limited copies will be mailed out and available for the general public at Richmond City Hall and Front of House.

Both copies will be submitted to the Government Finance Officers Association for consideration in their annual award program.

Financial Impact

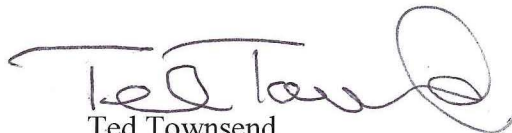
None.

Conclusion

The City of Richmond 2015 Annual Report and the 2015 Annual Report – Highlights satisfy Community Charter requirements for financial reporting and provide important tools in ensuring public transparency and accountability for the management of City finances. The reports also provide useful information on the City's achievements during the 2015 fiscal year.



Jerry Chong
Director, Finance
(4064)



Ted Townsend
Senior Manager, Corporate Communications
(4399)



City of
Richmond

British Columbia, Canada

2015 Annual Report

For the year ended December 31, 2015





City of Richmond

British Columbia, Canada

2015 Annual Report

For the year ended December 31, 2015

*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 www.richmond.ca
(City Hall > Finance, Taxes & Budgets > Budgets & Financial Reporting > Annual Reports)

Cover photo: Steveston harbour, looking toward Mount Baker. *Clayton Perry Photography*

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Message from the Mayor



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

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

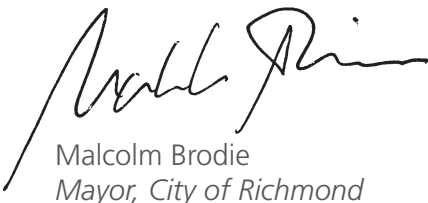
Our Council has supported continuing growth with strategies to enhance our robust economy, protect our environment and sustain Richmond's enviable quality of life. Sound financial planning has also enabled us to pursue an aggressive agenda to dramatically renew and expand our community amenities and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

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

- An all-time record in building activity, with nearly \$1 billion in new construction.
- The busiest filming year on record, marking Richmond as a major film hub.
- The opening of the new 28,000 sq. ft. City Centre Community Centre, providing recreation and arts opportunities for the fastest growing and most diverse area of the city.
- The official opening of the ROX (Richmond Olympic Experience) at the Richmond Olympic Oval, providing a major new community amenity and tourism attraction.
- Occupancy of the Kiwanis Towers Seniors Housing project, with 296 units of subsidized seniors rental housing.
- Commencement of construction on the City's new Minoru Complex, which will house aquatic and seniors' centres, plus additional sports and recreation amenities.
- Completion of design and construction enabling works for two new, post-disaster fire halls, which will open in 2017.

While 2015 marked many positive achievements, it was not without challenges. Thus, Council also took decisive action to address community concerns from over-sized new single-family homes to threats posed by port expansion on agricultural land.

Council, staff, our community partners and volunteers will continue to work collaboratively to build on our achievements of the past year. I invite you to contact the Mayor's Office to learn more about our accomplishments in 2015 and our plans for Richmond's future.



Malcolm Brodie
Mayor, City of Richmond

Richmond City Council



Front row, left to right:

Councillor Carol Day, Councillor Bill McNulty, Mayor Malcolm Brodie, Councillor Linda McPhail, Councillor Harold Steves

Back row, left to right:

Constable Adam Carmichael, Richmond RCMP, Councillor Chak Au, Councillor Derek Dang, Councillor Ken Johnston, Councillor Alexa Loo, Captain Jack Beetstra, Richmond Fire-Rescue

City of Richmond organizational chart

Chief Administrative Office
George Duncan, CAO
Deputy Chief Administrative Office
Robert Gonzalez, Deputy CAO

Community Services	Engineering and Public Works	Finance and Corporate Services
Dave Semple, GM Cathy Volkering Carlile, GM	Robert Gonzalez, GM	Andrew Nazareth, GM

Law and Community Safety	Planning and Development
Phyllis Carlyle, GM	Joe Erceg, GM



Civic officials

Chief Administrative Officer	George Duncan
Deputy Chief Administrative Officer	Robert Gonzalez
General Manager, Community Services	Cathy Volkering Carlile
General Manager, Interagency Programs and Steveston Waterfront Initiatives	Dave Semple
General Manager, Engineering and Public Works	Robert Gonzalez
General Manager, Finance and Corporate Services	Andrew Nazareth
General Manager, Law and Community Safety.....	Phyllis Carlyle
General Manager, Planning and Development.....	Joe Erceg
Director, City Clerk's Office.....	David Weber
City Solicitor	Doug Long
Chief, Richmond Fire-Rescue.....	John McGowan

Affiliated agencies

Officer in Charge, Royal Canadian Mounted Police	Rendall Nessett
Chief Operating Officer, Richmond Olympic Oval	John Mills
Chief Librarian, Richmond Public Library.....	Greg Buss
Chief Executive Officer, Lulu Island Energy Company.....	Robert Gonzalez

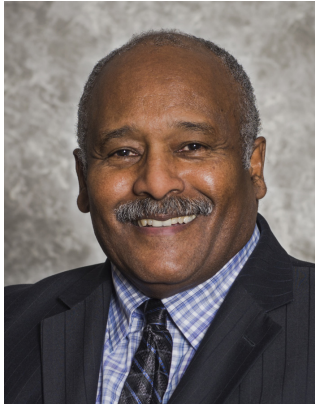
Banker

Scotiabank

Auditors

KPMG

Message from the Chief Administrative Officer



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

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

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

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

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

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

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

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

A stylized, handwritten signature in black ink, appearing to read 'George Duncan'.

George Duncan
Chief Administrative Officer



Richmond Olympic Oval: IAKS "All Time Award"

2015 Awards

Richmond has established a strong reputation as a leader in local government service delivery and innovation. The many awards the City received in 2015 reflect this reputation and our commitment to continuous improvement. The awards included:

- The **2015 Gold Quill Award of Excellence** from the International Association of Business Communicators recognizing the extensive public information program to launch the expanded Green Cart organics waste recycling program.
- The **2015 UBCM Community Excellence Award for Partnerships** for the Kiwanis Towers Seniors Housing project.
- The **2015 Sustainable Communities Award** from the Federation of Canadian Municipalities recognizing the City Centre Area Plan as the roadmap for a highly livable, transit-oriented, urban centre with a strong mix of commercial, residential and public development.
- The Richmond Olympic Oval received the **“All Time Award”** from the International Association of Sports and Leisure Facilities (IAKS) and the International Olympic Committee (IOC). This is an award reserved for landmark sports facilities in the world over the past half-century.
- A third consecutive selection as a **Top 10 City of the Future for 2015–16** by *Foreign Direct Investment* magazine.
- A **2015 Climate and Energy Action Award** Honourable Mention for a Richmond Ice Centre project which significantly reduced greenhouse gas emissions.
- For the City’s annual report, a 13th consecutive **Canadian Award for Financial Reporting** and 6th consecutive Award for **Outstanding Achievement in Popular Financial Reporting** from the Government Finance Officers Association.
- Selection of the Richmond Maritime Festival as a Finalist for **Best Public Entertainment Event or Festival in Canada** at the 2015 Canadian Event Industry Awards.
- A **Regional Citation Award** from the Canadian Society of Landscape Architects for the Terra Nova Play Environment.

Council Term Goals: 2014 to 2018

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

The City of Richmond's objectives and success indicators are expressed through the Council Term Goals. With the beginning of a new four-year term of Council, a term goal setting process was undertaken to help Council fulfil its governance role and achieve a successful term of office. The new Council adopted a revised set of nine Term Goals, which will provide the framework for the City's programs and services through 2018.

1. A Safe Community

Maintain emphasis on community safety to ensure Richmond continues to be a safe community.

2015 Achievement

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



Rendering of Cambie fire hall currently under construction



The new City Centre Community Centre opened in 2015

2. A Vibrant, Active, and Connected City

Continue the development and implementation of an excellent and accessible system of programs, services, and public spaces that reflect Richmond's demographics, rich heritage, diverse needs, and unique opportunities, and that facilitate active, caring, and connected communities.

2015 Achievement

The first ever Richmond World Festival, celebrating our community diversity, was a critical and popular success. The Festival was named the Most Outstanding Event in Canada in the Canadian Event Industry Awards.

The ROX (Richmond Olympic Experience) opened at the Richmond Olympic Oval, creating a new community cultural amenity and regional tourist attraction.

The new City Centre Community Centre opened. Serving Richmond's fastest growing neighbourhood, it's the City's first urban focussed community centre.

3. A Well-Planned Community

Adhere to effective planning and growth management practices to maintain and enhance the livability, sustainability and desirability of our City and its neighbourhoods, and to ensure the results match the intentions of our policies and bylaws.

2015 Achievement

Guided by the City's Official Community Plan, building permit construction value reached nearly \$1billion in 2015, an all-time record.

Richmond was among the first municipalities in the province to enact bylaws providing for early termination of Land Use Contracts. The City also passed new bylaws to address community concerns about over-sized homes, placing new limits on building heights and massing.



ROX (Richmond Olympic Experience)

4. Leadership in Sustainability

Continue advancement of the City's sustainability framework and initiatives to improve the short and long term livability of our City, and that maintain Richmond's position as a leader in sustainable programs, practices and innovations.

2015 Achievement

The continued implementation of the Council approved Green Fleet Action Plan resulted in an overall 1.9% reduction in litres of fuel consumed per 100 km. driven as compared to the previous year.

5. Partnerships and Collaboration

Continue development and utilization of collaborative approaches and partnerships with intergovernmental and other agencies to help meet the needs of the Richmond community.

2015 Achievement

Residents took occupancy of the new Kiwanis Towers, which includes 296 units of subsidized rental housing for seniors. The City provided

\$20.8 million in capital funding for this project. The City received the 2015 UBCM Community Excellence Award for Partnerships for the project, which involved multiple partners including community groups and government agencies.

6. Quality Infrastructure Networks

Continue diligence towards the development of infrastructure networks that are safe, sustainable, and address the challenges associated with aging systems, population growth, and environmental impact.

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

2015 Achievement

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



Kiwanis Towers seniors' rental housing

7. Strong Financial Stewardship

Maintain the City's strong financial position through effective budget processes, the efficient and effective use of financial resources, and the prudent leveraging of economic and financial opportunities to increase current and long-term financial sustainability.

2015 Achievement

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

8. Supportive Economic Development Environment

Review, develop and implement plans, policies, programs and practices to increase business and visitor appeal and promote local economic growth and resiliency.

2015 Achievement

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

9. Well-Informed Citizenry

Continue to develop and provide programs and services that ensure the Richmond community is well-informed and engaged on City business and decision making.

2015 Achievement

The City expanded its network of free Wi-Fi to now include 14 civic facilities, with more facilities to be added in 2016, improving access to information for all residents.

Additional information on the success indicators in support of these objectives can be found at: <http://www.richmond.ca/cityhall/council/goals>.



Richmond location filming of Deadpool

Report from the General Manager, Finance and Corporate Services

I am pleased to submit the City of Richmond's consolidated financial statements for the year ended December 31, 2015, pursuant to Section 167 of the Community Charter. These statements contain the consolidated 2015 financial results for the City of Richmond, Lulu Island Energy Company Ltd., Richmond Olympic Oval Corporation and the Richmond Public Library.

Management is responsible for the preparation of the financial statements and the external auditors, KPMG LLP, have conducted an independent examination and have expressed their opinion that the consolidated financial statements present fairly, in all material respects, as at December 31, 2015 in accordance with Canadian Public Sector Accounting Standards.

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

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

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

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

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



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

City of Richmond audited financial statements

Year ended December 31, 2015



KPMG LLP
 Metro Tower I
 4710 Kingsway, Suite 2400
 Burnaby BC V5H 4M2
 Canada
 Telephone (604) 527-3600
 Fax (604) 527-3636

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council

We have audited the accompanying consolidated financial statements of the City of Richmond, which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, changes in net financial assets, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Richmond as at December 31, 2015, 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.

Chartered Professional Accountants

May 10, 2016

Burnaby, Canada

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

CITY OF RICHMOND

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

December 31, 2015, with comparative figures for 2014

	2015	2014 (recast - note 3)
Financial Assets		
Cash and cash equivalents	\$ 21,800	\$ 30,731
Investments (note 4)	929,590	833,964
Accrued interest receivable	6,287	5,363
Accounts receivable (note 5)	30,162	28,050
Taxes receivable	8,010	7,481
Development fees receivable	21,135	25,360
Debt reserve fund - deposits (note 6)	508	708
	1,017,492	931,657
Liabilities		
Accounts payable and accrued liabilities (note 7)	87,701	88,331
Development cost charges (note 8)	111,591	82,965
Deposits and holdbacks (note 9)	58,896	65,103
Deferred revenue (note 10)	48,711	41,823
Debt, net of MFA sinking fund deposits (note 11)	46,583	50,815
	353,482	329,037
Net financial assets	664,010	602,620
Non-Financial Assets		
Tangible capital assets (note 12)	2,062,895	1,970,634
Inventory of materials and supplies	2,359	2,415
Prepaid expenses	1,930	1,971
	2,067,184	1,975,020
Accumulated surplus (note 13)	\$ 2,731,194	\$ 2,577,640

Commitments and contingencies (note 17)

See accompanying notes to consolidated financial statements.



General Manager, Finance and Corporate Services

CITY OF RICHMOND

Consolidated Statement of Operations
(Expressed in thousands of dollars)

Year ended December 31, 2015, with comparative figures for 2014

	2015 Budget (notes 2(m) and 23)	2015	2014 (recast - note 3)
Revenue:			
Taxation and levies	\$ 189,796	\$ 189,136	\$ 183,687
Utility fees	95,963	94,290	93,201
Sales of services	29,664	34,186	32,809
Payments-in-lieu of taxes	13,473	15,109	14,546
Provincial and federal grants	6,833	8,654	7,480
Development cost charges	23,828	17,818	18,765
Other capital funding sources	57,155	72,575	63,221
Other revenues:			
Investment income	16,821	16,303	16,568
Gaming revenue	18,030	19,555	21,047
Licenses and permits	7,874	10,747	9,819
Other (note 20)	8,904	48,755	35,194
	468,341	527,128	496,337
Expenses:			
Law and community safety	89,959	85,386	83,820
Utilities: water, sewer and sanitation	84,352	83,650	79,552
Engineering, public works and project development	58,128	56,294	55,899
Community services	54,370	68,246	65,137
General government	50,552	43,438	42,582
Planning and development	13,120	13,211	13,301
Richmond Olympic Oval	14,029	13,395	11,065
Library services	9,793	9,463	9,563
Lulu Island Energy Company	249	491	8
	374,552	373,574	360,927
Annual surplus	93,789	153,554	135,410
Accumulated surplus, beginning of year	2,577,640	2,577,640	2,442,230
Accumulated surplus, end of year	\$ 2,671,429	\$ 2,731,194	\$ 2,577,640

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, 2015, with comparative figures for 2014

	2015 Budget (notes 2(m) and 23)	2015	2014 (recast - note 3)
Surplus for the year	\$ 93,789	\$ 153,554	\$ 135,410
Acquisition of tangible capital assets	(93,041)	(86,941)	(78,947)
Acquired tangible capital assets from developers	(55,000)	(61,807)	(55,388)
Amortization of tangible capital assets	50,997	53,966	52,106
Gain on disposal of tangible capital assets	-	(5,157)	(13,744)
Proceeds on sale of tangible capital assets	-	7,678	14,615
	(3,255)	61,293	54,052
Acquisition of inventories of supplies	-	(2,359)	(2,415)
Acquisition of prepaid expenses	-	(1,930)	(1,971)
Consumption of inventories of supplies	-	2,415	2,363
Use of prepaid expenses	-	1,971	1,594
Change in net financial assets	(3,255)	61,390	53,623
Net financial assets, beginning of year	602,620	602,620	548,997
Net financial assets, end of year	\$ 599,365	\$ 664,010	\$ 602,620

See accompanying notes to consolidated financial statements.

CITY OF RICHMOND

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

Year ended December 31, 2015, with comparative figures for 2014

	2015	2014
		(recast - note 3)
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 153,554	\$ 135,410
Items not involving cash:		
Amortization	53,966	52,106
Gain on disposal of tangible capital assets	(5,157)	(13,744)
Contributions of tangible capital assets	(61,807)	(55,388)
Change in non-cash operating working capital:		
Accrued interest receivable	(924)	(2,139)
Accounts receivable	(2,112)	(8,628)
Taxes receivable	(529)	1,966
Development fees receivable	4,225	(3,955)
Debt reserve fund - deposits	200	(508)
Prepaid expenses	41	(377)
Inventories of materials and supplies	56	(52)
Accounts payable and accrued liabilities	(608)	5,157
Deposits and holdbacks	(6,207)	13,262
Deferred revenue	6,888	5,953
Development cost charges	28,626	(4,247)
Net change in cash from operating activities	170,212	124,816
Capital activities:		
Acquisition of tangible capital assets	(86,941)	(78,947)
Proceeds on disposal of tangible capital assets	7,678	14,615
Net change in cash from capital activities	(79,263)	(64,332)
Financing activities:		
Increase (decrease) in debt	(4,232)	49,759
Principal payments on obligations under capital leases	(22)	(30)
Net change in cash from financing activities	(4,254)	49,729
Investing activities:		
Net increase in investments	(95,626)	(126,528)
Net change in cash and cash equivalents	(8,931)	(16,315)
Cash and cash equivalents, beginning of year	30,731	47,046
Cash and cash equivalents, end of year	\$ 21,800	\$ 30,731

See accompanying notes to consolidated financial statements.

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

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, environmental, recreational, water, and sewer.

2. Significant accounting policies:

These consolidated financial statements are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles 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"), the Richmond Olympic Oval (the "Oval") and the Lulu Island Energy Company Ltd. ("LIEC"). The Library is consolidated as the Library Board is appointed by the City. The Oval and LIEC are consolidated as they are wholly owned municipal corporations of the City and operate as other government organizations. Interfund transactions, fund balances and activities have been eliminated on consolidation.

(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 long-term 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 capital assets and long-term 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 (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

2. Significant accounting policies (continued):

(b) Basis of accounting:

The City follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are 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. At various times during the term of each individual investment, market value may be less than cost. Such declines in value are considered temporary for investments with known maturity dates as they generally reverse as the investments mature and therefore an adjustment to market value for these market declines is not recorded.

(f) Accounts receivable:

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

(g) 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.

(h) 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.

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.

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

2. Significant accounting policies (continued):

(i) 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 recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development, or betterment of the assets. The cost, less the 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:

Natural resources that have been purchased are not recognized as assets in the financial statements.

(iv) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(v) Interest capitalization:

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

(vi) Labour capitalization:

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

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

2. Significant accounting policies (continued):

(i) Non-financial assets (continued):

(vii) 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.

(viii) Impairment of tangible capital assets:

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Company'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 statement of operations.

(ix) 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.

(j) Revenue recognition:

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

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 revenues.

(k) 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 or other related expenditures are incurred.

(k) 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 expenditures are incurred, deposits are recognized as revenue at amounts equal to the qualifying expenditures.

(l) Debt:

Debt is recorded net of related sinking fund balances.

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

2. Significant accounting policies (continued):

(m) Budget information:

Budget information, presented on a basis consistent with that used for actual results, was included in the City of Richmond's Five Year Financial Plan and was originally adopted through Bylaw No. 9220 on April 13, 2015.

(n) Contaminated Sites:

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic or radioactive material or 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 standards;
- (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.

(o) Adoption of new accounting policy:

On January 1, 2015, the City adopted PS 3260 Liability for Contaminated Sites. The standard was applied on a prospective basis and resulted in the recognition of a liability of \$650,000 which has been included in accounts payable and accrued liabilities at December 31, 2015 and a corresponding increase in expenses for the year ending December 31, 2015.

(p) Use of accounting estimates:

The preparation of 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 financial statements and the reported amount of revenue and expenditures during the reporting period. Significant areas requiring the use of management estimates relate to the value of contributed tangible capital assets, value of developer contributions, useful lives for amortization, determination of provisions for accrued liabilities, performing 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 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.

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

2. Significant accounting policies (continued):

(q) 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 of Richmond has provided definitions of segments used by the City as well as presented financial information in segment format (note 22).

(r) Public-private partnership projects:

Public-private partnership ("P3") projects are delivered by private sector partners selected to design, build, finance, and maintain the assets. The cost of the assets under construction are estimated at fair value, based on construction progress billings and also includes other costs, if any, incurred directly by the City.

The asset cost includes development costs estimated at fair value. Interest during construction is not included in the asset cost. When available for operations, the project assets are amortized over their estimated useful lives. Correspondingly, an obligation for the cost of capital and financing received to date, net of the contributions received is recorded as a liability and included as debt on the statement of financial position.

3. Recast of prior year comparative figures:

(a) Tangible capital assets:

During the year, the City determined that certain net tangible capital assets had been omitted from its asset registers.

The impact of these immaterial errors has been recorded retrospectively and prior periods have been recast as follows:

Accumulated surplus at January 1, 2014:

Accumulated surplus, as previously reported	\$ 2,430,252
Net book value of tangible capital assets not previously recorded	11,978
Accumulated surplus, as recast	\$ 2,442,230

Annual surplus for 2014:

Annual surplus, as previously reported	\$ 123,856
Developer contributions received in 2014, not previously recorded	11,554
Annual surplus, as recast	\$ 135,410

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

3. Recast of prior year comparative figures (continued):

(a) Tangible capital assets (continued):

Tangible capital assets at December 31, 2014:

Tangible capital assets, as previously reported	\$ 1,947,102
Net book value of tangible capital assets not previously recorded	23,532
Tangible capital assets, as recast	\$ 1,970,634

(b) Cash equivalents:

During the year, the City determined that an adjustment was required to correct the classification of certain guaranteed investment certificates due to their highly liquid nature with a term to maturity of three months or less at the date of purchase.

The impact of these immaterial errors has been recorded retrospectively and prior periods have been recast as follows:

Cash and cash equivalents at December 31, 2014:

Cash and cash equivalents, as previously reported	\$ 22,053
Reclassification from investments to cash and cash equivalents	8,678
Cash and cash equivalents, as recast	\$ 30,731

Investments at December 31, 2014:

Investments, as previously reported	\$ 842,642
Reclassification from investments to cash and cash equivalents	(8,678)
Investments, as recast	\$ 833,964

4. Investments:

	2015		2014 (recast - note 3)	
	Cost	Market value	Cost	Market value
Short-term notes and deposits	\$ 360,081	\$ 360,081	\$ 290,059	\$ 290,090
Government and government guaranteed bonds	220,228	227,567	261,847	265,941
Municipal Finance Authority Pooled Investment	43,212	43,212	22,527	22,527
Other Bonds	306,069	307,385	259,531	261,176
	\$ 929,590	\$ 938,245	\$ 833,964	\$ 839,734

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

5. Accounts receivable:

	2015	2014
Water and sewer utilities	\$ 11,381	\$ 10,358
Casino revenues	4,532	5,652
Capital grant	2,482	4,279
Other trade receivables	11,767	7,761
	\$ 30,162	\$ 28,050

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, 2015 are as follows:

	Cash deposits	Contingent demand notes
General Revenue Fund	\$ 508	\$ 2,447

7. Accounts payable and accrued liabilities:

	2015	2014
Trade and other liabilities	\$ 55,995	\$ 57,576
Post-employment benefits (note 15)	31,706	30,755
	\$ 87,701	\$ 88,331

8. Development cost charges:

	2015	2014
Balance, beginning of year	\$ 82,965	\$ 87,212
Contributions	44,934	13,313
Interest	1,510	1,205
Revenue recognized	(17,818)	(18,765)
Balance, end of year	\$ 111,591	\$ 82,965

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

9. Deposits and holdbacks:

	Balance December 31, 2014	Deposit contributions	Refund expenditures	Balance December 31, 2015
Security deposits	\$ 48,377	\$ 16,662	\$ 24,722	\$ 40,317
Developer contribution	5,337	294	85	5,546
Contract holdbacks	1,968	4,114	3,273	2,809
Transit Oriented Development Fund	1,523	-	-	1,523
Other	7,898	22,638	21,835	8,701
	\$ 65,103	\$ 43,708	\$ 49,915	\$ 58,896

10. Deferred revenue:

Deferred revenue represents revenues that are collected but not earned as of December 31, 2015. These revenues will be recognized in future periods as they are earned. Deferred revenue also represents funds received from external parties for specified purposes. These revenues are recognized in the period in which the related expenses are incurred.

	Balance December 31, 2014	External restricted inflows	Revenue earned	Balance December 31, 2015
Taxes and Utilities	\$ 16,645	\$ 19,370	\$ 16,645	\$ 19,370
Building permits/development	7,481	8,018	3,414	12,085
Oval	4,316	11,170	9,888	5,598
Capital grants	3,472	11,443	10,319	4,596
Business licenses	2,403	2,071	1,965	2,509
Parking easement/leased land	2,413	48	44	2,417
Other	5,093	3,353	6,310	2,136
	\$ 41,823	\$ 55,473	\$ 48,585	\$ 48,711

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

11. Debt:

The interest rate for the year ended December 31, 2015 on the principal amount of the MFA debentures was 3.30% per annum.

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:

	Gross amount borrowed	Repayments and actuarial adjustments	Net debt 2015	Net debt 2014
General Fund	\$ 50,815	\$ 4,232	\$ 46,583	\$ 50,815

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

	Total
2016	\$ 4,402
2017	4,578
2018	4,761
2019	4,951
2020	5,149
Thereafter	22,742
	\$ 46,583

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

12. Tangible capital assets:

Cost	Balance at December 31, 2014 (recast - note 3)	Additions and transfers	Disposals	Balance at December 31, 2015
Land	\$ 747,290	\$ 57,844	\$ (1,489)	\$ 803,645
Buildings and building improvements	360,966	14,141	(287)	374,820
Infrastructure	1,585,726	63,885	(5,405)	1,644,206
Vehicles, machinery and equipment	98,059	15,116	(3,055)	110,120
Library's collections, furniture and equipment	9,259	1,618	(1,207)	9,670
Assets under construction	66,223	(3,856)	-	62,367
	\$ 2,867,523	\$ 148,748	\$ (11,443)	\$ 3,004,828

Accumulated amortization	Balance at December 31, 2014 (recast - note 3)	Disposals	Amortization expense	Balance at December 31, 2015
Buildings and building improvements	\$ 128,204	\$ (264)	\$ 13,740	\$ 141,680
Infrastructure	700,368	(4,471)	32,220	728,117
Vehicles, machinery and equipment	63,494	(3,028)	6,339	66,805
Library's collections, furniture and equipment	4,823	(1,159)	1,667	5,331
	\$ 896,889	\$ (8,922)	\$ 53,966	\$ 941,933

	Net book value December 31, 2015	Net book value December 31, 2014 (recast - note 3)
Land	\$ 803,645	\$ 747,290
Buildings and building improvements	233,140	232,762
Infrastructure	916,089	885,358
Vehicles, machinery and equipment	43,315	34,565
Library's collection, furniture and equipment	4,339	4,436
Assets under construction (a)	62,367	66,223
Balance, end of year	\$ 2,062,895	\$ 1,970,634

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

12. Tangible capital assets (continued):

(a) Assets under construction:

Assets under construction having a value of approximately \$62,367,664 (2014 - \$66,223,263) 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. The value of contributed assets received during the year is \$61,806,695 (2014 - \$55,388,435) comprised of infrastructure in the amount of \$10,874,576 (2014 - \$18,937,542), land in the amount of \$50,606,219 (2014 - \$36,450,893), and other assets in the amount of \$325,900 (2014 - nil).

(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-downs of tangible capital assets during the year (2014 - nil).

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

13. Accumulated surplus:

	General Funds and Reserve	Water Utility Fund	Sanitary Sewer Utility Fund	Richmond Olympic Oval	Library Services	Lulu Island Energy Co	2015 Total	2014 Total (recast - note 3)
Investment in tangible capital assets	\$ 2,041,691	\$ -	\$ -	\$ 9,447	\$ 4,341	\$ -	\$ 2,055,479	\$ 1,968,651
Reserves (note 14)	457,987	-	-	3,191	-	-	461,178	376,602
Appropriated Surplus	151,031	27,813	15,013	890	303	-	195,050	184,644
Surplus	9,567	244	6,200	502	201	551	17,265	45,410
Other equity	2,222	-	-	-	-	-	2,222	2,333
Balance, end of year	\$ 2,662,498	\$ 28,057	\$ 21,213	\$ 14,030	\$ 4,845	\$ 551	\$ 2,731,194	\$ 2,577,640

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

14. Reserves:

	2014	Change during year	2015
Reserve funds:			
Affordable housing	\$ 12,551	\$ 12,383	\$ 24,934
Arts, culture and heritage	4,362	87	4,449
Capital building and infrastructure	55,651	4,761	60,412
Capital reserve	103,806	53,972	157,778
Capstan station	8,241	1,267	9,508
Child care development	2,201	134	2,335
Community legacy and land replacement	16,720	274	16,994
Drainage improvement	44,505	8,417	52,922
Equipment replacement	17,241	(359)	16,882
Leisure facilities	3,621	1,654	5,275
Local improvements	6,643	124	6,767
Neighborhood improvement	6,724	251	6,975
Public art program	2,554	502	3,056
Sanitary sewer	39,504	2,183	41,687
Steveston off-street parking	293	6	299
Steveston road ends	623	(165)	458
Waterfront improvement	659	(17)	642
Watermain replacement	46,375	239	46,614
Oval	4,328	(1,137)	3,191
	\$ 376,602	\$ 84,576	\$ 461,178

15. Post-employment benefits:

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

	2015	2014
Balance, beginning of year	\$ 30,755	\$ 30,042
Current service cost	1,924	1,791
Interest cost	912	1,054
Amortization of actuarial loss	93	430
Benefits paid	(1,978)	(2,562)
Balance, end of year	\$ 31,706	\$ 30,755

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

15. Post-employment benefits (continued):

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2013 and the results are extrapolated to December 31, 2015. The difference between the actuarially determined accrued benefit obligation of approximately \$28,657,000 and the liability of approximately \$31,706,000 as at December 31, 2015 is an unamortized net actuarial gain of \$3,049,000. This actuarial gain is being amortized over a period equal to the employees' average remaining service lifetime of 10 years.

	2015	2014
Actuarial benefit obligation:		
Liability, end of year	\$ 31,706	\$ 30,755
Unamortized actuarial loss (gain)	(3,049)	(1,554)
Balance, end of year	\$ 28,657	\$ 29,201

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

	2015	2014
Discount rate	3.10%	3.10%
Expected future inflation rate	2.00%	2.00%
Expected wage and salary range increases	2.50%	2.50%

16. 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, 2014, the plan has about 185,000 active members and approximately 80,000 retired members. Active members include approximately 37,000 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 is then adjusted to the extent there is amortization of any funding deficit.

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

16. Pension plan (continued):

The most recent valuation for the Municipal Pension Plan as at December 31, 2012, indicated a \$1,370 million funding deficit for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2015, with results available in 2016.

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 \$11,766,393 (2014 - \$10,649,936) for employer contributions while employees contributed \$9,736,747 (2014 - \$8,780,321) to the plan in fiscal 2015.

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 Greater 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:

In addition to the obligations under capital leases, at December 31, 2015, the City was committed to operating lease payments for premises and equipment in the following approximate amounts:

2016	\$ 5,016
2017	4,484
2018	4,243
2019	3,601
2020 and thereafter	19,704

(c) Litigation:

As at December 31, 2015, 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.

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

17. Commitments and contingencies:

(d) Municipal Insurance Association of British Columbia:

The City is a participant in the Municipal Insurance Association of British Columbia (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.

On October 30, 2014, Lulu Island Energy Company Ltd. ("LIEC") and Corix Utilities Inc. ("Corix") entered into a 30 year Concession Agreement (the "Agreement"), where Corix will design, construct, finance, operate, and maintain the infrastructure for the district energy utility at the Oval Village community. As part of the agreement, the infrastructure will be owned by the Corporation.

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

The City is a shareholder of the Emergency Communications for Southwest British Columbia Incorporated ("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 28 Class A and 23 Class B shares issued and outstanding as at December 31, 2015). 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 a close relationship with the various community associations which operate the community centers throughout the City. While they are separate legal entities, the City does generally provide the buildings and grounds for the use of the community associations as well as pay the operating costs of the facilities. Typically the community associations are responsible for providing programming and services to the community. The community associations retain all revenue which they receive. The City provides the core staff for the facilities as well as certain additional services such as information technology services.

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

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 financial statements.

	2015	2014
Richmond Community Associations	\$ 1,248	\$ 1,127

19. Collections for other governments:

The City is obligated to collect certain taxation revenue on behalf of other government bodies. These funds are excluded from the City's financial statements since they are not revenue of the City. Such taxes collected and remitted to the government bodies during the year are as follows:

	2015	2014
Province of British Columbia - Schools	\$ 146,405	\$ 134,272
Greater Vancouver Regional District and others	41,772	41,131
	\$ 188,177	\$ 175,403

20. Other revenue:

	2015	2014
Developer contributions	\$ 29,648	\$ 10,382
Tangible capital assets net gain on land	5,912	14,419
Taxes and fines	3,350	2,844
Parking program	2,108	1,932
Other	7,737	5,617
	\$ 48,755	\$ 35,194

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

21. Government Transfers:

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

	2015	2014
Operating		
Province of BC	\$ 24,553	\$ 25,161
TransLink	2,329	2,200
Government of Canada	1,327	1,166
Capital		
Government of Canada	3,098	2,742
TransLink	76	1,292
Province of BC	474	459
	\$ 31,857	\$ 33,020

22. Segmented reporting:

The City of Richmond 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:

Law and Community Safety brings together the City's public safety providers such as Police (RCMP), Fire-Rescue, Emergency Programs, and Community Bylaws along with sections responsible for legal and regulatory matters. It is responsible for ensuring safe communities by providing protection services with a focus on law enforcement, crime prevention, emergency response, protection of life and properties, and legal services.

Utilities provide such services as planning, designing, constructing, operating, and maintaining the City's infrastructure of water and sewer networks and sanitation and recycling.

Engineering, Public Works and Project Development comprises of General Public Works, Roads and Construction, Storm Drainage, Fleet Operations, Engineering, Project Development, 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 (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

22. Segmented reporting (continued):

Community Services comprises of Parks, Recreation, Arts, Culture and Heritage Services and Community Social Development. 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.

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, providing sound management of human resources, information technology, City finance, and ensuring high quality services to Richmond residents.

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.

Richmond Olympic Oval 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. The financial statements include the Oval's 50% proportionate share of operations of VROX Sport Simulation Ltd ("VROX"). VROX is a government partnership established to develop, manufacture and sell sport simulators to the Oval and third party customers, as well as to maintain the simulators for the Oval.

Richmond Public Library provides public access to information by maintaining 5 branches throughout the City.

Lulu Island Energy Company Ltd. ("LIEC") was incorporated on August 19, 2013 under the Business Corporations Act of British Columbia as a municipal corporation wholly-owned by the City of Richmond for the management of district energy utilities.

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

22. Segmented reporting (continued):

	Law and Community Safety	Utilities	Engineering, public works and project development	Community services	General government	Planning and development	Total City
Revenues:							
Taxation and levies	\$ -	\$ -	\$ -	\$ -	\$ 189,136	\$ -	\$ 189,136
Utility fees	-	82,628	11,484	-	-	-	94,112
Sales of services	5,408	3,138	3,212	9,213	3,921	1,511	26,403
Payments-in-lieu of taxes	-	-	-	-	15,109	-	15,109
Provincial and federal grants	96	16	2,506	91	3,057	13	5,779
Development cost charges	-	938	4,927	6,084	5,173	696	17,818
Other capital funding sources	-	828	15,739	1,623	53,057	508	71,755
Other revenue from own sources:							
Investment income	-	592	-	-	15,711	-	16,303
Gaming revenue	642	-	-	-	18,913	-	19,555
Licenses and permits	299	-	101	-	3,770	6,556	10,726
Other	2,534	2,559	338	502	40,295	65	46,293
	8,979	90,699	38,307	17,513	348,142	9,349	512,989
Expenses:							
Wages and salaries	40,163	12,452	20,894	29,047	20,849	10,147	133,552
PW maintenance	30	6,268	8,156	2,079	(1,330)	89	15,292
Contract services	40,096	8,188	2,277	2,885	3,738	1,099	58,283
Supplies and materials	2,469	27,442	633	11,788	6,975	523	49,830
Interest and finance	40	19,064	-	1	2,243	-	21,348
Transfer from(to) capital for tangible capital assets	9	2,025	976	15,946	339	260	19,555
Amortization of tangible capital assets	2,571	7,661	23,436	6,258	10,623	1,076	51,625
Loss on disposal of tangible capital assets	8	550	(78)	242	1	17	740
	85,386	83,650	56,294	68,246	43,438	13,211	350,225
Annual surplus (deficit)	\$ (76,407)	\$ 7,049	\$ (17,987)	\$ (50,733)	\$ 304,704	\$ (3,862)	\$ 162,764

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

22. Segmented reporting (continued):

	Total City (from above)	Richmond Olympic Oval	Richmond Public Library	Lulu Island Energy Company	2015 Consolidated	2014 Consolidated (recast - note 3)
Revenues:						
Taxation and levies	\$ 189,136	\$ -	\$ -	\$ -	\$ 189,136	\$ 183,687
Utility fees	94,112	-	-	178	94,290	93,201
Sales of services	26,403	7,643	140	-	34,186	32,809
Payments-in-lieu of taxes	15,109	-	-	-	15,109	14,546
Provincial and federal grants	5,779	2,464	411	-	8,654	7,480
Development cost charges	17,818	-	-	-	17,818	18,765
Other capital funding sources	71,755	-	-	820	72,575	63,221
Other revenue from own sources:					-	
Investment income	16,303	-	-	-	16,303	16,568
Gaming revenue	19,555	-	-	-	19,555	21,047
Licenses and permits	10,726	-	-	21	10,747	9,819
Other	46,293	2,223	239	-	48,755	35,194
	512,989	12,330	790	1,019	527,128	496,337
Expenses:						
Wages and salaries	133,552	7,868	6,576	-	147,996	142,169
PW maintenance	15,292	-	2	-	15,294	14,548
Contract services	58,283	112	425	345	59,165	58,121
Supplies and materials	49,830	4,809	971	48	55,658	53,749
Interest and finance	21,348	-	13	30	21,391	21,367
Transfer from(to) capital for tangible capital assets	19,555	-	(206)	-	19,349	18,192
Amortization of tangible capital assets	51,625	606	1,667	68	53,966	52,106
Loss on disposal of tangible capital assets	740	-	15	-	755	675
	350,225	13,395	9,463	491	373,574	360,927
Annual surplus (deficit)	\$ 162,764	\$ (1,065)	\$ (8,673)	\$ 528	\$ 153,554	\$ 135,410

CITY OF RICHMOND

Notes to Consolidated Financial Statements (continued)
(Tabular amounts expressed in thousands of dollars)

Year ended December 31, 2015

23. Budget data:

The audited budget data presented in these consolidated financial statements is based on the 2015 operating and capital budgets approved by Council on April 13, 2015 and approved budget for Richmond Public Library, Richmond Olympic Oval and Lulu Island Energy Company. Below is the reconciliation of the approved budget to the budget amount reported in these financial statements.

	Budget Amount
Revenues:	
Approved Operating and Utility Budget	\$ 438,331
Approved Capital Budget	407,216
Approved Oval Budget	14,811
Approved Library Budget	9,600
Approved LIEC Budget	1,268
Less:	
Transfer from other funds	64,645
Intercity recoveries	-
Intercompany recoveries	12,007
Capital Transfer from Other Funds and Reserves	67,058
Carried forward capital expenditures	259,175
Total revenue	468,341
Expenses:	
Approved Operating and Utility Budget	438,331
Approved Capital Budget	408,204
Approved Oval Budget	14,029
Approved Library Budget	9,793
Approved LIEC Budget	249
Less:	
Transfer to other funds	71,611
Intercity payments	-
Intercompany payments	12,007
Capital expenditures	93,041
Capital expenditures - Developer contributed assets	55,988
Debt principal payments	4,232
Carried forward capital expenditures	259,175
Total expenses	374,552
Annual surplus per statement of operations	\$ 93,789

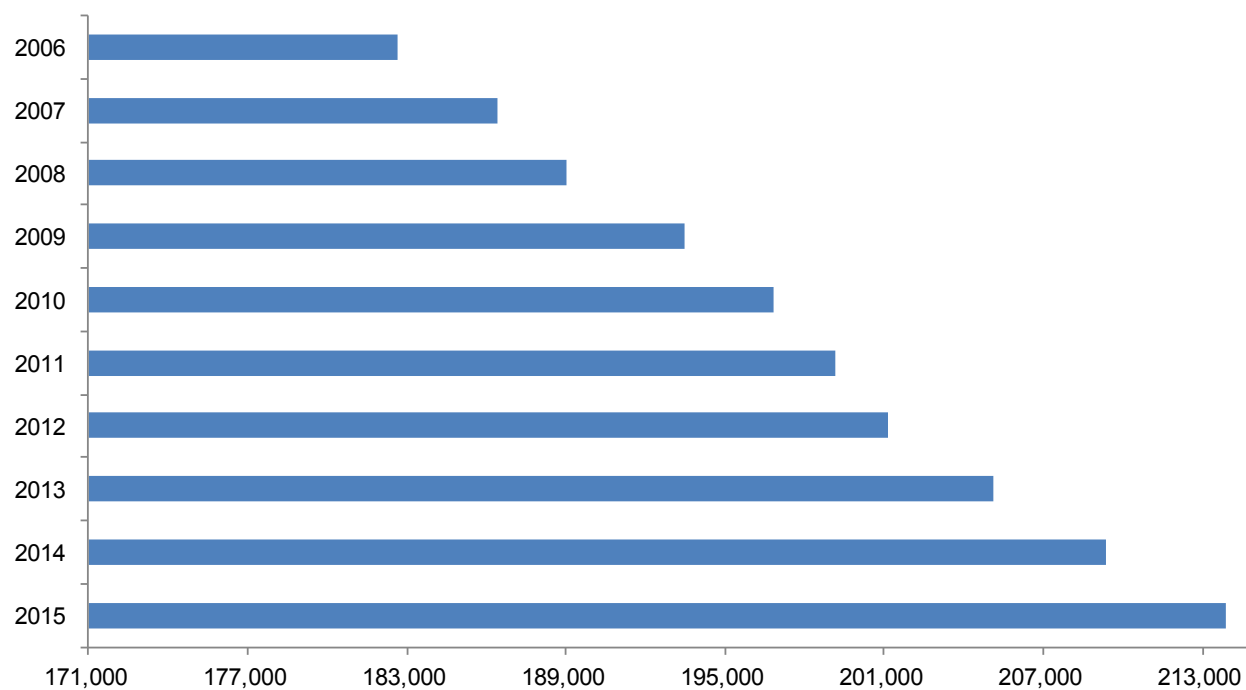


Richmond Maritime Festival was a finalist for Best Public Event in Canada.

City of Richmond statistical data

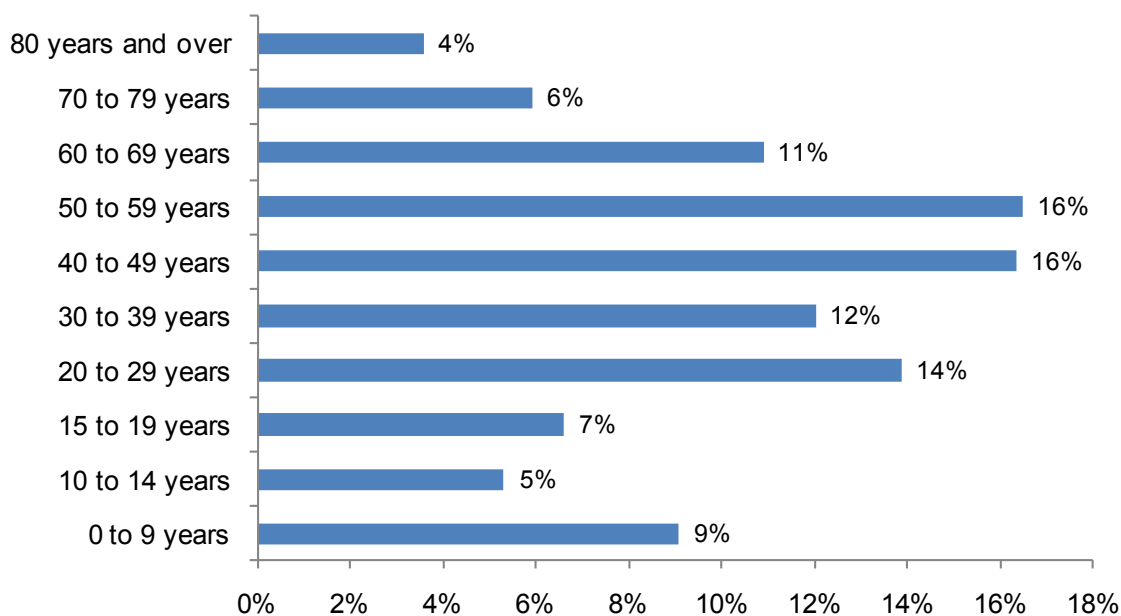
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City of Richmond population 2006–2015



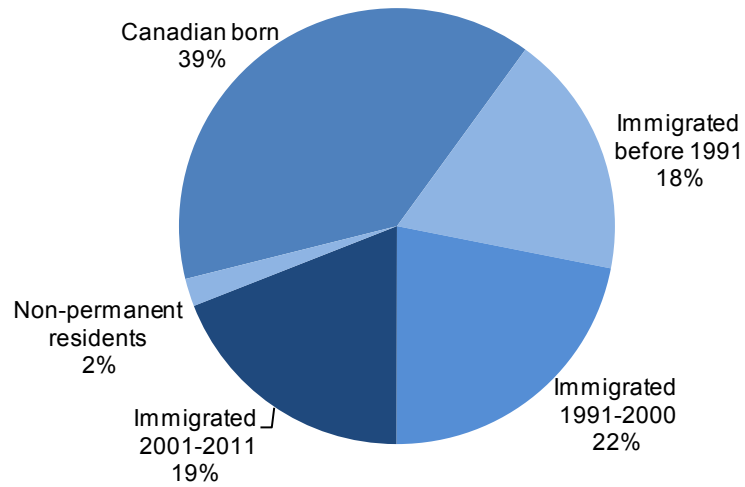
Source: City of Richmond Policy Planning Division

Total population by age groups



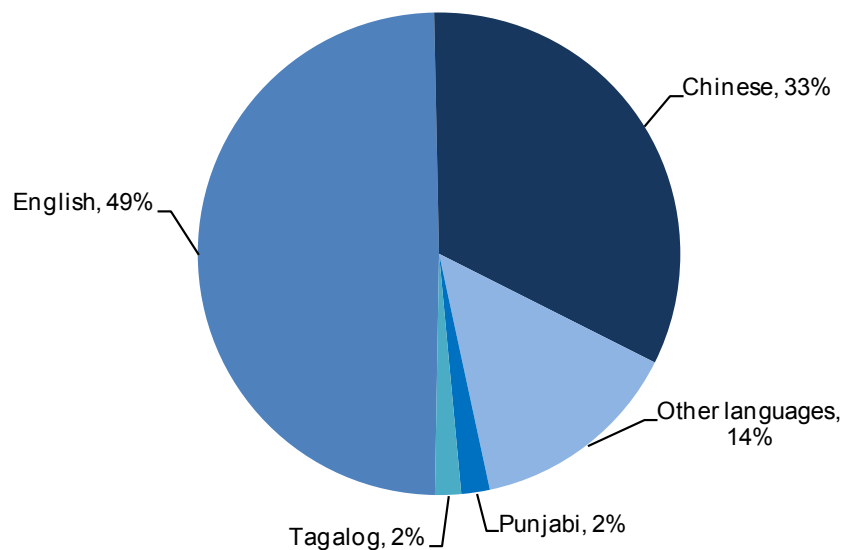
Source: Statistics Canada 2011 Census of Population

Immigrant status of Richmond residents by period of immigration



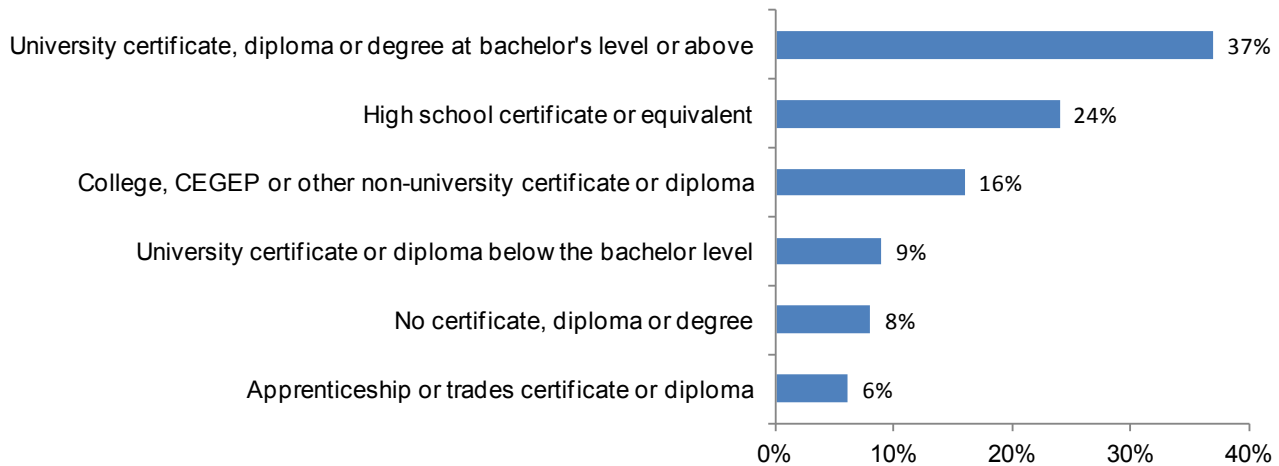
Source: Statistics Canada, 2011 National Household Survey (NHS)

Language spoken most often at home



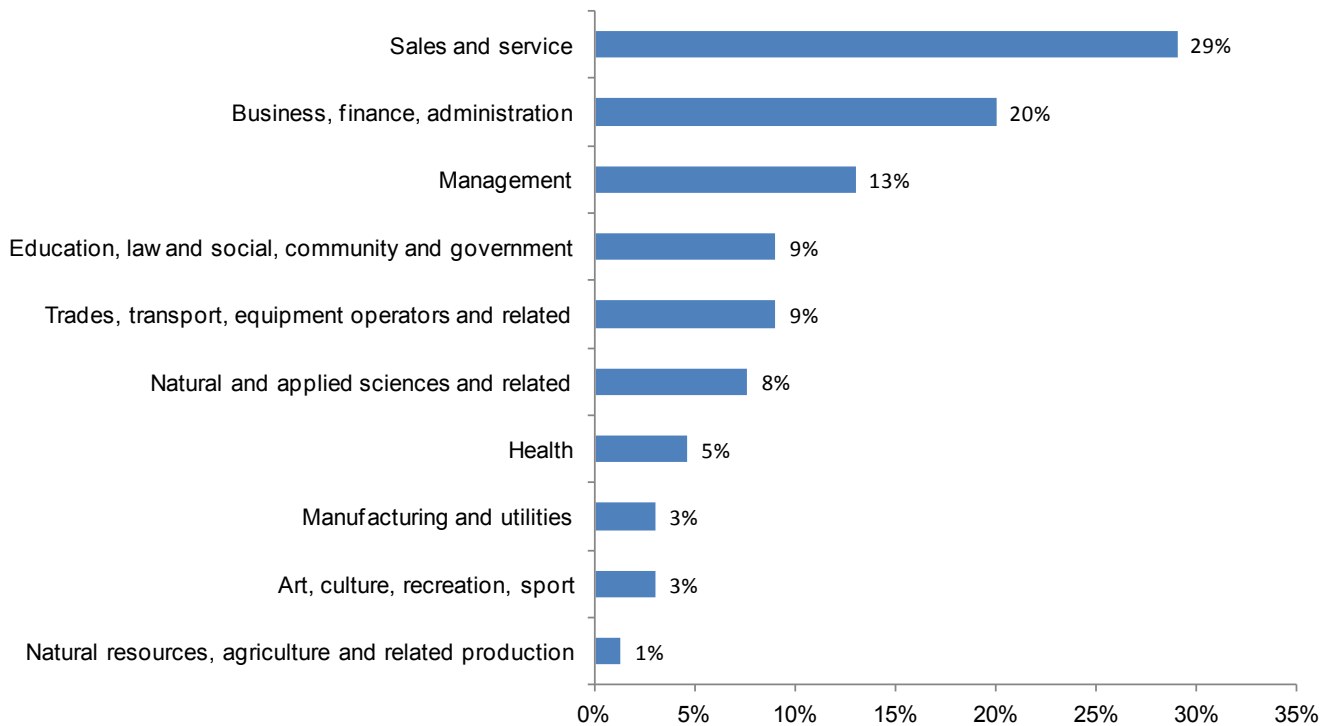
Source: Statistics Canada 2011 Census of Population

Highest level of education attainment for the population aged 25 to 64



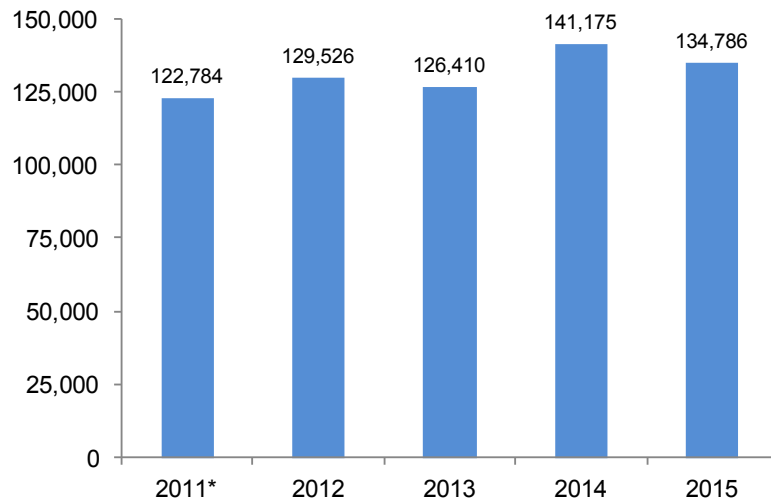
Source: Statistics Canada, 2011 National Household Survey (NHS)

Occupations of Richmond residents



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

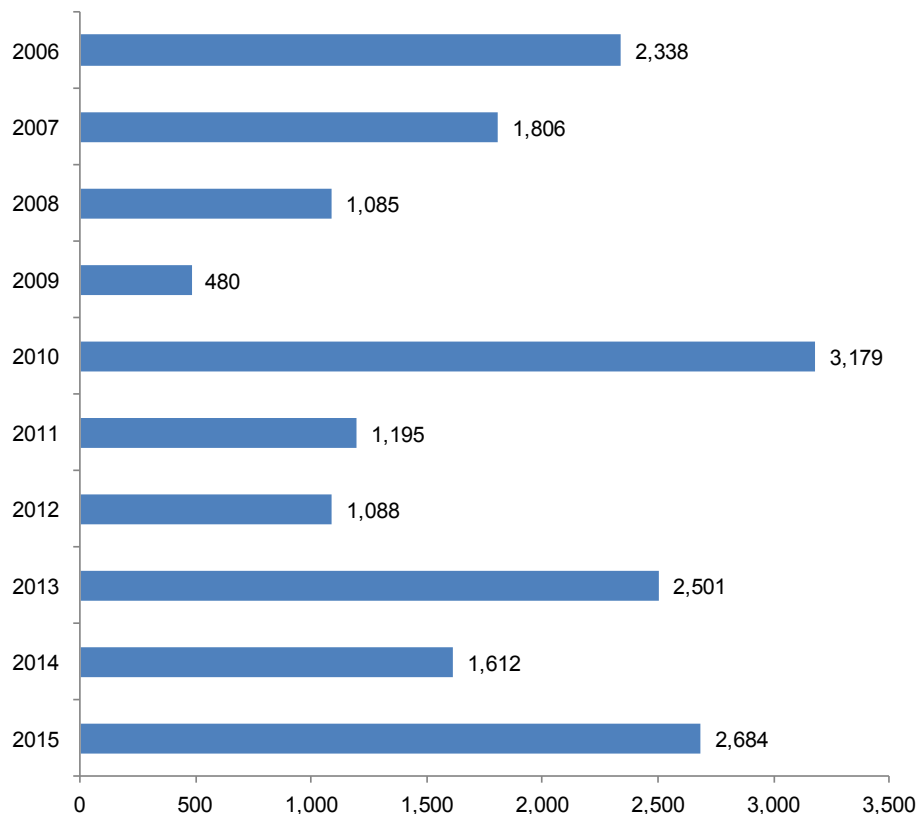
Registration in Richmond Recreation and Cultural Services programs 2011–2015



*Change in registration system 2011

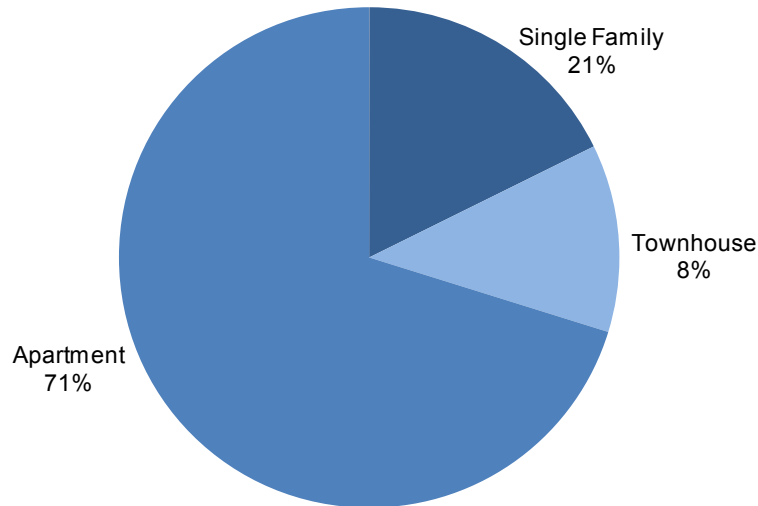
Source: City of Richmond Finance and Corporate Services

Housing starts in Richmond 2006–2015



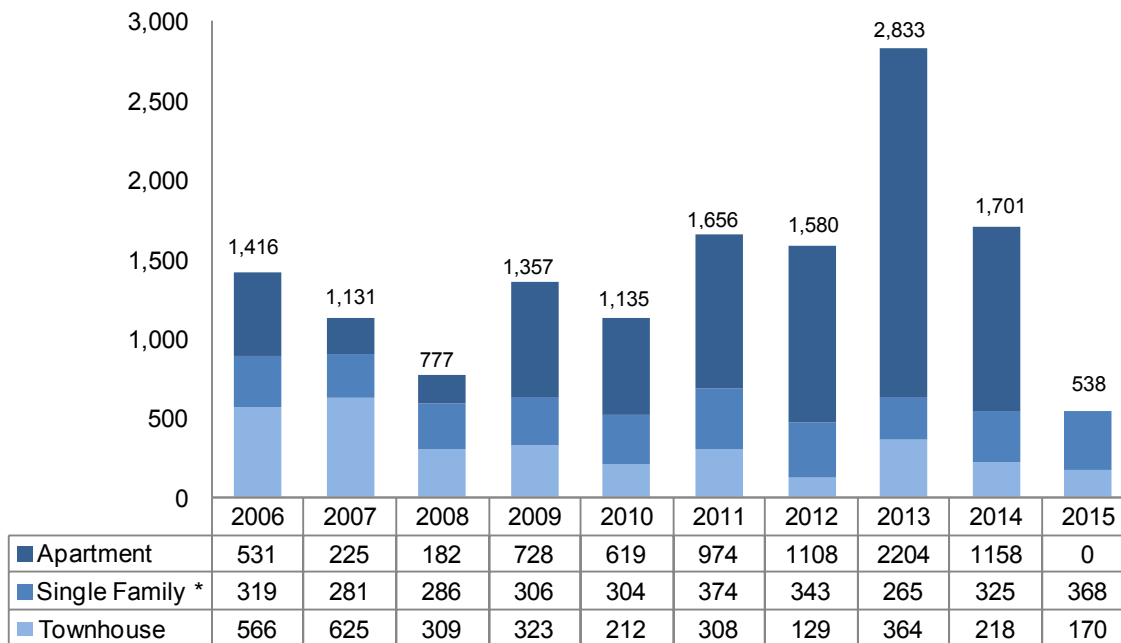
Source: City of Richmond building permit records. Includes only projects for new residential construction receiving final building permit in given year.

Richmond housing starts by type of units 2015



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

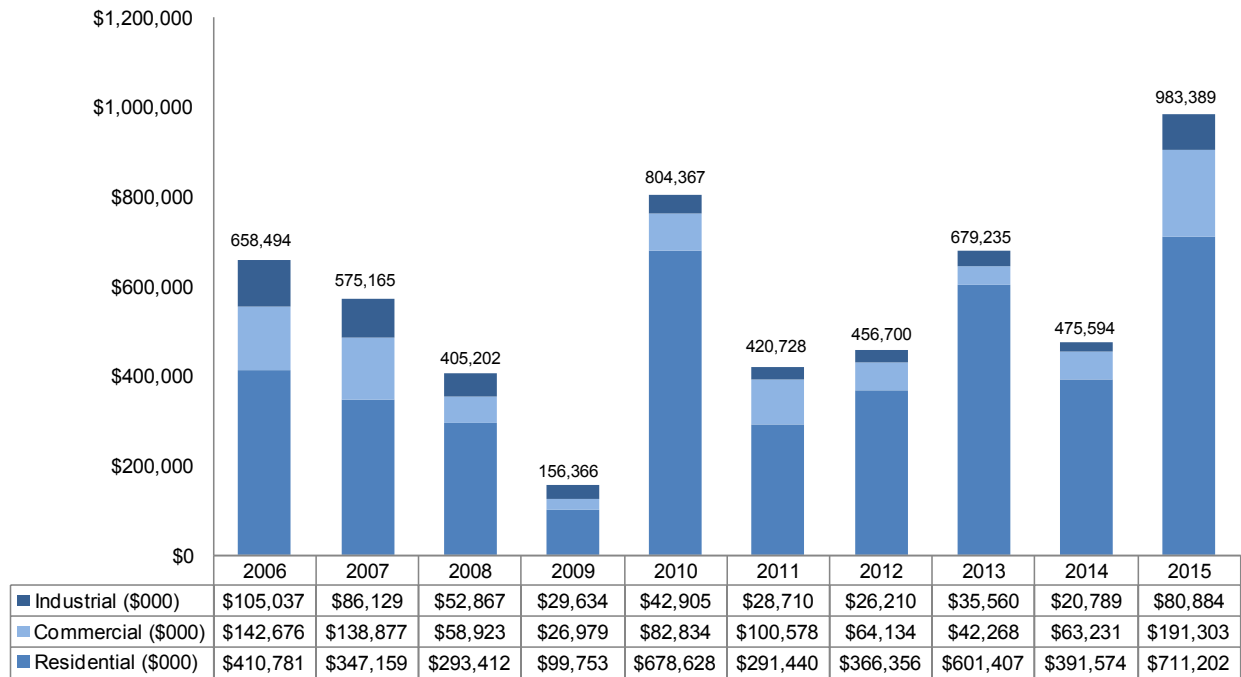
New dwelling units constructed 2006–2015



*Includes one family and two family dwellings

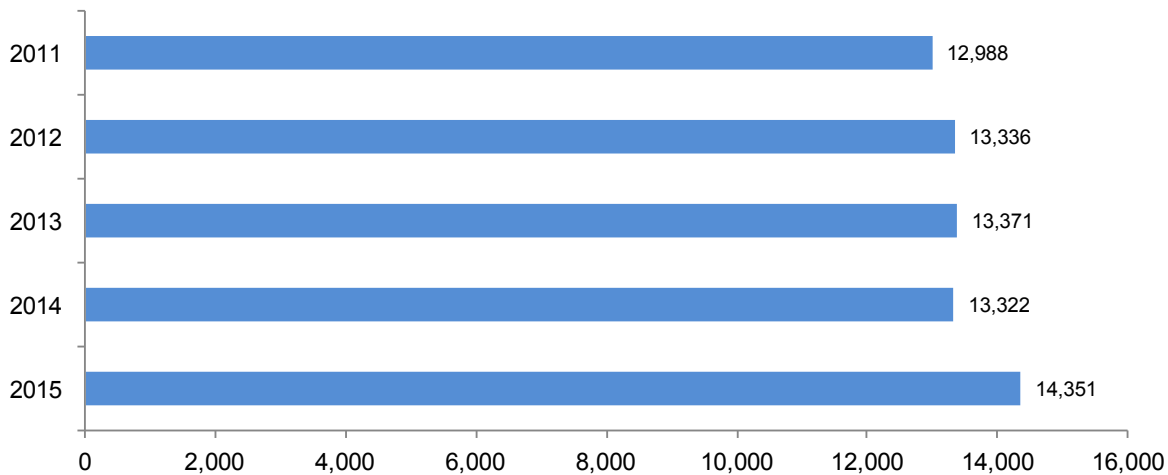
Source: City of Richmond building permit records. Includes only projects for new residential construction receiving final building permit in given year.

Construction value of building permits issued 2006–2015 (in \$000s)



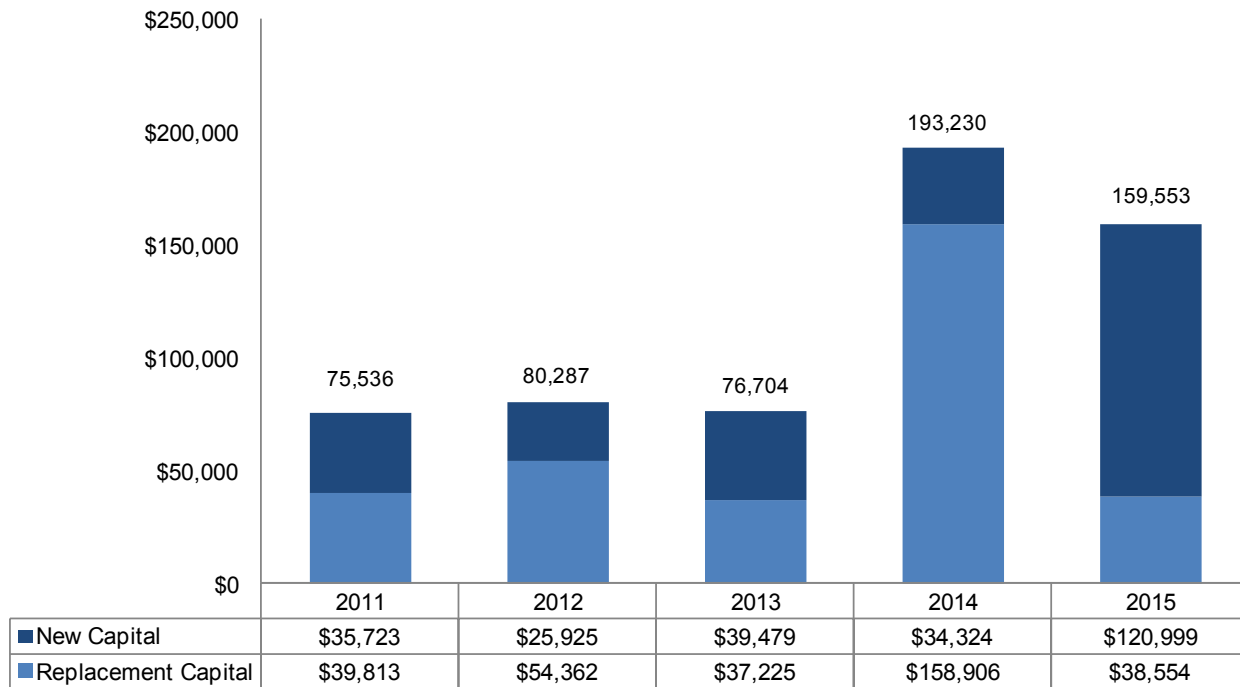
Source: City of Richmond building permit records.

Richmond business licences 2011–2015



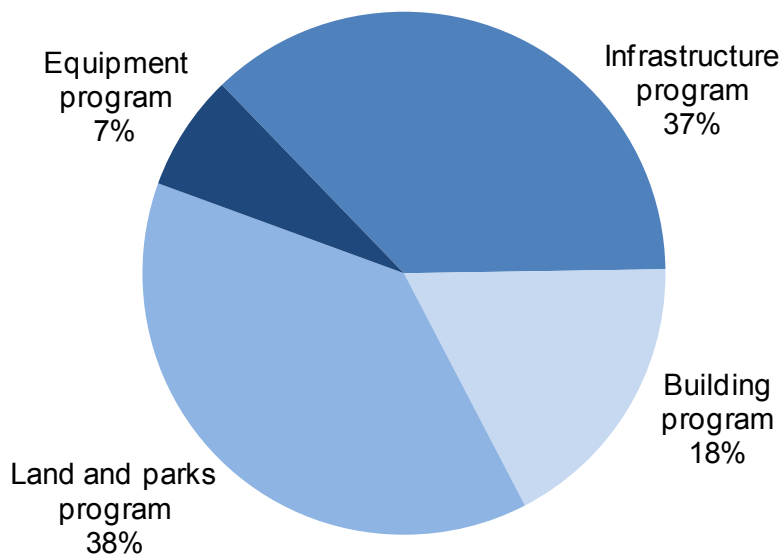
Source: City of Richmond Business Licences

City of Richmond budgeted capital construction costs 2011–2015 (in \$000s)



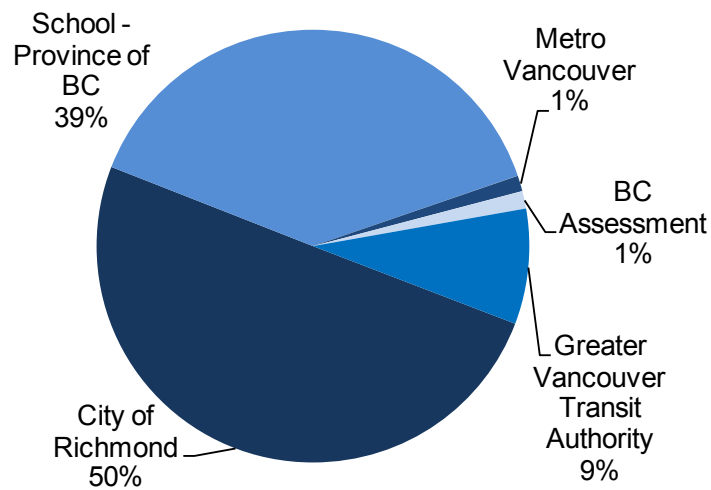
Source: City of Richmond Finance and Corporate Services

Capital program by type 2015



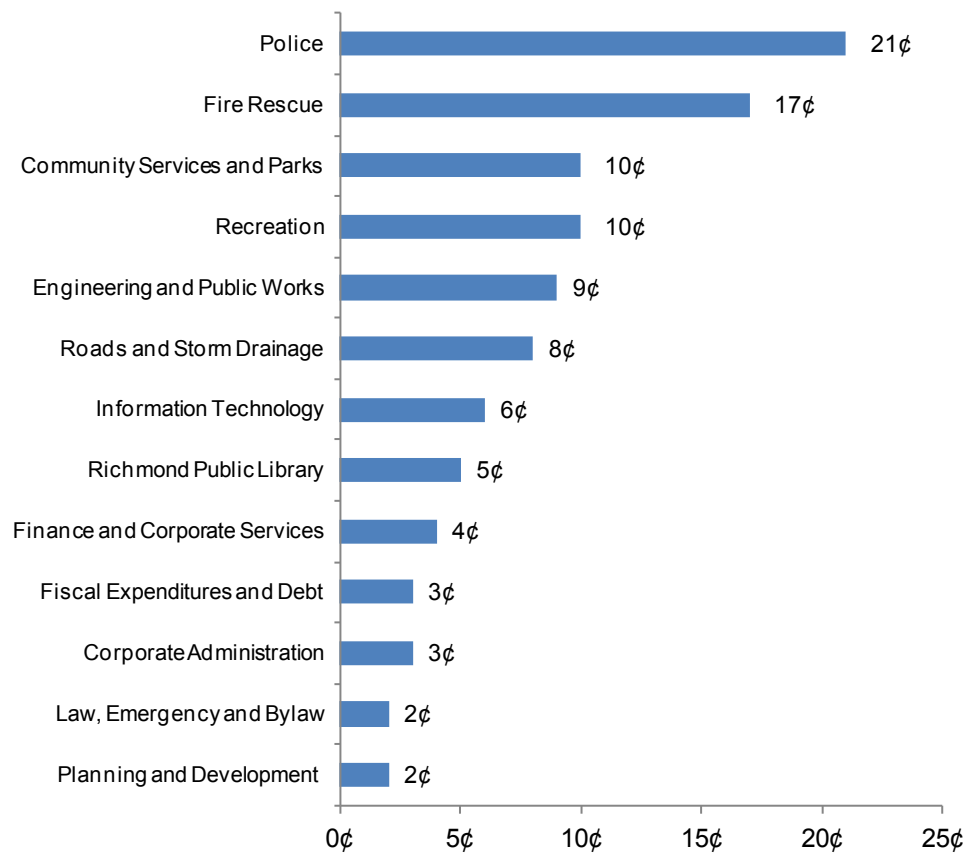
Source: City of Richmond Finance and Corporate Services

Breakdown of residential tax bill 2015



Source: City of Richmond Finance and Corporate Services

Breakdown of actual municipal tax dollar 2015



Source: City of Richmond Finance and Corporate Services

2015 tax rates

	City of Richmond	School - Province of BC	Metro Vancouver	BC Assessment	Municipal Finance Authority	TransLink
Residential	2.18723	1.56740	0.05392	0.05960	0.00020	0.31730
Business	6.94287	5.80000	0.13209	0.16790	0.00050	1.36690
Light industrial	6.94287	5.80000	0.18331	0.16790	0.00070	1.61660
Seasonal / Recreational	1.93251	3.30000	0.05392	0.05960	0.00020	0.28850
Major industrial	12.87490	2.35000	0.18331	0.50300	0.00070	2.00160
Farm	12.67378	3.45000	0.05392	0.05960	0.00020	0.36300
Utilities	39.91245	13.60000	0.18870	0.50300	0.00070	2.60730

Source: City of Richmond Finance and Corporate Services

2015 general revenue fund assessment and taxation by property class (in \$000s)

	Assessment	% of assessment by class	Taxation	% of taxation by class
Residential	\$47,402,471,266	79.39%	\$103,680,107	54.55%
Business	9,770,811,614	16.36%	67,837,475	35.69%
Light industrial	2,208,027,000	3.70%	15,330,044	8.07%
Seasonal / Recreational	144,622,410	0.24%	279,484	0.15%
Major industrial	137,264,500	0.23%	1,767,267	0.93%
Farm	26,364,056	0.04%	334,132	0.18%
Utilities	21,195,129	0.04%	845,950	0.45%
Total	\$59,710,755,975	100.00%	\$190,074,459	100.00%

Source: City of Richmond Finance and Corporate Services
Amounts are based on Billing

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

	2011	2012	2013	2014	2015
City of Richmond	\$161,821	\$167,529	\$176,283	\$183,687	\$190,074
School Board	122,465	128,610	133,660	133,539	147,087
Metro Vancouver	3,957	4,102	4,268	4,253	4,499
BC Assessment	4,258	4,593	4,667	4,843	4,973
TransLink	29,427	30,789	30,968	31,935	32,644
Other	13	14	15	15	16
Total Taxes	\$321,941	\$335,637	\$349,861	\$358,272	\$379,293

Source: City of Richmond Finance and Corporate Services
Amounts are based on the Revised Roll before any supplementary adjustments

2011–2015 general assessment by property class (in \$000s)

	2011	2012	2013	2014	2015
Residential	\$38,773,463	\$45,026,858	\$44,663,439	\$44,543,518	\$47,402,471
Business	7,753,426	8,046,568	8,197,372	9,001,342	9,770,812
Light industrial	1,480,246	1,614,402	1,902,602	2,100,089	2,208,027
Seasonal / Recreational	113,149	111,935	120,715	97,338	144,622
Major industrial	107,536	111,752	115,791	125,716	137,265
Farm	26,699	26,572	26,618	26,112	26,364
Utilities	21,094	19,685	23,064	20,888	21,195
Total	\$48,275,613	\$54,957,772	\$55,049,601	\$55,915,003	\$59,710,756

Source: City of Richmond Finance and Corporate Services

Taxes levied on behalf of taxing authorities (in '000's)

	2011	2012	2013	2014	2015
Total Tax Levy	\$325,941	\$335,637	\$344,861	\$358,272	\$379,293
Municipal portion of Total Tax Levy	162,214	168,205	175,960	184,016	190,074
% of current collections to current levy	98.81%	98.94%	96.35%	97.81%	98.94%

Source: City of Richmond Finance and Corporate Services

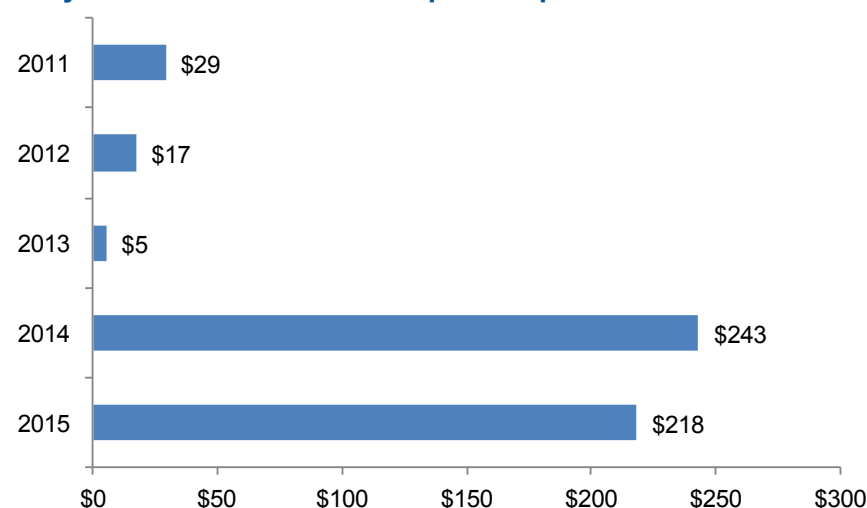
Long-term debt repayments relative to expenditures 2011–2015 (in \$000s)

General revenue fund	2011	2012	2013	2014	2015
Long term debt repayments	\$3,413	\$2,972	\$2,267	\$4,232	\$4,232
General expenditures	\$226,550	\$225,684	\$233,585	\$260,739	\$266,575
Repayments as % of expenditures	1.5%	1.3%	1.0%	1.6%	1.6%
Sewerworks revenue fund					
Long term debt repayments	\$115	\$115	\$30	\$0	\$0
Sewer expenditures	\$24,724	\$23,789	\$26,916	\$22,409	\$26,457
Repayments as % of expenditures	0.5%	0.5%	0.1%	0.0%	0.0%

Note: Expenditures do not include capital and infrastructure investments.

Source: City of Richmond Finance and Corporate Services

City of Richmond debt per capita 2011–2015



Source: City of Richmond Finance and Corporate Services

Net debt 2011–2015 (in \$000s)

	2011	2012	2013	2014	2015
Net debt	\$5,808	\$3,488	\$1,056	\$50,815	\$46,583

Source: City of Richmond Finance and Corporate Services

Expenses by function 2011–2015 (in \$000s)

	2011	2012	2013*	2014*	2015*
Law and Community Safety	\$74,563	\$75,193	\$77,649	\$83,820	\$85,386
Utilities	69,430	72,682	75,134	79,552	83,650
Engineering and Public Works	52,337	53,164	53,268	55,899	56,294
Community Services	45,957	46,796	49,753	65,137 **	68,246**
General government	42,133	38,570	41,061	42,582	43,438
Planning and Development	11,560	11,961	11,854	13,301	13,211
Richmond Olympic Oval	8,647	9,826	10,509	11,065	13,395
Library services	8,618	9,245	9,390	9,563	9,463
Lulu Island Energy Corp	-	-	-	8	491
Total Expenses	\$313,245	\$317,437	\$328,618	\$360,927	\$373,574

* Amounts have been restated.

** Includes one-time affordable housing contributions.

Source: City of Richmond Finance and Corporate Services

Expenses by object 2011–2015 (in \$000s)

	2011	2012	2013*	2014*	2015
Wages, salaries and benefits	\$128,361	\$129,981	\$137,648	\$142,169	\$147,996
Public works maintenance	18,444	20,901	14,246	14,548	15,294
Contract services	45,687	47,945	50,539	58,121	59,165
Supplies, materials	63,765	63,684	53,222	53,749	55,658
Interest and finance	5,164	4,495	19,783	21,367	21,391
Transfer from (to) capital for tangible capital assets	2,755	1,289	2,414	18,192	19,349
Amortization of tangible capital assets	47,696	49,565	50,333	52,106	53,966
Loss/(gain) on disposal of tangible capital assets	1,373	(423)	433	675	755
Total Expenses	\$313,245	\$317,437	\$328,618	\$360,927	\$373,574

* Amounts have been restated.

Source: City of Richmond Finance and Corporate Services

Revenue by source 2011–2015 (in \$000s)

	2011	2012	2013*	2014*	2015
Taxation and levies	\$161,821	\$167,529	\$176,283	\$183,687	\$189,136
User fees	69,359	74,222	90,540	93,201	94,290
Sales of services	41,518	41,449	34,959	32,809	34,186
Licences and permits	7,524	8,734	9,241	9,819	10,747
Investment income	20,328	17,144	13,490	16,568	16,303
Grants including casino revenue	35,520	38,261	39,131	43,073	43,318
Development cost charges	14,321	10,480	11,730	18,765	17,818
Other capital funding sources	50,063	19,306	55,542	63,221	72,575
Other	23,588	23,186	23,946	35,194	48,755
Total Revenue	\$424,042	\$400,311	\$454,862	\$496,337	\$527,128

*Amounts have been restated

Source: City of Richmond Finance and Corporate Services

Accumulated surplus 2011–2015 (in \$000s)

	2011	2012	2013	2014*	2015
Accumulated surplus, beginning of year	\$2,110,337	\$2,221,134	\$2,304,008	\$2,442,230	\$2,577,640
Annual surplus	110,797	82,874	126,244	135,410	153,554
Accumulated surplus, end of year	\$2,221,134	\$2,304,008	\$2,430,252	\$2,577,640	\$2,731,194

*Amounts have been restated

Source: City of Richmond Finance and Corporate Services

Changes in net financial assets 2011–2015 (in \$000s)

	2011	2012	2013	2014	2015
Change in net financial assets	\$47,884	\$53,436	\$79,838	\$53,644	\$61,390
Net Financial Assets, end of year	\$415,723	\$469,159	\$548,997	\$602,620	\$664,010

Source: City of Richmond Finance and Corporate Services

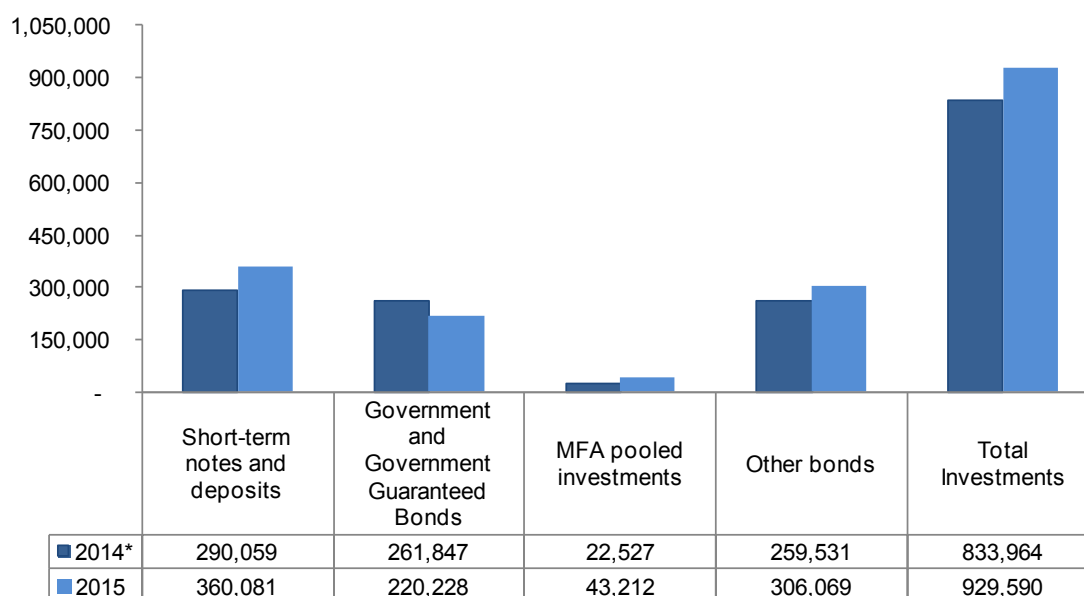
Reserves 2011–2015 (in \$000s)

	2011	2012	2013	2014*	2015
Affordable housing	\$11,344	\$18,082	\$20,696	\$12,551	\$24,934
Arts, culture and heritage	-	-	4,379	4,362	4,449
Capital building and infrastructure	27,646	36,686	46,394	55,651	60,412
Capital reserve	81,820	78,254	101,834	103,806	157,778
Capstan Station	-	-	3,862	8,241	9,508
Child care development	2,146	1,995	2,696	2,201	2,335
Community legacy and land replacement	17,097	16,681	16,353	16,720	16,994
Drainage improvement	23,395	27,948	35,555	44,505	52,922
Equipment replacement	16,744	16,579	17,820	17,241	16,882
Leisure facilities	2,621	3,177	3,551	3,621	5,275
Local improvements	6,330	6,428	6,527	6,643	6,767
Neighbourhood improvement	6,057	6,011	6,335	6,724	6,975
Public art program	1,585	1,967	2,282	2,554	3,056
Sanitary sewer	30,254	33,672	37,233	39,504	41,687
Steveston off-street parking	277	282	287	293	299
Steveston road ends	2,723	1,347	684	623	458
Waterfront improvement	179	112	104	659	642
Watermain replacement	43,435	41,680	42,481	46,375	46,614
Oval	1,700	4,100	4,732	4,328	3,191
Total reserves	\$275,353	\$295,001	\$353,805	\$376,602	\$461,178

* Amounts have been restated.

Source: City of Richmond Finance and Corporate Services

Investment portfolio per type 2014–2015 (\$000s)



Source: City of Richmond Finance and Corporate Services

* Amounts have been restated

Ratio analysis indicators of financial condition

	2014	2015
Sustainability ratios		
Assets to liabilities (times)	8.7	8.8
Financial assets to liabilities (times)	2.8	2.9
Net debt to total revenues	10.2%	8.8%
Net debt to the total assessment	0.1%	0.1%
Expenses to the total assessment	0.6%	0.6%
Flexibility ratios		
Public debt charges to revenues	0.3%	0.3%
Net book value of capital assets to its cost	68.7%	68.7%
Own source revenue to the assessment	0.8%	0.7%
Vulnerability ratios		
Government transfers to total revenues	5.8%	5.4%

Source: City of Richmond Finance and Corporate Services

2015 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 2015. Permissive tax exemptions are those exemptions granted by bylaw in accordance with Section 224 of the Community Charter.

Property / Organization	Address	2015 Municipal tax exempted
Churches and Religious Properties		
B.C. Muslim Association	12300 Blundell Road	\$ 3,438
Bakerview Gospel Chapel	8991 Francis Road	2,175
Beth Tikvah Congregation	9711 Geal Road	6,789
Bethany Baptist Church	22680 Westminster Highway	13,630
Brighthouse United Church	8151 Bennett Road	5,127
Broadmoor Baptist Church	8140 Saunders Road	6,499
Canadian Martyrs Parish	5771 Granville Avenue	8,314
Christian and Missionary Alliance	3360 Sexsmith Road	6,692
Christian Reformed Church	9280 No. 2 Road	6,899
Church in Richmond	4460 Brown Road	4,516
Church of Latter Day Saints	8440 Williams Road	9,593
Cornerstone Evangelical Baptist Church	12011 Blundell Road	949
Dharma Drum Mountain Buddhist Temple	8240 No. 5 Road	2,321
Emmanuel Christian Community	10351 No. 1 Road	4,259
Faith Evangelical Church	11960 Montego Street	2,789
Fraserview Mennonite Brethren Church	11295 Mellis Drive	8,161
Fujian Evangelical Church	12200 Blundell Road	4,905
Gilmore Park United Church	8060 No. 1 Road	5,498
I Kuan Tao (Fayi Chungder) Association	8866 Odlin Crescent	3,164
Immanuel Christian Reformed Church	7600 No. 4 Road	3,254
India Cultural Centre	8600 No. 5 Road	7,114
International Buddhist Society	9160 Steveston Highway	3,782
Ismaili Jamatkama & Centre	7900 Alderbridge Way	7,748
Johrei Fellowship Inc	10380 Odlin Road	5,094
Lansdowne Congregation Jehovah's Witnesses	11014 Westminster Highway	2,406
Larch St. Gospel Meeting Room	8020 No. 5 Road	2,582
Ling Yen Mountain Temple	10060 No. 5 Road	3,456
Nanaksar Gurdwara Gursikh Temple	18691 Westminster Highway	3,515
North Richmond Alliance Church	9140 Granville Avenue	2,080
Our Savior Lutheran Church	6340 No. 4 Road	4,130

Churches and Religious Properties continued . . .

Parish of St. Alban's	7260 St. Albans Road	\$ 4,719
Patterson Road Assembly	9291 Walford Street	798
Peace Evangelical Church	8280 No. 5 Road	5,481
Peace Mennonite Church	11571 Daniels Road	9,251
Richmond Alliance Church	11371 No. 3 Road	3,268
Richmond Baptist Church	6560 Blundell Road	1,252
Richmond Baptist Church	6640 Blundell Road	4,568
Richmond Bethel Mennonite Church	10160 No. 5 Road	9,885
Richmond Chinese Alliance Church	10100 No. 1 Road	6,196
Richmond Chinese Evangelical Free Church	8040 No. 5 Road	3,007
Richmond Emmanuel Church	7451 Elmbridge Way	10,022
Richmond Pentecostal Church	9300 Westminster Highway	8,447
Richmond Pentecostal Church	9260 Westminster Highway	709
Richmond Presbyterian Church	7111 No. 2 Road	4,095
Richmond Sea Island United Church	8711 Cambie Road	10,217
Salvation Army Church	8280 Gilbert Road	2,984
Science of Spirituality SKRM Inc	11011 Shell Road	1,547
Shia Muslim Community	8580 No. 5 Road	1,878
South Arm United Church	11051 No. 3 Road	1,778
St. Anne's Anglican Church	4071 Francis Road	3,708
St. Edward's Anglican Church	10111 Bird Road	3,679
St. Gregory Armenian Apostolic Church	13780 Westminster Highway	1,987
St. Monica's Roman Catholic Church	12011 Woodhead Road	5,840
St. Paul's Roman Catholic Parish	8251 St. Albans Road	13,118
Steveston Buddhist Temple	4360 Garry Street	8,696
Steveston Congregation Jehovah's Witnesses	4260 Williams Road	4,263
Steveston United Church	3720 Broadway Street	2,893
Subramaniya Swamy Temple	8840 No. 5 Road	1,157
Thrangu Monastery Association	8140 No. 5 Road	4,425
Thrangu Monastery Association	8160 No. 5 Road	2,209
Towers Baptist Church	10311 Albion Road	5,821
Trinity Lutheran Church	7100 Granville Avenue	7,056
Trinity Pacific Church	10011 No. 5 Road	4,576
Ukrainian Catholic Church	8700 Railway Avenue	1,973
Vancouver Airport Chaplaincy	3211 Grant McConachie Way	545
Vancouver International Buddhist Progress Society	6690-8181 Cambie Road	8,922
Vancouver International Buddhist Progress Society	8271 Cambie Road	5,811
Vedic Cultural Society of B.C.	8200 No. 5 Road	2,839
West Richmond Gospel Hall	5651 Francis Road	2,617

Recreation, Child Care, and Community Service Properties

City Centre Community Centre	5900 Minoru Boulevard	\$	30,646
Cook Road Children's Centre	8300 Cook Road		1,728
Cranberry Children's Centre	23591 Westminster Highway		3,633
Girl Guides of Canada	4780 Blundell Road		2,374
Navy League of Canada	7411 River Road		10,076
Richmond Animal Protection Society	12071 No. 5 Road		10,711
Richmond Caring Place	7000 Minoru Boulevard		149,126
Richmond Center for Disabilities	100-5671 No. 3 Road		16,771
Richmond Family Place	8660 Ash Street		8,388
Richmond Ice Centre	14140 Triangle Road		122,424
Richmond Lawn Bowling Club	6131 Bowling Green Road		7,800
Richmond Oval	6111 River Road		1,597,603
Richmond Public Library	11580 Cambie Road		3,423
Richmond Public Library	11688 Steveston Highway		6,131
Richmond Rod and Gun Club	7760 River Road		17,371
Richmond Tennis Club	6820 Gilbert Road		12,256
Richmond Watermania	14300 Entertainment Boulevard		194,407
Richmond Winter Club	5540 Hollybridge Way		155,096
Riverside Children's Centre	5862 Dover Crescent		1,045
Scotch Pond Heritage	2220 Chatham Street		5,740
Terra Nova Children's Centre	6011 Blanchard Drive		2,019
Treehouse Learning Centre	100-5500 Andrews Road		1,474
West Cambie Childcare Centre	4033 Stolberg Street		3,316

Private Educational Properties

B.C. Muslim Association	12300 Blundell Road	\$	989
Choice Learning Centre	20411 Westminster Highway		1,109
Choice Learning Centre	20451 Westminster Highway		5,290
Cornerstone Christian Academy School	12011 Blundell Road		634
Richmond Christian School	10260 No. 5 Road		5,047
Richmond Christian School Association	5240 Woodward's Road		25,589
Richmond Jewish Day School	8760 No. 5 Road		11,025
St Joseph the Worker Church & School	4451 Williams Road		7,709

Senior Citizen Housing

Richmond Legion Senior Citizen Society	7251 Langton Road	\$	21,343
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Community Care Facilities

Canadian Mental Health Association	8911 Westminster Highway	\$	8,134
Development Disabilities Association	6531 Azure Road		1,994
Development Disabilities Association	8400 Robinson Road		2,735
Development Disabilities Association	7611 Langton Road		2,408
Greater Vancouver Community Service	4811 Williams Road		2,270
Pinegrove Place, Mennonite Care Home Society	11331 Mellis Drive		16,155
Richmond Lions Manor	9020 Bridgeport Road		19,884
Richmond Society for Community Living	303–7560 Moffatt Road		724
Richmond Society for Community Living	4433 Francis Road		1,644
Richmond Society for Community Living	5635 Steveston Highway		5,388
Richmond Society for Community Living	9–11020 No. 1 Road		969
Richmond Society for Community Living	9580 Pendleton Road		7,554
Rosewood Manor, Richmond Intermediate Care Society	6260 Blundell Road		34,539

2015 City Centre Area transitional tax exemptions

Organization	Address	2015 Municipal tax exempted
2725312 Canada Inc	5900 No. 2 Road	\$ 44,378
2725312 Canada Inc	6191 Westminster Highway	24,807
2725312 Canada Inc	6751 Westminster Highway	37,248
Three Road Plaza Inc	4551 No. 3 Road	37,672
1016138 BC Ltd	9311 River Drive	13,400
AAA Self Storage Depot Inc	8520 Cambie Road	16,941
UEM Sunrise (Canada) Alderbridge Ltd	7960 Alderbridge Way	27,980
UEM Sunrise (Canada) Alderbridge Ltd	5333 No. 3 Road	26,397
Canada Bodhi Dharma Society	5600 Cedarbridge Way	5,270
Canadian Tire Real Estate Ltd	3500 No. 3 Road	35,554
Centro Ovalsquare Development Ltd	6791 Elmbridge Way	46,358
China Cereals & Oils Corp	8777 Odlin Road	10,928
Conway Richmond Estates Ltd	4800 No. 3 Road	15,962
EIG Alderbridge Investments Inc	7851 Alderbridge Way	41,157
Grand Long Holdings Canada Ltd	8091 Park Road	42,129
Hallmark Holdings Ltd	7811 Alderbridge Way	45,545
HGL Investments Ltd	4940 No. 3 Road	26,168
Jiatai Realty Inc	5400 Minoru Boulevard	24,029
Marisco Holdings Ltd	7680 River Road	16,066
McDonald's Restaurants of Canada Ltd	7120 No. 3 Road	21,537
Munch Holdings Co. Ltd	5660 Minoru Boulevard	15,135
PLR Holdings Ltd	5840 Minoru Boulevard	25,675
Porte Industries Ltd	5560 Minoru Boulevard	16,975
Richmond Holdings Ltd	7880 Alderbridge Way	37,005
Richmond Holdings Ltd	7111 Elmbridge Way	19,225
Richmond Holdings Ltd	7671 Alderbridge Way	28,993
Richmond Holdings Ltd	5003 Minoru Boulevard	17,371
Bene (Oval) Development Ltd	6851 Elmbridge Way	21,849
Bene (Oval) Development Ltd	6871 Elmbridge Way	18,759
Vancouver Soho Holding Ltd	5740 Minoru Boulevard	20,551

City of Richmond contacts

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

City of Richmond

6911 No. 3 Road
Richmond, British Columbia
V6Y 2C1 Canada
Phone: 604-276-4000
Email: infocentre@richmond.ca
www.richmond.ca

 [/CityofRichmondBC](https://www.facebook.com/CityofRichmondBC)

 [@Richmond_BC](https://twitter.com/Richmond_BC)

 [/CityofRichmondBC](https://www.youtube.com/CityofRichmondBC)

Gateway Theatre

6500 Gilbert Road
Phone: 604-270-6500
Box Office: 604-270-1812
www.gatewaytheatre.com

 [/Gateway-Theatre](https://www.facebook.com/Gateway-Theatre)

 [@Gateway_Theatre](https://twitter.com/Gateway_Theatre)

Richmond Public Library

Hours: 604-231-6401
www.YourLibrary.ca

 [/yourlibraryRichmond](https://www.facebook.com/yourlibraryRichmond)

 [@RPL_YourLibrary](https://twitter.com/RPL_YourLibrary)

 [/YourLibraryRichmond](https://www.youtube.com/YourLibraryRichmond)

Richmond Olympic Oval

6111 River Road
Phone: 778-296-1400
www.richmondoval.ca

 [/RichmondOval](https://www.facebook.com/RichmondOval)

 [@RichmondOval](https://twitter.com/RichmondOval)

Lulu Island Energy Company

www.luluislandenergy.ca

Major Services Provided by the City of Richmond

Administration

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

Law and Community Safety

Brings together the City's public safety providers including police, fire-rescue and emergency programs as well as bylaw enforcement, legal and regulatory matters.

Community Services

Coordinates, supports and develops Richmond's community services including recreation, arts, heritage, sports, social planning, affordable housing, diversity, youth, childcare and seniors services. Oversees City owned public facilities and the design, construction and maintenance of City parks, trails and green spaces. Works with community partners and coordinates special events and filming in the City.

Finance and Corporate Services

Includes customer service, information technology, finance, economic development, real estate services, City Clerk, enterprise services, business licences, administration and compliance.

Engineering and Public Works

Comprises engineering planning, design, construction and maintenance services for all utility and City building infrastructure. Responsible for local water supply, sewer and drainage, dikes and irrigation system, roads and construction services, street lighting, environmental services, garbage and recycling services, corporate sustainability and district, corporate and community energy programs.

Planning and Development

Incorporates the policy planning, transportation, planning, development applications and the building approvals 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.



City of Richmond

6911 No. 3 Road, Richmond, BC V6Y 2C1
Telephone: 604-276-4000
www.richmond.ca

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City of Richmond, B.C. 2015 Annual Report Highlights

For the year ended December 31, 2015



Richmond City Council



Front row, left to right:

Councillor Carol Day,
Councillor Bill McNulty,
Mayor Malcolm Brodie,
Councillor Linda McPhail,
Councillor Harold Steves

Back row, left to right:

Constable Adam Carmichael,
Richmond RCMP,
Councillor Chak Au,
Councillor Derek Dang,
Councillor Ken Johnston,
Councillor Alexa Loo,
Captain Jack Beetstra,
Richmond Fire-Rescue

City of Richmond's Vision:

To be the most appealing, livable and
well-managed community in Canada

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This report features highlights from Richmond’s 2015 Annual Report. For the detailed 2015 Annual Report that meets legislated requirements, please visit www.richmond.ca (City Hall > Finance, Taxes & Budgets > Budgets & Financial Reporting > Annual Reports).

Cover photo: Steveston harbour, looking toward Mount Baker. *Clayton Perry Photography.*

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Message from the Mayor



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

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

Our Council has supported continuing growth with strategies to enhance our robust economy, protect our environment and sustain Richmond's enviable quality of life. Sound financial planning has

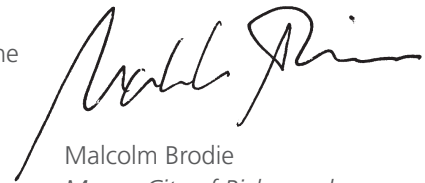
also enabled us to pursue an aggressive agenda to dramatically renew and expand our community amenities and infrastructure while we enhance civic services and innovate to improve customer service.

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

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

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

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

A handwritten signature in black ink, reading "Malcolm Brodie". The signature is fluid and stylized, with a long, sweeping underline that extends to the left.

Malcolm Brodie
Mayor, City of Richmond

Message from the Chief Administrative Officer



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

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

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

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

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

Tourism continues to build upon the boost provided by the 2010 Games. Our local hotels enjoyed the highest occupancy rates in Canada during 2015. This success was, in part, thanks to the

Richmond Sport Hosting program, which since its establishment in 2010 has now generated more than 100,000 hotel room stays, amounting to more than \$32 million in economic spinoffs.

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

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

A stylized, handwritten signature in black ink, appearing to read 'George Duncan'.

George Duncan
Chief Administrative Officer

2015 highlights



Steveston fire hall



Richmond World Festival



New City Centre Community Centre opened

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

Safe Community

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

Vibrant, Active, and Connected City

The first ever Richmond World Festival, celebrating our community diversity, was a critical and popular success. The Festival was named the Most Outstanding Event in Canada in the Canadian Event Industry Awards.

The ROX (Richmond Olympic Experience) opened at the Richmond Olympic Oval, creating a new community cultural amenity and regional tourist attraction. The new City Centre Community Centre opened. Serving Richmond's fastest growing neighbourhood, it is the City's first urban focussed community centre.

Well-Planned Community

Richmond was among the first municipalities in the province to enact bylaws providing for early termination of Land Use Contracts. The City also passed new bylaws to address community concerns about over-sized homes, placing new limits on building heights and massing.

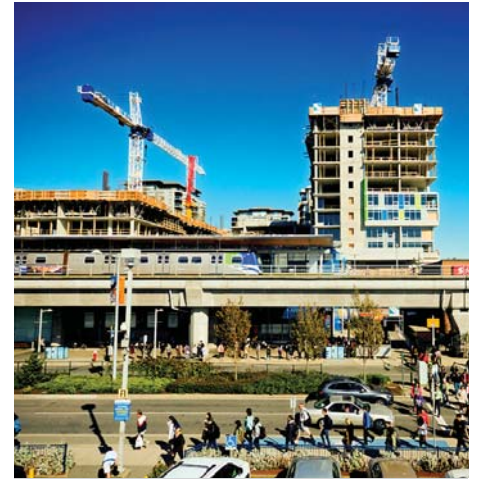
Guided by the City's Official Community Plan, building permit construction value reached nearly \$1 billion in 2015, an all-time record.



Richmond location filming of Deadpool



Kiwanis Towers seniors rental housing



All-time record (\$1 billion) for building activity

Leadership in Sustainability

The continued implementation of the Council approved Green Fleet Action Plan resulted in an overall 1.9% reduction in litres of fuel consumed per 100 km. driven as compared to the previous year.

Partnerships and Collaboration

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

Quality Infrastructure Networks

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

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

Strong Financial Stewardship

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

Supportive Economic Development Environment

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

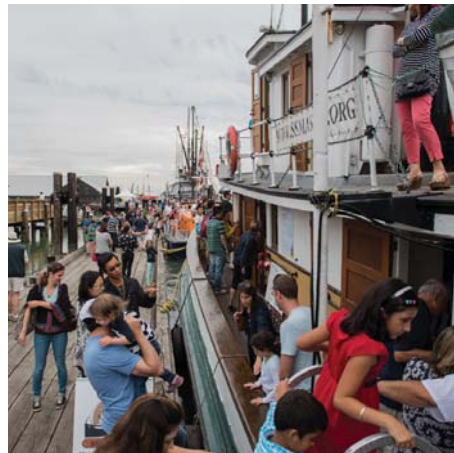
Well-Informed Citizenry

The City expanded its network of free Wi-Fi to now include 14 civic facilities, with more facilities to be added in 2016, improving access to information for all residents.

2015 awards



*Richmond Olympic Oval:
IAKS "All Time Award"*



*Richmond Maritime Festival, Best
Public Event national finalist*



*Green Cart Program: IABC
International Gold Quill Award*

Richmond has established a strong reputation as a leader in local government service delivery and innovation. The many awards the City received in 2015 reflect this reputation and our commitment to continuous improvement. The awards included:

- The **2015 Gold Quill Award of Excellence** from the International Association of Business Communicators recognizing the extensive public information program to launch the expanded Green Cart organics waste recycling program.
- The **2015 UBCM Community Excellence Award for Partnerships** for the Kiwanis Towers Seniors Housing project.
- The **2015 Sustainable Communities Award** from the Federation of Canadian Municipalities recognizing the City Centre Area Plan as the roadmap for a highly livable, transit-oriented, urban centre with a strong mix of commercial, residential and public development.
- The Richmond Olympic Oval received the **"All Time Award"** from the International Association of Sports and Leisure Facilities (IAKS) and the International Olympic Committee (IOC). This is an award reserved for landmark sports facilities in the world over the past half-century.
- A third consecutive selection as a **Top 10 City of the Future** for 2015-16 by *Foreign Direct Investment* magazine.
- A **2015 Climate and Energy Action Award** Honourable Mention for a Richmond Ice Centre project which significantly reduced greenhouse gas emissions.
- For the City's annual report, a 13th consecutive **Canadian Award for Financial Reporting** and 6th consecutive **Award for Outstanding Achievement in Popular Financial Reporting**, from the Government Finance Officers Association.
- Selection of the Richmond Maritime Festival as a Finalist for **Best Public Entertainment Event or Festival in Canada** at the 2015 Canadian Event Industry Awards.
- A **Regional Citation Award** from the Canadian Society of Landscape Architects for the Terra Nova Play Environment.

Financial information

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

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

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

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

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



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

Balance Sheet (in \$000s)

	2015	2014
Financial Assets	\$1,017,492	\$931,657
Total Liabilities	353,482	329,037
Non-Financial Assets	2,067,184	1,975,020
Accumulated Surplus	\$2,731,194	\$2,577,640

A Balance Sheet provides a snapshot of what the City owns (assets) and owes (liabilities). Financial assets are similar to cash resources and are fairly liquid.

Non-financial assets are owned and will be utilized for future services, including tangible capital assets, inventories and prepaid expenses.

Accumulated surplus is an indicator of the City's overall financial health. It is equivalent to the net worth of an organization.

Income Statement (in \$000s)

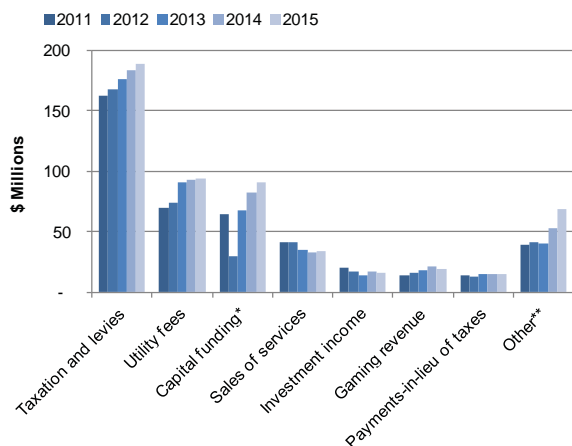
	2015	2014
Total Revenue	\$527,128	\$496,337
Total Expense	373,574	360,927
Annual Surplus	\$153,554	\$135,410

An Income Statement provides a summary of amounts received (revenues) and amounts spent (expenses). The difference between revenue and expenses shows the City's net position (annual surplus). A positive change in net position indicates the City had enough revenues to cover its expenditures.

The annual surplus represents the change in accumulated surplus on the Balance Sheet and includes amounts collected for transfer to reserves, recognition of restricted capital revenues and for contributed assets.

Financial data used to prepare this information is taken directly from the Consolidated Financial Statements for highlight purposes only. This information presented is in conformity with generally accepted accounting principles (GAAP). For a copy of the full 2015 Annual Report, including the Audited Financial Statements, go to www.richmond.ca/cityhall/finance/reporting/reports or contact the City of Richmond Finance Department at 604-276-4218.

Revenue by Source 2011–2015

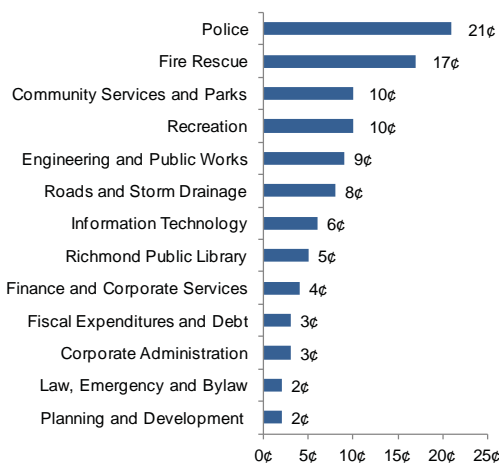


*Capital funding includes: Development cost charges and other capital funding sources

**Other includes: Provincial and federal grants, licenses and permits and other sources.

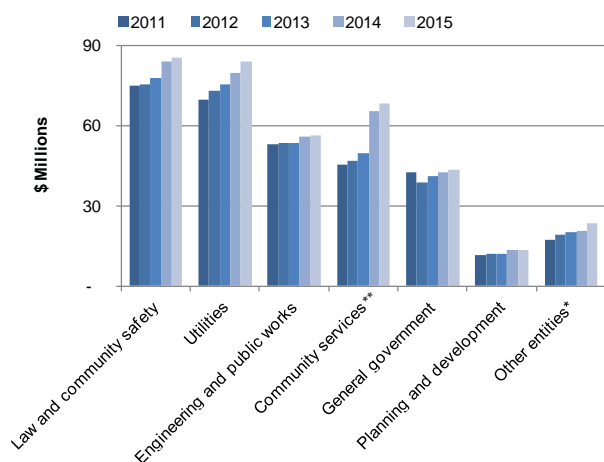
Source: City of Richmond Finance and Corporate Services

2015 Actual Breakdown of \$1 of Municipal Tax



Source: City of Richmond Finance and Corporate Services

Expenses by Function 2011–2015

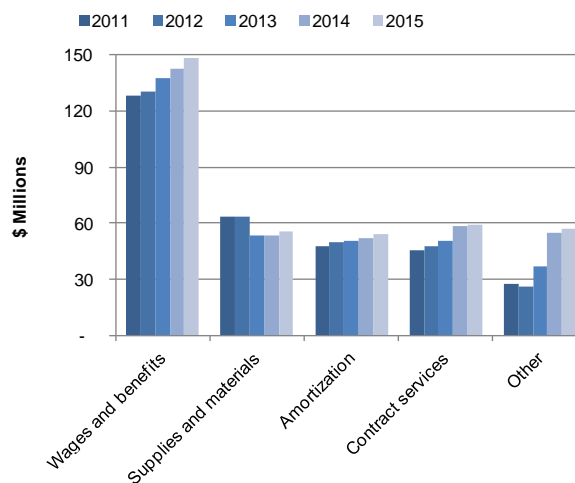


*Other entities includes: Richmond Olympic Oval, Richmond Public Library and Lulu Island Energy Company.

** Expenses for Community services include one-time contributions toward affordable housing of \$11.8m: 2014 and \$12.3m: 2015

Source: City of Richmond Finance and Corporate Services

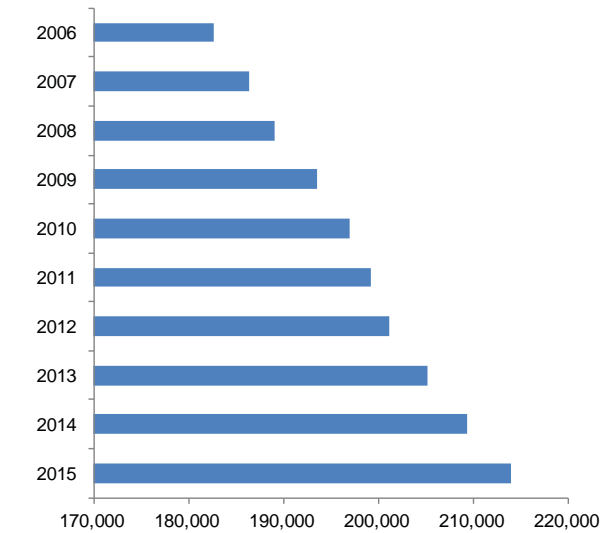
Expenses by Object 2011–2015



Source: City of Richmond Finance and Corporate Services

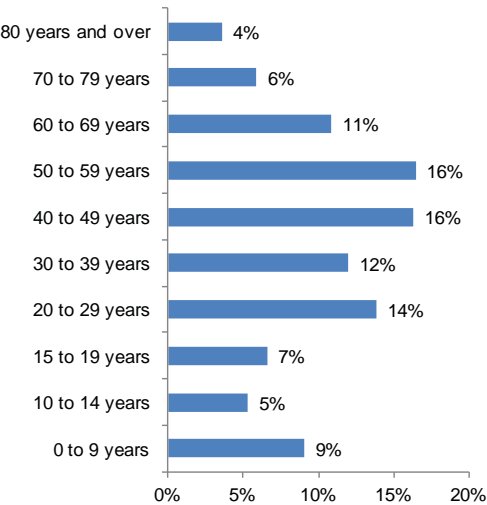
Demographic information

Population 2006–2015



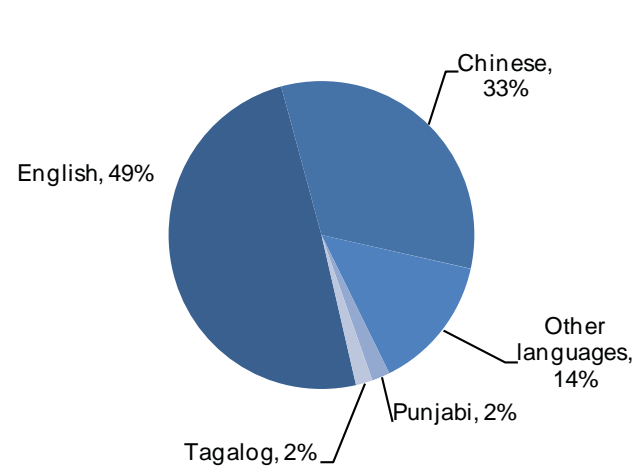
Source: City of Richmond Policy Planning Division

Total population by age group



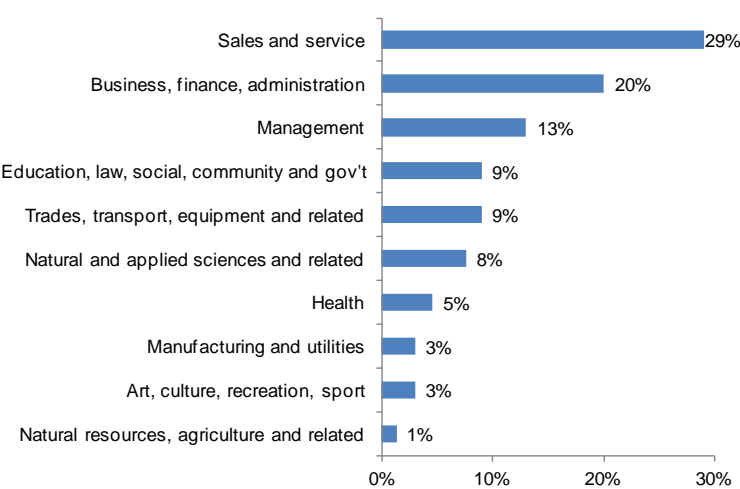
Source: Statistics Canada 2011 Census of Population

Language spoken most often at home 2006–2015



Source: Statistics Canada 2011 Census of Population

Occupations of Richmond residents



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



City of Richmond

6911 No. 3 Road, Richmond, BC V6Y 2C1

Telephone: 604-276-4000

www.richmond.ca

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