



**To:** Finance Committee

**Date:** February 24, 2015

**From:** George Duncan  
Chief Administrative Officer  
& President and CEO  
Richmond Olympic Oval

**File:**

Andrew Nazareth  
General Manager, Finance and Corporate Services  
& Chief Financial Officer, Richmond Olympic Oval

**Re: 4th Quarter 2014 - Financial Information for the Richmond Olympic Oval Corporation**

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**Staff Recommendation**

That the report on Financial Information for the Richmond Olympic Oval Corporation for the fourth quarter ended December 31, 2014 from the Controller of the Richmond Olympic Oval Corporation be received for information.

George Duncan  
Chief Administrative Officer  
& President and CEO  
Richmond Olympic Oval

Andrew Nazareth  
General Manager, Finance and Corporate Services  
& Chief Financial Officer,  
Richmond Olympic Oval

**DATE:** February 23, 2015

**TO:** George Duncan  
Chief Executive Officer, Richmond Olympic Oval Corporation

Andrew Nazareth  
Chief Financial Officer, Richmond Olympic Oval Corporation

John Mills  
Chief Operating Officer, Richmond Olympic Oval Corporation

**FROM:** Rick Dusanj, CPA, CA  
Controller, Richmond Olympic Oval Corporation

**Re:** Richmond Olympic Oval Corporation – 4<sup>th</sup> Quarter 2014 Financial information

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#### **Origin**

Section 7.3 of the Operating Agreement between the City of Richmond (the “City”) and the Richmond Olympic Oval Corporation (the “Corporation”) requires reporting with respect to business plans, budgets, audited financial statements, and quarterly comparisons of actual results to budget along with projections to fiscal year end. This staff report deals with the third quarter business plan and financial results for the 3 months ended December 31, 2014 (“Q4”) which was approved by the Corporation’s Board of Directors.

#### **Business Plans and Financial Results**

Q4 was a successful quarter for the Corporation. The Q4 results were budgeted at a net amount before transfers to reserves/provisions of \$508,000 and the actual results show \$754,000, indicating a favorable variance of \$246,000 (please see page 4 for the Corporation’s statement of operations). In Q4, \$1,823,000 has been allocated to the reserves/provisions bringing the total allocated to the reserves/provisions for 2014 to \$2,805,000.

#### **Highlights**

Some of the highlights of the activities undertaken by the Corporation during Q4 are described on the following page.

### Community Use

Member Care continued to provide member engagement with the Membership Challenge, which is an incentive program designed to improve retention and use of the Oval facility. This included our first annual Turkey to Turkey challenge (where members win a prize if they work out 30 days from October 15th to December 15th) and also included our November member appreciation event where members had the opportunity to attend free specialty classes, free community sport programs, and win free prizes. Both initiatives were very successful as spots were filled up immediately. At the end of Q4 2014, a total of 79% of Oval members were Richmond residents.

Total visitation for Q4 2014 was 204,188, a 19% increase over the same time last year. Total visitations are calculated based on the sum of the following figures: the number of paid admissions, the number of membership scans, the number of visits for those individuals in registered programs, and the number of visits from event rentals and user groups. The event rental and user group figures are based on data obtained from the clients and programmers responsible for the respective rentals.

### Sport Development and Events

High Performance Training continues to service athletes ranging from the community through to the National level. Training sessions were delivered to Table Tennis Canada, Speed Skating Canada, Field Hockey Canada, Athletics Canada, Sailing Canada, Wheelchair Rugby Canada, World Athletics Centre athletes, Greater Vancouver Canadians, Richmond Sockeyes, Vancouver Fusion Football Club, Vancouver Angels, Kajaks Track and Field, Winskill Dolphins, Pacific Wave Synchro, Richmond Soccer Association, Kerrisdale Little League and Dunbar Little League.

Oval trained athlete successes in Q4 included:

- Three Volleyball Canada Centre of Excellence athletes committing to university teams: Siobhan Finan (UBC), Kaleigh Mathison (University of Western Ontario), and Tamara Clarke (SFU);
- 90% of Volleyball Canada Centre of Excellence athletes selected to local high performance club teams.

Once again Q4 was a very busy Sport Hosting and Events quarter at the Oval. Some of the highlights included the following: TWU Volleyball Game, Sportability, PGA Trade Show, Western Marine Trade Show, Richmond Raven's Female Hockey Tournament, Triple Crown Fit Challenge, BC Handball Championships, Orb Sale, Hockey Canada 100<sup>th</sup> Anniversary Tour, Speed Skating Trials, De Denaan Christmas Feis, BC Lions Skills For Life, Panther Cheer PINK and numerous Corporate Family Christmas Parties

Events secured in Q4 included: 2015 BC High School Basketball Lower Mainland Championships, 2016 – 2017 BC Sports Rep Association (BCSRA) Trade Shows, BC Basketball U18 3x3 Tournament and the 2016 Futsal Festival.

Governance

Meetings of the Corporation's Audit & Finance Committee took place during Q4.

A handwritten signature in black ink, appearing to read "R. Dusanj".

Rick Dusanj, CPA, CA  
Controller, Richmond Olympic Oval Corporation

cc: Shana Turner  
Director, Finance and Corporate Services, Richmond Olympic Oval Corporation

**RICHMOND OLYMPIC OVAL CORPORATION**

**Statement of Operations**

**For the quarter ended Dec 31, 2014**

**Unaudited, prepared by management**

	QTR 4				Year ended			
	2014		2014		Dec 31, 2014		2014	
	BUDGET	ACTUAL	\$ Variance Fav/(Unfav)	% Variance Fav/(Unfav)	BUDGET	ACTUAL	\$ Variance Fav/(Unfav)	% Variance Fav/(Unfav)
<b>REVENUES</b>								
2010 Games Operating Trust Fund	550,000	580,386	30,386	6%	2,200,000	2,270,900	70,900	3%
Contribution from City of Richmond (COR)	802,300	801,900	(400)	0%	3,208,000	3,207,600	(400)	0%
Memberships, admissions and programs	1,681,679	1,717,165	35,487	2%	6,348,893	6,877,930	529,037	8%
Other	456,673	405,320	(51,353)	-11%	1,383,695	1,412,253	28,558	2%
	3,490,652	3,504,771	14,120	0%	13,140,588	13,768,684	628,095	5%
<b>EXPENSES</b>								
Memberships, admissions, and program services	1,061,529	935,879	125,650	12%	4,213,863	4,034,478	179,385	4%
Facility Operations	1,021,247	946,239	75,008	7%	4,084,985	3,903,578	181,407	4%
Marketing	147,932	93,072	54,860	37%	487,432	351,733	135,699	28%
Admin/Finance	752,225	775,937	(23,712)	-3%	2,778,554	2,591,675	186,879	7%
	2,982,933	2,751,127	231,806	8%	11,564,834	10,881,465	683,369	6%
<b>Net before transfers to reserves/provisions</b>	507,719	753,644	245,925		1,575,754	2,887,219	1,311,465	
Transfers to reserves/provisions (Note 1)	325,000	1,823,235	1,498,235		1,300,000	2,804,600	1,504,600	
<b>Net after transfers to reserves/provisions</b>	182,719	(1,069,591)	(1,252,310)		275,754	82,619	(193,135)	

**Note 1** - In Q4, \$1,823,000 was transferred into reserves/provisions. The transfers to capital reserves vary from quarter to quarter and are not finalized until year end by the Capital Works Committee in accordance with the operating agreement.

Numbers may be off due to rounding.

Also see attached comments on the results for the fourth quarter of Fiscal Year 2014.