



City of Richmond

Report to Committee

To: Finance Committee

Date: December 18, 2017

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: Richmond Olympic Oval - 3rd Quarter 2017 Financial Information

Staff Recommendation

That the report on Financial Information for the Richmond Olympic Oval Corporation for the third quarter ended September 30, 2017 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: December 11, 2017

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 – 3rd Quarter 2017 Financial information**

Origin

This staff report deals with the third quarter financial results for the 3-month period from July 1st, 2017 to September 30th, 2017 ("Q3") which was endorsed by the Corporation's Board of Directors.

Highlights

The following are some of the highlights of the activities undertaken by the Corporation during Q3.

Community Use

Several community groups used the Oval facility in Q3. Some of the community groups from Richmond or with strong Richmond based participation include, but are not limited to: Richmond Minor Hockey, Vancouver Ki Society, Richmond Ravens, Prime Badminton Academy, Connaught Figure Skating, Brazilian Soccer School, DRIVE Basketball, Dynamo Fencing, Greater Vancouver Canadians, the John M Lecky Boathouse, Urban Rec, Zone Golf Academy, Aura Rhythmic Gymnastics, the Non-Contact Hockey League, and Panther Cheer. At the end of Q3 2017, a total of 81% of Oval members were Richmond residents.

Sport Development and Events

Some of the highlights from Sport Hosting and Events held at the Oval during Q3 included the BC Sport Rep Association Trade Show, 2017 Salish Sea Slam Men's Roller Derby Tournament, 2017 ITF of BC Provincial Taekwon-do Championships, the 7th Karate-do Goju-kai Global Championships, Canada Quest Basketball 3x3 Tournament, NBA Clinic, Jiu Jitsu Provincials, Noah Yalizaroff Memorial Hockey 3x3 Tournament, John Dumont Basketball 3x3 Classic, World Cup Field Painting, NECAC

Family Day, Hooplaw Basketball Tournament, For Ever Young 8 K, Taekwondo Provincials, Dempster's Bread 10K, and the IKGA International Karate Open.

Additionally, some of the events secured by Events and Sport Hosting in Q3 included: Simone Biles Movie Filming, Tom's Shoe Warehouse Sale, 2018 Women's Wheel Chair Basketball Nationals, National Pet Industry Trade Show, the LTX 2018 (Linus Tech Expo), 2018 Wheelchair Rugby Canada Cup, 2018 Wheelchair Rugby National Team Training Camps, 2018 Belfry Spring Hockey Festival, 2018 Karate BC Tournaments and Clinics, 2018 Sport Climbing Provincial Championships, 2017 Freestyle Skiing FIS Clinic, 2018 Next Wave Hockey Tournament.

A number of High Performance related events occurred during Q3 including the 2017 Women's FIVB Grand Prix, Volleyball Canada's U18 National Team Challenge Cup (NTCC), the Metro Vancouver Open Table Tennis Tournament and a Field Hockey Canada Men's Junior National Team Training Camp.

National Team athletes training at the Oval during Q3 as part of formal training groups included athletes from Volleyball Canada, Field Hockey Canada, Canadian Wheelchair Sports, BMX Canada and Softball Canada.

Notable athlete successes during Q3 included:

- Ian Ryder (Richmond Resident) won 3rd Place at the Pan Am Cup in U18 90kg division in Judo.
- Oval trained athlete's Tory Nyhaug (two-time Olympian) won gold, James Palmer won silver and Alex Tougas won bronze at the BMX Canadian National Championship in August 2017.
- Tory Nyhaug went on to finished 3rd at the BMX Supercross World Cup in September 2017.
- Field Hockey Canada Men's National Team placed 2nd in the Pan Am Cup while the Women's National Team placed 4th.
- Oval athlete and Richmond resident Courtney Vorster was named to play on the U18 Women's National Hockey Team. Courtney trained with Oval High Performance during the summer of 2017.
- Oval athlete Hannah Finkelstein was named to the Junior National Softball Team. Hannah has been training as part of the Oval's athlete development program since 2014.

Governance

The Corporation's Audit & Finance Committee meeting took place during the third quarter.

Financial

The first 9 months of 2017 has been successful for the Corporation. The YTD results for the 9 months ended September 30, 2017 were budgeted at an income of \$533,000 and the actual results show income of \$731,000 indicating a favorable variance of \$198,000 (please see page 4 for the Corporation's balance sheet as of September 30, 2017 and page 5 for the statement of operations). In Q3, \$335,000 was allocated to the reserves/provisions.

Comments on the Financial Results for Q3

Revenues

The Q3 portion of the estimated 2017 Games Operating Trust Fund ("GOT") distribution of \$688,000 was recognized as revenue. Memberships, admissions and programs revenue was \$2,074,000 in Q3 and other revenue of \$465,000 primarily pertained to sponsorship, space leasing, parking, and interest revenue.

Expenses

Memberships, admissions and program services costs for Q3 2017 were \$1,507,000, facility operations costs were \$1,173,000, marketing expenses were \$163,000, administration and finance expenses were \$681,000, and amortization expenses were \$371,000. Overall, expenditures were \$89,000 favorable to budget.



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**Balance sheet****As at September 30, 2017****Unaudited, prepared by management**

Sept 30, 2017

ASSETS**Financial Assets**

Cash	\$	1,111,076
Investments		11,735,963
Inventory		132,056
Accounts receivable		<u>724,999</u>
		13,704,095

Financial Liabilities

Accounts payable and accrued liabilities		1,557,428
Deferred revenue		7,960,154
Rental deposits		<u>9,263</u>
		9,526,845

Net financial assets 4,177,250

Non-Financial Assets

Tangible capital assets		11,349,416
Deferred lease costs		82,825
Prepaid expenses and other deposits		<u>236,715</u>
		11,668,956

Accumulated Surplus (Note 1) \$ 15,846,206

Note 1 - Breakdown of accumulated surplus account is as follows

Investment in capital assets	8,781,076
Reserves/Provisions	5,388,701
Common Shares	1
Surplus	<u>1,676,428</u>
	15,846,206

Statement of Operations
For the quarter ended September 30, 2017
Unaudited, prepared by management

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Numbers may be off due to rounding.