



To: Richmond City Council

Date: June 25, 2004

From: Andrew Nazareth
Director of Finance

File: 03-0950-03/2004-Vol 01

Re: 2003 Statement of Financial Information

Staff Recommendation

That the attached statements and schedules of Financial Information for the year ended December 31, 2003 be approved.

Andrew Nazareth
Director of Finance
(4365)

Att.

FOR ORIGINATING DIVISION USE ONLY		
CONCURRENCE OF GENERAL MANAGER		
REVIEWED BY TAG	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
REVIEWED BY CAO	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Staff Report

Origin

The Financial Information Act is provincial legislation that requires local governments to prepare the following statements and schedules of financial information annually:

- (1) statement of assets and liabilities;
- (2) an operational statement;
- (3) a schedule of debts;
- (4) a schedule of guarantee and indemnity agreements;
- (5) a schedule showing remuneration and expenses paid to or on behalf of each employee;
- (6) a schedule showing the payments for each supplier of goods and services.

Regulation also requires that the statements and schedules be approved by its Council and the Municipal Officer assigned responsibility.

Analysis

The requirements of (1) to (4) are met by the annual audited financial statements which are attached as part of the annual report. This annual report was prepared, produced and printed in-house.

The financial statements are the responsibility of the City of Richmond's management and have been prepared in accordance with generally accepted accounting principles for local government. They observe the Public Sector Accounting Board (PSAB) standards established by the Canadian Institute of Chartered Accountants. These financial statements have been audited by KPMG LLP and their responsibility was to express an opinion based on the results of their audit.

The City maintained its solid financial position in 2003. The cash position and investments increased to \$264.4 million from \$229.5 million in 2002. The City's expenditures were maintained within budget, ending the year with a surplus of \$0.3. Statutory reserves increased by \$4.1 million to \$111.8 million and the City experienced capital growth of \$58.4 million.

As well, one of the new reporting obligations of the Community Charter is a statement of municipal objectives for 2005. These are provided on page 19 of the annual report.

The requirements under (5) of a schedule showing remuneration and expenses paid to or on behalf of each employee are met by Schedules 1 – 3.

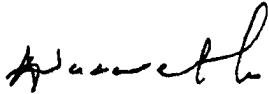
The requirements under (6) of a schedule showing the payments for each supplier of goods and services are met by Schedule 4.

June 25, 2004

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Conclusion

That the attached statements, schedules and annual report be approved for the year ended December 31, 2003.



Andrew Nazareth
Director of Finance
(4365)

AN:tlm

CITY OF RICHMOND
STATEMENT OF FINANCIAL INFORMATION
For the year ended December 31, 2003

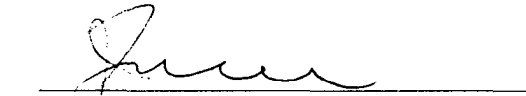
INDEX

1)	Statement of Assets and Liabilities	See Financial Statements
2)	Operational Statements	See Financial Statements
3)	Schedule of Debts	See Financial Statements
4)	Schedule of Guarantee and Indemnity Agreements	None
5)	Schedule of Remuneration and Expenses:	
	Elected Officials.....	Schedule 1
	Employees	Schedule 2
	Statement of Severance Agreements.....	Schedule 3
6)	Schedule of Payments to Suppliers for Goods and Services	Schedule 4

CITY OF RICHMOND

2003 STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2) approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



Jim Bruce,
General Manager,
Finance & Corporate Services.

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 9

CITY OF RICHMOND
 SCHEDULE OF REMUNERATION AND EXPENSES FOR ELECTED OFFICIALS
 FOR THE 2003 YEAR

NAME	POSITION	REMUNERATION	EXPENSES
Mayor Brodie	Mayor	80,800.36	6,649.16
Councillor Barnes	Councillor	31,323.12	1,589.19
Councillor Dang	Councillor	31,323.12	
Councillor E. Halsey-Brandt	Councillor	31,323.12	490.00
Councillor Howard	Councillor	31,323.12	1,177.17
Councillor Kumagai	Councillor	31,323.12	-
Councillor McNulty	Councillor	31,323.12	-
Councillor S. Halsey-Brandt	Councillor	31,323.12	-
Councillor Steves	Councillor	31,323.12	3,427.50
NUMBER OF ELECTED OFFICIALS :	9	331,385.32	13,333.02

CITY OF RICHMOND
SCHEDULE OF REMUNERATION AND EXPENSES

Schedule 2

STATEMENT SHOWING EMPLOYEE EARNINGS
IN EXCESS OF \$75,000 AND RELATED EXPENSES
FOR THE 2003 YEAR

NAME	POSITION	REMUNERATION	EXPENSES
Anderson,David Brian	Chief Training Officer	97,996.88	2,655.85
Anderson,James Doug	Mgr, Sewerage & Drainage	87,815.20	0.00
Attewell,Miles C	Fire Captain	77,089.00	391.21
Aujla,Parissa K.	Mgr, Administration - Fire	76,507.15	48.12
Bailey,J Leonard	Fire Captain	89,756.58 *	0.00
Barkley,Rae	Fire Captain	76,871.20	0.00
Barstow,Gordon	Mgr, Parks Operations	104,694.20 *	4,600.91
Bateman,Grant	Business Systems Analyst	78,995.93 *	509.05
Bathgate,Kenneth	Fire Captain	77,263.46	150.55
Beaman,Ronald David	Deputy Fire Chief	96,859.07	0.00
Beaton,Caroline	Mgr, Payroll & Administration	88,081.18	594.94
Bie,Lloyd L.	Project Engineer	78,440.00	1,254.33
Bittel,Rebecca	Staff Solicitor	78,466.97	0.00
Bortolussi,Americo Lorne 'Rick'	Mgr, Building Approvals	103,681.44	2,257.10
Boyce,Chris	Foreman Public Works	77,039.20	291.46
Brown,Terry W	Fire Captain	79,932.22	0.00
Brownlee,David	Planner 2	76,495.04	676.02
Bruce,James W	GM, Finance & Corporate Svcs.	170,919.05 *	1,295.21
Brunet,Mary H.	Project Manager	80,982.15	2,793.95
Buchanan,James G	Fire Captain	76,076.50	0.00
Burke,Holger	Development Coordinator	87,362.85	0.00
Buss,Gregory A.	Chief Librarian	102,018.24	2,809.16
Butler,Daryl V	Fire Captain	79,441.80	0.00
Bycraft,Suzanne J	Mgr, Environmental Programs	80,975.30	3,725.60
Carlile,Cathryn Volkering	GM, Parks, Rec & Cultural Svcs.	155,913.91 *	3,625.40
Carter,Donald R	Fire Captain	77,710.71	0.00
Carter-Huffman,Suzanne	Planner 3	102,650.23 *	21.31
Chan,Donna	Transportation Engineer	77,523.72	474.14
Chan,Gordon F.W.	Director of Transportation	117,077.63	648.45
Coey,William Allen	Fire Captain	80,049.71	150.55
Cordoni,Raymond M	Mgr, Database Admin. & Ops.	104,802.33 *	1,225.93
Corrigan,Stuart	Battalion Chief	77,775.03	2,062.55
Critchley,Harry Alan	Fire Captain	82,456.57	0.00
Crowe,Terence	Mgr, Policy Planning	102,321.75 *	190.78
Cullen,David	Fire Captain	78,921.18	0.00
Day,Jeff	GM, Engineering & Public Works	165,207.25 *	139.74
DeCrom,Theodore G	Trades Foreman	74,965.23 *	0.00
Dion,Harold K	Fire Lieutenant	75,147.77	798.05
Dodd,Terry Eugene	Fire Captain	83,039.91	0.00
Donald,James	Fire Captain	85,706.79	122.82
Duncan,George	Chief Administrative Officer	130,508.22 *	112,049.29 **
Erceg,Joe	GM, Urban Development	105,402.25	215.89
Falls,Gordon M	Fire Captain	74,994.54	150.55
Fernyhough,Jane Lee	Mgr., Heritage & Cultural Svcs.	79,549.33	730.76
Flett,Brian	Fire Captain	82,603.38 *	1,051.13
Fox,Roy	Fire Captain	81,416.49	6,386.96
Freeman,Marcia J.	Mgr, Economic Development	89,827.95	136.97
Fryer,Kenneth	Mgr, Fleet Operations	84,393.19	3,609.64
Furlong,Robert J	Chief Fire Prevention Officer	79,448.94	2,976.86
Gale,Charles M.'Chuck'	GM, Community Safety	166,713.42 *	8,973.58
Gallichan,Patrick	Fire Captain	89,027.47 *	0.00
Gariepy,William J	Fire Captain	83,126.72	0.00

**Includes non-discretionary City business expenses, relocation, extraordinary hiring expenses, and dscretionary expenses such as registration fees, conferences, etc. as per the Act.

*Included payout of deferred compensation, i.e. vacation/gratuity time earned and/or banked overtime earned in current and prior years and Service Pay.

CITY OF RICHMOND
SCHEDULE OF REMUNERATION AND EXPENSES

Schedule 2

STATEMENT SHOWING EMPLOYEE EARNINGS
IN EXCESS OF \$75,000 AND RELATED EXPENSES
FOR THE 2003 YEAR

NAME	POSITION	REMUNERATION	EXPENSES
Ghanason,Ravi	RCMP Network Manager	85,921.45 *	435.73
Gillfillan,Eric	Director, Operations	114,579.52	640.49
Gill,Gordon W	Public Education Officer	89,174.72	60.00
Gillis,David M	Technical Support Analyst	78,981.09 *	76.26
Gonzalez,Roberto	Director, Engineering	92,582.41	4,495.66
Graber,Alan B	Battalion Chief	113,986.94 *	0.00
Gronlund,Gary	Fire Captain	82,121.80	304.34
Groves,Scott	Project Engineer	78,880.54	53.85
Haddow,James William	Fire Captain	80,702.27	0.00
Hancock,James	City Fire Chief	160,864.73 *	0.00
Hedges,Bruce E	Fire Captain	80,593.48	0.00
Hemphill,Larry James	Fire Captain	83,637.29	277.91
Hillan,Kiernan A 'Tony'	Mgr., Roads & Constructions Svcs.	80,409.70	138.51
Ho,Raymond	Cost Estimator 2 - Engineering	75,645.18	0.00
Hocaloski,Peter M	Fire Captain	76,726.23	0.00
Hogg,Philip James	Mgr, Facilities Ops & Maintnce	81,879.55	1,502.85
Hoglund,'Nikki'Nicholalea	Mgr, Public Works Admin	78,293.43	295.61
Hollick-Kenyon,Richard L 'Holly'	Foreman Sanitation	104,423.53 *	525.00
Hooker,Thomas	Mechanic - Fire Department	80,646.22	1,320.83
Hopkins,Sue	Mgr, Training & Development	79,404.31 *	120.00
Huhtala,Kari	Planner 3	92,373.92 *	775.91
Hung,Edward H P	Mgr, Integrated Bus. Solutions	84,872.35 *	7,392.98
Hystad,Douglas R	Assist Fire Prevention Officer	83,022.52	0.00
Ince,David R	Recreation Systems Analyst	84,700.14 *	0.00
Irving,John D.	Project Engineer	78,357.62	0.00
Johnson,Christian D	Fire Captain	81,987.85	150.55
Johnston,John	Fire Captain	79,444.06	0.00
Julius,Gavin	Manager of Treasury	143,965.57 *	0.00
Karsan,Nasim	Mgr, Applications Development	101,073.79 *	1,943.06
Kendrick,Paul E	City Solicitor	120,886.54	1,955.88
Kirk,Michael	GM, Human Resources	157,196.76 *	597.15
Konishi,Wayne	Fire Captain	81,928.80	0.00
Konnert,Jonathan H	Fire Captain	79,635.73	0.00
Lake,Geoffrey M	Deputy Fire Chief	102,940.37 *	371.70
Lederer,Mike	Trades Foreman II	87,626.46 *	1,482.94
Lei,Loletta	Senior Business Systems Analyst	76,348.92	1,767.69
Lencucha,Gerald F	Fire Captain	80,698.89	150.55
Lewis,Ken J	Fire Captain	82,267.56	150.55
Liew,George	Engineering Technician	84,669.78 *	435.00
Lindberg,John E	Dir, Information Technology	142,552.56 *	124.98
Mack,Kelly	Recreation Systems Analyst	84,918.17	27.15
Mack,Michael	Mgr, Finance & Admin. RCMP	100,840.89 *	0.00
MacLean,Donald W	Fire Captain	80,641.42	237.98
Makutra,Larry M	Fire Captain	80,098.04	0.00
Mander,Donald C	Foreman Public Works	122,476.43 *	435.00
Maxwell,Michael L.	Cost Estimator 1 - Engineering	79,665.43	17.94
McBride,David E	Mgr, Aquatic & Arena Services	83,412.61	1,661.32
McClurg,Stephen E.	Mgr, Waterworks	80,835.76	237.80
McCluskey,Wayne P	Battalion Chief	92,651.23	0.00
McCourt,Barry	Foreman Public Works	78,267.03 *	0.00
McDermid,Greg J	Fire Captain	80,509.86	0.00
McKenna,J Richard	City Clerk	117,186.04	464.36
McLaughlin,W Glenn	Mgr,Insurance & Business Risk	90,100.09 *	63.66
McLellan,David James	GM, Urban Development	331,733.78 *	7,978.60
Melville,Lauren	Sr Mgr Policy Dev & Corp Prog	85,479.94	913.67
Miller,Rodney C	Battalion Chief	78,891.35	860.00
Miloglav,William M	Fire Captain	80,570.68	301.10

*Included payout of deferred compensation, i.e. vacation/gratuity time earned and/or banked overtime earned in current and prior years and Service Pay.

CITY OF RICHMOND
SCHEDULE OF REMUNERATION AND EXPENSES

Schedule 2

STATEMENT SHOWING EMPLOYEE EARNINGS
IN EXCESS OF \$75,000 AND RELATED EXPENSES
FOR THE 2003 YEAR

NAME	POSITION	REMUNERATION	EXPENSES
Mitchell,William J 'John'	Fire Invest-Spec Hazards Insp	85,545.45	0.00
Morimoto,Massey M	Preventive Maintenance Coord	76,172.79 *	0.00
Naysmith,David A.	Mgr, Facilities, Plan. & Const	97,316.95	2,052.37
Nazareth,Andrew	Director, Finance	118,887.36	1,019.22
Nelson,Roger L	Fire Captain	102,537.25 *	0.00
Nickell,Paul A	Fire Captain	81,046.07	150.55
Oliver,David John	Fire Captain	93,428.30 *	150.55
Ono,Steven Takashi	Director, Engineering	82,541.99	0.00
Paterson,Gary L	Fire Captain	79,203.97	0.00
Pavich,Powell T	Fire Captain	95,429.54 *	201.08
Pearson,Don	Mgr, Operational Support-RCMP	78,432.93	2,340.41
Pearson,Sandra L	Mgr, Community Bylaws	80,400.26	855.68
Pellant,Mike	Mgr, Human Resources	85,611.93	3,543.64
Pennington,George W	Fire Captain	80,567.19	150.55
Pepler,Reginald G	Fire Captain	75,854.35	150.55
Pitts,Dermott	Trades Foreman	82,331.96 *	108.38
Qaddoumi,Hikmat	Database/Systems Administrator	76,604.48	364.48
Redpath,Michael	Mgr, Parks Admin. & Programs	87,791.70 *	5,695.41
Reeves,Michael R	Assistant Training Officer	75,939.11	0.00
Robertson,Jim S	Fire Lieutenant	77,544.94	850.55
Rodgers,Dennis	Battalion Chief	91,797.26	0.00
Russell,Douglas C	Fire Captain	80,407.11	0.00
Sagar,George H	Fire Captain	104,339.40 *	0.00
Schultz,Susan Leilani	Dir. Corp & Intergov Relations	99,918.63	2,594.25
Scorgie,David	Deputy Fire Chief	115,251.28 *	0.00
Sellers,Ronald M	Senior Foreman - Roads	83,852.56 *	0.00
Semple,David C	Dir, Parks	125,981.90 *	3,982.24
Sherlock,Lesley	Planner 2	79,554.62 *	66.63
Siagris,Deane	Fire Captain	77,576.04	0.00
Smith,Reginald D	Deputy Fire Chief	107,859.98	0.00
Sparrow,Katherine 'Kate'	Dir, Recreation & Cultural Srv	115,297.60	798.30
Starchuk,Ken J H	Fire Captain	84,158.02	0.00
Stene,Richard L	Chief Fire Prevention Officer	96,767.45	0.00
Stenersen,Dale W	Assistant Training Officer	80,821.93	911.51
Stevens,Anne	Mgr, Customer Service	82,531.66	0.00
Stewart,James V	Fire Captain	79,346.25	0.00
Talmey,J Patrick	Supervisor-Pump Station Oper.	92,952.64	0.00
Talmey,Paul Kelly	Foreman Public Works	94,050.18 *	0.00
Taylor,Robert D	Fire Captain	79,439.48	0.00
Tereposky,Douglas	Fire Captain	86,678.82	0.00
Tinkley,Glenn E	Battalion Chief	81,646.42	1,220.00
Townsend,Ted	Mgr Communication & Corp Prog	82,053.05	1,146.36
Tremeer,Gail D	Mgr, Human Resources	80,225.31	2,222.66
Tse,Siu	Mgr, Engineering Planning	89,499.42	2,910.46
Tulev,Stavre 'Steve'	Tradesman 1 - Mechanic	86,096.41 *	405.00
Urwin,James Richard	Fire Captain	95,778.74 *	150.55
Van Eunen,Peter	Fire Captain	77,733.12	1,477.02
Veerma,Maarten	Mgr, Technical & Network Svcs	101,724.21	1,834.59
Walton,J Richard	Suprvr-Plumbing/Gas Inspection	107,735.81 *	450.00
Ward,Hilda Theresa	Project Manager	106,090.15 *	195.00
Weber,David	Mgr, Legislative Services	84,119.95	0.00
Wei,Victor	Mgr,Transportation Planning	88,268.00	130.31
Whyte,Gordon W	Fire Captain	79,939.59	0.00
Wighton,Roy Scott	Fire Captain	78,567.30	0.00
Williams,Barry T	Fire Captain	101,418.07 *	1,460.10
Williams,Steve J	Fire Lieutenant	77,729.37	150.55
Williamson,Rae M.	Mgr, Human Resources	84,879.09	1,433.62

*Included payout of deferred compensation, i.e. vacation/gratuity time earned and/or banked overtime earned in current and prior years and Service Pay.

CITY OF RICHMOND
SCHEDULE OF REMUNERATION AND EXPENSES

Schedule 2

STATEMENT SHOWING EMPLOYEE EARNINGS
IN EXCESS OF \$75,000 AND RELATED EXPENSES
FOR THE 2003 YEAR

NAME	POSITION	REMUNERATION	EXPENSES
Wong,Ivy	Mgr, Property Taxes	95,577.79 *	8,068.44
Young,Jim	Mgr, Eng Design & Construction	78,243.61	2,390.29
Young,Kenneth F	Mgr, Records & Information	76,458.41	1,633.39
		<hr/>	<hr/>
		15,611,880.71	263,804.06

NUMBER OF EMPLOYEES: 169

*Included payout of deferred compensation, i.e. vacation/gratuity time earned and/or banked overtime earned in current and prior years and Service Pay.

CITY OF RICHMOND
SCHEDULE OF REMUNERATION AND EXPENSES

STATEMENT SHOWING EMPLOYEE EARNINGS
LESS THAN \$75,000 AND RELATED EXPENSES
FOR THE 2003 YEAR

		REMUNERATION	EXPENSES
NUMBER OF EMPLOYEES:	1657	57,822,197.90	184,877.20

CITY OF RICHMOND
SCHEDULE OF REMUNERATION AND EXPENSES

GRAND TOTAL
FOR THE 2003 YEAR

	REMUNERATION	EXPENSES
NUMBER OF EMPLOYEES:	1826	73,434,078.61
		448,681.26

STATEMENT OF SEVERANCE AGREEMENTS
FOR THE 2003 YEAR

There were three severance agreements under which payment commenced between the City of Richmond and its non-unionized employees during the 2003 year.

These agreements represent from 4 to 18 months of salaries and benefits calculated at 22% of salaries.

CITY OF RICHMOND
Statement of Payments to Suppliers for Goods and Services
In Excess of \$25,000 in 2003

Schedule 4

Supplier Name	Amount
A C Gilmore & Sonc (Farms) Ltd	93,437
A R Mower & Supply Ltd	25,184
A&A Anderson Tank Cleaning Service	29,849
Acklands - Grainger Inc	205,648
Agafontsev, Sergei	34,300
Air Canada	41,064
Airon Heating & Air Conditioning Ltd	568,242
Ajilon Staffing of Canada Ltd	52,372
Allstar Show Industries Inc	64,706
Andrew Sheret Ltd	216,544
Aon Reed Stenhouse Inc	794,977
Armtec Limited	42,277
Arts Management Systems	29,444
Ashton Mechanical Ltd	98,093
Atlas Power Sweeping Co Ltd	34,085
Autodesk Canada Inc	45,070
Autogas Propane Ltd	32,292
Avocent Canada Corp	42,412
Axidata Inc	94,574
BC Gas Utility Ltd	370,506
BC Hydro	2,900,675
BC SPCA	270,484
BC Water & Waste Association	34,493
Bei Corporation	36,155
Bell Mobility Inc	60,560
BFI Canada Inc	33,116
Big Bold Beautiful Banner Company	52,973
Binford Excavation	30,918
Bridge Electric Corp	28,581
Brite-Lite Vancouver Inc	27,848
Bulls-Eye Uniforms Canada	28,726
Bury Media & Supplies	63,382
Bynett Construction	149,691
CAC Computers & Communications Inc	49,037
Campbell Froh May & Rice In Trust	426,963
Canada Life	76,570
Canada Post Corporation	63,627
Canadian Dewatering Ltd	216,071
Canadian National Railway Company	55,594
Canadian Red Cross Society	37,000
Canadian Waste Services Inc	92,893
Cannon Johnston Architecture Inc	65,488
Capital Environmental Resource Inc	119,292
Carter Chevrolet Oldsmobile	72,531
Catherine Berris Associates Ltd	28,444
CB Richard Ellis Ltd	63,676
CDC Construction Ltd	530,069
CDI Corporate Education Services	35,797
CFM Uniforms Inc	28,554
Chapelle Enterprises Inc	42,863
Chevron Canada Ltd	988,820
CHIMO	40,000
Cimco Refrigeration	160,029
Citicorp Vendor Finance Ltd.	64,979
City Center Community Association	35,330
City of Vancouver	1,322,862

CITY OF RICHMOND
Statement of Payments to Suppliers for Goods and Services
In Excess of \$25,000 in 2003

Schedule 4

Supplier Name	Amount
Cleartech	92,218
Coastal Range Systems	30,814
Cobra Electric Ltd	987,276
Cohen Buchan Edwards - In Trust	432,399
Columbia Bitulithic	3,151,541
Comm Assoc Summer Programs	51,000
Compugen Inc	26,192
Concerta Consulting Incorporated	96,104
Creative Door Services Ltd	33,558
CSDC Systems Inc	105,450
C-Tron Systems Corp	73,845
D.L. Watts Floorings (1994) Ltd.	74,070
Danka	70,153
Darrell J Epp Architect Ltd.	33,538
Dayton & Knight Ltd	114,533
DB Perks & Associates	48,864
Del Equipment Limited	62,297
Delcan Corporation	114,665
Dell Canada	27,938
Deloitte & Touche Consulting Group	32,100
Detroit Diesel-Allison British Columbia	45,886
Dewji Mohamed A	150,127
DH Designs	79,366
DILLON Consulting	33,963
Direct Energy Business Services Inc	113,603
Direct Equipment West Ltd	40,326
Downtown Revitalization Program	62,029
E Mathers Bulldozing Co Ltd	572,689
E S K Enterprises Ltd.	75,919
Earth Tech (Canada) Inc.	268,297
East Richmond Nurseries	28,830
Easy Park	120,239
EBA Engineering Consultants Ltd.	51,303
Ecomm, Emergency Communications for SWBC	1,581,656
Econolite Canada Inc	177,142
Ecowaste Industries Ltd	200,223
Einblau & Associates Ltd	25,254
Elgar Electric Ltd	26,508
Enbridge Home Services	407,482
ENRG -BCG eFuels Inc	40,913
Entech Environmental Consulants Ltd	75,503
EPOST	74,980
ESRI Canada Ltd	188,390
Evergro Canada Inc.	102,104
Family Services of Greater Vancouver	60,000
Fasken Martineau DeMoulin LLP	45,002
First Choice Auto Parts Ltd.	39,916
Force 10 Marine Company	42,500
Fort Garry Industries Ltd	56,080
Fraser River Pile and Dredge Ltd	37,078
Fred Surridge Ltd	877,327
Fred Thompson Contractors Ltd	286,746
G B Bobcat Service	49,876
Garf Baxandall Ford Sales Ltd	55,933
GE Capital Fleet Services	1,248,504
Geac Canada Ltd	73,160

CITY OF RICHMOND
Statement of Payments to Suppliers for Goods and Services
In Excess of \$25,000 in 2003

Schedule 4

Supplier Name	Amount
General Paint & Wallcoverings	45,134
Ginter Bros	82,508
Gladiuk Contracting Ltd	39,994
Global Medical Services	28,596
Glory Ewen, IN TRUST	177,950
Grand & Toy	29,487
Grande, Lorraine	150,062
Greater Vancouver Regional District	9,160,834
Greater Vancouver Water District	7,889,307
Green, Stacey	73,039
Grootendort's Flowerland Nursery Ltd	39,573
Group 2 Promotions	26,867
Guest Excavating Ltd	44,493
Guillevin International Inc	73,750
Habitat Systems Inc	128,705
Hansen Information Technologies	134,669
Harper Grey Easton " In Trust "	693,568
Harris & Company	60,057
Hazco Enviornmental Services Ltd	27,909
Heritage Office Furnishings Ltd	45,713
Herrera, William L	127,468
Hewlett Packard Canada Ltd	164,368
Hexcel Construction Ltd	250,506
Home Depot	34,506
Horseshoe Press Inc.	32,933
Hummingbird Ltd.	130,323
Hunter, Mary-Jill	28,362
Imperial Electric Ltd	47,043
Imperial Paving Ltd	1,271,240
Incarta	31,930
Industrial Alliance Pacific Life Ins Co	69,148
Information Builders Inc.	125,694
Interlock	68,785
International Paper Ind. Ltd	2,823,941
IPI Enterprises	270,920
Ironpoint Vancouver	57,250
Ironwood Developments	206,981
Island Key Computer Ltd	753,295
ITT Flygt	89,120
J & K Associates	25,907
J J M Construction Ltd	2,694,967
Jang, Cheung, Lee in " Trust "	1,103,369
Jims Trucking Co Ltd	81,476
Johnston Davidson	69,628
Johnston, Ross & Cheng Ltd	76,753
Jones Nurseries Ltd	48,376
Justice Institute of B C	84,281
Kal Tire	81,753
Kanaf Security Group Inc	75,017
Kasian Kennedy Design Partnership	88,667
KBK No 61 Ventures Ltd	38,147
Kedco Contractors Ltd	48,374
Kerr Wood Leidal Associates Limited	323,402
KGC Fire Rescue Inc	186,852
Koffman Kalef - In Trust	856,500
KPMG	264,106

CITY OF RICHMOND
Statement of Payments to Suppliers for Goods and Services
In Excess of \$25,000 in 2003

Schedule 4

Supplier Name	Amount
Lafarge Concrete Ltd	324,298
Land and Water British Columbia Inc	250,000
Lansdowne Pontiac Buick Cadillac GMC	111,552
Lason Canada Company	31,974
Leavitt Machinery	125,612
Lees, James W	30,698
Lehigh Northwest Materials Ltd	73,066
Levelton Engineering Ltd	79,191
Library Bound Inc	741,282
Lifesaving Society	37,384
London Drugs	63,899
Lumec	35,893
MacAulay Trucking Ltd	140,329
MacDonald Commercial RES Ltd	75,000
MacDonald Commercial RES Ltd - In Trust	50,000
Mainland Sand & Gravel Ltd	238,429
Makam Construction Ltd	2,094,482
Maple Leaf Tree Movers	62,105
Maplewood Landscaping Ltd	25,635
Mark Suttle Agencies Ltd	33,930
MarketPULSE Strategic Direction Inc.	46,574
Matson Peck & Topliss Engineering Co Ltd	38,705
McElhanney Consulting Services Ltd	64,599
McRaes Septic Tank Services	421,002
Medical Services Plan	1,041,060
Metro Motors Ltd	425,504
Metro Valley Newspaper Group	75,073
Micro Com Systems Ltd	31,627
Microlink Technologies	61,645
Microserve Business Computer Services	88,097
Midland's Workwear Plus	38,387
Midlyn Advertising Incorporated	38,472
Midlyn HR Communications	38,202
Mills Printing & Stationery Co Ltd	152,650
Min of Fin (SST - Victoria)	53,660
Ministry of Energy & Mines (Geological)	80,000
Minoru Place Senior Centre	43,463
MM Building Service	33,285
Mohawk Canada Ltd	48,566
Mostad Print & Design Group	61,503
Mueller Flow Control	56,796
Mundie Trucking	36,866
Municipal Finance Authority of BC	191,646
Municipal Insurance Association of B.C.	933,935
Municipal Pension Fund	10,295,714
Murdy & McAllister, in trust	200,000
Mutual Life Assurance Co of Canada	97,495
Naib S Brar - In Trust	431,063
NAPA Auto Parts	103,807
National Concrete Accessories	28,847
Nedco (Division of Westburne)	97,372
Nederman Canada Limited	98,167
Netpak Pacific Ltd.	63,805
Network Paper and Packaging Ltd	137,817
New Vision Enterprises	71,000
Nova Pole International Inc.	54,295

CITY OF RICHMOND
Statement of Payments to Suppliers for Goods and Services
In Excess of \$25,000 in 2003

Schedule 4

Supplier Name	Amount
Novax Industries Corp	59,352
Oakcreek Golf & Turf Inc	40,280
Ocean Construction Supplies Ltd	34,063
Omni Engineering Inc.	59,722
One Network Enterprise Solutions Inc.	101,560
Open Road Toyota Richmond	26,982
Oracle Corporation Canada Inc.	90,233
P D Trucking	71,848
Pacific Cash Register	32,963
Pacific Cutting and Coring Ltd	116,841
Pacific Flow Control Ltd	44,223
Pagliari Construction Ltd	247,870
Parkwood Contruaction Ltd	194,463
Pedre Contractors Ltd	1,214,339
PeopleSoft Canada Co	263,947
Perennial Services	58,096
Pickering Safety	27,355
Piper Designs	45,364
Piroche Plants Inc	34,199
Pitney Bowes Global Credit Services	25,809
Pitney Bowes of Canada(PO Box 5309)	27,249
Polo Security Services Ltd	54,909
Ponte Bros Contracting Ltd	183,198
Postage By Phone	132,700
Pre-Con Products Co Ltd	39,760
Profile Business Systems	102,836
Profire Emergency Equipment Inc	40,432
Progressive Contracting Ltd.	1,954,335
Progressive Excavating Ltd	272,376
Promaster Alarm Services	30,446
Pryke Lambert Leathley Russell IN TRUST	250,082
Public Library Interlink	81,932
PW Trenchless Construction Inc	262,909
PYX Financial Group Inc.	71,294
Qualichem Industrial Products	91,039
Quantum Lighting Inc.	32,095
R F Binnie and Associates Ltd	74,613
Radat Youth Prevention Workers	90,000
Ratel Mobile Communications Ltd.	36,143
Ray & Berndtson/Tanton Mitchell, Inc.	43,877
RCMP - E Division FSS	38,915
Rec Gen for Canada (RCMP - Ont)	21,459,990
Receiver General for Canada (GST)	134,089
Richmond Chamber of Commerce	34,048
Richmond Committee on Disability	79,600
Richmond Elevator Maintenance Ltd	26,840
Richmond Fitness & Wellness Association	27,695
Richmond Fitness Association	59,815
Richmond Gateway Theatre Society	837,417
Richmond News	38,593
Richvan Holdings Ltd	119,820
River Properties Ltd	471,948
River Road Investments Ltd	42,064
Riverport Business Park Inc	3,935,189
Rocky Mountain Environmental Ltd	69,837
Rod's Building Supplies Ltd	166,280

CITY OF RICHMOND
Statement of Payments to Suppliers for Goods and Services
In Excess of \$25,000 in 2003

Schedule 4

Supplier Name	Amount
Rollins Machinery Ltd	137,993
Roy Dennis Roofing Ltd	186,124
Royal City Fire Supplies Ltd	40,063
Royal Pacific Riverside Realty, IN-TRUST	30,000
Rupert Holdings Ltd	86,625
S-8077 Holding Ltd	168,000
Safedesign Apparel Ltd.	194,817
Salish Disposal	161,142
Sandwell Engineering Services Ltd	27,415
School District #38 (Richmond)	882,271
SCL Plastics Inc	38,060
Seacor Environmental Inc	34,066
Seven Group	50,038
Sherine Industries Ltd	33,160
Sherwin-Williams	74,946
Sidhoo, Art	55,979
Simson-Maxwell	37,314
Sino United Publishing (Canada) Ltd	66,890
Skreen Quip Sales & Rentals	164,045
SoftChoice Corporation	60,478
South Arm Contracting Ltd	93,874
South Arm Excavating	112,190
South Delta Ground Works Ltd	77,215
Specialty Bolt and Stud Inc	29,063
Standard Life	36,399
Sun Life Assurance Company of Canada	256,021
Superior Safety Supplies	44,306
Synertech Systems Corporation	134,777
Syscom Consulting Inc.	41,931
T M Johnston Gradall Ltd	56,816
TELAV Audio Visual/AVW-TELAV Inc	29,914
Telesphere Communciations Corp	25,364
Telus Communications	557,320
Telus Enterprise Solns. Partnership	97,905
Telus Mobility	117,678
Telus Services Inc	268,972
Terasen Gas Inc	292,254
Terasen Waterworks (Supply) Inc.	144,703
Thomas Trucking	42,948
Thompson Community Assoc	234,067
Three M Canada Inc	64,322
Toby Russell Buckwell & Partners	42,389
Toshiba of Canada Limited	100,036
Tourism Richmond	1,510,771
UBCM	55,284
Ulmer Contracting Ltd	290,295
UMA Engineering Ltd	282,502
Unisource Canada Inc	210,489
United Library Services Inc	251,583
United Rentals	37,967
United Way of The Lower Mainland	32,627
Valid Manufacturing Ltd	54,502
Vancouver 2010 Olympic Bid Corporation	250,000
Vancouver Coastal Health Authority	171,100
Vancouver Foundation	55,000
Vimar Equipment Ltd	44,081

CITY OF RICHMOND
Statement of Payments to Suppliers for Goods and Services
In Excess of \$25,000 in 2003

Schedule 4

Supplier Name	Amount
Volunteer Richmond Information Services	38,241
Walker's Gradall Services Ltd	170,939
Washington State Patrol	56,168
Wescan Systems	35,049
Wesco Distribution Canada Inc	58,337
West Coast Electric Ltd	61,964
West Coast Engineering Group	203,590
West Coast Lighting Products Ltd	69,957
West Coast Machinery Ltd	37,561
Westcan Wireless	56,897
Western Indoor Tennis Club	161,676
Western Oil Services Ltd	36,736
Westminster Boiler & Tank	34,878
Westview Sales Ltd	91,095
Westwood Rentals Ltd	25,759
Wildfire	53,743
Workers Compensation Bd of BC	519,480
Workspace Office Interiors	112,131
Zabala B. Melchor	55,419
	<u>\$121,171,225</u>
Consolidated Total (<\$25,000)	7,577,383
	<u><u>\$128,748,608</u></u>

Vision:

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



City of Richmond

British Columbia, Canada

2003 Annual Report

For the year ended December 31, 2003

Canadian Award for Financial Reporting

Presented to

City of Richmond,
British Columbia

For its Annual
Financial Report
for the Year Ended
December 31, 2002

A Canadian Award for Financial Reporting
is presented by the Government Finance Officers
Association of the United States and Canada
to municipalities whose annual financial reports
achieve the high program standards for Canadian
Government accounting and financial reporting.



Edward Harrington
President

Jeffrey L. Esler
Executive Director

The City of Richmond received a 2003 Canadian Award for Financial Reporting for its
2002 Annual Report from the Government Finance Officers Association of the United States and Canada.
The award recognizes an achievement of high standards in financial reporting.

Cover Photo:

The City of Richmond, along with business and residents, take pride in creating a vibrant and attractive city.

This report was designed, produced, and printed by the City of Richmond Production Centre.
Prepared by the City of Richmond Finance and Administration Departments.

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Gardens at Richmond's award-winning City Hall.

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A Message from the Mayor

It is my pleasure to present the 2003 Annual Report for the City of Richmond. The past year has seen a number of significant milestones for the City of Richmond. Our community continues to undergo substantial growth, while maintaining its vision to be one of the most appealing, livable, and well-managed communities in Canada.

This Annual Report provides a comprehensive financial report and highlights our City's major achievements of the past year.

Construction and development activity in Richmond continued to boom in 2003. Hundreds of new residences were built and our City Centre is among the fastest growing residential neighbourhoods in the entire region. Business growth is also strong with a nine per cent growth in first time business licences issued by the City in 2003. Ongoing or planned expansion of Richmond's airport and port facilities, post secondary institutions, retail, and other commercial services are valued in the hundreds of millions of dollars, ensuring a bright future for our City.

Richmond's population reached 168,000 in 2003. The City continues to attract newcomers from around the world, making Richmond the most visibly multicultural community in Canada. The new growth and changing face of Richmond continues to enrich our community economically, socially and culturally.

Through visionary leadership and the strong commitment of our dedicated staff, the City of Richmond has also continued to be a much honoured leader in local government, achieving a standard in service delivery and innovation that is second to none.

Throughout 2003, Council continued to put a strong focus on its key priority areas, including economic development, community safety, customer service, transportation, and financial sustainability and we are committed to constantly seeking improvements in these areas. Council also remains dedicated to ensuring that City services are managed in the most cost effective and efficient manner possible, while not sacrificing service to the public.

The City of Richmond is committed to promoting community wellness and healthy, active lifestyles. We were gratified to learn in 2003 that Richmond residents have the greatest longevity of all Canadian city dwellers, as well as the lowest rate of obesity and major health risks.

In 2003, substantial progress was made in the planning for the Richmond-Airport-Vancouver (RAV) rapid transit line. Funding commitments for the project were obtained from senior levels of government and an initial proposal call was issued seeking proponents willing to build, maintain, and operate the RAV line. The City of Richmond will continue to work hard to make our community's long-held dream of rapid transit service become a reality.

Please feel free to contact me at any time to discuss the City's achievements, vision, and goals, along with your ideas and concerns for making our great City even better.

A handwritten signature in black ink, appearing to read "Malcolm Brodie". The signature is fluid and cursive.

Malcolm D. Brodie
Mayor

Richmond City Council



Richmond City Council as at January 1, 2003

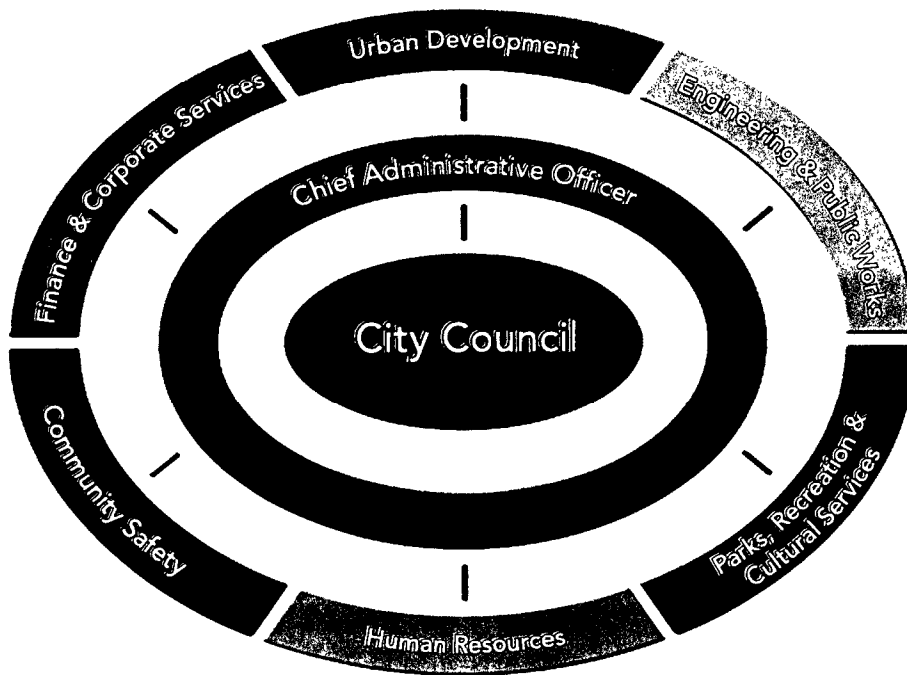
Back Row, left to right:

Bill Mulder, Richmond Fire Rescue, Councillor Harold Steves, Councillor Evelina Halsey-Brandt, Councillor Kiichi Kumagai, Councillor Rob Howard, Corp. Keith Bramhill, Richmond RCMP

Front row, left to right:

Councillor Sue Halsey Brandt, Councillor Bill McNulty, Mayor Malcolm Brodie, Councillor Linda Barnes, Councillor Derek Dang

City of Richmond Organizational Chart



Civic Officials as of Dec. 31, 2003

Chief Administrative Officer.....	George Duncan ¹
General Manager, Community Safety.....	Chuck Gale ²
General Manager, Engineering and Public Works.....	Jeff Day
General Manager, Finance and Corporate Services.....	Jim Bruce ³
General Manager, Human Resources.....	Mike Kirk
General Manager, Parks, Recreation and Cultural Services.....	Cathy Volkering Carlile
General Manager, Urban Development.....	Vacant ⁴
City Clerk.....	Richard McKenna
City Solicitor.....	Paul Kendrick
Chief, Richmond Fire Rescue.....	Jim Hancock
Officer in Charge, Royal Canadian Mounted Police.....	Ward Clapham
Chief Librarian, Richmond Public Library.....	Greg Buss

Banker

Bank of Nova Scotia

Auditors

KPMG, LLP

¹ Effective August 1, 2003.

² Retired November 14, 2003. Jim Hancock, Senior Director, Community Safety, effective November 15, 2003.

³ Retired March 31, 2004. Rod Kray, General Manager, Finance and Corporate Services, effective April 19, 2004.

⁴ Joe Erecg, General Manager, Urban Development, effective January 1, 2004.



Message from the Chief Administrative Officer

I am pleased to introduce the City of Richmond's 2003 Annual Report. As a leader among Canadian cities, Richmond is continually enhancing the City's appeal, its livability, how we serve the community, and the ways we do business. That commitment is reflected in this report.

Throughout 2003, the City placed significant emphasis on building on our strong corporate record for sound financial management. As a result of these efforts, Council adopted an innovative and landmark Long Term Financial Management Strategy, which maps out the City's revenue and expenditure needs for the foreseeable future. The strategy provides specific goals and measurements to ensure the City has the financial resources it needs to sustain its facilities and services. At the same time, the strategy provides taxpayers with reliable expectations of the City's funding needs over the coming years, so that they can conduct their own financial planning with a degree of certainty.

The City's commitment to financial sustainability and sound fiscal practices is also reflected in the annual Capital Plan. All proposed capital projects are subjected to a rigorous review and must meet specific criteria. To be considered, projects must:

- be financially sustainable
- create a significant legacy for the future, and
- renew or enhance necessary City infrastructure.

The City also remains committed to a corporate culture of continuous improvement. To guide us in this quest, the City has embraced a systematic corporate planning process, which outlines the strategic focus areas, strategies, goals, desired outcomes, and actions that make up our organizational priorities. Leadership is provided by City Council who adopt term goals which the Corporate Plan is aligned with and people across the organization who work together to create desired results. This process is constantly ongoing as we never stop seeking ways to improve our community, our organization, and its operations.

With our ongoing commitment to the pursuit of excellence and the achievements highlighted in this Annual Report, we continue to make strong progress toward our vision: for the City of Richmond to be the most appealing, livable, and well-managed community in Canada.

A handwritten signature in black ink, appearing to read 'George Duncan'. The signature is fluid and extends to the right with a long, thin tail.

George Duncan
Chief Administrative Officer



2003 City of Richmond Overview

Community Profile

The City of Richmond represents the best of urban and rural lifestyles. A unique island city, nestled in the mouth of the Fraser River and on the Gulf of Georgia, Richmond is predominantly bounded by water. Ideally located within the Greater Vancouver region, Richmond has the enviable position of achieving economic success, while maintaining outstanding environmental health.

Richmond's population of 168,700 actively reflects the City's vision of vibrancy and livability. Richmond's population is diversified, due to immigration from all over the world, giving it a vibrant cultural landscape. As a growing city, Richmond embraces a dynamic mix of commercial, residential, agricultural, and industrial land uses. Richmond is advantageously located close to both downtown Vancouver, and the Canada/U.S. border. Richmond is home to two major seaports, a major rail logistics facility, and Vancouver International Airport, one of the largest single economic generators in the province.

A strong local economy is one of the primary contributors to Richmond's superb quality of life. The City has attracted and retained a diversified business and industry base. Richmond's jobs to workers ratio is the highest in the region. Successful commercial and manufacturing entities have recognized Richmond as a vibrant city in which to conduct and grow their business base.

Richmond is home to eight of the top 40 technology companies in British Columbia and nine of the top 22 software developers. In terms of revenues, two of the province's top five private companies and five of the top 24 fastest growing companies are also located in Richmond.

Richmond has deep roots in agriculture and fishing and those sectors continue to be an integral part of the community. The City places a high value on protecting its farmland, and half of the city's land is arable farmland or other open space. Richmond also remains home to the largest commercial fishing fleet on the Canadian West Coast and a number of historic fishing industry sites, preserved as heritage destinations that enrich the community.

The Fraser River Estuary surrounding Richmond is an internationally critical natural habitat. The City is carefully maintaining its unique island ecology with an emphasis on preserving the natural environment. It has implemented programs that encourage environmentally sensitive practices. Richmond is keenly aware of the unrivalled opportunities offered by its almost continuous waterfront, and is focused on managing the resource for the enjoyment and benefit of all.

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

Photo: Water and mountain views make Richmond's trails system a popular regional destination.



Events like the first Turkish Festival celebrate Richmond's diversity.

Richmond has enjoyed an enormous amount of well-managed growth and change over the past few decades. A sustained growth spurt in the 1990s saw a huge influx to Richmond of Asian immigrants, from numerous Pacific Rim countries. Richmond continues to attract newcomers from around the world. As a result, Richmond has the highest proportion of visible minorities of any city in Canada. The influx of immigration has not only led to an expansion of the City's successful small business and retail base, but has also sparked a boost to Richmond's cultural life. Richmond's ethnic mix has given rise to the creation of popular community festivals with multicultural themes, the formation of cultural organizations, and ultimately a better understanding and appreciation of the community's diversity.

The City boasts 1,500 acres of parks and open space and an 80-kilometre network of dyke trails and cycling routes. The City's Parks, Recreation and Cultural Services Division is proactive in creating programs that are accessible to all residents. With Richmond's temperate climate, citizens are active outdoors all year round.

A high quality of life is actively pursued by civic leaders and residents alike. Richmond enjoys the longest life expectancy of any community in Canada. It ranks the lowest for major health risks. The Canadian Population Health Initiative also found that Richmond residents have the lowest obesity rate in Canada.



Blueberries help maintain farming as a major local industry.

City Vision

The City of Richmond is recognized throughout Canada as a local government leader in innovation and excellence. A strong commitment to the City's vision and to corporate planning has driven Richmond forward as it strives to be the most appealing, livable, and well-managed community in Canada. The City's 2003 priorities were long-term financial management, economic development, waterfront development, community mobility, community safety, customer service, and sustainable community living.



The City's extensive waterfront trails offer recreation for all ages.

Richmond is determined to carefully integrate urban development within its vibrant natural environment to ensure it remains a green, livable city. Its streetscapes, architecture, waterfront, public art program, natural areas, and retail centres enhance the overall appearance of an already appealing city. Colourful street banners and other streetscape amenities enliven the City Centre. City staff take special pride in creating attractive floral displays and other vibrant landscaping features that beautify the City’s streets.

Richmond has undertaken significant measures to further enhance community safety, to the benefit of all residents. Integrated services, coordination, innovation, and communication are the key components. The RCMP, Fire/Rescue, Community Bylaws, and Emergency and Environmental Programs personnel work together to maintain and strengthen Richmond’s climate of safety and security. Richmond residents are well served by those who work to keep this a safe community for all.

City Governance and Services

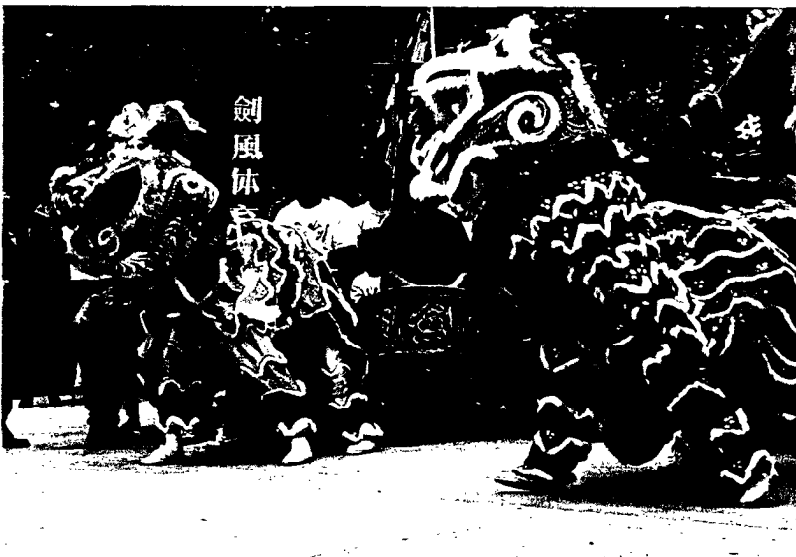
The City of Richmond is dedicated to achieving excellence in customer service by providing cost effective and efficient municipal services. Direct services to the public include parks, recreation, cultural and heritage services, libraries, community centres, business services, the City Clerk’s office, and archives. Public safety services include police and fire protection, emergency preparedness, environmental protection, building approval, and bylaw enforcement. Public works and planning services include water, sewer and drainage services, road construction and maintenance, transportation, land use and social planning, waste removal, and recycling. Internal services include strategic management, finance, human resources, information technology, land management, legal services, engineering, and facilities maintenance.



Private and public sectors work together to keep Richmond beautiful.



New interpretative signs record Imperial Landing’s fishing industry heritage



Chinese New Year festivities are a major cultural attraction in Richmond



Watermania has been voted as the region’s best aquatic facility



Appealing

Richmond is internationally recognized for its extraordinary natural beauty and outstanding public amenities, making it one of Canada's most appealing cities. People from across the globe are drawn to the City by its quality of life and cultural richness.

The City works closely with partners in the community to build on a foundation of existing services and amenities and to further enhance the appeal of Richmond. In 2003, the City undertook several major parks and trails initiatives that will benefit residents now and for generations to come. These include a major upgrade of the Steveston Park Playground and key steps in the completion of the Terra Nova Natural Area. A new trails strategy will enhance Richmond's network of interconnected trails, greenways, blueways, and cycling routes, supporting the City's commitment to creating a livable, attractive, and healthy community. The City also planted 962 new trees during the year throughout the community, many grown in its own nursery, as part of its ongoing beautification and environmental sustainability initiatives.

Richmond continued to make economic development a key priority in 2003 as part of a commitment to create a balanced community with optimum quality of life. Key business leaders provided strategic advice through the Richmond Economic Advisory Task Force and a new marketing awareness campaign was launched to create a distinct and unique profile for the City.

Development continued to surge in 2003. More than 1,600 building permits were issued during the year with a construction value of approximately \$290 million. The number of first time business licences issued rose by nearly nine per cent and more than 6,900 workers were employed by those new businesses. Overall, Richmond experienced growth of four per cent in the number of businesses in 2003. Major projects commenced in 2003 included the second phase of the new casino and resort development and a number of multi-family residential projects valued in excess of \$10 million each.

The City also approved the new Agricultural Viability Strategy, designed to ensure that farming, one of Richmond's founding industries, remains a vital, economically sustainable, and environmentally appealing part of the community.

“People from across the globe are drawn to the City by its quality of life and cultural richness.”

Photo: Minoru Park's gardens make it a favourite City Centre retreat.



About half of Richmond's total area remains as open space, including farmland.



A major upgrade revitalized the Steveston Park playground.



Volunteers from Hugh Boyd School help with a major clean-up of Terra Nova natural area.

Achievements

- The revitalized Steveston Park Playground on Moncton Street was officially opened with more than \$100,000 of new play equipment. Building on a fishing village theme, new play equipment, safety upgrades to play equipment and surfaces, an extensive boardwalk system, and other landscape improvements make the park more fun and accessible. The project was funded by the City and the Steveston Community Society.
- The City of Richmond completed an Agricultural Viability Strategy, addressing issues related to agricultural land preservation and sustainability. As a result, the Agricultural Advisory Committee was formed to create an ongoing forum to consider and address issues of importance to the agricultural community.
- Access to the Steveston waterfront was improved with the opening of a new riverfront boardwalk at Imperial Landing with lookout areas, historical features, and interpretive signage. The City also worked with the developer to create streetscape design standards for the Imperial Landing development.
- The City purchased two significant parcels in the Terra Nova Northwest Quadrant. The additional parcels, totalling eight acres, essentially complete the City's requirement for community and park space in the area, which is largely being preserved in its natural state.
- With neighbourhood and school participation, a major clean-up was done of the Terra Nova natural area along with other parks and open spaces.
- Dog Art, a playful new public art feature, was installed at the dog walking park at the south end of No. 3 Road. Other new public art was unveiled at Leighton Court in the McLennan area and at Aberdeen Centre, and a series of stonework sculptures were installed along the middle arm of the Fraser River.
- The 2010 trails strategy was adopted as a long term vision with the focus on linking people, the community, and nature. New trail projects in 2003 included two kilometres of trail connections in a variety of locations around the City.
- City Council appointed the Richmond Economic Advisory Task Force, made up of key business leaders. The Task Force provided advice to Council on economic development planning and ways to promote and encourage economic growth.

- The City hosted its first Builder’s Round Table in 2003 in conjunction with the Greater Vancouver Home Builders Association. The forum provided an opportunity for builders to discuss mutual concerns and upcoming initiatives such as the Good Neighbour Program, which encourages builders to be sensitive to the concerns of residents impacted by their projects.
- Richmond’s 30-year Sister City bond with Wakayama Japan was celebrated with a three-day official visit by a delegation from Wakayama. The delegation dedicated 15 cherry trees native to Japan at the Millennium Botanical Garden and Arboretum at McLennan North Community Park.
- The Lulu Series, a highly successful new series of lectures, focussed on the importance of the role of art in a city. Speakers included national and international experts in their field and represented community development activists, architects, artists, economic development experts, developers, and benefactors. Performances by various artists opened each session.
- The Gateway Theatre enjoyed an 18 per cent increase in its subscribers for its Main Stage and New Play series. The Gateway’s summer theatre academy for youth expanded to 12 classes from four. In addition, the Theatre launched a very popular Halloween Fun House fundraiser.
- The UBC Thunderbird Rowing Club announced plans to use a City-owned water lot along River Road for rowing activities and the development of a rowing centre and boat house. Along with club activities, training, and regattas, the facility will provide the opportunity for community programming and water-based education.
- Pedestrian access to the City Centre was enhanced with sidewalk improvements along Alderbridge Way near Hazelbridge and Elmbridge Ways, and on No. 3 Road by Lansdowne Mall and from Cambie Road to Sea Island Way.



New public art includes the playful Dog Art installation.



Gateway Theatre hosted a popular Halloween Fun House.



New trails extended public access to the Steveston waterfront.



Livable

The exceptional quality of life offered in Richmond has made it a national leader in community livability. Richmond residents have the longest life expectancy of any city in Canada, according to Statistics Canada, and the lowest national rate for major health risks, including the lowest obesity rate in the country.

The high quality of life indicators are a testament to the City's efforts towards maintaining a balance of outstanding contributors to social, physical, mental, and economic health within the community. For 2003, this included innovative public safety initiatives and expanded recreation and cultural services. A common theme in both public safety and recreation and cultural services was improved opportunities for youth. Among these initiatives were the expansion of the popular Night Shift program, introduction of a Positive Ticketing program to recognize youth contribution to the community, and other programs to promote active living and community involvement.

Policing services were enhanced during 2003 and a new emphasis was placed on specific priority areas. This helped Richmond achieve a 44 per cent reduction in auto thefts during the year. Richmond Fire/Rescue and the City's Emergency Services Department also undertook a number of initiatives to enhance public safety. In 2003, Richmond volunteers delivered emergency preparedness presentations to more than 1,400 participants.

Mobility for residents and businesses is also critical to community livability. The City initiated several projects designed to improve traffic flow in its downtown core, including the extension of Garden City Way. Bus service within Richmond and to key regional destinations was substantially increased during 2003.

The continued growth in subscribers to the Gateway Theatre's programming and the expansion and addition of other new cultural events and initiatives signalled Richmond's emergence as a rich and diverse centre of culture.

“Richmond residents have the longest life expectancy of any city in Canada.”

Photo: Richmond's parks and playgrounds contribute to the city's livability.



Richmond continues to extend its network of cycling lanes and trails.



Local transit services were greatly expanded in 2003

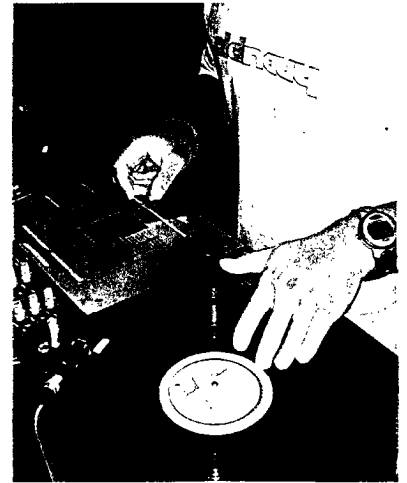


Richmond Fire/Rescue offers free home fire safety inspections

Achievements

- Working with community stakeholders, the City launched a Master Plan process for Parks, Recreation and Cultural Services to address changing community needs. The plan focuses on the City providing a leadership role in integrated City-wide services, neighbourhood development and connection, increased community involvement, and improved financial sustainability.
- The BC Packers historic artifacts, a collection of over 730 artifacts from the local fishing industry, were catalogued through a BC Digital Collections Grant. An exhibit was hosted at Richmond Museum showcasing a sampling of the artifacts. The Richmond Archives also received grants from Friends of Richmond Archives and the National Archives to start working on the archival processing of BC Packers records.
- Richmond's new Provincial Courthouse opened in 2003. The Province and the City joined together to fund the facility which brings youth, family, and adult court functions under one roof. The City owns the land and building, which has been leased to the province for 10 years.
- The City Centre North Transit and Transportation Task Force provided recommendations to Council on transit, traffic, and parking improvements in the north City Centre area. The Steveston Advisory Task Force on Parking also completed its final recommendations in 2003 to address parking issues in Steveston Village.
- The Richmond Substance Abuse Strategy was approved by Council. Developed together with key stakeholders in the community, the strategy recommends a comprehensive approach for dealing with substance abuse issues in the areas of education and prevention, treatment, harm reduction, enforcement, and interagency cooperation.
- The City undertook several major roads projects in 2003, including the extension of Garden City Road from Sea Island Way to Bridgeport Road, upgrading of Nelson Road, and rehabilitation of a significant portion of Blundell Road. The City also completed dozens of smaller projects to enhance traffic safety and mobility, including the addition of a cycling lane on Westminster Highway from No. 7 Road to No. 8 Road.
- Richmond Fire/Rescue launched its Home Inspection Program, offering home owners the opportunity to have a complete fire safety inspection done free of charge, along with free installation of smoke detectors and battery replacement.

- Night Shift expanded across Richmond in 2003. Now open until midnight on Fridays or Saturdays at five community centres, Night Shift provides a place where more than 300 youth hangout and participate in activities such as basketball, improvisation, or breakdancing in a relaxed, safe, and open-minded environment past regular community centre hours.
- The RCMP Auxiliary Constable program was re-launched. Fifteen new Auxiliary Constables were recruited and trained and are now providing active support throughout the Richmond Detachment.
- The City purchased a one acre site in the City Centre for the Community Services, Housing, and Emergency Shelter Project. The goal is to develop a housing project, with the involvement of several partners, to provide an emergency shelter, social service agency space, affordable rental housing, youth transitional housing, and ground floor commercial space.
- The Richmond Cultural Centre celebrated its 10th anniversary with an arts and cultural fiesta. The Cultural Centre is home to many of the City's premier cultural facilities, including the Richmond Public Library, Richmond Arts Centre, Richmond Museum, Richmond Art Gallery, and Richmond Archives. The Cultural Centre was also upgraded this year with renovations to the Archives, Museum offices, and the reception area.
- The City of Richmond partnered with the Ministry of Health Planning in the Action Schools program. This was a pilot project involving 10 elementary schools in Richmond and Vancouver. It focussed on promoting active living, increased physical activity, and community involvement for school children.
- Richmond RCMP, with support from the City and community partners, launched its Positive Tickets program, a youth community campaign designed to enhance relationships with youth in the community. RCMP officers handed out swimming, skating, and movie tickets, stickers, colouring books, and bowling passes to kids they saw doing something positive in the community.
- A successful summer pilot project, Raising the Roof, saw the City's Youth Services Department, Richmond Fire/Rescue, and the Greater Vancouver Housing Corporation collaboratively provide free front yard drop-by sessions for youth aged nine and over. Armed with turntables, skateboarding rails, and other enticements, staff and volunteers made scheduled appearances in housing complexes in Richmond to connect with neighbourhood youth and their families.
- The City's Concerts in the Park were offered City-wide for the first time. Sites included Thompson Park, South Arm Park, Steveston Park, Sea Island Park, Hamilton, City Centre, Minoru Park, and West Richmond Park.



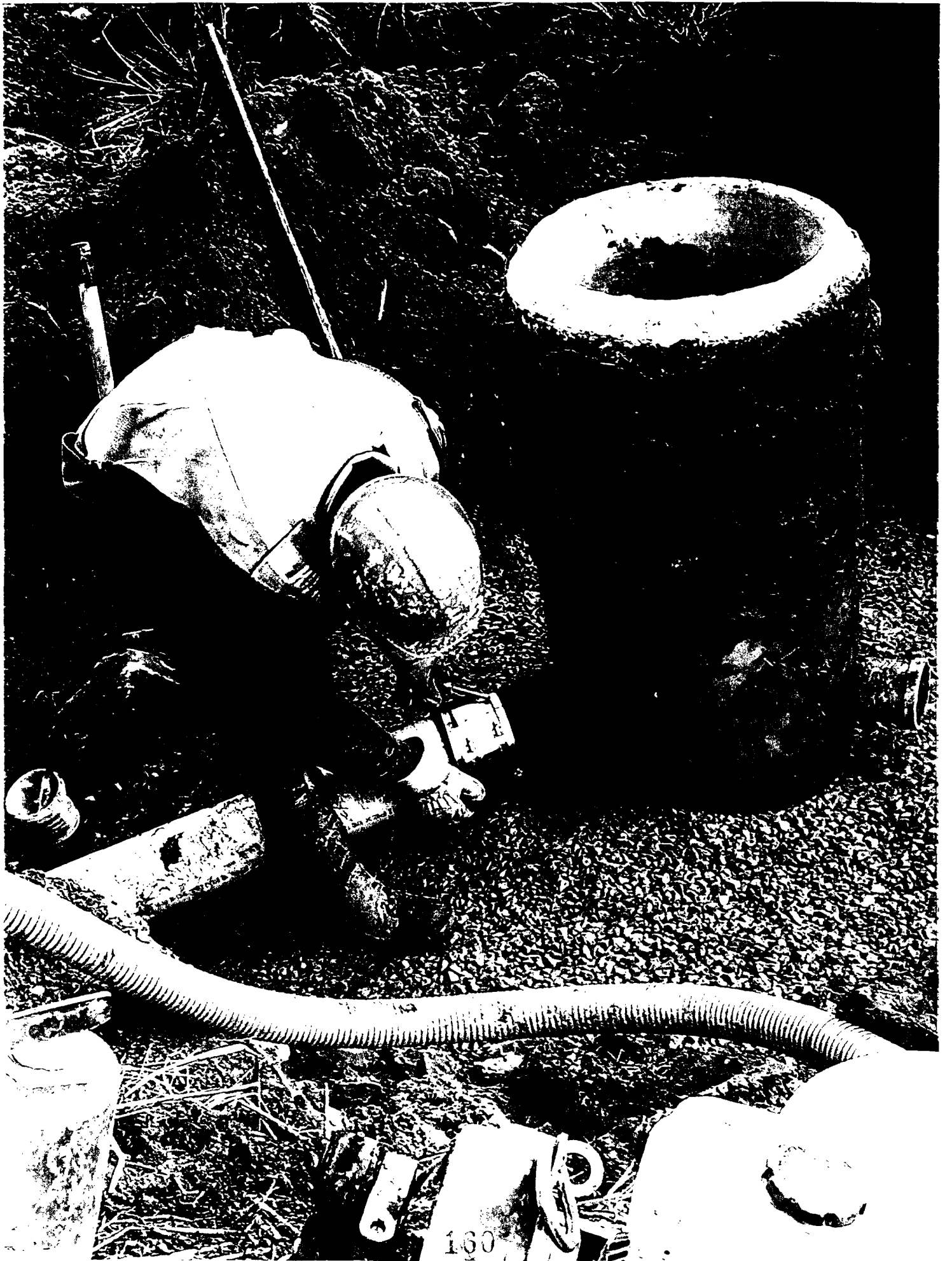
The popular Night Shift program for youth was expanded in 2003.



Richmond Cultural Centre celebrated its 10th anniversary

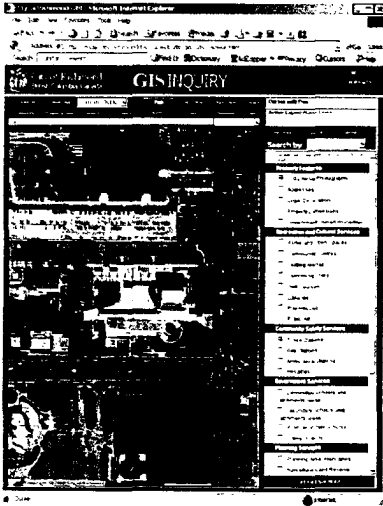


Raising the Roof took youth programming directly to City housing complexes.

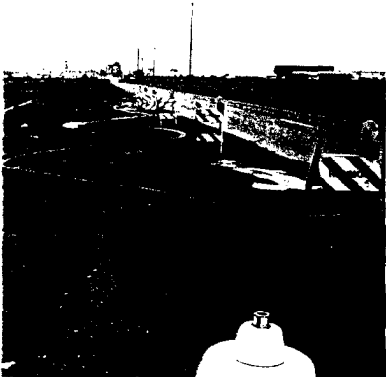


Achievements

- The City entered into new garbage and recycling contracts at the beginning of 2003, which saw an expansion of the recycling program to include pizza boxes. Richmond is among the first municipalities in the region to offer this service.
- The Dangerous Goods Spill Response Plan was approved by Council in 2003, ensuring a coordinated approach to spills in the City. The plan contains prevention measures designed to maximize environmental protection and ensures that Richmond has adequate supplies to respond to spills in a timely fashion. This is supported with a bylaw to ensure that the City is able to recover costs associated with spill clean up.
- To improve access for staff and public to valuable geographic and property related information, the City created a Geographic Information System (GIS) inquiry tool accessible via the City's website. It offers aerial photos, maps, and information on property features, dimensions, zoning, engineering services, rights-of-way, city amenities and services, and schools.
- Richmond became the first municipality in western Canada to offer its residents the opportunity to pay property taxes and utility charges online through epost™.
- The City's award-winning website was enhanced in 2003 with the new RoadWorks section which provides timely information on roads construction and other public works projects. Other website enhancements include an expanded section on cycling in Richmond and an extensive new Environmental Sustainability section.
- The City completed an Emergency Water Supply report to ensure adequate water is available during an emergency situation. The City now has use of a portable emergency above ground water main to ensure water supply and fire protection during critical water main shutdowns.
- The City's Urban Development Division undertook the Why Not? initiative, a comprehensive process review, which led to a number of improvements in customer service and efficiency. Among these improvements is a program that allows proponents to fast track minor rezoning and development permit applications. As well, permits for major developments can now be issued in phases to coincide with each stage of the project.
- The Fast Licence Inspection Program is a pilot project focused on speeding up business licence processing for applications that do not require construction related permits. Customer waiting times for these licences were significantly reduced.



The City's GIS system provides a wealth of geographic information online.



A portable water main system is a key part of the City's Emergency Water Supply strategy.



The City expanded its recycling program in 2003 to include pizza boxes

- Street tree lights in the City Centre were converted to the highly efficient LED technology. These lights are rated for up to 200,000 hours of use or almost 20 years compared to a three-year life expectancy for conventional lights. Each lamp consumes 175 times less energy than the existing conventional lighting.
- New equipment and infrastructure was purchased to allow the City to quickly establish an emergency call centre at City Hall in the event of an emergency. This centre will provide additional capacity to handle public inquiries during an emergency.
- Richmond responded to a request for assistance by sending a total of 20 fire fighters to Kelowna on a rotational basis to assist in combating the wild fires that plagued the Okanagan during 2003. In addition, Richmond volunteers committed over 150 hours to assist displaced residents during the interior wild fires and at local emergency events.
- The City continued the upgrade of its critical drainage and sanitary pump station network. Upgrading of the No. 1 Road drainage pump station was completed in 2003 and included public amenities as well as enhanced performance measures. The City assessed the structural, mechanical, and electrical condition of its 30 oldest sanitary pump stations. The assessment will be used to plan future upgrades and significant maintenance. The City also undertook major upgrading or refits at three sanitary pump stations.
- The City implemented a leak detection program using computerized acoustic correlation equipment. This equipment finds leaks in water mains which would not normally be discovered until a water main ruptures.
- In partnership with Richmond Health Services, the City implemented a strategic mosquito management program to reduce potential health impacts associated with the anticipated arrival of the West Nile virus. The implementation of a strategic early action program enabled the City to respond quickly in a way that is the most cost-effective and least damaging to our estuarine environment.
- In 2003, Richmond became the first BC Hydro Power Smart Certified Municipality in British Columbia. The City has accumulated \$500,000 in annual electricity savings since 1997 and has committed to an aggressive target of a further 15 per cent reduction over the next four years, relative to 2002 levels. Power Smart Certification recognizes organizations that demonstrate energy efficiency within their industries or sectors.



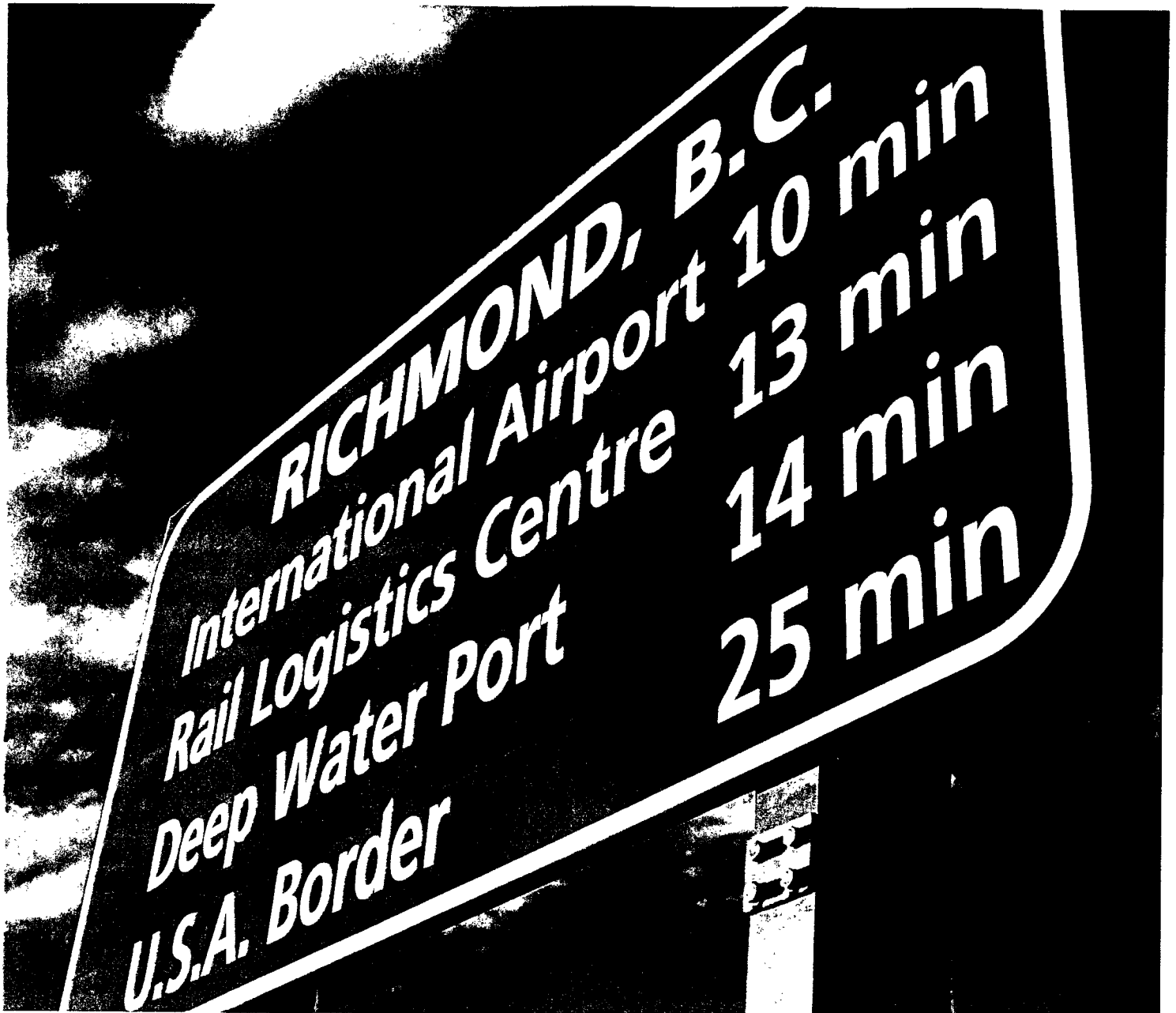
The new No. 1 Road drainage pump station boasts a public viewing platform.



Richmond receives its Power Smart Community certification from BC Hydro.



A mosquito management program deals with the potential spread of West Nile virus.

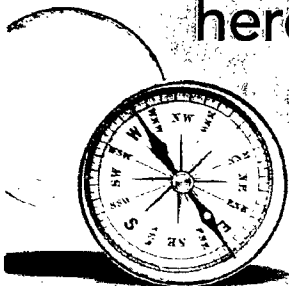


Access is everything.

Air. Rail. Ocean. Border. Locate your business here and you'll be minutes from everywhere.

Our central location just south of Vancouver gives you the fastest access to highways, air, rail, and shipping links. Wherever your business needs to go, you can get there from here.

www.city.richmond.bc.ca | tel: 604.276-4133
email: mfreeman@city.richmond.bc.ca



RICHMOND
Better in Every Way

Awards

The City of Richmond has been honoured provincially, nationally, and internationally as a leader in local government excellence and innovation. The awards won in 2003 recognized the City for innovations in customer service, use of technology, education, and management.

- The Canadian Association of Municipal Administrators presented its 2003 USFilter Award for Education to the City of Richmond for Project WET (Water Education Team). Project WET teaches elementary students about the importance of the local water, sewer, and drainage systems through a fun, informative, and interactive learning program that includes a field trip to the City’s Works Yard. More than 500 Richmond elementary school students participated in Project WET in 2003.
- The City of Richmond received a 2003 Canadian Award for Financial Reporting for its 2002 Annual Report from the Government Finance Officers Association of the United States and Canada. The award recognizes an achievement of high standards in financial reporting.
- The Richmond Marketing Awareness Campaign was recognized as the Economic Development Marketing Initiative of the Year at the 2003 BMO Bank of Montreal BC Economic Development Awards. The awareness campaign used advertising and branding initiatives to heighten the profile of Richmond as a highly desirable place to work, live, and locate a business.
- Tourism BC awarded its 2003 Best Tourism Marketing Campaign Award to Richmond Tall Ships 2002. The marketing campaign for the Tall Ships Festival helped draw an estimated 400,000 people to the popular maritime-themed event, which was presented by the City of Richmond.
- The City of Richmond’s Point of Sale system was selected as an Innovation Award of Merit winner in the annual Union of BC Municipalities (UBCM) Awards of Excellence. The system is a City-wide point of sale/cash receipting system for receiving payments for City services via the City’s website, in person, by interactive voice response system, and City information kiosks. The Point of Sale system allows customers to conduct a wide variety of transactions at their convenience and without having to come to City Hall.
- The City of Richmond’s Geographic Information Systems Inquiry Mapping Tool received an honourable mention in CivicInfo BC’s first annual Local Government E-Service Innovation Awards. The GIS Inquiry tool makes geographic and property related information available to City staff and the public via the City’s website.

“Awards won in 2003 recognized the City for innovations in customer service, use of technology, education, and management.”



Corporate Plan and Objectives

As a leader among Canadian cities, Richmond is committed to continuous improvement in the way it does business and delivers services to the public. This pursuit of excellence is detailed in the City of Richmond Corporate Plan, which clearly spells out a mission, corporate values, and describes the City's vision to be the most appealing, livable, and well-managed community in Canada. The Corporate Plan is updated on a regular basis to reflect the City's emerging and ongoing strategies and objectives.

A reporting requirement in the new Community Charter requires all BC municipalities to include a statement of their annual municipal objectives. For 2005, the City of Richmond's key objectives are to:

- Increase transportation options for residents and business within and to and from Richmond.
- Attract new businesses and residents to ensure continued economic development and sustainability.
- Ensure the long term financial viability of the City by diversifying revenue sources, controlling expenditures, and extending the life expectancy of our infrastructure.
- Continue implementation of the Waterfront Strategy.
- Coordinate community and corporate planning in preparation for the 2010 Olympic and Paralympic Winter Games.
- Enhance and sustain the urban environment through civic beautification and community livability.
- Implement the Parks, Recreation, and Cultural Services Master Plan.
- Replace and upgrade outdated Community Safety Buildings.

“Richmond is committed to continuous improvement in the way it does business and delivers services to the public.”

Photo: The City's is committed to improving public recreational access to the waterfront that encircles Richmond.

City of Richmond Financial Section

Years ended December 31, 2003 and 2002



Report from the General Manager, Finance and Corporate Services

The Mayor and Council
City of Richmond

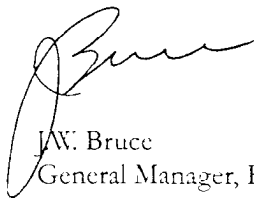
Your Worship and Members of Council:

It is my pleasure to submit the City of Richmond's Annual Financial Report for the year ended December 31, 2003 as directed by Section 98 of the Community Charter. This report includes the City of Richmond's 2003 financial statements and auditor's report. Also included are the financial statements and auditor's report for the Richmond Public Library which, while requiring funding from the City, operates and reports independently.

These financial statements are the responsibility of the City of Richmond's management and have been prepared in accordance with generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB) standards of the Canadian Institute of Chartered Accountants. The financial statements have been audited by KPMG LLP, whose responsibility it was to express an opinion on whether the financial statements present fairly the financial position and operational results of the City of Richmond and the Richmond Public Library for 2003.

The City maintained its solid financial position in 2003. The cash position and investments increased to \$264.4 million from \$229.5 million in 2002. The City's expenditures were within budget, ending the year with a surplus of \$0.3 million. Statutory reserves increased by \$4.1 million to \$111.8 million and the City experienced capital growth of \$58.4 million.

The City of Richmond enjoys an enviable level of community services, supported by a competitively low tax burden. This achievement would not be possible without the hard work, dedication, and commitment to teamwork shown by City Council, staff, and our community partners. I am honoured to have been an integral part of this team and to be able to help deliver first rate services to the people of Richmond, while providing for the continued stability and sustainability of the City's finances.



J.W. Bruce
General Manager, Finance and Corporate Services.



KPMG LLP
 Chartered Accountants
 PO Box 10426 777 Dunsmuir Street
 Vancouver BC V7Y 1K3
 Canada

Telephone (604) 691-3000
 Telefax (604) 691-3031
 www.kpmg.ca

AUDITORS' REPORT

To the Mayor and Members of Council,
 City of Richmond

We have audited the statement of financial position of the City of Richmond (the "City") as at December 31, 2003 and the statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2003 and the results of its financial activities and its changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG
 LLP

Chartered Accountants

Vancouver, Canada

April 2, 2004



KPMG is a Canadian limited liability partnership, is the Canadian member of KPMG International, a Swiss nonoperating association

CITY OF RICHMOND

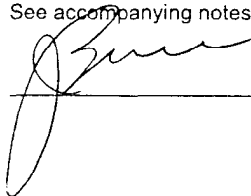
Statements of Financial Position
(Expressed in thousands of dollars)

As at December 31, 2003 and 2002

	2003	2002
		(Restated - note 2)
Financial Assets		
Cash	\$ 4,205	\$ 1,506
Investments	260,212	228,043
Accrued interest receivable	5,123	17,027
Accounts receivable	16,257	14,812
Taxes receivable	5,875	7,920
Development fees receivable	7,540	7,042
Debt reserve fund - deposits (note 3)	620	676
	<u>299,832</u>	<u>277,026</u>
Liabilities		
Accounts payable and accrued liabilities (note 4)	49,202	42,740
Deposits and holdbacks	6,655	7,048
Deferred revenue	12,437	10,637
Development cost levies (note 5)	37,150	37,290
Debt reserve fund – demand notes (note 3)	620	676
Obligations under capital leases (note 6)	4,769	-
Long-term debt (note 7)	38,751	42,709
	<u>149,584</u>	<u>141,100</u>
Net financial assets	150,248	135,926
Physical assets		
Capital assets (note 8)	978,743	920,340
Inventory of materials and supplies	2,370	2,600
	<u>\$ 1,131,361</u>	<u>\$ 1,058,866</u>
Equity		
Equity in capital assets (note 9)	\$ 935,223	\$ 877,631
Reserves (note 10)	111,860	107,709
Appropriated surplus (note 11)	36,718	26,271
Surplus	47,560	47,255
	<u>\$ 1,131,361</u>	<u>\$ 1,058,866</u>

Commitments and contingencies (note 12)

See accompanying notes to financial statements.



General Manager of Finance and Corporate Services

CITY OF RICHMOND

Statements of Financial Activities
(Expressed in thousands of dollars)

Years ended December 31, 2003 and 2002

	Budget 2003	Actual 2003	Actual 2002 (Restated - note 2)
Revenue:			
Taxation and levies	\$ 111,588	\$ 111,089	\$ 105,414
Development cost charges	16,819	11,321	7,327
User fees	33,639	34,403	31,083
Sales of services	24,137	25,126	24,071
Provincial and federal grants	2,907	4,572	3,975
Other capital funding sources	1,600	12,908	9,390
Grants-in-lieu of taxes	9,563	10,494	10,091
Other revenue from own sources:			
Licenses and permits	5,581	6,150	6,634
Investment income	4,880	10,143	6,020
Other (note 1(j))	3,017	10,662	2,397
	213,731	236,868	206,402
Expenditures:			
General government	23,413	25,751	21,807
Protective services	54,339	53,648	51,806
Transportation services	18,347	18,514	17,566
Sanitation and recycling services	7,336	7,020	6,889
Environmental development services	2,451	2,510	2,539
Recreational and cultural services	24,533	24,903	23,705
Capital and infrastructure investments	39,439	48,906	31,008
Richmond Public Library	5,719	5,719	5,171
Utilities:			
Water supply and distribution	15,699	13,152	15,088
Sewerage collection and disposal	10,796	9,729	9,668
Debt and finance	10,955	7,917	9,407
Other expenses	259	238	195
	213,286	218,007	194,849
Excess of revenue over expenditures	445	18,861	11,553
Net transfers to reserves	4,518	(4,151)	1,186
Net transfers to appropriated surplus	(2,383)	(10,447)	(8,947)
Repayment of debt	(2,580)	(3,958)	(3,684)
	(445)	(18,556)	(11,445)
	-	305	108
Surplus, beginning of year	-	47,255	47,147
Surplus, end of year	\$ -	\$ 47,560	\$ 47,255

See accompanying notes to financial statements.

CITY OF RICHMOND

Statements of Changes in Financial Position
(Expressed in thousands of dollars)

Years ended December 31, 2003 and 2002

	2003	2002
		(Restated - note 2)
Cash flows from operating activities:		
Excess of revenue over expenditures	\$ 18,861	\$ 11,553
Revenue recognized from development cost levies, an item not involving cash	(11,321)	(7,327)
Working capital items:		
Accrued interest receivable	11,904	(142)
Accounts and taxes receivable	600	2,859
Development fees receivable	(498)	(3,510)
Inventory of materials and supplies	230	34
Accounts payable and accrued liabilities	6,462	4,648
Deposits and holdbacks	(393)	620
Deferred revenue	1,800	4,909
	27,645	13,644
Cash flows from investing activities:		
Acquisition of short-term investments, net	(32,169)	(29,493)
Cash flows from financing activities:		
Development cost levies and interest received (note 5)	11,181	19,702
Repayment of debt	(3,958)	(3,684)
	7,223	16,018
Increase in cash	2,699	169
Cash, beginning of year	1,506	1,337
Cash, end of year	\$ 4,205	\$ 1,506

See accompanying notes to financial statements.

CITY OF RICHMOND

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

Years ended December 31, 2003 and 2002

1. Significant accounting policies:

The financial statements of the City of Richmond (the "City") have been prepared, in all material respects, in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

(a) Use of estimates:

In preparing the financial statements management makes estimates and assumptions that affect the reported amounts in the financial statements and the disclosure of contingent liabilities. The financials statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below. Actual results could differ from the estimates.

(b) Funds of the City:

The financial statements combine the accounts of all of the self-balancing funds of the City (noted below). All inter-fund assets and liabilities and sources of financing and expenditures have been eliminated.

(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, provision of transportation services, policing, servicing general debt, etc.

(ii) General Capital and Loan Fund:

This fund is used to record the City's 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 plus interest earned on fund balances.

(c) Revenue:

Revenues are recorded on the accrual basis and recognized when earned. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the City discharges the obligations that led to the collection of funds.

CITY OF RICHMOND

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

Years ended December 31, 2003 and 2002

1. Significant accounting policies (continued):

(d) Expenditures:

Expenditures are recorded in the period in which the goods or services are acquired and a liability is incurred.

(e) Investments:

Investments are recorded at cost. Investments include term deposits and short-term bonds which generally have their principal guaranteed at maturity. 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 a decline in value is considered temporary as it generally reverses as the investment matures 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 within the next year.

(g) Inventory:

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

(h) Capital assets:

Capital assets purchased or constructed and work in progress are reported as capital expenditures in the period they are acquired. Interest incurred on borrowed funds used during construction is capitalized. Donated assets are recorded at their estimated fair market value at the time they are received. The City does not provide for depreciation or replacement of capital assets in the accounts. Proceeds from disposal of capital assets are credited to the appropriate reserve account.

(i) Development cost levies:

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

(j) Other revenue:

Other revenue in 2003 includes the proceeds from sale of properties in the amount of \$7,635,000. These proceeds were not budgeted for, and are not expected to recur in future periods. All proceeds were transferred to the reserves.

(k) Comparative figures:

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

CITY OF RICHMOND

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

Years ended December 31, 2003 and 2002

2. Changes in accounting policy:

The City has modified its accounting policy with respect to capital assets to record acquisitions as expenditures in accordance with Section 1800, "General Standards of Financial Statement Presentation of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants" ("PSAB"). The comparative figures for 2002 have been restated to reflect the change. This restatement has resulted in opening amounts of equity in capital assets for 2003 and 2002 decreasing by \$12,911,000 and \$17,757,000, respectively, financial equity increasing by \$9,258,000 and \$7,345,000 respectively and the excess of revenues over expenditures for the year ended December 31, 2003 and 2002 decreasing by \$24,677,000 and \$14,292,000 respectively.

3. Debt reserve fund deposits and demand notes:

The City issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the Municipal Finance Authority as a Debt Reserve Fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan amounts to the Municipal Finance Authority. These demand notes are contingent in nature and are not reflected in the accounts. The details of the cash deposits and demand notes at December 31, 2003 are as follows:

	Cash deposits	Demand notes	Total
General revenue fund	\$ 546	\$ 2,582	\$ 3,128
Sewerworks revenue fund	74	404	478
Total	\$ 620	\$ 2,986	\$ 3,606

4. Accounts payable and accrued liabilities:

	2003	2002
Trade and other liabilities	\$ 41,906	\$ 35,742
Accrued sick time	3,233	2,933
Accrued vacation pay	4,063	4,065
	\$ 49,202	\$ 42,740

Employees of the City can accumulate benefits related to sick leave. The approximate value of the City's liability for employee sick time has been accrued in these financial statements.

Accrued vacation pay represents the estimated value of the City's liability for employee vacation time.

CITY OF RICHMOND

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

Years ended December 31, 2003 and 2002

5. Development cost levies:

	2003	2002 (Restated - note 2)
Balance, beginning of year	\$ 37,290	\$ 24,410
Contributions	10,174	18,212
Interest	1,007	1,995
Expenditures	(11,321)	(7,327)
Balance, end of year	\$ 37,150	\$ 37,290

6. Obligations under capital leases:

During 2003 the City entered into an agreement for the sale and leaseback of equipment for proceeds of \$5,541,000. The City has treated this transaction as a financing arrangement and no gain or loss was recognized. The City has an option at the end of the lease to repurchase each piece of equipment for \$1 each, for an aggregate of \$188.

Also, included in the lease obligations is a capital lease in the amount of \$628,000, including interest of \$18,000 for parking meters. The lease obligation was entered into on August 26, 2003 and the first payment was not due until February 1, 2004. The lease was paid in full on February 17, 2004.

Future minimum lease payments under these capital leases, which expire on various dates ranging between May 1, 2004 and October 1, 2007 are as follows:

Year ending December 31:

2004	\$ 1,938
2005	1,163
2006	1,163
2007	894
Total future minimum lease payments	5,158
Amount representing interest, at a rate of 3.88%	(389)
Present value of capital lease payments	\$ 4,769

CITY OF RICHMOND

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

Years ended December 31, 2003 and 2002

7. Long-term debt:

	2003	2002
Municipal Finance Authority debentures	\$ 38,694	\$ 42,600
Provincial Capital Improvement loan	57	109
	\$ 38,751	\$ 42,709

The rates of interest on the principal amount of the Municipal Finance Authority debentures vary between 5.99% and 12.35% per annum. The average rate of interest for the year ended December 31, 2003 approximates 9.104%.

The Provincial Capital Improvement loan bears interest at 9.00%.

Repayments of long-term debt required in the following five years and thereafter are as follows:

	General	Sewerworks	Total
2004	\$ 6,958	\$ 1,022	\$ 7,980
2005	7,040	1,042	8,082
2006	7,192	1,063	8,255
2007	7,351	374	7,725
2008	7,519	381	7,900
Thereafter	38,411	1,946	40,357
Principal and interest payments	74,471	5,828	80,299
Amount representing interest	(38,140)	(3,408)	(41,548)
Debt principal repayments	\$ 36,331	\$ 2,420	\$ 38,751

8. Capital assets:

	2003	2002
		(Restated - note 2)
General government	\$ 134,774	\$ 135,947
Public works	486,799	479,075
Protection to persons and property	14,775	14,495
Sanitation and waste removal	14,926	12,357
Social welfare	2,981	2,953
Recreation services	126,611	126,221
Community services	91,033	88,671
Assets held under capital lease	5,827	-
Miscellaneous	46	46
Work in progress	100,971	60,575
	\$ 978,743	\$ 920,340

CITY OF RICHMOND

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

Years ended December 31, 2003 and 2002

9. Equity in capital assets:

	2003	2002 (Restated - note 2)
Balance, beginning of year	\$ 877,631	\$ 843,700
Capital additions (net)	58,403	30,247
Repayment of debt	3,958	3,684
Additions to capital leases (net)	(4,769)	-
Change in equity in capital assets	57,592	33,931
Balance, end of year	\$ 935,223	\$ 877,631

10. Reserves:

	2002 (Restated - note 2)	Change during year	2003
Reserve funds:			
Capital expenditure reserve	\$ 35,949	\$ (1,307)	\$ 34,642
Steveston road ends	54	424	478
Equipment reserve	11,385	3,765	15,150
Affordable housing reserve	7,803	(2,327)	5,476
Steveston off-street parking reserve	77	3	80
Capital building and infrastructure	1,859	1,596	3,455
Neighbourhood improvement reserve	2,317	533	2,850
Waterfront improvement reserve	517	357	874
Child care facility	56	59	115
Public art	327	(10)	317
Local improvements reserve	3,393	22	3,415
Special sports reserve	59	975	1,034
Water main replacement reserve	22,580	1,030	23,610
Drainage improvement reserve	248	620	868
Sewer lateral replacement reserve	16,463	(1,508)	14,955
	103,087	4,232	107,319
Reserves:			
Future elections	44	72	116
Appeal board decisions	427	-	427
Legal settlements	1,992	173	2,165
Major road networks rehabilitation reserve	2,159	(326)	1,833
	4,622	(81)	4,541
	\$ 107,709	\$ 4,151	\$ 111,860

CITY OF RICHMOND

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

Years ended December 31, 2003 and 2002

11. Appropriated surplus:

	2003	2002
		(Restated - note 2)
Appropriated surplus, beginning of the year	\$ 26,271	\$ 27,897
Addition in the year	29,525	12,204
Usage	(19,078)	(13,830)
Appropriated surplus, end of year	\$ 36,718	\$ 26,271

Surplus amounts are appropriated or reserved for certain types of expenditures that may be incurred in the future. Surplus appropriations to December 31, 2003 have been made in the general, waterworks and sewerworks funds. These expenditures would be for such items as unexpected human resource issues, emergency or disaster recovery, debt requirements and future capital maintenance programs.

12. Commitments and contingencies:

(a) Joint and several liabilities:

As a member of the following districts, the City is jointly and severally liable for each district's applicable portion of the net capital liability:

- Greater Vancouver Regional District
- Greater Vancouver Water District
- Greater Vancouver Sewerage and Drainage District

(b) Lease payments:

As at December 31, 2003 the City was committed to lease payments for premises and equipment in the following approximate amounts:

2003	\$ 3,913
2004	3,695
2005	3,564
2006	3,445
2007	3,416
Thereafter	47,825

(c) Litigation:

As at December 31, 2003, there were a number of legal claims in various stages of litigation, primarily in relation to expropriations of properties. The City has made no specific provision for these where the outcome is presently indeterminable.

CITY OF RICHMOND

Notes to Financial Statements

(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2003 and 2002

12. Commitments and contingencies (continued):

(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.

(e) Pensions:

The City and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusted pension plan governed by the B.C. Public Sector Pension Plans Act. The Plan is a multi-employer contributory defined benefit pension plan with about 123,000 active contributors, including approximately 28,000 contributors from over 180 local governments. Joint trusteeship was established effective April 5, 2001. The board of trustees, representing plan members and employees, is fully responsible for the management of the pension plan, including investment of the assets and administration of the plan. The British Columbia Pension Corporation provides pension benefit administration services and the British Columbia Investment Management Corporation provides investment management services for the Plan.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2000 indicates a surplus of \$436 million for basic pension benefits. The next valuation will be as at December 31, 2003 with results available in 2004. The Joint Trust Agreement specifies how surplus assets can be used. The actuary does not attribute portions of the surplus to individual employers. Each employer expenses contributions to the plan in the year in which payments are made. Contributions to the Plan by the City totaled approximately \$5,322,478 (2002 - \$4,860,000).

(f) Contractual obligation:

The City has entered into various agreements with contracts for services and construction with periods ranging from one to two years. These commitments are in accordance with budgets passed by Council.

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

The City is a shareholder and member 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 1 Class A share and 1 Class B share (of a total of 14 Class A and 33 Class B shares issued and outstanding at, December 31, 2003). Class A shareholders are obligated to share in both funding the ongoing operations and any additional costs relating to capital assets (in accordance with a cost sharing formula) while Class B shareholders are not obligated to share in funding of the ongoing operating costs.

CITY OF RICHMOND

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

Years ended December 31, 2003 and 2002

13. 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 funds are excluded from the City's financial statements.

	2003	2002
Richmond Community Associations	\$ 1,002	\$ 1,214

14. Collections for other governments:

The City is obligated to collect and transmit 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 were as follows:

	2003	2002
Province of British Columbia - Schools	\$ 94,370	\$ 91,247
Regional District and others	17,760	17,418
	\$ 112,130	\$ 108,665

15. Related party balances:

As at December 31, 2003, the City has payable \$1,123,458 (2002 - \$808,000) to the Richmond Public Library, a related party. This amount is included in accounts payable and accrued liabilities.

16. Expenditures by object:

	2003	2002
		(Restated - note 2)
Wages, salaries and benefits	\$ 64,054	\$ 61,596
Contract services	22,461	27,367
Supplies, materials and equipment	123,575	96,479
Debt charges	7,917	9,407
	\$ 218,007	\$ 194,849

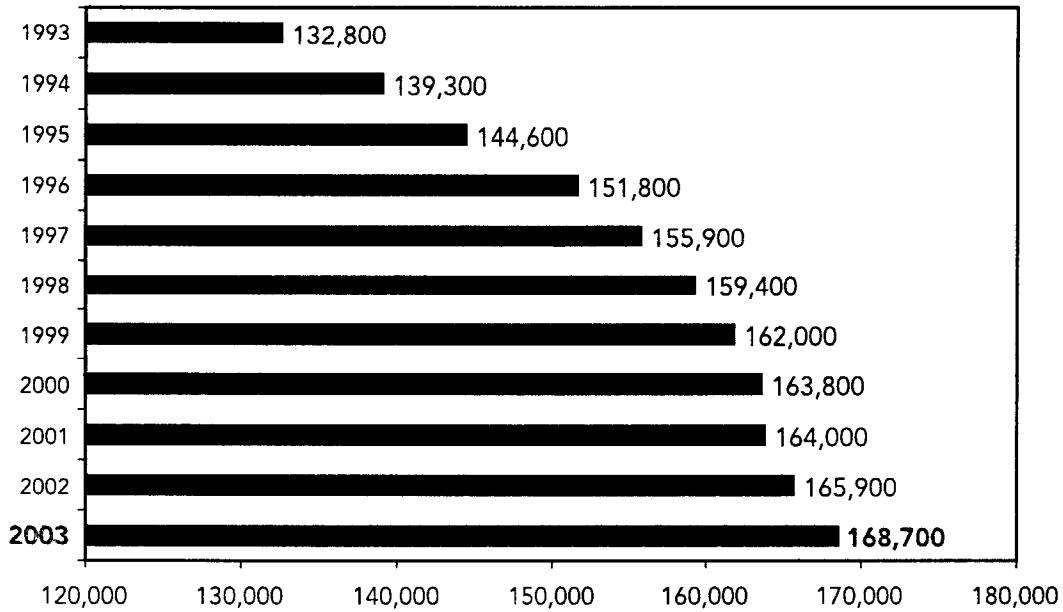
City of Richmond Statistical Section



Statistical Section Table of Contents

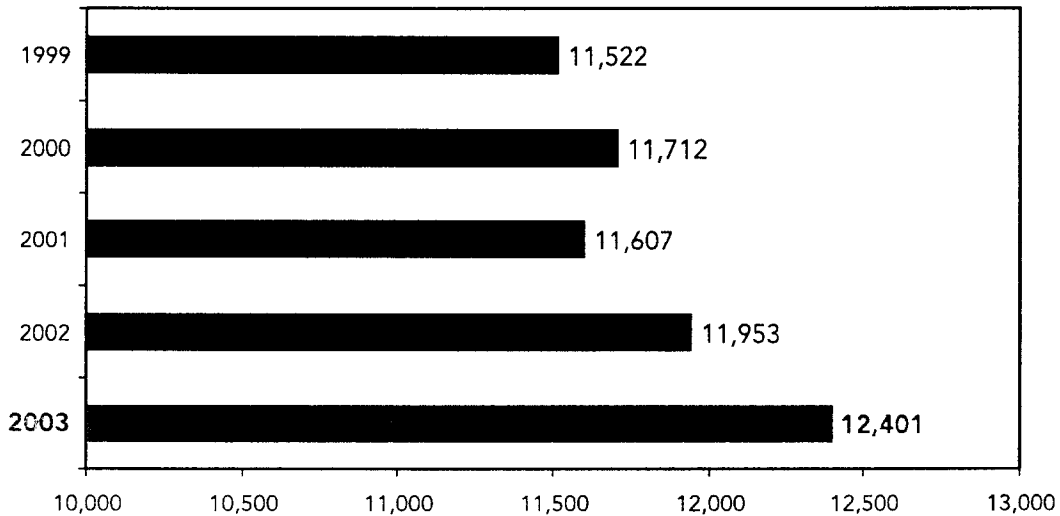
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City of Richmond Population 1993-2003



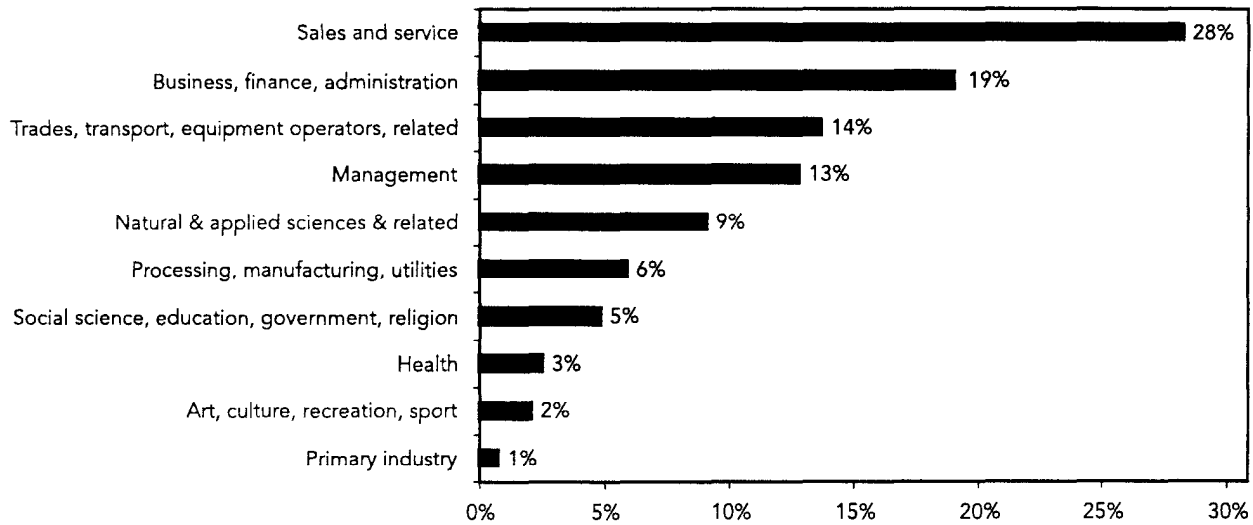
Source: City of Richmond Policy Planning Department.

Richmond Business Licences Issued 1999-2003



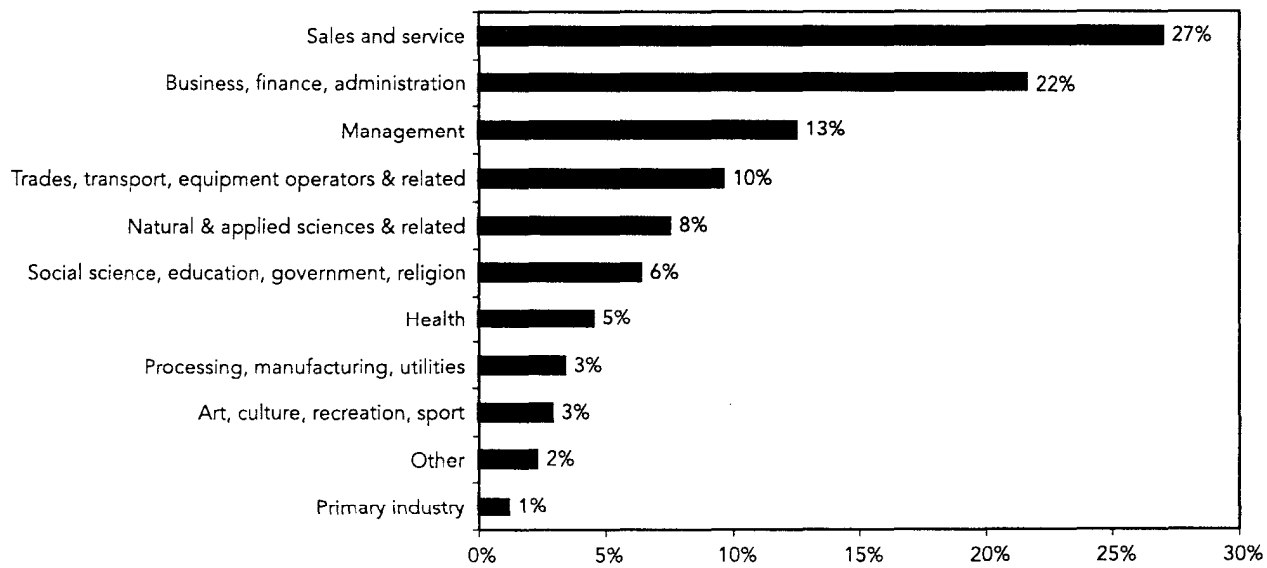
Source: City of Richmond Business Licence System. Represents valid licences as at Dec. 31.

Jobs in Richmond by Occupation



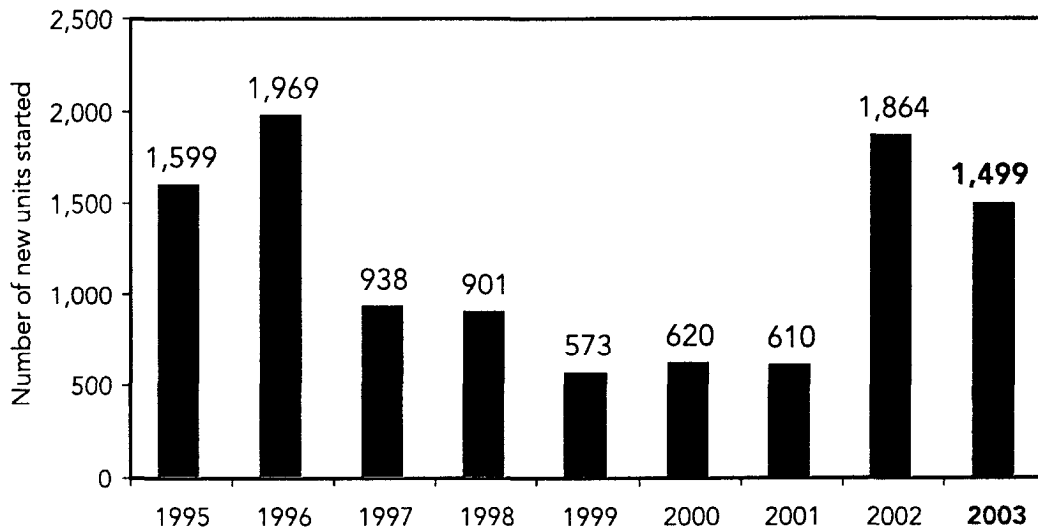
Source: Statistics Canada 2001 Census.

Occupations of Richmond Residents



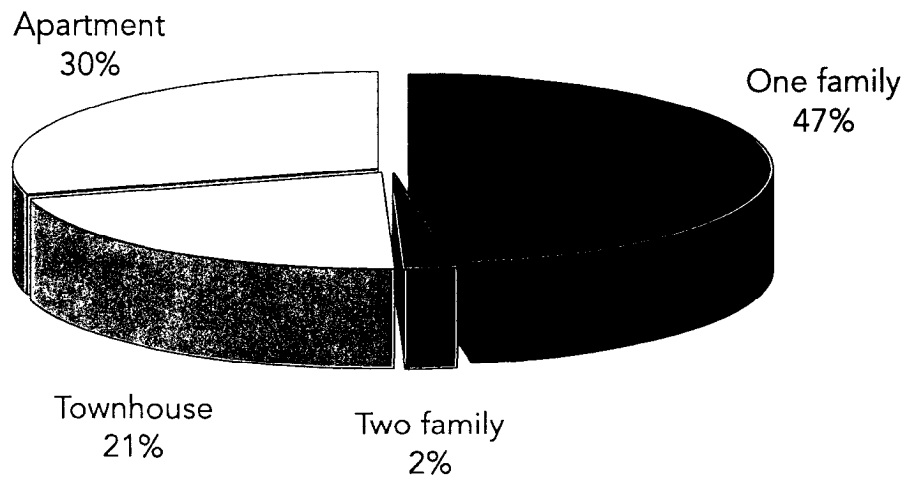
Source: Statistics Canada 2001 Census

Housing Starts in Richmond 1995 - 2003



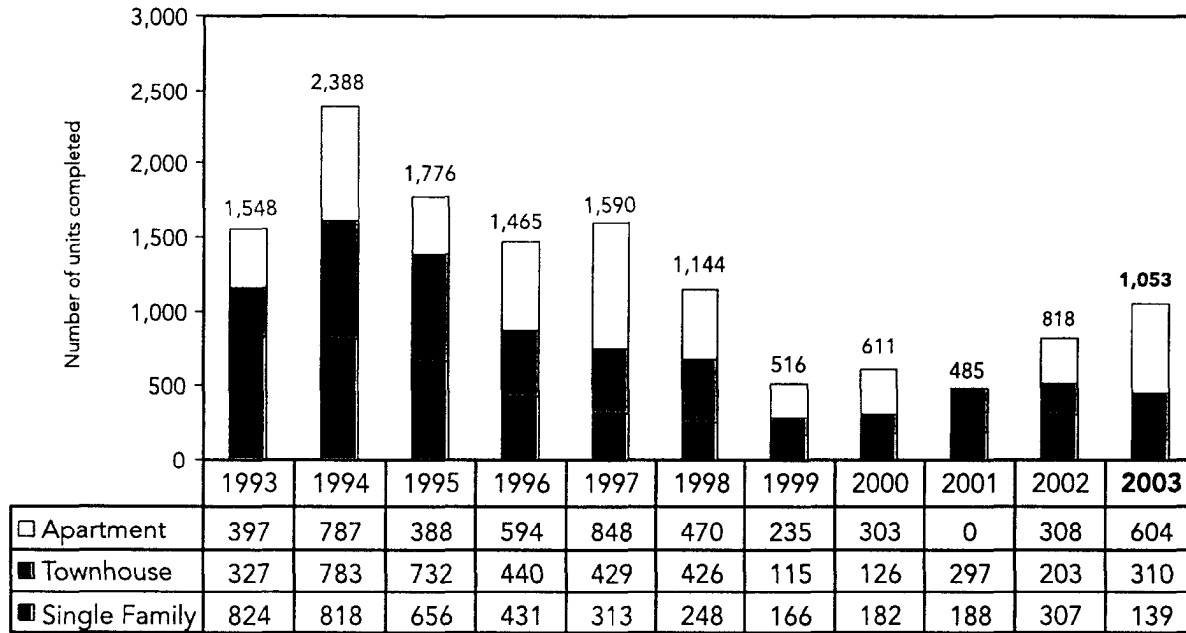
Source: City of Richmond Building Permit data.

Richmond Housing Units by Type 2003



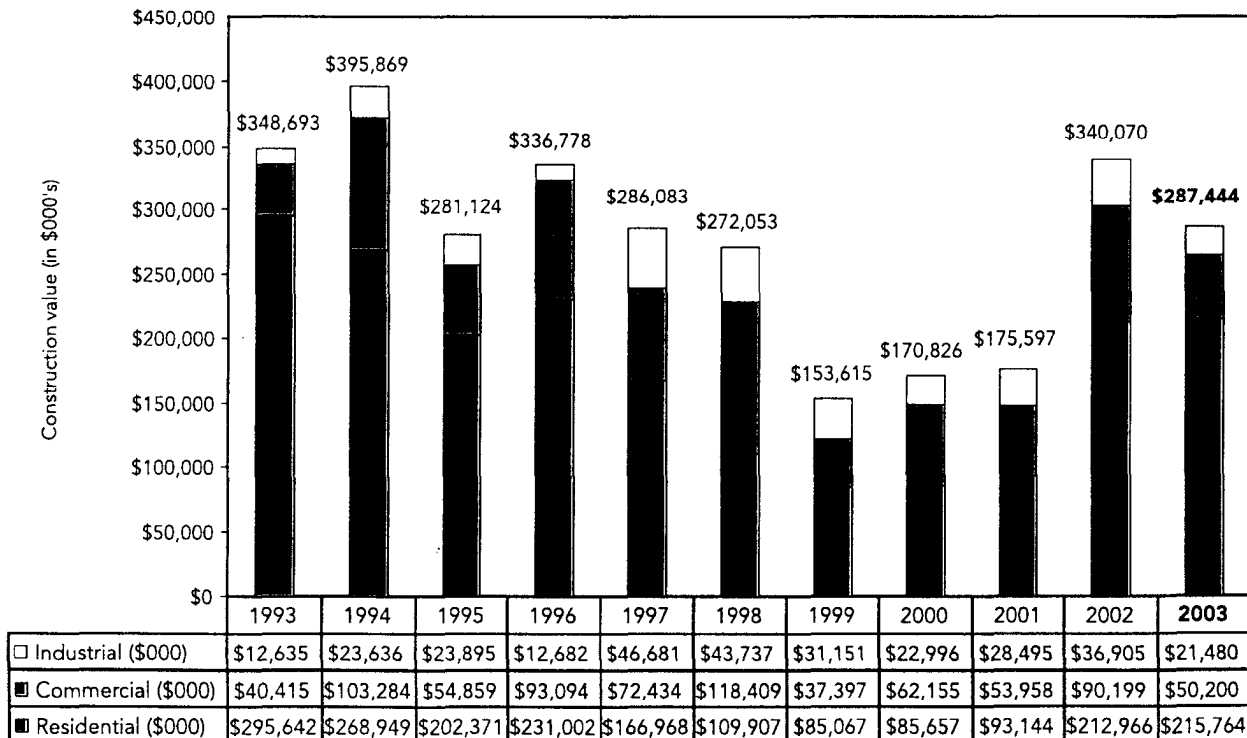
Source: City of Richmond Policy Planning Department.

New Dwelling Units Constructed 1993-2003



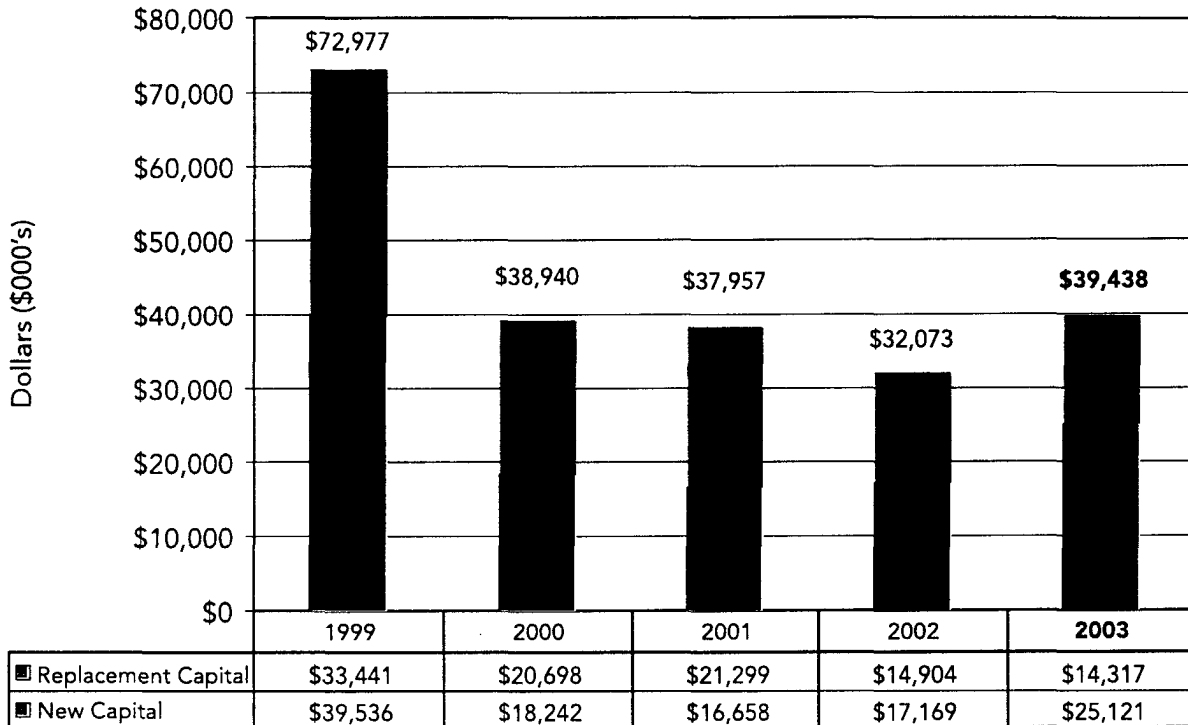
Source: City of Richmond Building Permit data. Includes only projects receiving final permits.

Construction Value of Building Permits Issued 1993 - 2003 (in \$000's)



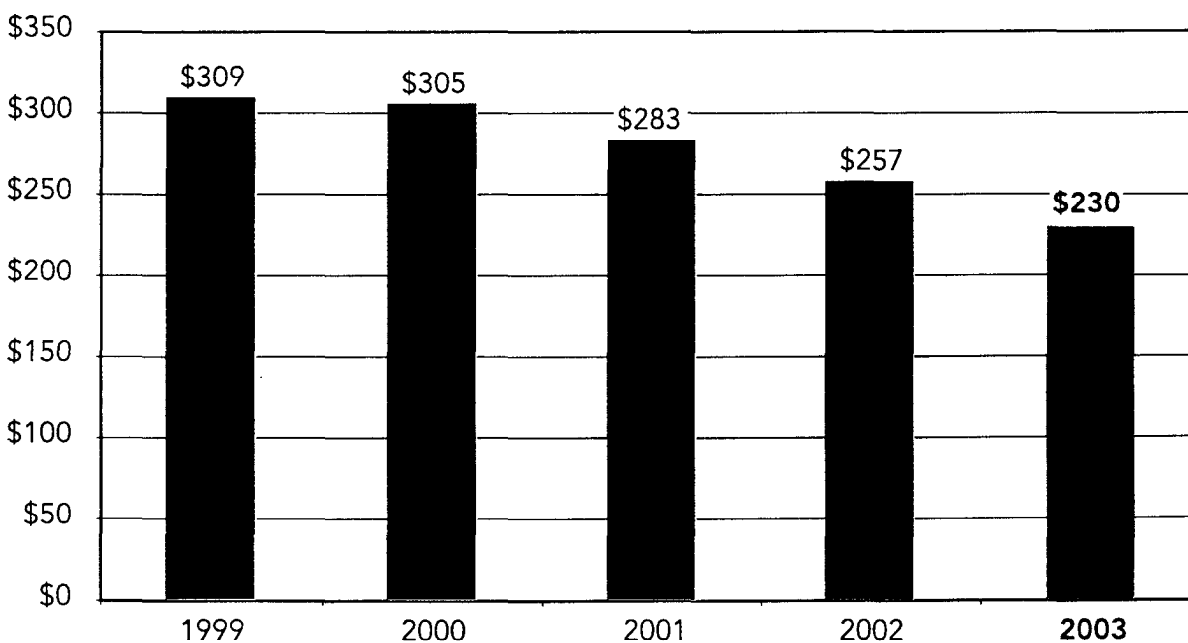
Source: City of Richmond Building Permit data. Note: Includes new projects, additions, alterations. Hotel's and farm buildings are included in residential; assembly permits are included in commercial. Institutional, government, and miscellaneous permits not included in totals.

City of Richmond Capital Construction Costs 1999 - 2003 (in \$000's)



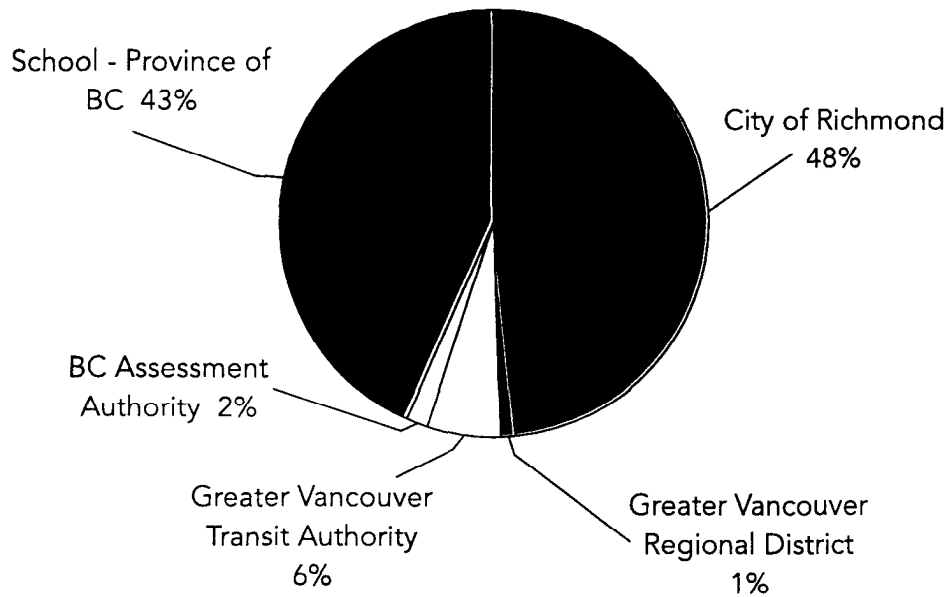
Source: City of Richmond Finance Department.

City of Richmond Debt Per Capita 1999 - 2003



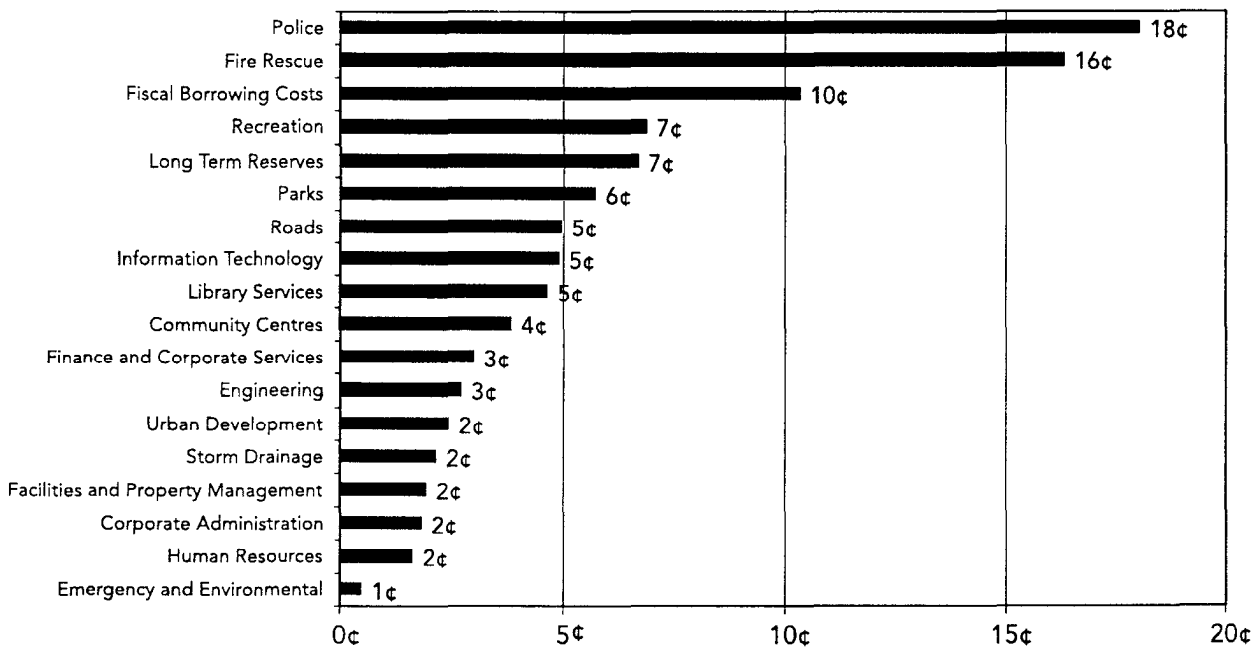
Source: City of Richmond Finance Department.

Breakdown of Residential Property Tax Bill 2003



Source: City of Richmond Finance Department.

Breakdown of \$1 Municipal Tax 2003



Source: City of Richmond Finance Department.

2003 Tax Rates

	City of Richmond	School - Province of BC	Greater Vancouver Regional District	BC Assessment Authority	Municipal Finance Authority	Greater Vancouver Transit Authority
Residential	3.70890	3.28690	0.09771	0.1159	0.0003	0.2874
Business	11.17514	9.90000	0.23938	0.3245	0.0002	1.6657
Light Industrial	14.32523	9.90000	0.33220	0.3245	0.0005	2.3138
Seasonal	1.42459	4.50000	0.09771	0.1159	0.0002	0.2874
Major Industrial	11.06876	12.50000	0.33220	0.5947	0.0005	2.3138
Farm	7.60647	6.80000	0.09771	0.1159	0.0002	0.2874
Utilities	40.00000	15.00000	0.34197	0.5947	0.0005	2.3802

Source: City of Richmond Finance Department.

2003 General Revenue Fund Assessment and Taxation by Property Class (in \$000's)

	Assessment	% of Assessment by Class	Taxation	% of Taxation by Class
Residential	\$ 14,234,820	75.18%	\$ 52,796	50.00%
Business	4,202,986	22.20%	46,969	44.48%
Light Industrial	297,898	1.57%	4,267	4.04%
Seasonal	90,164	0.48%	128	0.12%
Major Industrial	72,393	0.38%	801	0.76%
Farm	26,152	0.14%	199	0.19%
Utilities	10,694	0.05%	428	0.41%
Total	\$ 18,935,107	100.00%	\$ 105,588	100.00%

Source: City of Richmond Finance Department.

Collections by Taxing Authorities 1999 - 2003 (in \$000's)

	1999	2000	2001	2002	2003
City of Richmond	\$ 84,896	\$ 89,538	\$ 95,345	\$ 100,520	\$ 105,588
School - Province of BC	88,567	89,972	90,855	91,733	94,834
GVRD	2,754	2,693	2,678	2,693	2,552
BC Assessment Authority	3,231	3,460	3,269	3,252	3,298
GVTA	9,326	9,595	9,673	11,593	12,168
Other	5,333	5,223	5,223	5,238	5,757
Total Taxes	\$ 194,107	\$ 200,481	\$ 207,043	\$ 215,029	\$ 224,197

Source: City of Richmond Finance Department.

Long Term Debt Repayments Relative to Expenditures (in \$000's)

	1999	2000	2001	2002	2003
General Revenue Fund					
Long Term Debt Repayments	\$ 5,091	\$ 5,341	\$ 4,570	\$ 4,491	\$ 4,368
General Expenditures	\$ 124,643	\$ 133,534	\$ 141,916	\$ 136,716	\$ 151,539
Repayments as % of Expenditures	4.1%	4.0%	3.2%	3.3%	2.9%
Waterworks Revenue Fund					
Long Term Debt Repayments	\$ 777	\$ 488	\$ 218	\$ 215	\$ 193
Water Expenditures	\$ 15,380	\$ 16,752	\$ 17,072	\$ 19,813	\$ 17,918
Repayments as % of Expenditures	5.1%	2.9%	1.3%	1.1%	1.1%
Sewerworks Revenue Fund					
Long Term Debt Repayments	\$ 7,073	\$ 7,282	\$ 6,681	\$ 8,073	\$ 8,794
Sewer Expenditures	\$ 16,047	\$ 18,710	\$ 17,632	\$ 18,756	\$ 18,200
Repayments as % of Expenditures	44.1%	38.9%	37.9%	43.0%	48.3%

Source: City of Richmond Finance Department.

Revenues by Source (in \$000's)

Revenue	1999	2000	2001	2002	2003
Taxation and User Fees	\$ 115,330	\$ 121,862	\$ 128,719	\$ 136,497	\$ 145,492
Sales of Services	19,424	21,058	20,767	24,071	25,126
Grants-In-Lieu of Taxes	8,700	8,999	9,730	10,091	10,494
Licences and Permits	4,412	4,580	4,524	6,634	6,150
Investment Income	5,316	3,868	5,207	6,020	6,127
Provincial and Federal Grants	1,533	5,416	5,858	3,975	4,572
Other	2,292	3,325	2,181	2,397	3,025
Total Revenue	\$ 157,007	\$ 169,108	\$ 176,986	\$ 189,685	\$ 200,986

Revenue as a Percentage of Total

Taxation and User Fees	73.5%	72.1%	72.7%	72.0%	72.4%
Sales of Services	12.4%	12.5%	11.7%	12.7%	12.5%
Grants-In-Lieu of Taxes	5.5%	5.3%	5.5%	5.3%	5.2%
Licences and Permits	2.8%	2.7%	2.6%	3.5%	3.1%
Investment Income	3.5%	2.2%	3.0%	3.1%	3.0%
Provincial and Federal Grants	1.0%	3.2%	3.3%	2.1%	2.3%
Other	1.5%	2.0%	1.2%	1.3%	1.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Does not include revenue allocated to reserves or revenue used for capital expenditures.

Source: City of Richmond Finance Department.

Expenditures by Source (in \$000's)

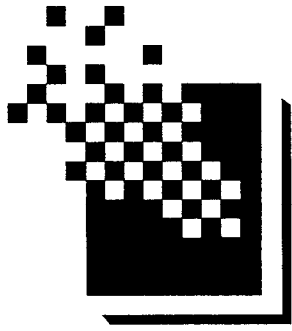
Expenditure	1999	2000	2001	2002	2003
General Government	\$ 15,729	\$ 17,062	\$ 21,547	\$ 21,807	\$ 25,751
Protective Services	39,443	44,106	46,669	51,806	53,648
Recreation and Cultural	20,559	21,155	22,409	23,705	24,903
Contribution to Other Funds	19,214	22,403	19,605	7,760	14,598
Transportation Services	15,233	17,415	17,295	17,566	18,514
Water Supply and Distribution	11,051	12,716	12,972	15,088	13,152
Debt and Finance	12,942	10,638	11,873	13,091	11,875
Sewerage Collection and Disposal	9,125	9,868	9,379	9,668	9,729
Sanitation and Recycling Services	5,884	6,403	6,859	6,889	7,020
Richmond Public Library	4,809	4,992	5,464	5,171	5,719
Environmental Development	1,822	2,081	2,371	2,539	2,510
Other Expenses	261	156	177	195	238
Total Expenditures	\$ 156,072	\$ 168,995	\$ 176,620	\$ 175,285	\$ 187,655

Expenditure as a Percentage of Total

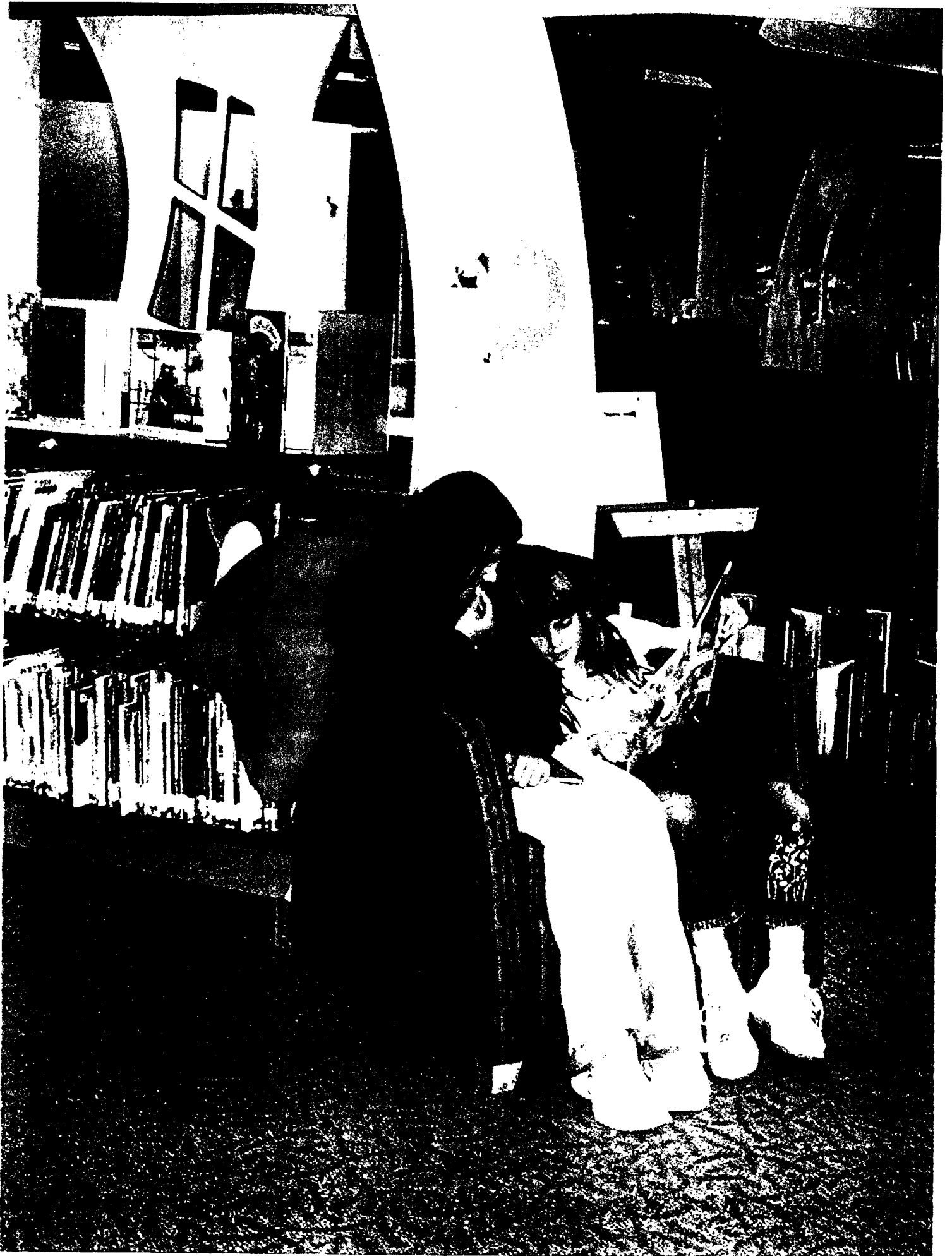
General Government	10.1%	10.1%	12.2%	12.4%	13.7%
Protective Services	25.3%	26.1%	26.4%	29.6%	28.6%
Recreation and Cultural	13.2%	12.5%	12.7%	13.5%	13.3%
Contribution to Other Funds	12.3%	13.3%	11.1%	4.4%	7.8%
Transportation Services	9.8%	10.3%	9.8%	10.0%	9.9%
Water Supply and Distribution	7.1%	7.5%	7.4%	8.6%	7.0%
Debt and Finance	8.3%	6.3%	6.7%	7.5%	6.3%
Sewerage Collection and Disposal	5.8%	5.8%	5.3%	5.5%	5.2%
Sanitation and Recycling Services	3.8%	3.8%	3.9%	3.9%	3.7%
Richmond Public Library	3.0%	3.0%	3.1%	3.0%	3.0%
Environmental Development	1.2%	1.2%	1.3%	1.5%	1.4%
Other Expenses	0.1%	0.1%	0.1%	0.1%	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Does not include capital and infrastructure expenditures.

Source: City of Richmond Finance Department.



Richmond
Public Library



Richmond Public Library

Highlights for 2003

2003 was a year filled with new and creative programs for children, teens, seniors, and the multicultural community. Improved collections and enhanced technology for all branches were other highlights.

In preparation for the opening of the new Cambie Branch, the Library embarked on a fundraising campaign that captured the imagination and inspired the generosity of many individuals, community service organizations, and corporate donors. In particular, the East Richmond Community Association contributed a generous gift of \$50,000. The Richmond Community Foundation provided a grant for the purchase of an Educational Toy Lending Library. In total, the Library raised more than \$191,000 for this new branch. To make it easier for individuals to donate, staff developed an online donation form on the Library's website.

The Ministry of Children and Family Development helped support Richmond's families and children with pre-literacy skill building, by providing a grant for the development of theme-based boxes of books, tapes, puppets, toys, songs and rhymes for babies and preschoolers, as well as "Read to Me" packages for every newborn in Richmond. In 2003, the Richmond Public Library Endowment Fund received its single largest one-time donation of \$50,000 from Mr. and Mrs. Ben Dayson. They also established a Judaica collection with over 400 books, as part of an expanded multicultural collection. One of the most dedicated groups of supporters continues to be the Friends of the Richmond Public Library, donating \$13,500 to the Library in 2003.

Milestones - 2003

- Richmond libraries received 1.6 million in-person visits and 10.3 million website visits.
- Over 3.34 million items were borrowed from Richmond libraries.
- Nearly 4,000 children joined the Summer Reading Club.
- The Library sponsored more than 2,000 programs with over 65,000 attendees.
- Over 2,000 people attended the Library's Chinese New Year Celebrations.

Did You Know?

Richmond Public Library is one of the most heavily used community facilities. It is also one of the busiest library systems, offering longer hours of operation, more services than most, and at a lower cost per capita.

Compared with the 33 public libraries in Canada serving over 100,000 people in 2002, Richmond Public Library ranked:

- First for number of items borrowed per capita.
- First for number of library cardholders.
- Fifth for the number of library visits.
- Fourteenth for expenditure per capita.

Customer Service

The Library worked in partnership with a variety of community organizations, sharing expertise and resources to provide unique, cost-effective programs and customer-oriented services. Responding to existing needs as well as anticipating the emerging needs of their customers, Library staff provided innovative opportunities for learning and growing.

Customer service improvements included a broad range of practical adult programs in English and Chinese, more programs for teens and seniors, expanded popular collections, a redesigned website, and several technology-related initiatives. Customer convenience and improved staff efficiencies were the driving factors behind all changes.

Achievements

- The number of multicultural programs increased 59 per cent over the previous year and the attendance at these programs increased 56 per cent.
- Rapid Reads program was introduced, improving access to popular, high demand titles.
- Website visits increased by 61 per cent.
- Catalogue clean up provided a more accurate reflection of what is available to customers.



Richmond Public Library Board: (from left to right)

Lyn Greenhill, Councillor Bill McNulty, Lesley Wood Bernbaum (Chair), Keiron McConnell, Henry Beh, Gregory Smith, Leslie Wilson, Tung Chan (Vice-Chair), Rama Singhal

Collections

Providing something for everyone is the Library's business. From educational toys to DVDs, and mystery novels to business software, the RPL collection contains over 429,500 items for children, teens, adults, new Canadians, and ESL learners, as well as lots of online resources. Acknowledging that people learn in a variety of ways, the Library provides exciting options to satisfy learners of all ages and interests.

Achievements

- Over 56,000 new books, videos, DVDs, CDs, and CD-ROMS were added to the collection.
- The BC Muslim Association donated a collection of books, videos, and DVDs called Discover Islam.
- The Library expanded its collection of popular novels for teens.
- The Sponsor a Book Club Title program was initiated as an alternative source of funding.

Innovative Programs and Services

The community's growing recognition of the importance of early literacy experiences in the crucial first few years of a child's life and throughout the teen years, was seen in the growing attendance at all children's programs. With more Reading Buddies and After-School Tutoring programs, children of all ages strengthened their literacy skills. Teens provided one-on-one reading and homework help to individual children and modeled the pleasure of reading.

Achievements

- Practical programs offered by the Library included: parenting teens, resume writing and interview skills, anxiety disorders, buying a used car, buying a computer, stress and mind-body connection, public speaking, finding small business information on the web, and more.
- Le Club Français, a buddy program that matched teens and elementary school French Immersion students, was initiated to provide one-on-one French language practice.
- Chinese story times were introduced for children.
- Cyberteens, Cyberseniors, an intergenerational program, was expanded in the summer.
- The Reading Buddies program was expanded to Ironwood Branch.
- Children's and teen's programs included a bookmark contest, teen writing workshops, and teen online book reviews.



Reading Buddies help younger children build lifelong skills.

Richmond Public Library Statistics

Customers who regularly use their library cards:

2003	2002
142,660	137,267

Number of books, videos, and CDs borrowed:

2003	2002
3,347,291	3,327,695

Number of website visits:

2003	2002
10,337,004	6,398,774



Teen Tutors make learning fun for all.



It's never too early to read to kids!

- Multicultural programs included new immigrant orientation programs and public education seminars, including: how to rent a home, social housing, federal benefits for seniors, using TransLink, starting a small business, labour market and job search, and seminars on health including a series of diabetic education classes with the Chinese Community Health Society.
- The Library introduced a fee-for-service Orchid Culture series in English and Cantonese.
- The Eid Al-Fitr program, celebrating the breaking of the fast which marked the end of the Islamic Month of Ramadan, was held in partnership with the Academy for Learning.

Cyber Services

Cyber services were increased and fine-tuned to be more customer-responsive. The website was revamped and provided more interactive online resources, as well as offering more convenient ways for customers to manage their items on hold. Serving customers in person as well as via the Internet, the Library provided virtual branch service in ever-evolving areas. The Library's website is well known by the local community and beyond, for providing practical, life-skills information.

Achievements

- Improved website features include: Email notification of holds and overdues, hold postponement of requested material, expansion of BC Practice Driving Test, and access to new online databases, including Ebsco Auto Repair Reference Center and JobFreeway.
- The Library offered convenient, high-speed Internet access to those bringing their own laptops to the library (396 people registered in 2003).
- Internet stations at Steveston Branch were upgraded to provide the same high demand software available at all Richmond branches.

Community Partnerships

Establishing new community partnerships and expanding existing ones, the Library promoted its services and the importance of literacy at schools, local festivals, parent groups, business gatherings, professional conferences, and other venues. As a result of new partnerships, RPL was able to offer a much broader range of programs and services.

Partnerships with the local media enabled the Library to educate Chinese Canadians on information technology through a new *Web Sitings* column in the Ming Pao Chinese newspaper, and to promote library services in a column in the World Journal Chinese newspaper. Literacy among families and children was promoted through a new monthly children's book review column in the Richmond News.

Achievements

- RPL made the formerly print-only Richmond Community Services Directory accessible online, providing a convenient way for people to access information about 878 community service organizations.
- RPL partnered with Richmond Rotary Club and Kwantlen University College to offer a class on how to start your own business.
- Library staff presented a session on online business resources at the PanWest Networking Engagement: A Conference for Entrepreneurs with Disabilities, in partnership with Richmond Disability Resource Centre.
- RPL continued to offer Researching the Job Market classes, with funding from Human Resources Development Canada.
- Canada Post Heritage Club once again supported the Library with a donation of \$2,500 for teen novels.



Surfing the Internet at Ironwood Branch.

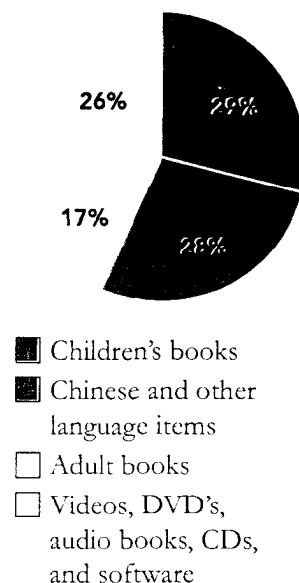
Awards

Richmond Public Library received several awards, honouring their leadership and excellence in the areas of technology, innovative collections and services, and customer service. These awards reflect the integral role the Library plays in the life of this vibrant community.

Achievements

- Gale Group Award for Excellence in Reference and Adult Library Services. The \$3,000 US award recognizes the Library's outstanding collection of online interactive resources.
- Industry Canada's LibraryNet Best Practices Award for Innovative Internet Use in Canadian Public Libraries. The award recognizes the Library's online BC Practice Driving Test.
- Named WebJunction's Library of the Month, December 2003. The Library's website was recognized for its innovative use of web technology, provision of online services, forward looking vision and design, and community focus.
- CLA/Information Today Award for Innovative Technology. The \$500 US award recognizes the Library's innovative collection of online interactive resources.
- The Volunteers are Stars award was won by the RPL Friends of the Library for their invaluable contribution to the community through their support of literacy and the Library.

Richmond Public Library Collection in 2003



Richmond Public Library Financial Section

Years ended December 31, 2003 and 2002





KPMG LLP
Chartered Accountants
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada

Telephone (604) 691-3000
Telefax (604) 691-3031
www.kpmg.ca

AUDITORS' REPORT

To the Chairman and Trustees
Richmond Public Library

We have audited the statement of financial position of Richmond Public Library Board as at December 31, 2003 and the statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 2003 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.



Chartered Accountants

Vancouver, Canada

March 8, 2004



KPMG LLP, a Canadian limited liability partnership is the Canadian member of KPMG International, a Swiss nonoperating association

RICHMOND PUBLIC LIBRARY BOARD

Statements of Financial Position

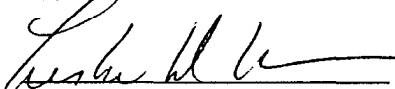
December 31, 2003 and 2002

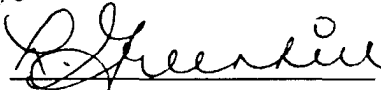
	2003	2002 (Restated - note 3)
Financial Assets		
Accounts receivable and other	\$ 190,719	\$ 198,976
Unexpended funds held by the City of Richmond (note 4)	1,126,446	808,184
	<u>1,317,165</u>	<u>1,007,160</u>
Liabilities		
Accounts payable and accrued liabilities (note 5)	538,540	478,096
Deferred revenue	103,672	116,954
	<u>642,212</u>	<u>595,050</u>
Net financial assets	<u>\$ 674,953</u>	<u>\$ 412,110</u>
Surplus		
Appropriated surplus (note 6)	\$ 447,647	\$ 197,233
General surplus	227,306	214,877
	<u>\$ 674,953</u>	<u>\$ 412,110</u>

Commitments (note 10)

See accompanying notes to financial statements.

Approved on behalf of the Board

 Trustee

 Trustee

RICHMOND PUBLIC LIBRARY BOARD

Statements of Financial Activities

Years ended December 31, 2003 and 2002

	Budget	2003	2002 (Restated - note 3)
Revenue:			
Municipal contribution	\$ 5,719,000	\$ 5,609,000	\$ 5,171,000
Grants (note 7)	375,300	431,159	383,583
Fines and miscellaneous (note 8)	522,400	495,659	527,500
Donations	-	188,218	56,012
	<u>6,616,700</u>	<u>6,724,036</u>	<u>6,138,095</u>
Expenditures:			
Automation	169,400	115,595	100,640
Books and periodicals	1,109,800	1,219,385	1,064,224
Building, leases and maintenance	186,100	213,676	155,677
Utilities	158,500	198,398	144,454
Minor capital purchases	2,000	16,947	39,119
Resource sharing services	84,200	50,896	76,085
Salaries and employee benefits	4,337,400	3,993,275	3,970,688
Supplies and equipment services	272,200	423,467	315,098
General and administration	297,100	229,554	208,926
	<u>6,616,700</u>	<u>6,461,193</u>	<u>6,074,911</u>
Excess of revenue over expenditures	-	262,843	63,184
Net allocation to appropriated surplus	-	(250,414)	(34,332)
	-	<u>12,429</u>	<u>28,852</u>
General surplus, beginning of year:			
As previously reported	17,663	34,974	17,663
Adjustment to accounts receivable (note 3)	168,362	179,903	168,362
As restated	<u>186,025</u>	<u>214,877</u>	<u>186,025</u>
General surplus, end of year	\$ 186,025	\$ 227,306	\$ 214,877

See accompanying notes to financial statements.

RICHMOND PUBLIC LIBRARY BOARD

Statements of Changes in Financial Position

Years ended December 31, 2003 and 2002

	2003	2002
Changes in financial position from operations:		
Excess of revenue over expenditures	\$ 262,843	\$ 63,184
Changes in non-cash operating items:		
Accounts receivable and other	8,257	(3,879)
Accounts payable and accrued liabilities	60,444	127,721
Deferred revenue	(13,282)	20,652
Increase in unexpended funds held by the City	318,262	207,678
Unexpended funds held by the City, beginning of year	808,184	600,506
Unexpended funds held by the City, end of year	\$ 1,126,446	\$ 808,184

See accompanying notes to financial statements.

RICHMOND PUBLIC LIBRARY BOARD

Notes to Financial Statements

Years ended December 31, 2003 and 2002

1. Operations:

The Richmond Public Library Board ("the Library") is responsible for the administration of public libraries in the City of Richmond ("the City"). Funding for the provision of these services is primarily through an annual contribution from the City and from provincial government grants. In addition, revenue is received from library fees, donations and other miscellaneous sources. The library is a registered charity under provisions of the Canadian Income Tax Act and is not a taxable entity. The library receives accounting services, and operates primarily in facilities, provided free of charge by the City.

2. Significant accounting policies:

The Library's financial statements are prepared in accordance with accounting recommendations and disclosure requirements prescribed by the Public Sector Accounting Board (the "PSAB") of the Canadian Institute of Chartered Accountants and reflect the following policies:

(a) Use of estimates:

In preparing the financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities, particularly the recoverability of accounts receivable, disclosures of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

(b) Revenue and expenditure recognition:

The Library utilizes accrual accounting for revenue, expenditures, and the purchases of books. Under the accrual method of accounting, costs are reported as expenditures in the periods they are incurred.

(c) Donations-in-kind:

During the year, the Library received various donations-in-kind. Due to the difficulty of determining the fair value, donations-in-kind are not recognized in the financial statements.

(d) Deferred revenue:

The Library records the receipt of restricted donations as deferred revenue and recognizes this revenue in the year in which related expenditures are incurred.

RICHMOND PUBLIC LIBRARY BOARD

Notes to Financial Statements

Years ended December 31, 2003 and 2002

2. Significant accounting policies (continued):

(e) Books:

The Library accounts for the purchase of books as a current year expenditure funded by current year revenues. The insured value of books at December 31, 2003 is approximately \$12.8 million (2002 - \$12.8 million).

(f) Capital assets:

With the exception of Ironwood and Cambie Branch's premises, which are leased, the City owns the Library's buildings and land. Those assets, along with other capital assets acquired for Library purposes but funded by the City, are recorded in the City's financial statements at historical cost and are not included in these financial statements. A capital consumption or depreciation charge is not charged by the City to the Library's operations.

Long-term capital plans adopted by the Council of the City provide for the replacement and acquisition of capital assets.

3. Change in accounting policy:

During 2003, the Library changed its revenue recognition method from a cash basis to an accrual basis for both InterLINK revenue and Human Resources Development Canada (HRDC) Grant revenue. The change has been applied retroactively and has increased general surplus at January 1, 2003 and 2002 as previously reported by \$179,903 and \$168,362 respectively as well as increased accounts receivable by \$179,903 and \$168,362 respectively. This change has also had the effect of increasing Interlink revenue and HRDC grant revenue in 2002 by \$3,031 and \$8,510 respectively over that previously reported, and of decreasing Interlink revenue and increasing HRDC grant revenue in the current year by \$17,720 and \$9,601 respectively from what would have been recognized under the former policy.

4. Unexpended funds held by the City of Richmond:

Funds held by the City of Richmond on behalf of the library are non-interest bearing and due on demand.

5. Accounts payable and accrued liabilities:

	2003	2002
Accounts payable	\$ 323,667	\$ 233,459
Accrued liabilities	29,746	7,737
Accrued payroll liabilities	100,371	152,144
Accrued vacation pay	84,756	84,756
	\$ 538,540	\$ 478,096

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RICHMOND PUBLIC LIBRARY BOARD

Notes to Financial Statements

Years ended December 31, 2003 and 2002

6. Appropriated surplus:

Surplus amounts are appropriated for certain types of future expenditures including donations, employee sick time and post-employment benefits as follows:

	2003	2002
Donations	\$ 98,603	\$ 138,189
Employee sick time	59,044	59,044
Post-employment benefits	290,000	-
	\$ 447,647	\$ 197,233

7. Grants:

	2003	2002
Provincial Revenue Sharing Grant	\$ 331,770	\$ 316,939
Urban Community Access Grant	-	15,000
Human Resources Development Canada ("HRDC")		
Labour Market Grant	56,889	51,644
Early Literacy Program	42,500	-
	\$ 431,159	\$ 383,583

The Urban Community Access Grant (the "Grant") under Industry Canada's funding was provided to assist with expansion, social and cultural opportunities including access to the Internet. The Grant fund was used for purchases of hardware, software and internet connections as well as staff and equipment costs.

The HRDC Labour Market Grant funded by Human Resources Centre of Canada is intended to offer Labour Market Information sessions for eligible Richmond residents.

The Early Literacy Program from the BC Government has provided a one time grant to develop products specifically designed to nurture children's (birth to 5 years old) progress in social, emotional, linguistic, physical and cognitive abilities.

RICHMOND PUBLIC LIBRARY BOARD

Notes to Financial Statements

Years ended December 31, 2003 and 2002

8. Fines and miscellaneous:

	2003	2002
Book fines	\$ 244,399	\$ 250,279
InterLINK revenue	153,674	171,394
Photocopy and printer revenues	35,703	37,959
Miscellaneous	61,883	67,868
	\$ 495,659	\$ 527,500

9. Contributions:

Friends of the Library continue to support the Library through donated funds.

	2003	2002
Friends of the Library	\$ 13,500	\$ 25,500
Other	158,446	51,159
	\$ 171,946	\$ 76,659

10. Commitments:

The Library has committed to lease payments for the Ironwood and Cambie Branch's premises, with minimum annual lease payments as follows:

2004	\$ 212,462
2005	212,462
2006	212,462
2007	212,462
2008	206,009
Thereafter	2,591,635