



**City of
Richmond**
British Columbia, Canada

2025 Annual Report

For the year ended December 31, 2025



This report was prepared by the City of Richmond Finance and Corporate Communications and Marketing Departments. Design, layout and production by the City of Richmond Production Centre. ©2026 City of Richmond



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City of Richmond

British Columbia, Canada

2025 Annual Report

For the year ended December 31, 2025

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

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The City of Richmond is proud of its diverse and committed workforce. This year, we asked our employees to take photos and send us images of “their Richmond” for this report. Photos with the camera icon are just some of the submissions, and we are delighted to share them with you. None are professional photographers.

COVER PHOTO: MINORU PARK—LAKES DISTRICT IS AN AWARD WINNING PARK DESIGN THAT INCORPORATES NATURAL ELEMENTS, SUSTAINABILITY AND COMMUNITY-FOCUSED AMENITIES

Message from the Mayor



The City of Richmond and Council continued to demonstrate strong leadership in 2025, navigating a year shaped by economic pressures, evolving public expectations and significant external challenges.

Global factors, including inflation and shifting market conditions, continued to impact communities across the region. In addition, the Cowichan Lands court decision introduced uncertainty around property rights in British Columbia, raising important questions for homeowners, businesses and municipalities.

Despite these challenges, Richmond remained steady.

The City's strong and diverse economy supported this stability, with more than 14,500 businesses employing over 125,000 people across a wide range of sectors. Continued development activity and investment reflect confidence in Richmond's long-term growth.

Council remained focused on key priorities. Housing continued to be a central area of work, with new affordable and rental housing projects advancing through partnerships with senior levels of government and non-profit organizations.

Significant investments in infrastructure ensured reliable services for residents and businesses. Major projects progressed alongside ongoing upgrades to roads, drainage systems and civic facilities to support a population of more than 230,000 residents.

Public safety remains a cornerstone of our work. Richmond continues to be one of the safest communities in the region, supported by ongoing investment in Richmond Fire-Rescue, the RCMP and emergency preparedness.

Richmond's greatest strength remains its people. Strong participation in City programs, with almost 111,000 people registered, reflects the value of accessible, high-quality services that support community well-being.

This Annual Report highlights the progress made over the past year. As always, I welcome your comments and questions.



Malcolm Brodie
Mayor, City of Richmond

Richmond City Council



Back row, left to right:

Lieutenant Jim Dickson (Richmond Fire-Rescue), Councillor Andy Hobbs, Councillor Kash Heed, Councillor Laura Gillanders, Councillor Michael Wolfe, Constable Jordan Hitchon (Richmond RCMP)

Front row, left to right:

Councillor Alexa Loo, Councillor Bill McNulty, Mayor Malcolm Brodie, Councillor Chak Au*, Councillor Carol Day

*Chak Au was elected as a Member of Parliament on April 28, 2025 and served concurrently as Councillor until his resignation from Council, effective February 1, 2026.

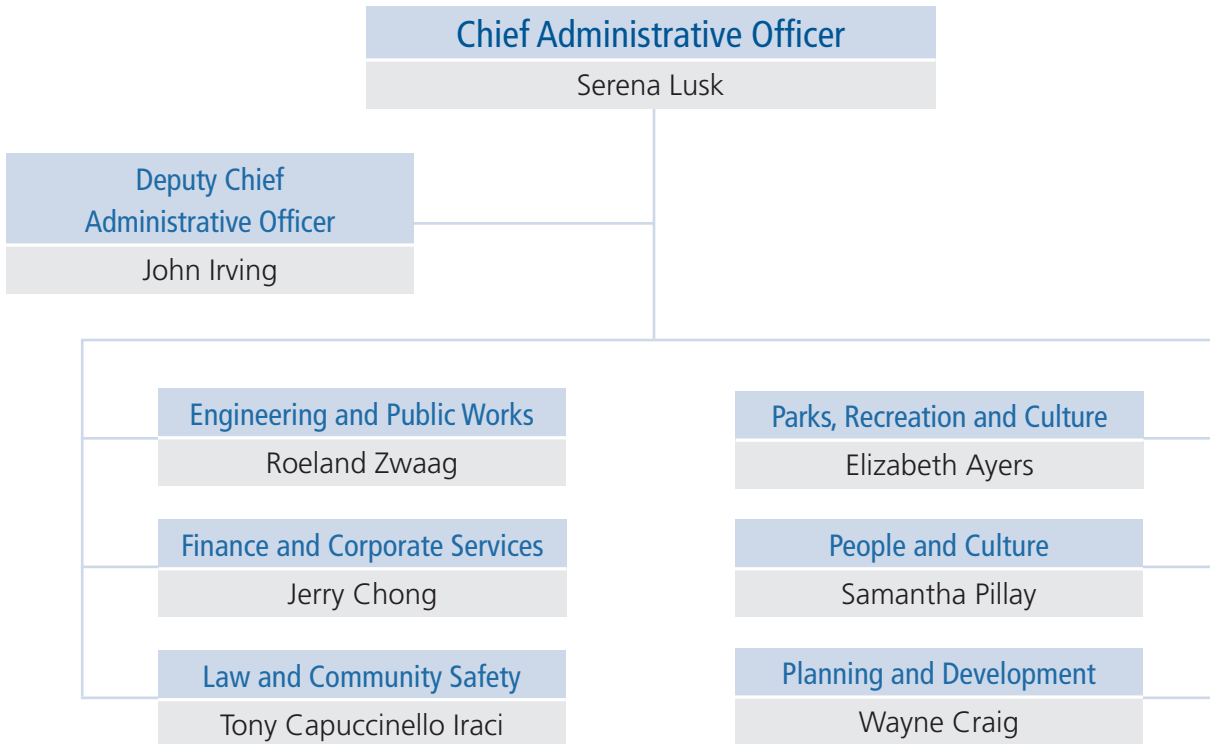
Connect with Richmond City Council

To contact Council, email MayorAndCouncillors@richmond.ca or call 604-276-4000.

For Council Meetings agendas and minutes, visit richmond.ca/agendas.

To live stream Council meetings or view videos of past meetings, visit richmond.ca/WatchOnline.

City of Richmond Senior Management Team 2025



Chief Administrative Officer	Serena Lusk
Deputy Chief Administrative Officer	John Irving
General Manager, Engineering and Public Works	Roeland Zwaag
General Manager, Finance and Corporate Services	Jerry Chong
General Manager, Law and Community Safety	Tony Capuccinello Iraci
General Manager, Parks, Recreation and Culture	Elizabeth Ayers
General Manager, Planning and Development	Wayne Craig
Senior Director, People and Culture	Samantha Pillay

Public safety agencies

Chief, Richmond Fire-Rescue	Jim Wishlove
Officer in Charge, Royal Canadian Mounted Police	Dave Chauhan

Banker

Scotiabank

Auditors

KPMG

Message from the Chief Administrative Officer



I am pleased to present the City of Richmond’s 2025 Annual Report, which outlines the progress made in delivering Council’s strategic priorities and maintaining strong service delivery in a complex and evolving environment.

In 2025, Richmond continued to respond to economic pressures, increased service demands and changing regulatory conditions. Through careful planning and disciplined financial management, the City maintained stable operations while advancing key initiatives.

Housing remained a central focus. Through partnerships with non-profit organizations and senior levels of government, the City advanced a number of affordable and rental housing projects. This includes the Rio Vista development, which will deliver 80 affordable rental units, and a 25-unit housing project supporting women and children. In addition, Council approved a \$10 million Affordable Housing Grant Program to support the delivery of 347 new affordable housing units across the city.

Major infrastructure projects progressed throughout the year. Construction continued on significant civic facilities, including the Works Yard Replacement Project and the Steveston Community Centre and Library. At the same time, the City invested in core infrastructure, replacing more than 4.5 kilometres of watermains and completing 32 kilometres of road upgrades to support long-term service reliability.

Richmond also continued to demonstrate leadership in environmental sustainability. The City’s district energy system now services more than 8.3 million square feet of residential and commercial space, contributing to significant reductions in greenhouse gas emissions.

Richmond remains among the healthiest and most active communities in Canada. In 2025, the City was named Canada’s Most Active Community by ParticipACTION, reflecting the collective efforts of the City and its many community partners to promote active living. Almost 111,000 people participated in City programs throughout the year, supported by high-quality recreation facilities, programs and services that promote health and well-being.

These accomplishments are made possible through the dedication of more than 2,900 City staff and the many volunteers and partners who support programs and services across Richmond. At the same time, challenges remain. Housing affordability, as well as supporting residents experiencing mental health and housing instability, continues to require coordinated efforts across all levels of government.

Richmond’s success is built on strong financial stewardship and long-term planning. These principles ensure the City remains well positioned to meet future challenges while continuing to deliver value for residents and businesses.

As Chief Administrative Officer, I am proud of the work accomplished by our staff, in partnership with City Council, and thank everyone for their continued commitment to serving the community.

A handwritten signature in black ink that reads "Serena".

Serena Lusk
Chief Administrative Officer

Council Strategic Plan: 2022 to 2026

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

The City of Richmond's objectives and success indicators are expressed through the Council Strategic Plan. Soon after Council began its four-year term in October 2022, it undertook a strategic planning process to help fulfill its governance role and achieve a successful term of office. Through that process, Council adopted a new set of six Strategic Focus areas, which provided the framework for the City's programs and services during 2025.

1. Proactive in Stakeholder and Civic Engagement

Proactive stakeholder and civic engagement to foster understanding and involvement, and advance Richmond's interests.

2025 Achievements

Keeping citizens connected and informed remained essential to Richmond's success as a strong, resilient and well-managed community. In 2025, the City expanded opportunities for public participation through digital and in-person

engagement, with the Let's Talk Richmond platform continuing to support thousands of participants across a wide range of initiatives. Engagement was particularly strong on major planning files, including updates to the Official Community Plan, small-scale multi-unit housing and Transit-Oriented Areas, with thousands of residents and stakeholders engaged between June 2024 and July 2025.

Public participation also shaped key community initiatives. In fall 2025, 12 open houses were held to gather feedback on the proposed Aberdeen Rental Residences development, while a Steveston Community Centre engagement campaign invited residents to share memories and reflect on the facility's legacy.

The City strengthened collaboration with senior governments and partners, securing approximately \$9 million in funding for infrastructure, climate and community initiatives. Council and staff also advanced advocacy on energy policy and climate action through regional and provincial channels.

Together, these efforts reflect Richmond's commitment to inclusive engagement that informs decision-making, strengthens partnerships and supports a connected community.



THE NEW RIO VISTA DEVELOPMENT IS A SIX-STOREY BUILDING WITH 80 NEW AFFORDABLE RENTAL HOMES FOR SINGLE PEOPLE, FAMILIES AND SENIORS



2. Strategic and Sustainable Community Growth

Strategic and sustainable growth that supports long-term community needs, and a well-planned and prosperous city.

2025 Achievements

Strategic planning and investment continued to guide Richmond's growth in 2025, supporting a balanced approach to housing, development and economic activity. Housing remained a priority as the City responded to provincial legislation and local demand. Updates to the Low-End Market Rental Program improved affordability and viability, while an online registry increased access to available units. The program now includes 625 built units, 800 secured units and 590 under application.

Partnerships with non-profit organizations and senior governments supported delivery of new housing. In 2025, 80 affordable units were completed by Pathways Clubhouse and 25 transitional units for women and children were delivered at Harbour House. Council also approved a \$10 million Affordable Housing Grant Program supporting 347 units across five projects, while planning advanced for the Aberdeen Rental Residences development.

Long-term planning also progressed, with Official Community Plan updates advancing to Public Hearing in early 2026. Council approved zoning, parking and policy changes to improve efficiency and support housing delivery.

Economic activity remained strong, supported by continued growth in digital services such as MyBusiness and MyPermit, improving access and streamlining approvals for residents and businesses.

3. A Safe and Prepared Community

Community safety and preparedness through effective planning, strategic partnerships and proactive programs.

2025 Achievements

Richmond continued to be one of the safest communities in Metro Vancouver, supported by strong collaboration across Richmond RCMP, Fire-Rescue, Community Bylaws and Emergency Programs. These coordinated efforts ensured effective prevention, response and public education across the city.

Crime prevention initiatives contributed to measurable improvements in 2025, with residential break-ins decreasing by six per cent, auto thefts by nine per cent and shoplifting

by five per cent. Public education remained a priority, including a large-scale fraud awareness campaign that engaged more than 500 residents and provided resources on emerging scams.

Support for vulnerable residents remained central. The Fox 67 mental health car and Yankee 30 youth partnership car responded to hundreds of calls, while Richmond House operated at full capacity with 60 beds, supported by temporary winter shelters. The 2025 homeless count identified 175 individuals, with the majority accessing shelter services.

Infrastructure and emergency preparedness efforts continued to strengthen resilience, including completion of the Flood Protection System Emergency Reconstruction Strategy, flood modelling work and the launch of a snow plow tracker. These initiatives ensure Richmond is well-prepared for emergencies and climate-related events.





COUNCIL'S INVESTMENT IN THE CITY'S DIKE AND DRAINAGE SYSTEMS HELPS PROTECT RESIDENTS AND INFRASTRUCTURE
PHOTO BY DALJIT MANDER, ENGINEERING INSPECTOR 2, ENGINEERING
CITY EMPLOYEE SINCE 2017

4. Responsible Financial Management and Governance

Responsible financial management and efficient use of public resources to meet the needs of the community.

2025 Achievements

Responsible financial management remained a cornerstone of Richmond's success in 2025. Through disciplined budgeting, reserve management and long-term planning, the City maintained strong financial stability while continuing to deliver high-quality services and infrastructure investments.

Richmond's leadership in financial transparency was recognized nationally. The City received an A grade from the C.D. Howe Institute—the highest

among 32 major municipalities—and earned the Popular Annual Financial Report Award for the 16th consecutive year and the Canadian Award for Financial Reporting for the 23rd consecutive year.

Governance and service delivery improvements were also advanced. Digital platforms such as MyBusiness and MyPermit enhanced customer experience and streamlined processes, while a new centralized budget planning tool improved efficiency and decision-making across the organization. Council also approved Policy 1021, establishing a Major Construction Projects Oversight Committee, and introduced a Surety Bond Pilot Program to modernize development processes.

These efforts reflect Richmond's commitment to accountability, innovation and the responsible stewardship of public resources.



VOLUNTEER HING KWONG HO REPAIRS A SMALL APPLIANCE AT A RICHMOND REUSE & REPAIR CAFÉ

5. A Leader in Environmental Sustainability

Leadership in environmental sustainability through innovative, sustainable and proactive solutions that mitigate climate change and other environmental impacts.

2025 Achievements

Richmond continued to demonstrate leadership in environmental sustainability through innovative programs, infrastructure investment and climate action. The City’s district energy system expanded to serve 8.3 million square feet, with one million added in 2025, and Council approved a new sewer heat recovery energy plant to support future low-carbon growth.

Sustainable construction and circular economy initiatives also advanced. A low-carbon concrete pilot reduced embodied emissions by approximately 20 per cent without added cost and is now being applied to major projects. Richmond also became one of the first cities in Canada to complete a material flow analysis, identifying opportunities to reduce waste, lower costs and support local innovation.

Flood protection remained a priority, with ongoing dike upgrades and more than 2.1 kilometres of dike restoration in 2025. Environmental stewardship initiatives continued across the city, including invasive species management and tree planting, as well as textile waste diversion programs that collected more than 32,000 kilograms (72,000 pounds) of materials.

These efforts reflect Richmond’s practical and forward-looking approach to sustainability, supporting a resilient and low-carbon future.

6. A Vibrant, Resilient and Active Community

Vibrant, resilient and active communities supported by a wide variety of opportunities to get involved, build relationships and access resources.

2025 Achievements

Richmond continued to foster a vibrant and active community in 2025, building on its reputation as one of Canada’s most livable and diverse cities. The City was named Canada’s Most Active Community, supported by 1,018 programs and more than 413,000 participants during the ParticipACTION Challenge.

Participation across recreation facilities remained strong. Nearly 111,000 residents registered in programs, while 1.76 million drop-in visits were recorded across community centres and facilities. The Recreation Fee Subsidy Program expanded by 26 per cent, improving access for residents facing financial barriers and supporting inclusive participation.

Cultural programming and events continued to bring the community together. Major festivals included the Children’s Arts Festival, Cherry Blossom Festival, Doors Open Richmond and the Richmond Maritime Festival, while the Steveston Salmon Festival attracted more than 80,000 attendees. Culture Days programming ranked Richmond first in BC and among the top cities nationally.

Community spaces remained central to civic life, with Richmond Public Library welcoming over one million visits. Volunteerism continued to play a strong role in supporting programs and events across the city. Together, these efforts strengthen connection, well-being and quality of life for residents.



A GOLDEN FIND AT CAMBIE COMMUNITY CENTRE'S EASTER EGGSTRAVAGANZA
 PHOTO BY CARMEN DE SOUSA, IPS COORDINATOR, PUBLIC WORKS
 CITY EMPLOYEE SINCE 2017

Fiscal responsibility, financial sustainability

Through strong fiscal management, sound financial strategies and strategic investments, the City ended 2025 in a position to ensure ongoing support and growth for the community.

Consolidated statement of operations (in \$000s)

	2025 Budget	2025 Actual	2024 Actual
Revenue	\$780,461	\$784,802	\$814,484
Expenses	664,354	632,876	581,469
Annual Surplus	\$116,107	\$151,926	\$233,015

The City’s consolidated revenue for the year totaled \$784.8 million, a decrease of \$29.7 million from 2024, mainly due to a \$56.6 million decrease in development cost charges related to significant parkland acquisition that occurred in 2024. Expenses increased by \$51.4 million from the prior year mainly due to regional district utility charges, wages related to new collective agreement rates, non-capital project costs related to active capital projects and increased contract costs. Overall, the City realized an annual surplus of \$151.9 million in 2025. This includes and operating surplus of \$8.3 million.

More details on the City’s financial position can be found in the Report from the General Manager, Finance and Corporate Services (page 16) and the Audited Financial Statements (page 19).

Looking ahead: Building on a strong foundation



Richmond continues to look ahead with confidence, building on a strong foundation of financial stability, thoughtful planning and community investment.

In 2025, the City operated in a complex and evolving environment shaped by global economic pressures, rising costs and increasing demand for services. At the same time, changes in provincial housing legislation and the Cowichan Lands court decision introduced new considerations for long-term planning, growth and property rights across British Columbia.

Despite these challenges, Richmond remained stable and well positioned for the future.

The City's diverse economy continues to be a key strength, supported by more than 14,500 businesses employing over 125,000 people across a wide range of sectors. This economic stability, combined with responsible financial

management, has enabled the City to maintain high service levels while continuing to invest in infrastructure, housing and community amenities.

Housing will remain a defining priority in the years ahead. As Richmond continues to grow, the City will focus on increasing housing supply, strengthening partnerships and implementing policies that support a range of housing options, including affordable and purpose-built rental housing. Ongoing work to update the Official Community Plan and respond to provincial requirements will help ensure growth is managed in a way that supports complete, connected communities.

Investment in infrastructure will also remain critical. Continued upgrades to drainage systems, flood protection infrastructure and civic facilities will support both current needs and long-term resilience. These investments are essential as the



CONSTRUCTION CONTINUES ON THE NEW STEVESTON COMMUNITY CENTRE AND BRANCH LIBRARY

City adapts to climate change, population growth and evolving service expectations.

Environmental sustainability will continue to guide decision-making. Expansion of district energy systems, climate adaptation planning and the integration of low-carbon practices into infrastructure projects will support Richmond's transition to a more sustainable and resilient future.

Richmond's greatest strength remains its people. With a population of more than 230,000 residents representing over 180 cultural backgrounds, the City continues to be a vibrant and inclusive community. Strong participation in programs, services and events reflects a high level of community engagement and connection.

Looking ahead, Richmond will continue to build on its strengths through collaboration, innovation

and disciplined planning. By maintaining a strong financial foundation and investing in key priorities, the City is well positioned to respond to future challenges while continuing to deliver a high quality of life for residents and businesses.



VOLUNTEERS WORKING HARD AT GARDEN CITY PARK REMOVING INVASIVE BLACKBERRY BUSHES

2025 Awards

A measurement of the City's success in achieving its goals are the honours and recognition from our peers and others. In 2025, Richmond again received numerous international, national and provincial awards recognizing our commitment to excellence and innovation.



OUTDOOR GROUP FITNESS AT THOMPSON COMMUNITY CENTRE—PART OF WHAT EARNED RICHMOND THE TITLE OF CANADA'S MOST ACTIVE COMMUNITY

Leading the way in active living

Richmond was named Canada's Most Active Community in the 2025 ParticipACTION Community Challenge, ranking first among hundreds of communities nationwide. The award recognizes the City's commitment to promoting physical activity and the strong collaboration between the City and its many community partners. In June alone, more than 1,000 programs and events engaged over 413,000 participants, supporting health, well-being and community connection. ParticipACTION encourages Canadians to sit less and move more through national programs, research and community-based initiatives.



PARTICIPATION'S DIANA DAMPIER (L) AND NOVO NORDISK'S LISA MCWHINNIE (R) PRESENT MAYOR MALCOLM BRODIE WITH A CHEQUE TO RECOGNIZE RICHMOND AS CANADA'S MOST ACTIVE COMMUNITY

Building a low-carbon future

Richmond was recognized with the Public Sector Leadership Award at the 2025 BC Embodied Carbon Awards for its Embodied Carbon Industry Engagement Program. The program demonstrates systems-level leadership in advancing low-carbon construction by bringing together more than 550 industry and government participants to share knowledge, pilot innovative approaches and accelerate the adoption of circular building practices. The awards were presented by the Carbon Leadership Forum BC and Zero Emissions Innovation Centre, organizations that support the transition to low-carbon construction and climate solutions across British Columbia.



CITY CENTRE RESIDENTS RECEIVE HEATING AND COOLING FROM A LOW-CARBON AIR-SOURCE HEAT PUMP THAT IS PART OF THE CITY CENTRE DISTRICT ENERGY UTILITY

Powering sustainable energy solutions

The City received the 2025 Energy Project of the Year Award for Canada from the Association of Energy Engineers and was also named International Runner-up for Project of the Year. The recognition highlights the City Centre District Energy Utility expansion project for delivering long-term community benefits through improved energy efficiency, reduced greenhouse gas emissions and progress toward net-zero emissions.

Advancing digital innovation


Richmond received a CIO Canada Award for MyRichmond, recognizing leadership in digital transformation and innovation. The platform enhances access to City services by integrating multiple functions into a single, user-friendly system, improving how residents interact with municipal programs and services. The award was presented by the CIO Association of Canada, which recognizes excellence in information technology leadership and organizational innovation.



Designing exceptional public spaces

The City received the 2025 Parks Excellence Award from the BC Recreation and Parks Association for the redeveloped Minoru Park – Lakes District. The award recognizes outstanding park design that incorporates natural elements, sustainability and community-focused amenities, transforming the space into a vibrant and accessible destination for residents and visitors.





Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**City of Richmond
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2024

Christopher P. Morrell
Executive Director/CEO

Report from the General Manager, Finance and Corporate Services

Mayor Malcom Brodie and Members of Richmond City Council, I am pleased to submit the Consolidated Financial Statements and Auditors' Report for the fiscal year ended December 31, 2025, for the City of Richmond, pursuant to Section 98 and 167 of the Community Charter. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Preparation of the financial statements is management's responsibility.

KPMG LLP was appointed by City Council to independently audit the City's consolidated financial statements. They have expressed an opinion that the City's consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Richmond as at December 31, 2025, and its consolidated results of operations, its changes in net consolidated financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

These financial statements combine the accounts of the City of Richmond, Richmond Olympic Oval and Richmond Public Library (collectively referred to as the "City"), as well as the City's investment in Lulu Island Energy Company, which is accounted for as a Government Business Enterprise.

Consolidated Statement of Financial Position (in \$000s)

	2025 Actual	2024 Actual	Change
Financial Assets	\$1,958,897	\$1,944,281	\$14,616
Liabilities	744,127	731,813	12,314
Net Financial Assets	1,214,770	1,212,468	2,302
Non-Financial Assets	3,001,703	2,852,079	149,624
Accumulated Surplus	\$4,216,473	\$4,064,547	\$151,926

The City's overall financial position improved by \$151.9 million, with accumulated surplus (similar to net worth of a corporation) totaling \$4.2 billion. A significant part of this increase is due to additions to capital assets and transfers to the statutory reserves for future capital improvements.

The City's cash and investments are \$1.8 billion, while long-term debt decreased by \$3.6 million due to the reduction of the loan for the ongoing construction of the Steveston Community Centre and Library. Meanwhile, the City's tangible capital assets increased by \$149.7 million, which includes \$32.3 million of in-kind contributions from development as conditions of rezoning.

Statutory Reserves (in \$000s)

	2021	2022	2023	2024	2025
Total Reserves	\$647,209	\$703,184	\$789,710	\$892,736	\$906,575

Statutory reserves are established by Bylaw for specific purposes, mainly capital expenditures.

The increase in the balance to \$906.6 million is mainly attributable to the timing of these capital expenditures. There are several facility construction projects approved, including strategic land acquisitions, West Richmond Pavilion, Works Yard Replacement, Britannia Shipyards and the Phoenix Net Loft, that have reserve funds allocated but have not been spent as of the reporting date December 31, 2025.

Council's Long Term Financial Management Strategy ensures reserves are managed prudently by safeguarding the existing level of annual transfers from the City's utility and operating budgets. It also increases the annual transfer to the Capital Building and Infrastructure Reserve by 1% of the property tax base to address funding gaps, inflation and increased community needs. The total of all contributions since the adoption of the Long Term Financial Management Strategy to 2025 is \$241.2 million, which has been applied to the construction of various community safety facilities, including firehalls and police stations, as well as other community facilities that support the needs of the growing community.

Consolidated Statement of Operations (in \$000s)

	2025 Budget	2025 Actual	2024 Actual
Revenue	\$780,461	\$784,802	\$814,484
Expenses	664,354	632,876	581,469
Annual Surplus	\$116,107	\$151,926	\$233,015

The City's consolidated revenue for the year totaled \$784.8 million, a decrease of \$29.7 million from 2024, mainly due to a \$56.6 million decrease in development cost charges related to significant parkland acquisition that occurred in 2024. This was partially offset by increases in the taxation and utility fees due to rate increases.

Expenses increased by \$51.4 million from the prior year mainly due to regional district utility charges, wages related to new collective agreement rates, non-capital project costs related to active capital projects and increased contract costs.

The annual consolidated surplus for 2025 was \$151.9 million, including an operating surplus of \$8.3 million. The remainder of the annual surplus represents the change in investment in tangible capital assets, reserves and other items in accumulated surplus.

Budget Variance

Consolidated revenue of \$784.8 million exceeded budgeted revenue by \$4.3 million mainly due to:

- \$31.5 million in investment income due to higher investment rates, with the majority of this variance transferred to reserves in accordance with the Community Charter requirements.
- \$12.7 million in other revenue mainly due to unbudgeted recoveries on rental properties and donations.
- \$7.1 million in payments-in-lieu of taxes due to contributions received from Federal and Provincial entities.
- (\$50.0) million unfavourable variance in other capital funding sources mainly due to lower than estimated contributed assets and road dedications received from development activity.

Consolidated expenses of \$632.9 million were lower than budgeted by \$31.5 million. The main variances include:

- \$23.1 million in planning and development mainly due to the timing of contributions to housing projects that vary with externally controlled milestones, including the awarded \$35.9 million Housing Accelerator Fund grant.
- \$10.9 million in community safety mainly due to policing contract costs being less than budgeted resulting from the number of officers available and billed.

The City's consolidated annual surplus of \$151.9 million exceeded the budgeted annual surplus of \$116.1 million by \$35.8 million, prior to transfers to reserves and other accumulated surplus.

Year over year change

Consolidated revenue of \$784.8 million decreased by \$29.7 million from 2024 mainly due to:

- \$56.6 million decrease in development cost charges primarily due to the timing of capital expenditures for parkland acquisition in 2024, as the revenue from development cost charges is recognized when the amounts are spent.
- \$7.7 million decrease in investment income due to the lower interest rate.
- \$19.6 million increase in taxation and levies due to the approved tax rate increase and new growth in the tax assessment base.
- \$18.7 million increase in user fees mainly due to approved utility fee rate increases to recover higher Metro Vancouver costs, and to fund infrastructure upgrades, including the North Shore Wastewater Treatment Plant.

Consolidated expenses of \$632.9 million increased by \$51.4 million over 2024 mainly due to:

- \$21.9 million increase in utilities due to higher Metro Vancouver charges, including debt levy increases for the North Shore Wastewater Treatment Plant and increased water purchase costs, higher labour costs due to the new collective agreement and filling vacant positions.
- \$11.6 million increase in general government mainly due to increased labour costs in accordance with collective agreements, additional property costs due to new acquisitions and higher contract costs.
- \$9.3 million increase in parks, recreation and culture mainly due to non-capital costs related to active capital projects, Steveston Harbour dredging costs, collective agreement wage increases and filling vacant positions.
- \$7.9 million increase in community safety mainly due to the increased policing contract and E-Comm costs, wage increases and filling vacant positions.

Financial Sustainability

The City's consolidated financial position improved in 2025 as it continued to see significant returns on its investments. The guiding principles of Council's Long Term Financial Management Strategy continue to support the City in achieving its long-term goals and maintaining ongoing financial sustainability to deliver on Council priorities.

Respectfully submitted,



Jerry Chong, CPA, CA
General Manager, Finance and Corporate Services
May 12, 2026

City of Richmond audited financial statements

Year ended December 31, 2025



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Vancouver, BC V7Y 1K3
Canada
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Fax 604 691 3031

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the City of Richmond

Opinion

We have audited the consolidated financial statements of the City of Richmond (the "City"), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2025, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

The logo for KPMG LLP, featuring the letters 'KPMG' in a bold, sans-serif font, followed by 'LLP' in a smaller font. A horizontal line is drawn underneath the text.

Chartered Professional Accountants

Vancouver, Canada
May 12, 2026

CITY OF RICHMOND

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

December 31, 2025, with comparative information for 2024

	2025	2024
Financial Assets		
Cash and cash equivalents (note 3)	\$ 196,692	\$ 199,381
Investments (note 3)	1,595,351	1,590,310
Investment in Lulu Island Energy Company ("LIEC") (note 4)	42,174	39,855
Accrued interest receivable	21,582	22,681
Accounts receivable (note 5)	51,473	45,887
Taxes receivable	31,784	27,123
Development fees receivable (note 11)	18,000	18,084
Debt reserve fund - deposits (note 6)	960	960
Loans receivable (note 7)	881	-
	1,958,897	1,944,281
Liabilities		
Accounts payable and accrued liabilities (note 8)	106,930	125,784
Asset retirement obligations (note 9)	11,512	11,120
Post-employment benefits (note 10)	38,105	37,397
Development cost charges (note 11)	242,462	226,012
Deposits and holdbacks (note 12)	172,405	161,822
Deferred revenue (note 13)	87,258	80,586
Debt, net of sinking fund deposits (note 14)	85,455	89,092
	744,127	731,813
Net financial assets	1,214,770	1,212,468
Non-Financial Assets		
Tangible capital assets (note 15)	2,990,613	2,840,927
Inventory of materials and supplies	4,786	5,759
Prepaid expenses	6,304	5,393
	3,001,703	2,852,079
Accumulated surplus (note 16)	\$ 4,216,473	\$ 4,064,547

Contingent demand notes (note 6)
Contingent assets and contractual rights (note 19)
Commitments and contingencies (note 20)

See accompanying notes to consolidated financial statements.

Approved on behalf of Council:



General Manager, Finance and Corporate Services

CITY OF RICHMOND

Consolidated Statement of Operations
(Expressed in thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (notes 2(p) and 25)	2025	2024
Revenue:			
Taxation and levies (note 21)	\$ 327,170	\$ 337,668	\$ 318,093
Utility fees	172,472	169,506	150,823
Sales of services	61,378	59,692	57,450
Payments-in-lieu of taxes (note 21)	15,001	22,052	20,054
Provincial and federal contributions	31,396	27,708	22,048
Development cost charges (note 11)	16,747	13,826	70,450
Other capital funding sources	83,619	33,640	31,237
Other revenue:			
Investment income	30,636	62,123	69,853
Gaming revenue	11,500	11,390	11,971
Licences and permits	14,014	15,822	19,856
Other (note 22)	16,313	29,056	39,892
Equity income in LIEC (note 4)	215	2,319	2,757
	780,461	784,802	814,484
Expenses:			
Law and community safety	171,545	160,652	152,746
Utilities: flood, sanitation, sewer and water	167,715	166,501	144,647
Parks, recreation and culture	86,660	87,504	78,173
General government	81,950	86,185	74,564
Engineering, transportation, public works and project development	78,284	77,996	71,322
Planning and development	44,179	21,045	27,427
Richmond Olympic Oval	20,963	19,933	20,351
Richmond Public Library	13,058	13,060	12,239
	664,354	632,876	581,469
Annual surplus	116,107	151,926	233,015
Accumulated surplus, beginning of year	4,064,547	4,064,547	3,831,532
Accumulated surplus, end of year	\$ 4,180,654	\$ 4,216,473	\$ 4,064,547

See accompanying notes to consolidated financial statements.

CITY OF RICHMOND

Consolidated Statement of Changes in Net Financial Assets (Expressed in thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (notes 2(p) and 25)	2025	2024
Annual surplus for the year	\$ 116,107	\$ 151,926	\$ 233,015
Acquisition of tangible capital assets	(157,061)	(194,697)	(187,379)
Contributed tangible capital assets	(62,803)	(32,256)	(31,065)
Amortization of tangible capital assets	74,070	76,492	71,703
Asset retirement obligation	-	(170)	(103)
Net loss (gain) on disposal of tangible capital assets	-	433	(2,514)
Proceeds on sale of tangible capital assets	-	512	3,333
	(29,687)	2,240	86,990
Acquisition of inventory of materials and supplies	-	(4,786)	(5,759)
Acquisition of prepaid expenses	-	(6,304)	(5,393)
Consumption of inventory of materials and supplies	-	5,759	6,146
Use of prepaid expenses	-	5,393	4,909
Change in net financial assets	(29,687)	2,302	86,893
Net financial assets, beginning of year	1,212,468	1,212,468	1,125,575
Net financial assets, end of year	\$ 1,182,781	\$ 1,214,770	\$ 1,212,468

See accompanying notes to consolidated financial statements.

CITY OF RICHMOND

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

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 151,926	\$ 233,015
Items not involving cash:		
Amortization of tangible capital assets	76,492	71,703
Asset retirement obligation	222	(876)
Net loss (gain) on disposal of tangible capital assets	433	(2,514)
Contributions of tangible capital assets	(32,256)	(31,065)
Equity income in LIEC	(2,319)	(2,757)
Changes in non-cash operating working capital:		
Accrued interest receivable	1,099	3,933
Accounts receivable	(5,586)	(10,820)
Taxes receivable	(4,661)	(6,590)
Development fees receivable	84	2,215
Loans receivable	(881)	-
Inventory of materials and supplies	973	387
Prepaid expenses	(911)	(484)
Accounts payable and accrued liabilities	(18,854)	22,550
Post-employment benefits	708	(484)
Development cost charges	16,450	(15,622)
Deposits and holdbacks	10,583	13,084
Deferred revenue	6,672	5,229
Net change in cash from operating activities	200,174	280,904
Capital activities:		
Cash used to acquire tangible capital assets	(194,697)	(187,379)
Proceeds on disposal of tangible capital assets	512	3,333
Net change in cash from capital activities	(194,185)	(184,046)
Financing activities:		
Repayments of debt	(3,637)	(9,537)
Debt reserve fund	-	508
Net change in cash from financing activities	(3,637)	(9,029)
Investing activities:		
Purchase of investments	(5,041)	(209,927)
Net change in cash from investing activities	(5,041)	(209,927)
Decrease in cash and cash equivalents	(2,689)	(122,098)
Cash and cash equivalents, beginning of year	199,381	321,479
Cash and cash equivalents, end of year	\$ 196,692	\$ 199,381
Non-cash transactions, related to asset retirement obligations:		
Tangible capital asset additions	\$ 170	\$ 103

See accompanying notes to consolidated financial statements.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

1. Operations:

The City of Richmond (the "City") is incorporated under the *Local Government Act* of British Columbia. The City's principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, infrastructure, environmental, recreational, water, sewer and drainage.

2. Significant accounting policies:

These consolidated financial statements of the City have been prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

(a) Basis of consolidation:

These consolidated financial statements reflect a combination of the City's General Revenue, General Capital and Loan, Waterworks and Sewerworks and Reserve Funds consolidated with the Richmond Public Library Board (the "Library") and the Richmond Olympic Oval Corporation (the "Oval"). The Library is consolidated as the Library Board is appointed by the City. The Oval is consolidated as they are a wholly-owned municipal corporation of the City. Interfund and inter-entity transactions, fund balances and activities have been eliminated on consolidation. The City's investment in Lulu Island Energy Company ("LIEC"), a wholly-owned government business enterprise ("GBE"), is accounted for using the modified equity method.

(i) General Revenue Fund:

This fund is used to account for the current operations of the City as provided for in the Annual Budget, including collection of taxes, administering operations, policing and servicing general debt.

(ii) General Capital and Loan Fund:

This fund is used to record the City's tangible capital assets and work-in-progress, including engineering structures such as roads and bridges, and the related 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 tangible capital assets and debt.

(iv) Reserve Funds:

Certain funds are established by bylaws for specific purposes. They are funded primarily by budgeted contributions from the General Revenue Fund and developer contributions plus interest earned on fund balances.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

2. Significant accounting policies (continued):

(b) Basis of accounting:

The City follows the accrual method of accounting for revenue and expenses. Revenues are normally recognized in the year in which they are earned. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

(c) Government transfers:

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

(d) Financial instruments:

Financial instruments include cash and cash equivalents, investments, accounts receivables, loans receivables, development fees receivables, accounts payable and accrued liabilities and debt.

Financial instruments are recorded at fair value on initial recognition. Equity instruments quoted in an active market and derivatives are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently recorded at cost or amortized cost unless management elects to carry the financial instrument at fair value. The City has not elected to carry any other financial instruments at fair value.

Unrealized changes in fair value are recognized in the Consolidated Statement of Remeasurement Gains and Losses. They are recorded in the Consolidated Statement of Operations when they are realized. There are no unrealized changes in fair value as at December 31, 2025 and December 31, 2024. As a result, the City does not have a Consolidated Statement of Remeasurement Gains and Losses.

Transaction costs incurred on the acquisition of financial instruments are recorded at cost and expensed as incurred.

Sales and purchases of investments are recorded on the trade date.

Accounts receivables, development fees receivable, investments, accounts payable and accrued liabilities and debt are measured at amortized cost using the effective interest rate method.

Concessionary loans are recorded at net present value at issue and related present value discounts are expensed. The loan discount amortization is recorded to revenue using the effective interest rate method over the term of the loan. Valuation allowances are made when collectability is considered doubtful. Interest is accrued on loans receivable only when collection is certain.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

2. Significant accounting policies (continued):

(d) Financial Instruments (continued):

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the Consolidated Statement of Operations.

(e) Cash and cash equivalents:

Cash and cash equivalents consist of cash, highly liquid money market investments and short-term investments with maturities of less than 90-days from date of acquisition.

(f) Investment in government business enterprises:

Government business enterprises are recorded using the modified equity method of accounting. The City's investment in the GBE is recorded as the value of the GBE's shareholder's equity. The investment's income or loss is recognized by the City when it is earned by the GBE. Inter-organizational transactions and balances are not eliminated, except for any gains or losses on assets remaining within the City.

(g) Accounts receivable and development fees receivable:

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

(h) Development cost charges:

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

(i) Post-employment benefits:

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, contributions are expensed as incurred.

Post-employment benefits also accrue to the City's employees. The liabilities related to these benefits are actuarially determined based on service and best estimates of retirement ages, expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits prorated as employees render services necessary to earn the future benefits.

(j) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

2. Significant accounting policies (continued):

(j) Non-financial assets (continued):

(i) Tangible capital assets:

Tangible capital assets are initially recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the assets. The cost, less estimated residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings and building improvements	10 - 75
Infrastructure	5 - 100
Vehicles, machinery and equipment	3 - 40
Library's collections, furniture and equipment	4 - 20

Amortization is charged over the asset's useful life commencing when the asset is acquired. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Natural resources, works of art, and cultural and historic assets:

Natural resources, works of art and cultural and historic assets are not recorded as assets in the consolidated financial statements.

(iv) Interest capitalization:

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

(v) Labour capitalization:

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

(vi) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

2. Significant accounting policies (continued):

(j) Non-financial assets (continued):

(vii) Impairment of tangible capital assets:

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Consolidated Statement of Operations.

(viii) Inventory of materials and supplies:

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

(k) Revenue recognition:

(i) Property taxes, penalties and interest:

The Community Charter provides the City with the ability to impose and enforce collection of property taxes and levies. Tax revenues are recognized when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual property tax levies and payments-in-lieu of taxes are recorded as taxes for municipal services in the year which they are levied. The British Columbia Assessment Authority's ("BCAA") appeal process may affect current year property assessments by supplementary roll adjustments. Adjustments on taxes are recognized in the year when the appeals are settled.

Property taxes collected in advance of the taxation year to which it relates are recorded in deferred revenue. Amounts collected on behalf of other governments and entities are recorded in the City's consolidated financial statements on a net basis.

The City is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied

(ii) Licence and development fees:

Revenue from building and development permits and rezoning fees received in advance of services are provided, is initially deferred and recognized as the performance obligations are fulfilled. The nature of the permit determines the number and type of performance obligation and when the revenue is recognized.

(A) Single performance obligation:

When a permit includes a single performance obligation, revenue is recognized at the time the performance obligation is fulfilled, being either issuance or completion of the permit.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

2. Significant accounting policies (continued):

(k) Revenue recognition (continued):

(ii) Licence and development fees (continued):

(B) Multiple performance obligations:

For permits with multiple performance obligations, the first performance obligation is the issuance of the permit, subsequent performance obligations include activities such as inspections or compliance related tasks. Revenue is recognized as each performance obligation is fulfilled. When multiple performance obligations exist, revenue is allocated between the performance obligations based on the estimated cost to satisfy each performance obligation.

(iii) Cost recoveries:

Fees from sewer and water connection permits are initially deferred and subsequently recognized as revenue when the installation of the connection is completed.

(iv) Donations:

Donations for specified purposes are recognized when the related expenditures are incurred. Unrestricted donations are recognized when the donation is received.

(v) Restricted non-government grants:

Grants from non-government sources with externally imposed restrictions are recognized as revenue when spent in accordance with the funder's specified purpose or when the restriction is fulfilled.

(vi) Development cost charges ("DCC's"):

The City collects development cost charges in accordance with Council-approved bylaws to finance growth-related projects including parks and engineering infrastructure, which includes roads, drainage, sewer and water. DCC's must be spent on projects within defined area boundaries and are recognized as revenue as Council approved expenditures are incurred.

(vii) Prepaid leases:

The City has land leases with terms ranging from 3 to 99 years, some of which have been prepaid. These amounts are recognized as revenue on a straight-line basis over the lease term.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

2. Significant accounting policies (continued):

(k) Revenue recognition (continued):

(viii) Capital contributions, government transfers:

Contributions are recognized as revenue as the related expenditures are incurred. Restricted transfers from governments are initially deferred and subsequently recognized as revenue as the related expenditures are incurred or the stipulations in the related agreement are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

(ix) All other revenues:

Unilateral transactions are recognized as revenue when the City has the authority to retain the inflow of economic resources and identifies a past transaction or event giving rise to an asset. Exchange transactions are recognized as revenue when the City's performance obligation, which is usually to provide goods and/or services, is fulfilled.

(l) Taxes and Payments-in-lieu of taxes:

Property tax rates are calculated based on assessment values provided by the BCAA and are approved annually by Council. Assessment values are determined as of July 1 of each year.

Payments in Lieu of Taxes ("PILT") for federal properties are calculated based on values and rates which would apply if these properties were taxable. The annual tax rates together with the assessed value on the Grant Roll are used to calculate the PILT levy. The PILT revenue is recorded when the payment is received.

(m) Deferred revenue:

The City defers a portion of the revenue collected from permits, licences and other fees and recognizes this revenue in the year in which related performance obligations are met, other related expenses are incurred or services are provided.

Deferred revenue also represents funds received from external parties for specified purposes. This revenue is recognized in the period in which the related expenses are incurred.

(n) Deposits:

Receipts restricted by the legislation of senior governments or by agreement with external parties are deferred and reported as deposits and are refundable under certain circumstances. When qualifying expenses are incurred, deposits are recognized as revenue at amounts equal to the qualifying expenses.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

2. Significant accounting policies (continued):

(o) Debt:

Debt is recorded net of related sinking fund balances.

(p) Budget information:

Budget information, presented on a basis consistent with that used for actual results, was included in the City's Consolidated 5 Year Financial Plan (2025-2029) ("Consolidated Financial Plan") and was adopted through Bylaw No. 10622 on January 27, 2025.

(q) Contaminated sites:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material of live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The City is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

(r) Use of accounting estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of these consolidated financial statements and the reported amount of revenue and expenditures during the reporting period. Areas requiring the use of management estimates relate to performing the actuarial valuation of employee future benefits, the value of contributed tangible capital assets, the value of developer contributions, the value of asset retirement obligations, useful lives for amortization, determination of provisions for accrued liabilities, allowance for doubtful accounts and provision for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

2. Significant accounting policies (continued):

(s) Segment disclosures:

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City has provided definitions of segments as well as presented financial information in segment format.

(t) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The City's asset retirement obligations includes the removal for asbestos and lead in buildings, removal of fuel tanks owned by the City and end-of-life decommissioning costs for certain leases.

Measurement of the asset retirement obligation is recorded at the best estimate of the expenditures required to retire a tangible capital asset. Where available, assessment reports are used with experience and expert advice to determine the liability. The resulting costs are capitalized as part of the carrying amount of the related tangible capital asset that are in productive use. The cost is amortized over the useful life of the tangible capital asset (Note 2 (j)(i)). If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

The carrying value of the liability is reviewed at each financial reporting date and adjusted for any revisions to the timing or amount required to settle the obligation. Changes in the liability due to the passage of time are recorded as an accretion expense in the Consolidated Statement of Operations and all other changes are adjusted to the tangible capital asset. Recoveries related to asset retirement obligations are recognized when the recovery can be appropriately measured, a reasonable estimate of the amount can be made and it is expected that future economic benefits will be obtained. A recovery is recognized on a gross basis from the asset retirement obligations liability.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

3. Cash, cash equivalents and investments:

	2025	2024
Cash and cash equivalents	\$ 196,692	\$ 199,381
Investments:		
Deposits	444,147	489,091
Government and government guaranteed bonds	719,664	755,104
Bank bonds	408,924	333,646
Municipal Finance Authority bonds	12,473	12,469
Municipal Finance Authority pooled investment fund	10,143	-
	1,595,351	1,590,310
Total cash, cash equivalents and investments	\$ 1,792,043	\$ 1,789,691

	2025	2024
Unrestricted operating, appropriated surplus and reserve funds	\$ 470,601	\$ 509,121
Restricted statutory and development cost charge reserve funds	1,149,037	1,118,748
Deposits and holdbacks	172,405	161,822
Total cash, cash equivalents and investments	\$ 1,792,043	\$ 1,789,691

Average investment portfolio yield is 4.01% (2024 - 4.33%). The average total cash, cash equivalents and investment portfolio yield is 3.92% (2024 - 4.48%).

The City has available a revolving credit facility up to a maximum of \$15,000,000 which bears interest at an annual rate of bank prime less 0.50% per annum, with standby letters of credit up to a maximum of \$500,000 for its ongoing operating requirements. The City also has available a revolving credit facility of \$4,500,000 which bears interest at an annual rate of the bank's leasing base rate plus 0.60% per annum for its ongoing capital requirements. The City also has available a commercial card credit facility of \$2,000,000, with overdue payment subject to an annual rate of bank prime plus 12%. No amounts are outstanding under these banking facilities as of December 31, 2025 or December 31, 2024.

4. Investment in Lulu Island Energy Company Ltd.:

The City owns 100% of the issued and outstanding shares of LIEC, which was incorporated under the British Columbia Business Corporations Act on August 19, 2013. LIEC develops, manages and operates district energy utilities in the City of Richmond, on the City's behalf, including but not limited to energy production, generation or exchange, transmission, distribution, maintenance, marketing and sales to customers, customer service, profit generation, financial management and advisory services for energy and infrastructure.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

4. Investment in Lulu Island Energy Company Ltd. (continued):

Summarized financial information relating to LIEC, prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, is as follows:

	2025	2024
Cash, cash equivalents, and investments	\$ 22,438	\$ 21,305
Accounts receivable	4,379	4,385
Tangible capital assets	87,427	58,128
Total assets	114,244	83,818
Deferred contributions	39,107	22,789
Project agreement	29,527	19,283
Accounts payable and accrued liabilities	1,940	1,291
Government grants	1,360	514
Post-employment benefits	136	86
Total liabilities	72,070	43,963
Shareholder's equity	\$ 42,174	\$ 39,855
Total revenue	\$ 11,364	\$ 9,760
Total expenses	9,045	7,003
Net income	\$ 2,319	\$ 2,757

Included in accounts payable and accrued liabilities in the City's Consolidated Statement of Financial Position are payables to LIEC in the amount of \$187,181 (2024 - \$166,301).

On September 22, 2022, the LIEC entered into a new concession project agreement with City Centre Energy Limited Partnership ("Project Contractor") to design, build, finance, operate and maintain City Centre District Energy Utility infrastructure providing heating and cooling services to new residential and mixed-use commercial developments within the City Centre area. The Project Contractor is a wholly owned subsidiary of Corix District Energy Holdings GP Inc.

5. Accounts receivable:

	2025	2024d
Water and sewer utilities	\$ 20,073	\$ 17,903
Grants	18,167	12,728
Trade receivables	5,369	6,877
Casino revenue	2,819	2,918
Airport policing	2,429	3,622
Other receivables	2,616	1,839
	\$ 51,473	\$ 45,887

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

6. Debt reserve fund deposits and contingent demand notes:

The City issues its debt instruments through the Municipal Finance Authority (the "MFA"). As a condition of these borrowings, a portion of the debt proceeds is withheld by the MFA in a Debt Reserve Fund. The City also executes demand notes in connection with each debt whereby the City may be required to loan certain amounts to the MFA. These demand notes are contingent in nature and are not reflected in the City's accounts. The details of the cash deposits and contingent demand notes at December 31, 2025 are as follows:

	Cash deposits	Contingent demand notes
General Revenue Fund	\$ 960	\$ 2,701

7. Loans receivable:

In 2025, the City entered into a concessionary loan agreement with the Richmond Caring Place Society (the "Society") for facility repairs. The Society received funding in the amount of \$1,300,000 to be repaid through equal monthly payments over the 20-year loan term. Payments of interest will not be required unless there is a default, which would result in interest being payable at the Prime Rate on the outstanding principal. The City holds security in the amount of \$65,000 and has the right to terminate the land occupancy lease in the event of default. The loan receivable is recorded at present value using the City's long-term borrowing rate at the loan date of 4.08%. The 2025 valuation allowance is \$nil.

	2025	2024
Construction loan	\$ 881	\$ -

8. Accounts payable and accrued liabilities:

	2025	2024
Trade and other accounts payable	\$ 59,519	\$ 81,520
Property tax payable	25,193	23,138
Payroll accrual	22,218	21,126
	\$ 106,930	\$ 125,784

CITY OF RICHMOND

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(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

9. Asset retirement obligations:

The City's asset retirement obligation consists of the following obligations:

- (a) **Asbestos and Lead Obligation:** Once disturbed, the City has a legal obligation to properly remove and dispose of asbestos and lead. As such, asset retirement obligations have been recognized for various City buildings that are known and/or suspected of containing asbestos and lead.
- (b) **Fuel Tank Obligation:** The City has a legal obligation to adhere to particular practices when removing aboveground storage tanks and underground storage tanks. Asset retirement obligations have been recognized for all known land or buildings where an aboveground storage tank and underground storage tank is known to exist.
- (c) **Contractual Obligation:** The City is party to various contracts and agreements with entities that dictate various end-of life decommissioning activities associated with properties the City is leasing. Asset retirement obligations have been recognized for the estimated cost of adhering to these contracts.

The City has recognized liabilities related to the legal obligations to incur costs to retire a tangible capital asset. A significant part of the City's asset retirement obligations result from the removal and disposal of designated materials from buildings and fuel tanks. The City estimates that the majority of the obligations will be paid during fiscal years 2048 to 2073.

	2025	2024
Asset retirement obligation, opening balance	\$ 11,120	\$ 11,893
Accretion expense during the year	222	195
Asset retirement obligation recorded during the year	170	103
Asset retirement obligation expenditure incurred during the year	-	(1,059)
Asset retirement obligation settled during the year	-	(12)
Asset retirement obligation, closing balance	\$ 11,512	\$ 11,120

When significant obligations have reliable cash flow projections, the liability may be estimated using the present value of future cash flows, otherwise, they are recorded at current costs. The discount rate used reflects the risks specific to the asset retirement liability. The discount rate used for 2025 is 4.40% (2024 - 4.30%). There are no liabilities recorded using the present value of future cash flows at December 31, 2025 (2024 - \$nil).

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

10. Post-employment benefits:

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

	2025	2024
Accrued benefit obligation, beginning of year	\$ 35,147	\$ 34,813
Current service cost	2,537	2,514
Interest cost	1,514	1,463
Past service (credit) / cost	(442)	411
Benefits paid	(2,812)	(4,056)
Actuarial loss	2,952	2
Accrued benefit obligation, end of year	\$ 38,896	\$ 35,147

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2025. The actuarial gain (loss) is being amortized over a period equal to the employees' expected average remaining service lifetime of 11 years (2024 - 11 years).

	2025	2024
Accrued benefit obligation, end of year	\$ 38,896	\$ 35,147
Unamortized net actuarial (loss) gain	(791)	2,250
Accrued benefit liability, end of year	\$ 38,105	\$ 37,397

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

	2025	2024
Discount rate	4.40%	4.30%
Expected future inflation rate	2.50%	2.50%
Expected wage and salary range increases	2.50% to 3.00%	2.50% to 3.00%

11. Development cost charges:

	2025	2024
Balance, beginning of year	\$ 226,012	\$ 241,634
Contributions	21,463	44,832
Interest	8,813	9,996
Revenue recognized	(13,826)	(70,450)
Balance, end of year	\$ 242,462	\$ 226,012

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

11. Development cost charges (continued):

	2025	2024
Drainage	\$ 74,804	\$ 65,486
Parks acquisition	4,877	4,867
Parks development	17,598	17,579
Roads	90,588	86,308
Sanitary sewer	41,869	39,498
Water	12,726	12,274
Balance, end of year	\$ 242,462	\$ 226,012

Development cost charges are comprised of restricted cash, cash equivalents and investments of \$224,462,425 (2024 - \$207,928,660) and restricted development fees receivable of \$18,000,063 (2024 - \$18,083,640).

12. Deposits and holdbacks:

	Balance December 31, 2024	Deposit contributions / interest earned	Refund / expenditures	Balance December 31, 2025
Security deposits	\$ 138,835	\$ 16,097	\$ (8,774)	\$ 146,158
Developer contributions	8,091	83	(406)	7,768
Damage deposits	6,527	(114)	1,037	7,450
Contract holdbacks	4,708	6,939	(4,448)	7,199
Other	3,661	289	(120)	3,830
	\$ 161,822	\$ 23,294	\$ (12,711)	\$ 172,405

13. Deferred revenue:

	Balance December 31, 2024	Externally restricted inflows	Revenue earned	Balance December 31, 2025
Taxes and utilities	\$ 33,197	\$ 34,805	\$ (33,197)	\$ 34,805
Grants	19,921	29,023	(22,172)	26,772
Building permits/development	17,322	3,393	(6,722)	13,993
Oval	2,893	15,311	(15,612)	2,592
Parking easement/leased land	2,535	100	(56)	2,579
Licences	843	2,160	(1,631)	1,372
Other	3,875	7,362	(6,092)	5,145
	\$ 80,586	\$ 92,154	\$ (85,482)	\$ 87,258

CITY OF RICHMOND

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(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

14. Debt, net of MFA sinking fund deposits:

The City obtains debt instruments through the MFA pursuant to security issuing bylaws under authority of the Community Charter to finance certain capital expenditures.

Gross amount for the debt less principal payments and actuarial adjustments to date are as follows:

MFA issue	Loan authorization bylaw	Gross amount borrowed	Sinking fund	Net debt 2025	Net debt 2024
158	10334	\$ 96,000	\$ 10,545	\$ 85,455	\$ 89,092

Current borrowing includes:

MFA issue	Issue date	Term (years)	Maturity date	Interest rate	Refinancing date
158	September 23, 2022	20	September 23, 2042	4.09%	September 23, 2032

Interest expense incurred for the year on the long-term debt was \$3,926,400 (2024 - \$4,764,848).

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

2026	\$ 3,764
2027	3,895
2028	4,032
2029	4,173
2030	4,319
Thereafter	65,272
	\$ 85,455

15. Tangible capital assets:

Cost	Balance December 31, 2024	Additions and transfers	Disposals	Balance December 31, 2025
Land	\$ 1,285,310	\$ 56,588	\$ -	\$ 1,341,898
Building and building improvements	651,969	74,612	(3,132)	723,449
Infrastructure	2,034,574	69,305	(7,559)	2,096,320
Vehicles, machinery and equipment	196,125	18,125	(5,165)	209,085
Library's collections, furniture and equipment	12,784	951	(968)	12,767
Assets under construction	107,673	7,542	-	115,215
	\$ 4,288,435	\$ 227,123	\$ (16,824)	\$ 4,498,734

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

15. Tangible capital assets (continued):

Accumulated amortization	Balance December 31, 2024	Disposals	Amortization expense	Balance December 31, 2025
Building and building improvements	\$ 286,912	\$ (2,872)	\$ 24,373	\$ 308,413
Infrastructure	1,016,181	(7,316)	39,345	1,048,210
Vehicles, machinery and equipment	135,341	(4,723)	11,706	142,324
Library's collections, furniture and equipment	9,074	(968)	1,068	9,174
	\$ 1,447,508	\$ (15,879)	\$ 76,492	\$ 1,508,121

Net book value	December 31, 2025	December 31, 2024
Land	\$ 1,341,898	\$ 1,285,310
Buildings and building improvements	415,036	365,057
Infrastructure	1,048,110	1,018,393
Vehicles, machinery and equipment	66,761	60,784
Library's collection, furniture and equipment	3,593	3,710
Assets under construction	115,215	107,673
Balance, end of year	\$ 2,990,613	\$ 2,840,927

(a) Assets under construction:

Assets under construction having a value of \$115,215,211 (2024 - \$107,673,230) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The value of contributed assets received during the year is \$32,255,906 (2024 - \$31,065,021) comprised of land in the amount of \$11,285,873 (2024 - \$23,144,146), and infrastructure in the amount of \$15,166,753 (2024 - \$7,920,875) and building in the amount of \$5,803,280 (2024 - \$nil).

(c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

CITY OF RICHMOND

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(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

15. Tangible capital assets (continued):

(d) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including building, artifacts, paintings and sculptures located at City sites and public display areas. The assets are not recorded as tangible capital assets and are not amortized.

(e) Write-down of tangible capital assets:

There were no write-down of tangible capital assets in 2025 (2024 - \$nil).

16. Accumulated surplus:

	General and Reserve Funds	Waterworks Utility Fund	Sewerworks Utility Fund	Richmond Olympic Oval	Library	2025 Total	2024 Total
Investment in tangible capital assets	\$ 2,938,723	\$ -	\$ -	\$ 8,315	\$ 3,594	\$ 2,950,632	\$ 2,826,079
Reserves (note 17)	743,166	77,920	70,372	15,117	-	906,575	892,736
Appropriated surplus	250,780	18,685	11,695	989	2,720	284,869	273,054
Investment in LIEC	42,174	-	-	-	-	42,174	39,855
Surplus	18,530	1,113	6,653	770	494	27,560	27,215
Other equity	4,663	-	-	-	-	4,663	5,608
Balance, end of year	\$ 3,998,036	\$ 97,718	\$ 88,720	\$ 25,191	\$ 6,808	\$ 4,216,473	\$ 4,064,547

17. Reserves:

	Balance, December 31, 2025	Balance, December 31, 2024
Affordable housing	\$ 18,681	\$ 16,848
Arts, culture and heritage	4,457	4,310
Capital building and infrastructure	180,290	166,411
Capital reserve	305,735	337,547
Capstan station	22,174	21,468
Child care development	13,105	12,773
Community legacy and land replacement	1,929	1,800
Flood protection BL 7812 and BL 10403	80,651	71,177
Equipment replacement	32,654	31,390
Growing communities fund	21,705	21,528
Hamilton area plan community amenity	4,092	3,935
Leisure facilities	36,705	35,155
Local improvements	8,809	8,470
Neighborhood improvement	10,250	9,831
Oval	15,117	13,133
Public art program	5,652	5,302
Sanitary sewer BL 7812 and BL 10401	70,832	63,116
Solid waste	776	256
Steveston off-street parking	391	359
Steveston road ends	34	112
Transportation demand management	20	-
Waterfront improvement	199	195
Water supply BL 7812 and BL 10402	72,317	67,620
	\$ 906,575	\$ 892,736

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Year ended December 31, 2025

18. Pension plan:

The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan has about 273,000 (2024 - 256,000) active members and approximately 133,000 (2024 - 129,000) retired members. Active members include approximately 47,000 (2024 - 45,000) contributors from local governments. 1,943 (2024 - 1,902) of the City's employees are active members of the plan.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability. The most recent valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2027.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The City paid \$18,106,887 (2024 - \$17,271,458) for employer contributions while employees contributed \$15,875,142 (2024 - \$15,100,313) to the plan in fiscal 2025.

19. Contingent assets and contractual rights:

(a) Contingent assets:

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the City's control occurs or fails to occur.

The City has legal claims, service agreements, and land dedications that may qualify as contingent assets. Amounts cannot be estimated as of December 31, 2025. Contingent assets are not recorded in these consolidated financial statements.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

19. Contingent assets and contractual rights (continued):

(b) Contractual rights:

The City has entered into contracts or agreements in the normal course of operations that it expects will result in revenue and assets in future fiscal years. The City's contractual rights are comprised of leases, licences, grants and various other agreements, including the provision of police services with the Vancouver Airport Authority. The following table summarizes the expected revenue from the City's contractual rights:

2026	\$ 46,406
2027	9,152
2028	6,679
2029	5,514
2030	2,795
Thereafter	10,610

The City is entitled to receive revenue from certain other agreements. The revenue from these agreements cannot be quantified and has not been included in the amounts noted above.

20. Commitments and contingencies:

(a) Joint and several liabilities:

The City has a contingent liability with respect to debentures of the Greater Vancouver Water District, Greater Vancouver Sewerage and Drainage District and Metro Vancouver Regional District, to the extent provided for in their respective Enabling Acts, Acts of Incorporation and Amending Acts. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

(b) Lease payments:

The City is committed to operating lease payments for premises and equipment in the following approximate amounts:

2026	\$ 5,013
2027	3,078
2028	2,728
2029	1,354
2030	1,143
Thereafter	11,793

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

20. Commitments and contingencies (continued):

(c) Litigation:

As at December 31, 2025, there were a number of claims or risk exposures in various stages of resolution. The City has made no specific provision for those where the outcome is presently not determinable.

(d) Municipal Insurance Association of British Columbia ("Association"):

The City is a participant in the Association. Should the Association pay out claims in excess of premiums received, it is possible that the City, along with other participants, would be required to contribute towards the deficit. Management does not consider external payment under this contingency to be likely and therefore, no amounts have been accrued.

(e) Contractual obligation:

The City has entered into various contracts for services and construction with periods ranging beyond one year. These commitments are in accordance with budgets passed by Council.

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

The City is a shareholder of the E-Comm whose services provided include: regional 9-1-1 call centre for Metro Vancouver; Wide Area Radio network; dispatch operations; and records management. The City has 2 Class A shares and 1 Class B share (of a total of 37 Class A and 18 Class B shares issued and outstanding as at December 31, 2025). As a Class A shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date.

(g) Community associations:

The City has agreements with the various community associations which operate the community centers throughout the City. The City generally provides the buildings and grounds, pays the operating costs of the facilities, and provides certain staff and other services such as information technology. Typically, the community associations are responsible for providing programming and services to the community. The community associations retain all revenue which they receive. The City does not control the community associations, and their financial information is not included in the City's consolidated financial statements.

CITY OF RICHMOND

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Year ended December 31, 2025

21. Taxation and levies:

	2025	2024
Taxes collected:		
Property taxes	\$ 656,644	\$ 621,165
Payment-in-lieu of taxes and grants	38,968	35,264
Municipal and Regional District Tax ("MRDT")	9,276	9,315
Local improvement levies	74	74
	<u>704,962</u>	<u>665,818</u>
Less transfers to other authorities:		
Ministry of Education and Child Care, Province of British Columbia - school taxes	(255,460)	(247,616)
South Coast British Columbia Transportation Authority	(69,610)	(60,588)
Metro Vancouver Regional District	(12,133)	(11,701)
British Columbia Assessment Authority	(7,996)	(7,724)
Other	(43)	(42)
	<u>(345,242)</u>	<u>(327,671)</u>
Less payment-in-lieu of taxes retained by the City	(22,052)	(20,054)
	<u>\$ 337,668</u>	<u>\$ 318,093</u>

22. Other revenue:

	2025	2024
Penalties and fines	\$ 6,541	\$ 5,958
Recycle BC	4,964	3,326
Rental properties recoveries	3,959	1,601
Parking program	3,849	2,930
Oval - other revenue	2,633	2,712
Donations	2,581	60
Developer reserve contribution	2,572	15,967
Tangible capital assets gain on sale of land	-	3,008
Other	1,957	4,330
	<u>\$ 29,056</u>	<u>\$ 39,892</u>

CITY OF RICHMOND

Notes to Consolidated Financial Statements

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Year ended December 31, 2025

23. Government transfers:

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

	2025	2024
Operating:		
Government of British Columbia	\$ 19,967	\$ 16,650
Government of Canada	4,633	8,468
Capital:		
Government of British Columbia	13,196	7,099
Government of Canada	1,837	1,405
	\$ 39,633	\$ 33,622

24. Segmented reporting:

The City provides a wide variety of services to its residents. For segment disclosure, these services are grouped and reported under service areas/departments that are responsible for providing such services. They are as follows:

- (a) **Law and community safety** brings together the City's public safety providers such as police ("RCMP"), fire-rescue, emergency programs, and community bylaws along with sections responsible for legal and regulatory matters. It is responsible for ensuring safe communities by providing protection services with a focus on law enforcement, crime prevention, emergency response, protection of life and properties and legal services.
- (b) **Utilities** provide such services as planning, designing, constructing, operating, and maintaining the City's infrastructure of water and sewer networks, flood protection and sanitation and recycling.
- (c) **Engineering, transportation, public works and project development** comprises of general public works, roads and construction, fleet operations, engineering, transportation, project development and facility management. The services provided are construction and maintenance of the City's infrastructure and City owned buildings, maintenance of the City's road networks, managing and operating a mixed fleet of vehicles, heavy equipment and an assortment of specialized work units for the City operations, development of current and long-range engineering planning and construction of major projects.
- (d) **Parks, recreation and culture** comprises of parks, recreation, arts, and culture and heritage services. These departments ensure recreation opportunities in Richmond by maintaining a variety of facilities such as arenas, community centres, pools, etc. It designs, constructs and maintains parks and sports fields to ensure there is adequate open green space and sports fields available for Richmond residents. It also addresses the arts, culture and community issues that the City encounters.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

24. Segmented reporting (continued):

- (e) **General government** comprises of Mayor and Council, corporate administration, finance and corporate services. It is responsible for adopting bylaws, effectively administering city operations, levying taxes, providing sound management of human resources, information technology, finance and ensuring high quality services to Richmond residents.
- (f) **Planning and development** is responsible for land use plans, developing bylaws and policies for sustainable development in the City and includes the Housing Office which oversees the affordable housing strategies.
- (g) **Richmond Olympic Oval Corporation** is formed as a wholly owned subsidiary of the City. The City uses the Richmond Olympic Oval facility as a venue for a wide range of sports, business and community activities.
- (h) **Richmond Public Library** provides public access to information by maintaining five branches throughout the City.

	Law and Community safety	Utilities: Flood, sanitation, sewer and water	Parks, recreation and culture	General government	Engineering, transportation, public works and project development	Planning and development	Total city subtotal
Revenue:							
Taxation and levies	\$ -	\$ -	\$ 400	\$ 337,268	\$ -	\$ -	\$ 337,668
User fees	-	169,491	-	(1)	16	-	169,506
Sales of services	8,730	5,258	13,908	15,487	2,923	918	47,224
Payments-in-lieu of taxes	-	-	-	22,052	-	-	22,052
Provincial and federal grants	1,034	4,121	362	4,076	11,333	2,256	23,182
Development cost charges	-	601	2,100	2,822	8,303	-	13,826
Other capital funding sources	-	7,017	1,422	17,089	8,112	-	33,640
Other revenue:							
Investment income	-	366	-	61,723	-	-	62,089
Gaming revenue	979	-	-	10,411	-	-	11,390
Licences and permits	5,806	22	-	24	685	9,285	15,822
Other	4,134	6,545	241	(1,259)	1,144	147	10,952
Equity income in LIEC	-	-	-	2,319	-	-	2,319
	20,683	193,421	18,433	472,011	32,516	12,606	749,670
Expenses:							
Wages and salaries	69,846	25,284	46,845	37,165	31,395	16,266	226,801
Contract services	82,069	11,641	6,564	15,186	6,486	1,409	123,355
Regional district utility charges	-	82,212	-	-	-	-	82,212
Supplies and materials	4,733	11,926	12,760	17,735	374	1,327	48,855
Public works maintenance	80	10,511	2,439	(1,427)	4,380	2	15,985
Interest and finance	981	1	206	6,723	1	-	7,912
Non-capital project costs	(503)	6,523	6,700	298	7,673	(6)	20,685
Amortization of tangible capital assets	3,279	18,249	11,891	10,540	27,624	2,047	73,630
Loss (gain) on disposal of tangible capital assets	167	154	99	(35)	63	-	448
	160,652	166,501	87,504	86,185	77,996	21,045	599,883
Annual surplus (deficit)	\$ (139,969)	\$ 26,920	\$ (69,071)	\$ 385,826	\$ (45,480)	\$ (8,439)	\$ 149,787

CITY OF RICHMOND

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(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

24. Segmented reporting (continued):

	Total City subtotal	Richmond Olympic Oval	Richmond Public Library	2025 Consolidated	2024 Consolidated
Revenue:					
Taxation and levies	\$ 337,668	\$ -	\$ -	\$ 337,668	\$ 318,093
User fees	169,506	-	-	169,506	150,823
Sales of services	47,224	12,353	115	59,692	57,450
Payments-in-lieu of taxes	22,052	-	-	22,052	20,054
Provincial and federal grants	23,182	4,091	435	27,708	22,048
Development cost charges	13,826	-	-	13,826	70,450
Other capital funding sources	33,640	-	-	33,640	31,237
Other revenue:					
Investment income	62,089	-	34	62,123	69,853
Gaming revenue	11,390	-	-	11,390	11,971
Licences and permits	15,822	-	-	15,822	19,856
Other	10,952	6,207	11,897	29,056	39,892
Equity income in LIEC	2,319	-	-	2,319	2,757
	749,670	22,651	12,481	784,802	814,484
Expenses:					
Wages and salaries	226,801	12,642	9,317	248,760	236,245
Contract services	123,355	-	682	124,037	115,205
Regional district utility charges	82,212	-	-	82,212	66,161
Supplies and materials	48,855	5,557	2,071	56,483	59,652
Public works maintenance	15,985	(60)	45	15,970	16,444
Interest and finance	7,912	-	5	7,917	6,681
Non-capital project costs	20,685	-	(113)	20,572	8,877
Amortization of tangible capital assets	73,630	1,794	1,068	76,492	71,703
Loss (gain) on disposal of tangible capital assets	448	-	(15)	433	501
	599,883	19,933	13,060	632,876	581,469
Annual surplus (deficit)	\$ 149,787	\$ 2,718	\$ (579)	\$ 151,926	\$ 233,015

25. Budget data:

The budget data presented in these consolidated financial statements is based on the Consolidated 5 Year Financial Plan adopted by Council on January 27, 2025. The table below reconciles the adopted Consolidated 5 Year Financial Plan to the budget amounts reported in these consolidated financial statements.

	Financial plan Bylaw No. 10622	Financial statement budget
Revenue from Consolidated financial plan	\$ 780,461	\$ 780,461
Expenses from Consolidated financial plan	664,354	664,354
Annual surplus	116,107	116,107
Less:		
Acquisition of tangible capital assets - current year	(157,061)	-
Acquisition of tangible capital assets - prior years	(279,031)	-
Contributed tangible capital assets	(62,803)	-
Transfer to reserves	(109,720)	-
Debt principal	(3,710)	-
Add:		
Capital funding	481,288	-
Operating reserve funding	8,567	-
Transfer from surplus	6,363	-
Annual surplus	\$ -	\$ 116,107

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

26. Financial risk management:

Financial instruments include cash and cash equivalents, investments, receivables, payables and debt. The City has exposure to the following financial risks from its use of financial instruments: credit risk, market risk, interest rate risk and liquidity risk. Management is responsible for safeguarding resources, managing risks and implementing appropriate policies and framework. This note presents information on how the City manages those financial risks.

(a) Credit risk:

Credit risk is the risk of economic loss should the counterparty to a transaction default or otherwise fail to meet its obligation. The City is exposed to credit risk primarily through its cash and cash equivalents, investments, accounts receivables and loans receivable. The maximum exposure to credit risk on these instruments is their carrying value.

Credit risk associated with cash and cash equivalent is minimized by ensuring that these assets are held at financial institutions with high credit ratings, of which a minimum of 90% of the portfolio is required to carry a Dominion Bond Rating Service credit rating of A (high) or higher. The City only deposits with reputable Canadian financial institutions, from which management believes the risk of loss to be remote.

The City mitigates credit risk in its investments by adhering to its restrictive investment Policy 3703 which limits the type and distribution of investments.

Accounts receivables mainly consist of property taxes, utilities, trade and other receivables. The Community Charter grants legislative authority for the City to enforce the collection of unpaid property taxes. As at December 31, 2025 and 2024, there were no significant collection issues related to outstanding receivable accounts. The City assesses, on a continuous basis, accounts receivables and provides for any amounts that are not collectible.

Credit risk associated with the loan receivable relating to the concessionary loan arrangement the City entered into during 2025 is minimized by the City holding security and having the right to terminate an existing land lease in the event of default. The City assesses the likelihood of default and provides a valuation allowance for collectability or risk of loss. At December 31, 2025, there were no collection issues identified.

(b) Market risk:

Market risk is the risk that changes in market prices, as a result of changes in foreign exchange rates or interest rate will affect the City's value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing return on investments.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

26. Financial risk management (continued):

(b) Market risk (continued):

(i) Interest rate risk:

Interest rate risk relates to the risk that changes in interest rates will affect the fair value or future cash flows of fixed income bonds, terms deposits and money market instruments held by the City. The City manages interest rate risk through its investment policy, which limits the terms of investments and staggers maturity dates to maintain liquidity and reduce exposure to interest rate fluctuations.

The City exposed to interest rate risk related to its debt issued by the Municipal Finance Authority which is subject to fixed interest rate. Fluctuations in rates could impact future payments upon renewal.

(ii) Currency risk:

Investments in foreign securities would be exposed to currency risk due to fluctuations in foreign exchange rates. The City does not hold investments in foreign currencies.

The City's exposure to currency risk is limited to its holdings of U.S. dollar cash and occasional payments to U.S.-based suppliers.

At year-end, the City held approximately \$8 million in U.S. dollar cash balance. Given the low value of U.S.-dollar transactions, the City does not employ foreign exchange hedging strategies and considers its currency risk to be minimal.

(iii) General risk:

Tariffs, other potential changes to tariff and import/export regulations, and ongoing trade disputes between the United States and other jurisdictions may have a negative effect on global economic conditions and the stability of global financial markets.

These tariffs are relatively recent and are subject to a number of uncertainties as they are implemented, and the impact cannot be predicted at this time.

(c) Liquidity risk:

Liquidity risk arises when the City is not able to meet its financial obligations as they fall due. The City manages liquidity risk by monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far out as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the City's reputation.

There has been no significant change to the risk exposure from 2024.

CITY OF RICHMOND

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

27. Comparative information:

Certain comparative information has been reclassified to conform to the consolidated financial statement presentation adopted for the current year. These reclassifications do not impact the annual surplus reported in the prior year or accumulated surplus.

CITY OF RICHMOND

Schedule 1 – Unaudited Statement of Growing Communities Fund
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

In 2023, the Provincial Government announced funding of up to \$1 billion in direct grants provided to local governments to help support all B.C. communities. The objective of this funding is to help local government to invest into infrastructure and amenities that will help facilitate the increase in housing supply throughout the community. In 2023, the City received a Growing Communities Grant of \$20.3 million. A requirement of the Growing Communities Fund is to include a schedule to the financial statements presenting the amount of funding received, use of funds, and year-end balance of unused funds. A schedule will continue to be reported annually until funds are fully drawn down.

	2025	2024
Growing Communities Fund opening balance	\$ 21,528	\$ 21,067
Total eligible costs incurred	(518)	(7)
Interest earned	695	468
Balance, end of year	\$ 21,705	\$ 21,528

CITY OF RICHMOND

Schedule 2 – Unaudited Statement of Local Government Housing Initiatives Capacity Fund
(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2025

In 2023, the Provincial Government announced funding of \$51 million in grant-based funding to help facilitate implementation and support local governments' implement of the legislative changes to support housing initiatives, including small-scale multi-unit housing and proactive planning, development finance, and transit-oriented development.

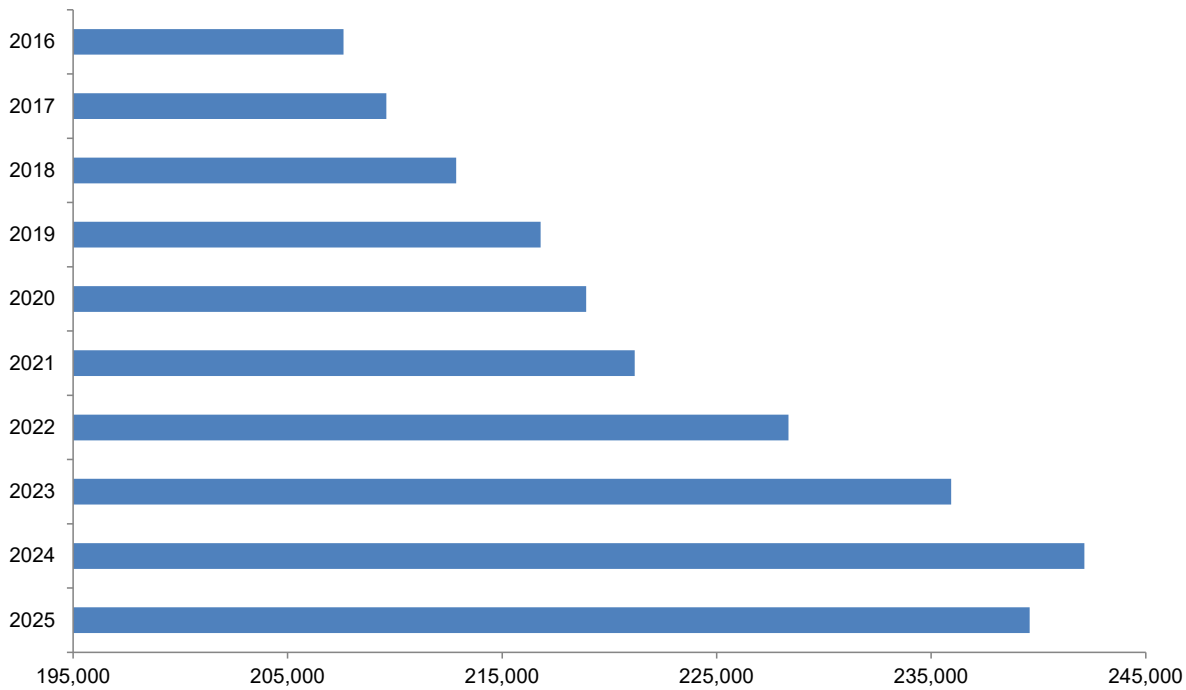
In 2025, the City received the Local Government Housing Initiatives Capacity Fund of \$1.1 million. A requirement of the Local Government Housing Initiatives Capacity Fund is to include a schedule to the financial statements. A schedule will continue to be reported annually until funds are fully drawn down.

	2025
Local Government Housing Initiatives Capacity Fund received	\$ 1,146
Total eligible costs incurred	(773)
Balance December 31, 2025	\$ 373

City of Richmond statistical data

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City of Richmond population 2016–2025



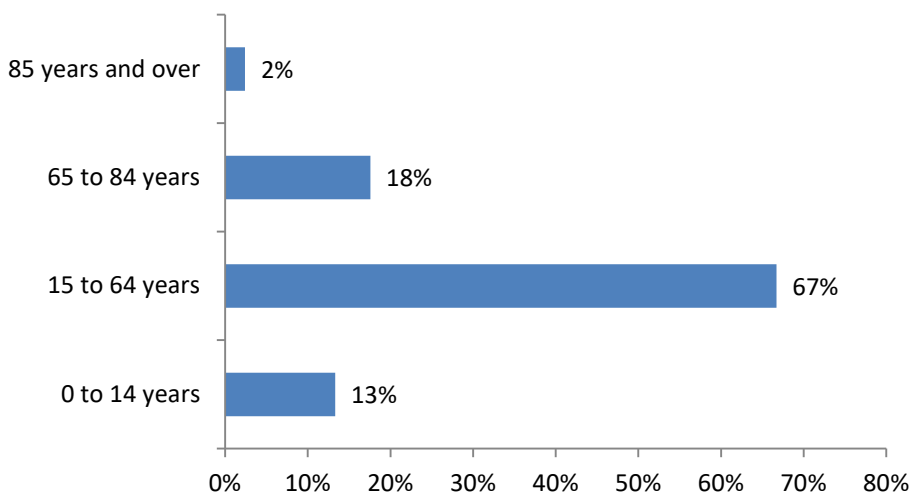
Source: BC Stats population figures

Median age 2021–2025

	2021	2022	2023	2024	2025
Median age	42.3	41.9	42.1	40.9	41.5

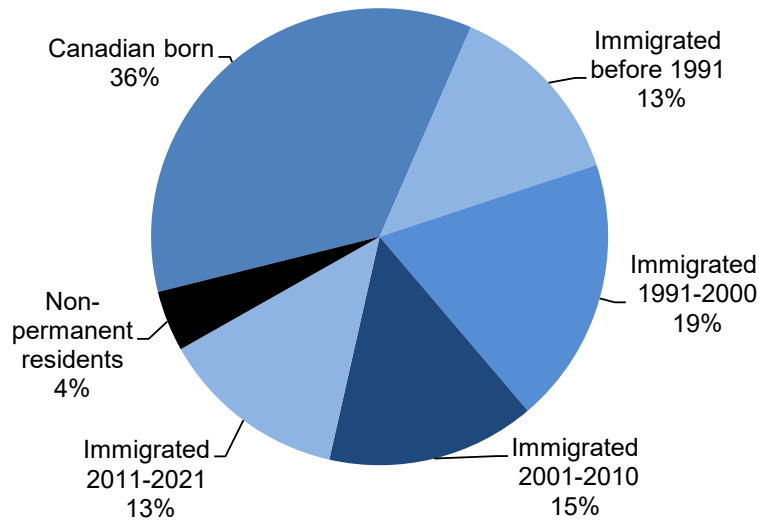
Source: BC Stats population figures

Total population by age groups



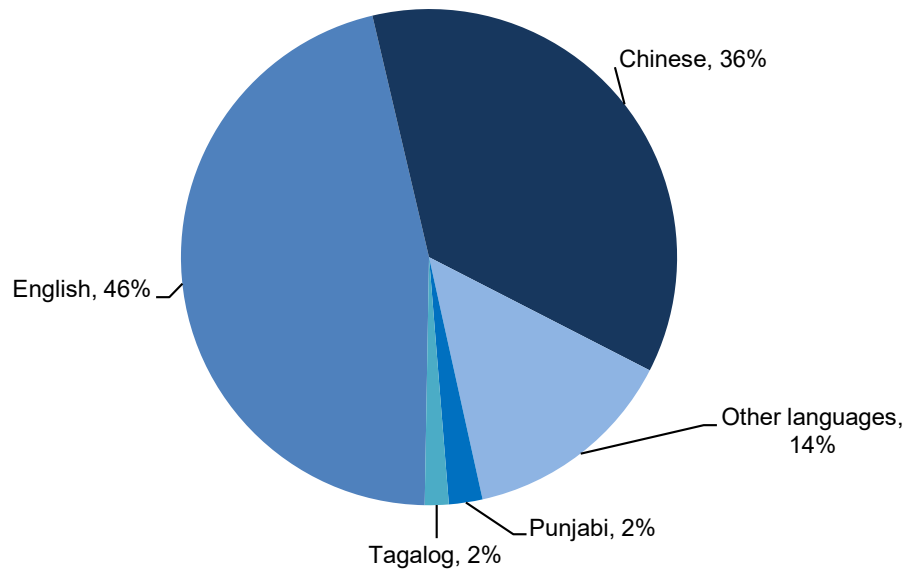
Source: Statistics Canada, 2021 Census of Population

Immigrant status of Richmond residents by period of immigration



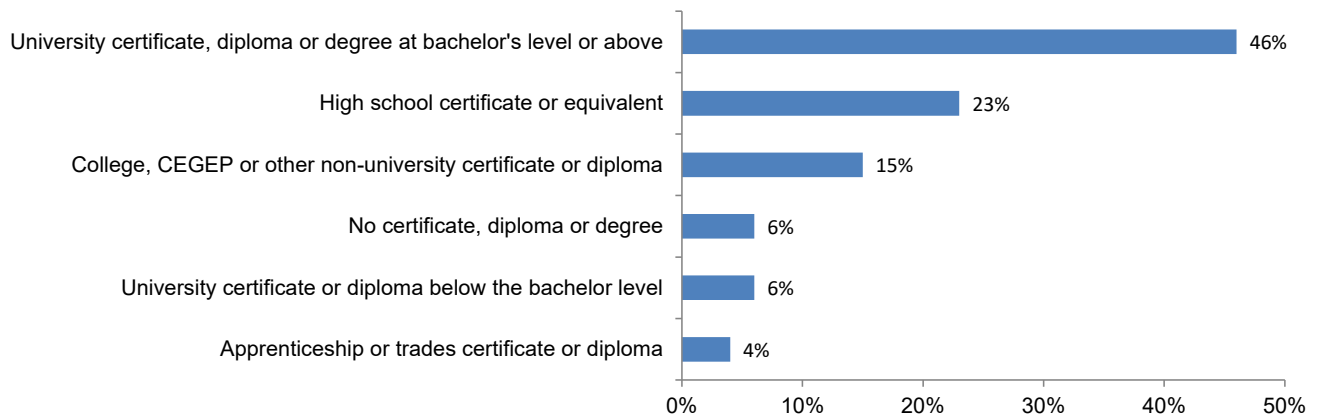
Source: Statistics Canada, 2021 Census of Population

Language spoken most often at home



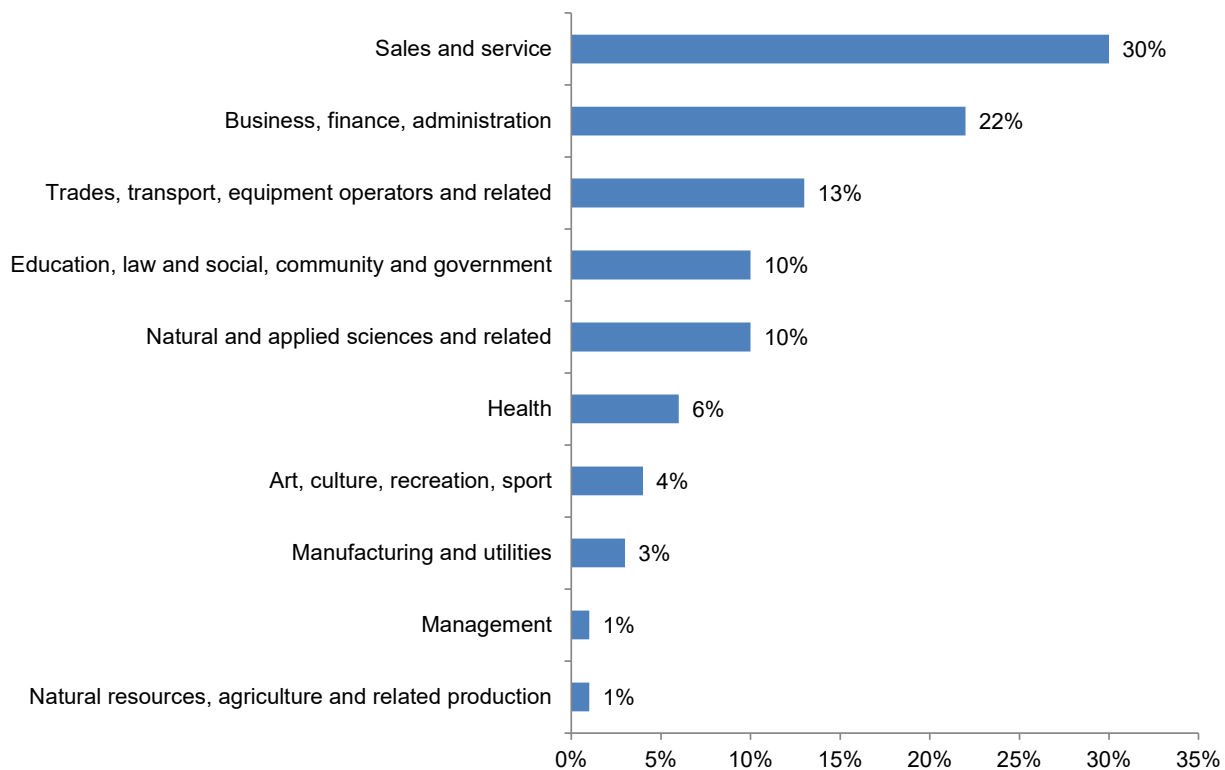
Source: Statistics Canada, 2021 Census of Population

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



Source: Statistics Canada, 2021 Census of Population

Occupations of Richmond residents



Source: Statistics Canada, 2021 Census of Population

Major employers in Richmond 2025*

- Air Canada
- Amazon Canada
- Change Healthcare
- City of Richmond
- London Drugs
- MDA Systems
- Paladin Airport Security Services Ltd.
- Richmond School District No. 38
- River Rock Casino Resort
- Vancouver Coastal Health
- Walmart
- WorkSafeBC

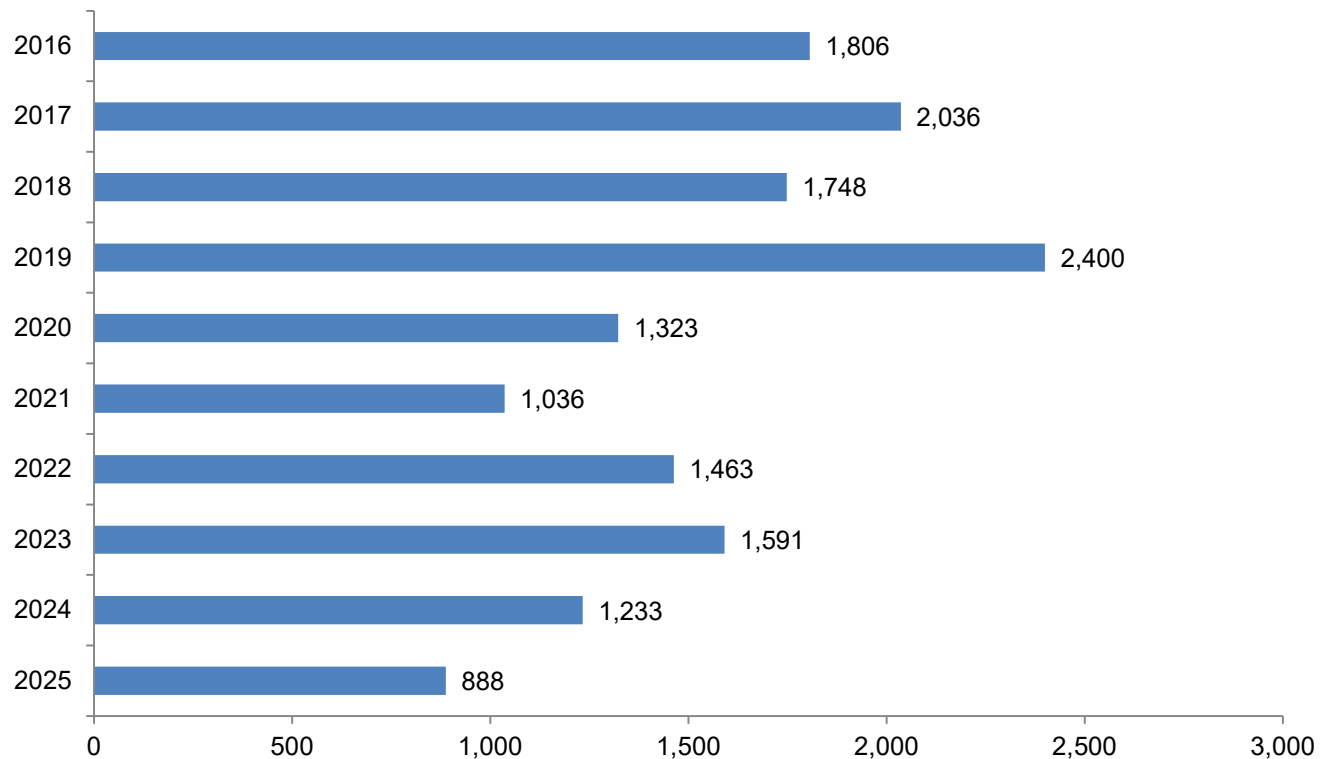
*in alphabetical order

Richmond School District Enrolment Grades K–12

	2021	2022	2023	2024	2025
School age (domestic) enrolment	19,936	20,839	21,770	22,385	22,250
International fee paying students	684	744	959	807	503
Total enrolment	20,620	21,583	22,729	23,192	22,753

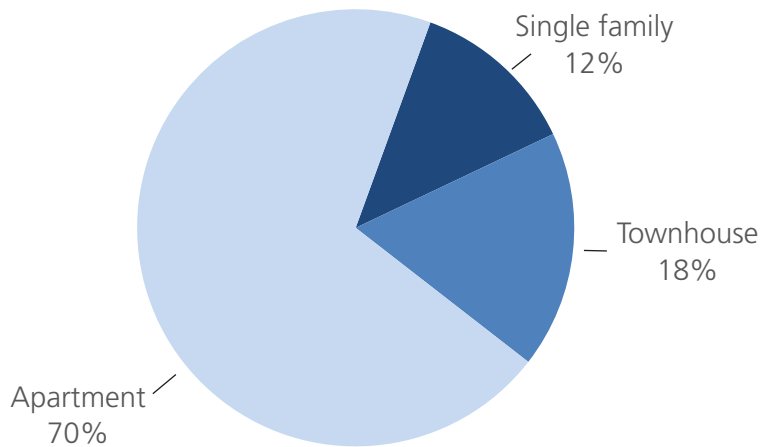
Note: Excluding Richmond Virtual School, continuing education and homestay students
 Source: Richmond School District No. 38

Housing starts in Richmond 2016–2025



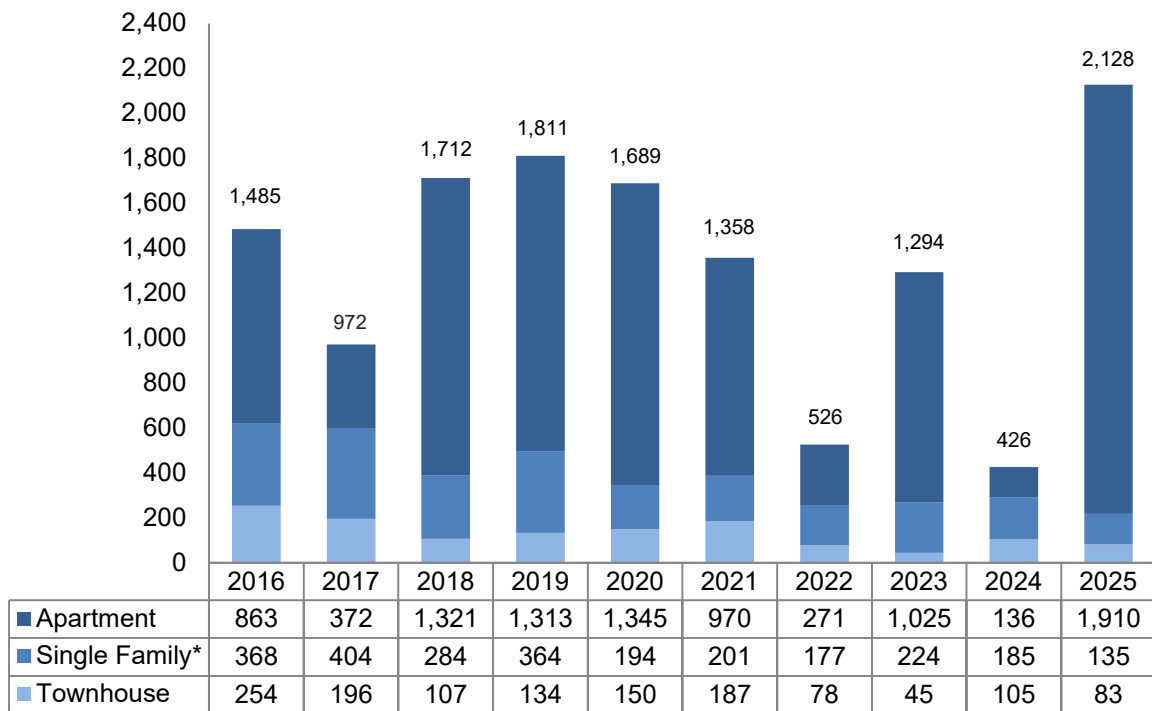
Includes only projects for new residential construction receiving final building permit in given year.
 Source: City of Richmond building permit records

Richmond housing starts by type of units 2025



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

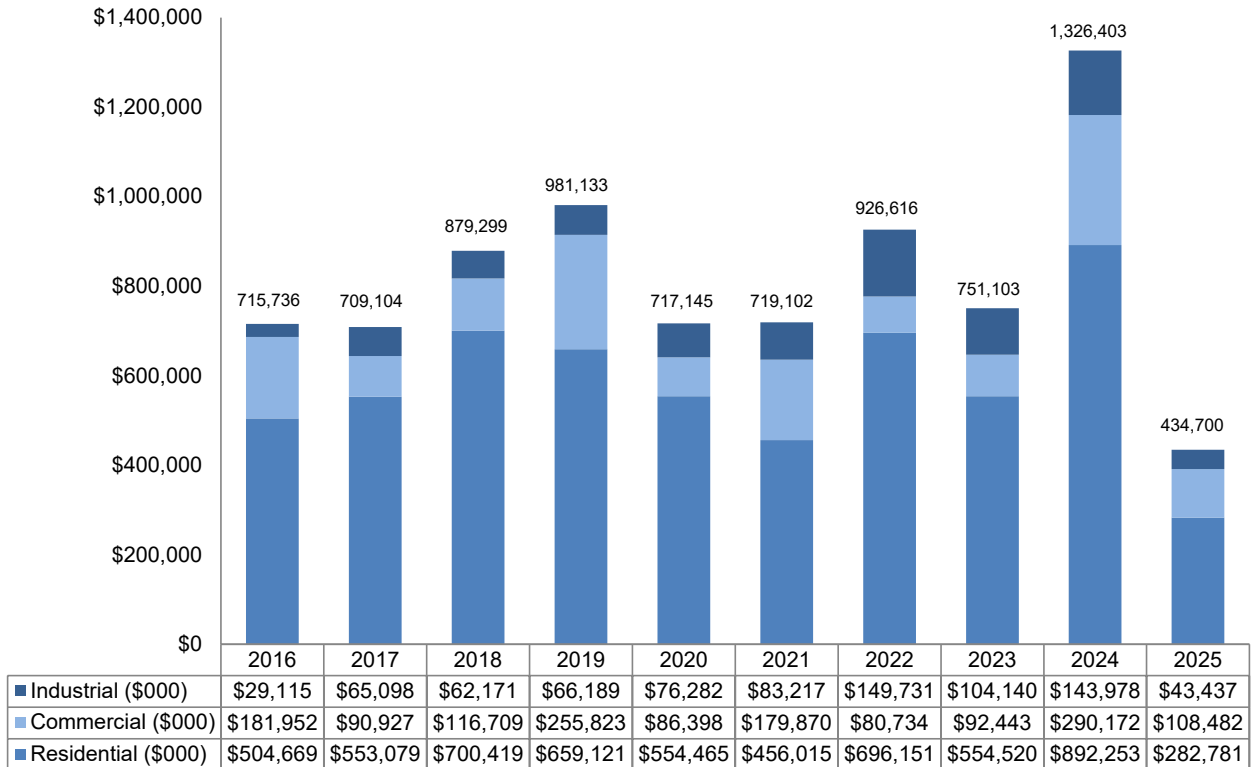
New dwelling units constructed 2016–2025



*Includes one family and two family dwellings.

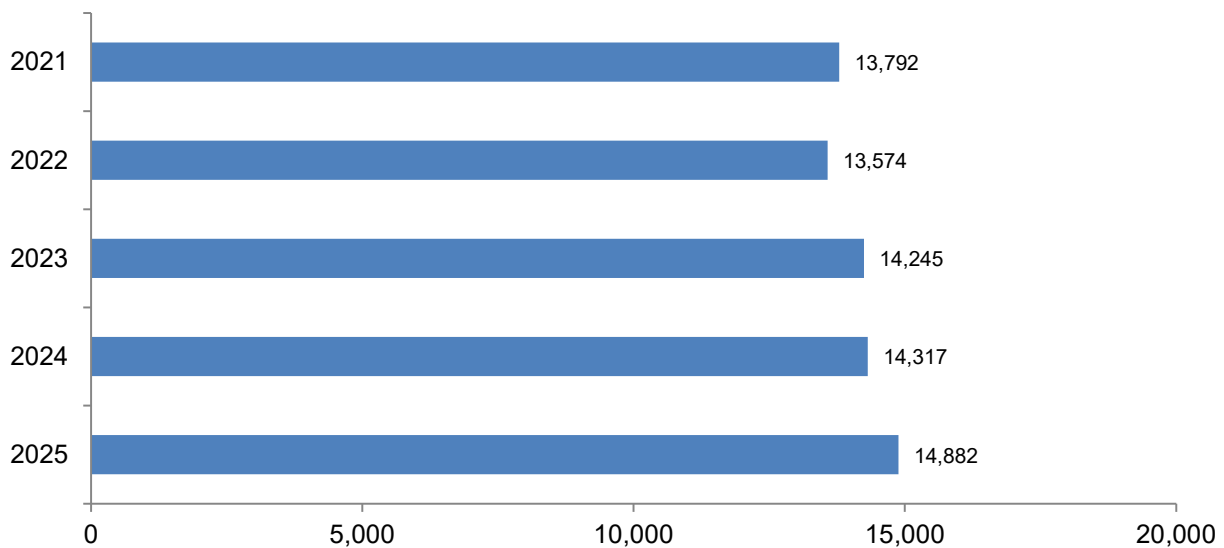
Includes only projects for new residential construction receiving final building permit in given year.
 Source: City of Richmond building permit records

Construction value of building permits issued 2016–2025 (in \$000s)



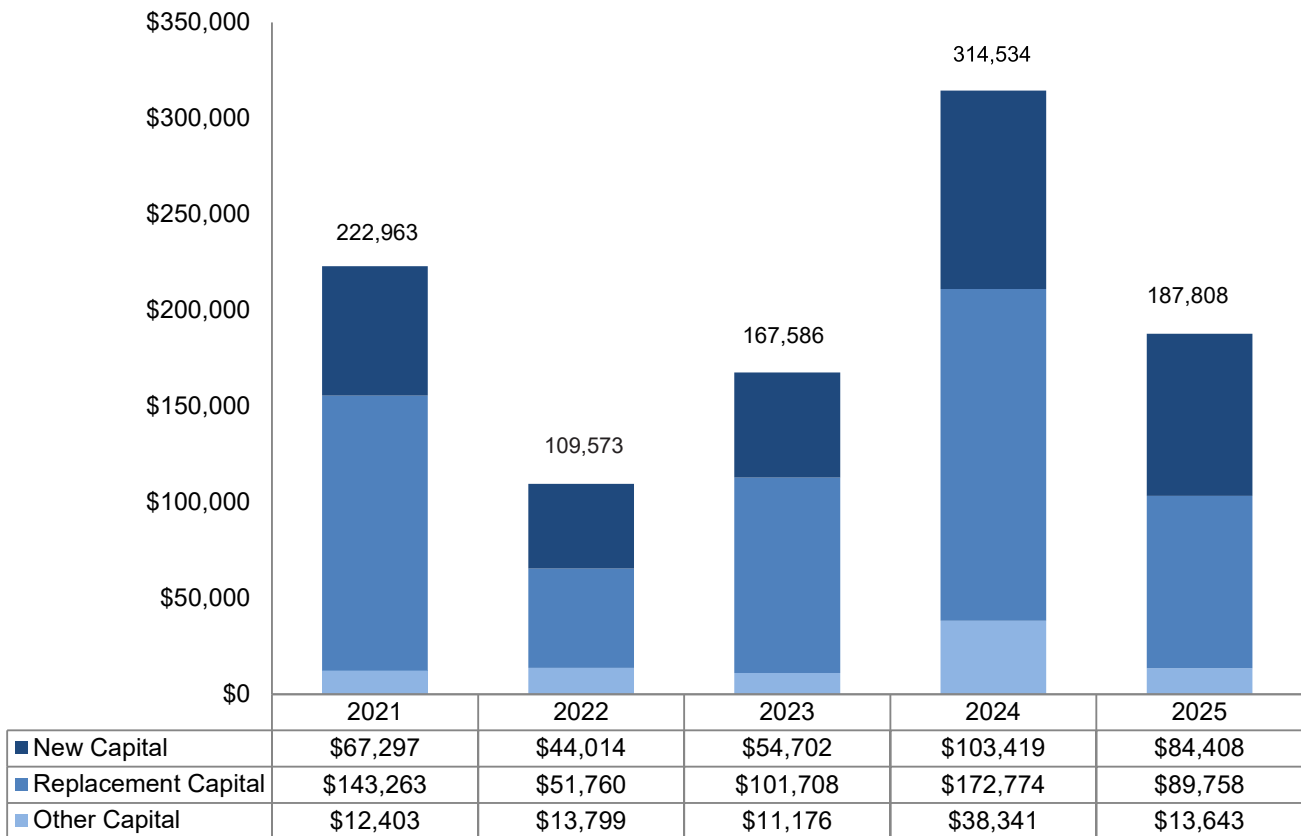
Source: City of Richmond building permit records

Richmond business licences 2021–2025



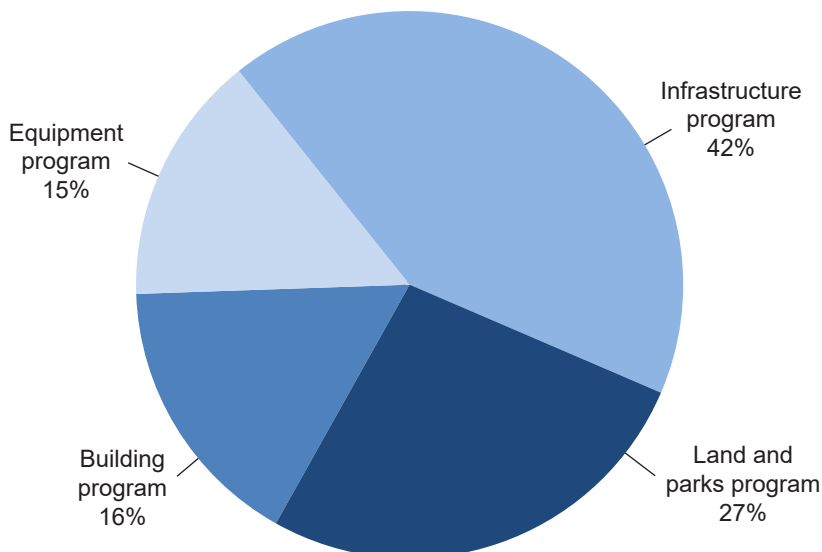
Source: 2025 City of Richmond business licences

City of Richmond budgeted capital costs 2021–2025 (in \$000s)



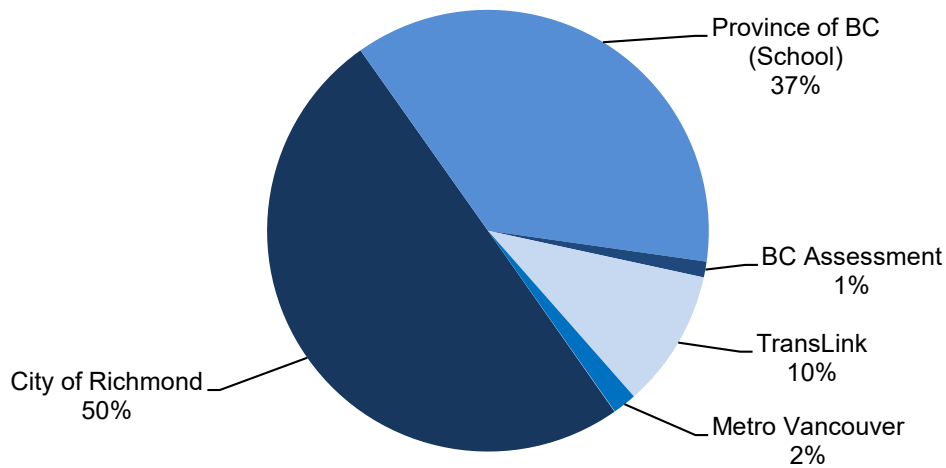
Source: City of Richmond Finance and Corporate Services

Capital program by type 2025



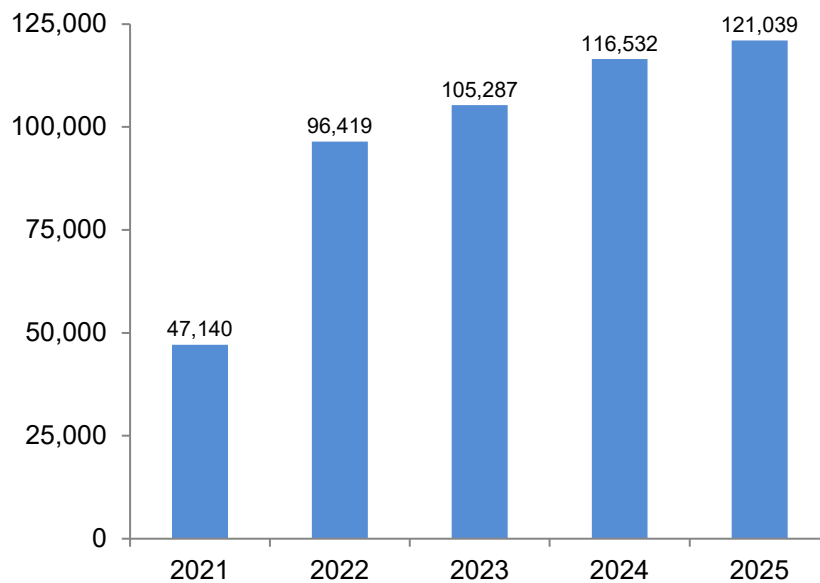
Source: City of Richmond Finance and Corporate Services

Breakdown of residential tax bill 2025



Source: City of Richmond Finance and Corporate Services

Registration in Richmond Recreation and Cultural Services programs 2021–2025



Source: City of Richmond Finance and Corporate Services

2025 tax rates

	City of Richmond	School - Province of BC	Metro Vancouver	BC Assessment	Municipal Finance Authority	TransLink
Residential	1.76114	1.02520	0.05739	0.03570	0.00020	0.31410
Business	3.86124	3.56000	0.14060	0.10090	0.00050	0.95180
Light industrial	3.86124	3.56000	0.19512	0.10040	0.00070	0.77580
Seasonal / recreational	1.29583	2.13000	0.05739	0.03540	0.00020	0.22590
Major industrial	6.05201	1.42000	0.19512	0.42710	0.00070	1.56130
Farm	17.51197	3.52500	0.05739	0.03540	0.00020	0.33810
Utilities	34.03764	11.74000	0.20086	0.42140	0.00070	2.53560

Source: City of Richmond Finance and Corporate Services

2025 general revenue fund assessment and taxation by property class (in \$000s)

	Assessment	% of assessment by class	Taxation	% of taxation by class
Residential	\$107,460,718	74.99%	\$189,253	57.39%
Business	27,688,968	19.32%	106,914	32.42%
Light industrial	7,072,856	4.94%	27,310	8.28%
Seasonal / recreational	438,177	0.31%	568	0.17%
Major industrial	550,963	0.38%	3,334	1.01%
Farm	25,794	0.02%	452	0.14%
Utilities	57,577	0.04%	1,960	0.59%
Total	\$143,295,053	100.00%	\$329,791	100.00%

Amounts are based on billing.

Source: City of Richmond Finance and Corporate Services

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

	2021	2022	2023	2024	2025
City of Richmond	\$257,088	\$269,907	\$289,386	\$309,554	\$329,791
Province of BC (School)	186,528	197,657	221,507	236,575	244,625
Metro Vancouver	11,146	12,410	9,747	11,174	11,575
BC Assessment	6,088	6,344	6,946	7,388	7,641
TransLink	41,576	43,301	46,646	58,199	66,799
Other	112	117	115	115	115
Total Taxes	\$502,538	\$529,736	\$574,347	\$623,005	\$660,545

Amounts are less supplementary adjustments.

Source: City of Richmond Finance and Corporate Services

General assessment by property class 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Residential	\$78,838,953	\$92,961,083	\$101,623,264	\$105,674,507	\$107,460,718
Business	18,856,561	22,213,156	26,755,530	27,808,606	27,688,968
Light industrial	4,286,605	5,368,958	6,737,965	7,445,962	7,072,856
Seasonal / recreational	213,776	353,571	440,869	383,283	438,177
Major industrial	336,999	389,851	528,313	606,900	550,963
Farm	26,044	26,496	25,545	25,586	25,794
Utilities	41,633	43,033	47,852	52,242	57,577
Total	\$102,600,571	\$121,356,148	\$136,159,338	\$141,997,086	\$143,295,053

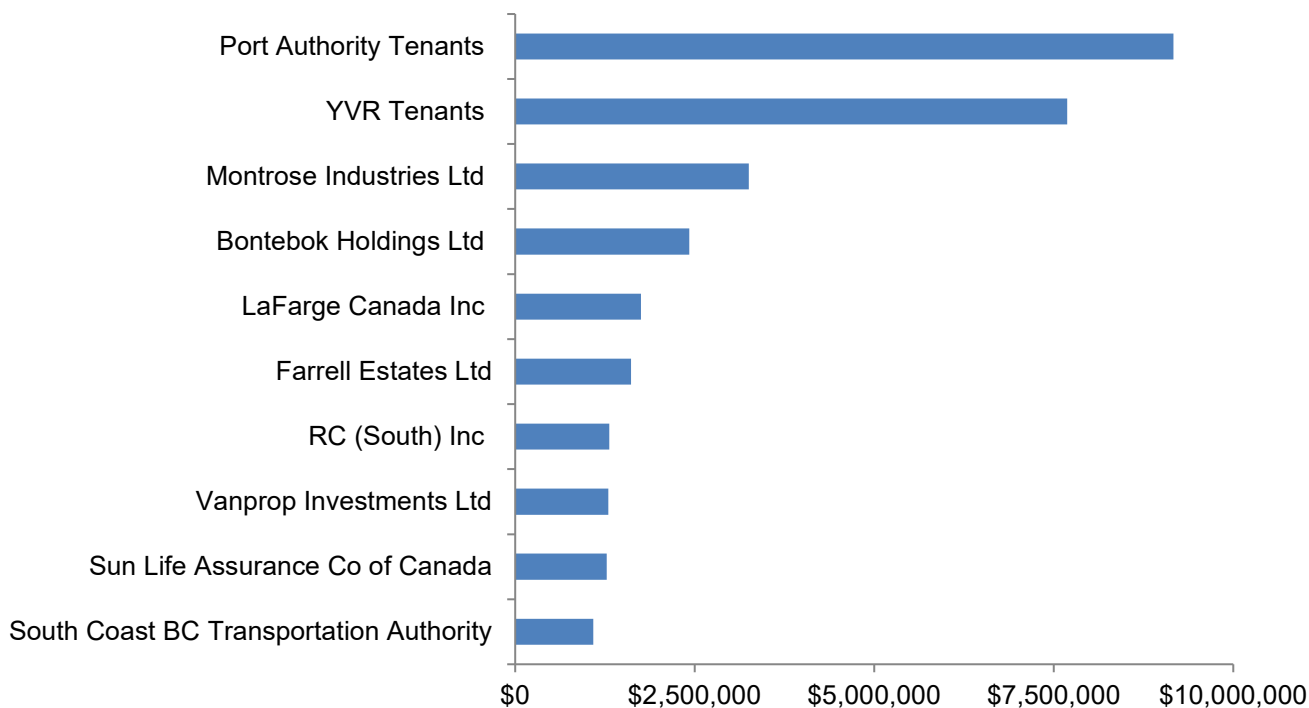
Source: City of Richmond Finance and Corporate Services

2021–2025 current tax levy collected (in \$000s)

	2021	2022	2023	2024	2025
Total current tax levy collected	\$253,685	\$266,272	\$284,473	\$303,215	\$322,303

Source: City of Richmond Finance and Corporate Services

Top 10 corporate taxpayers in Richmond



Source: City of Richmond Finance and Corporate Services

Debt servicing costs compared to general taxation revenue 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Debt servicing costs	\$7,032	\$8,320	\$14,782	\$13,912	\$7,563
General taxation revenue	\$255,837	\$269,582	\$297,793	\$318,093	\$337,668
Debt servicing costs as a % of general taxation revenue	2.75%	3.09%	4.96%	4.37%	2.24%

All debt is supported by general revenues.

Source: City of Richmond Finance and Corporate Services

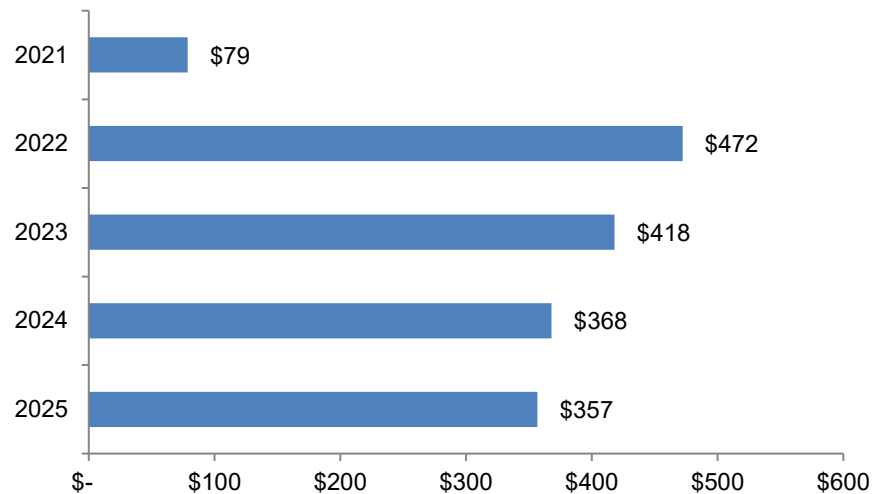
Liability servicing limit 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Liability servicing limit	\$113,663	\$127,512	\$156,904	\$165,050	\$174,585

The liability servicing limit is a calculated amount based on 25% of specific municipal revenues.

Source: City of Richmond Finance and Corporate Services

City of Richmond debt per capita 2021–2025



Source: City of Richmond Finance and Corporate Services

Net debt 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Net debt	\$17,386	\$107,816	\$98,629	\$89,092	\$85,455

Source: City of Richmond Finance and Corporate Services

Expenses by function 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Utilities: flood, sanitation, sewer and water	\$106,519	\$110,490	\$133,166	\$144,647	\$166,501
Law and community safety	123,232	127,727	142,001	152,746	160,652
Parks, recreation and culture	59,873	64,955	71,328	78,173	87,504
General government	52,995	59,492	76,288	74,564	86,185
Engineering, transportation, public works and project development	80,083	89,103	69,915	71,322	77,996
Planning and development	25,166	23,890	22,144	27,427	21,045
Richmond Olympic Oval	14,079	16,844	19,200	20,351	19,933
Richmond Public Library	9,816	10,565	11,533	12,239	13,060
Total expenses	\$471,763	\$503,066	\$545,575	\$581,469	\$632,876

Source: City of Richmond Finance and Corporate Services

Expenses by object 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Wages and salaries	\$179,260	\$195,616	\$211,637	\$236,245	\$248,760
Contract services	89,086	93,463	109,548	115,205	124,037
Regional district utility services	55,221	56,823	60,743	66,161	82,212
Amortization of tangible capital assets	68,519	72,722	71,938	71,703	76,492
Supplies and materials	40,326	45,728	53,164	59,652	56,483
Non-capital project costs	21,094	21,206	13,848	8,877	20,572
Public works maintenance	13,011	14,390	16,087	16,444	15,970
Interest and finance	2,810	2,636	8,246	6,681	7,917
Loss on disposal of tangible capital assets	2,436	482	364	501	433
Total expenses	\$471,763	\$503,066	\$545,575	\$581,469	\$632,876

Source: City of Richmond Finance and Corporate Services

Revenue by source 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Taxation and levies	\$255,837	\$269,582	\$297,793	\$318,093	\$337,668
Utility fees	118,144	127,965	132,951	150,823	169,506
Investment income	14,968	30,250	61,503	69,853	62,123
Sales of services	35,601	44,494	50,737	57,450	59,692
Other capital funding sources	64,695	51,220	83,562	31,237	33,640
Provincial and federal grants	12,704	12,893	38,660	22,048	27,708
Payments-in-lieu of taxes	14,789	21,314	18,114	20,054	22,052
Licences and permits	13,995	15,047	15,934	19,856	15,822
Development cost charges	16,223	22,434	10,292	70,450	13,826
Gaming revenue	5,700	12,562	13,013	11,971	11,390
Equity income in LIEC	911	1,381	2,070	2,757	2,319
Other	21,877	35,206	23,309	39,892	29,056
Total revenue	\$575,444	\$644,348	\$747,938	\$814,484	\$784,802

Source: City of Richmond Finance and Corporate Services

Accumulated surplus 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Accumulated surplus, beginning of year	\$3,384,206	\$3,487,887	\$3,629,169	\$3,831,532	\$4,064,547
Annual surplus	103,681	141,282	202,363	233,015	151,926
Accumulated surplus, end of year	\$3,487,887	\$3,629,169	\$3,831,532	\$4,064,547	\$4,216,473

Source: City of Richmond Finance and Corporate Services

Changes in net financial assets 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Change in net financial assets	\$51,018	\$85,722	\$99,850	\$86,893	\$2,302
Net financial assets, end of year	\$940,003	\$1,025,725	\$1,125,575	\$1,212,468	\$1,214,770

Source: City of Richmond Finance and Corporate Services

City of Richmond employees 2021–2025

	2021	2022	2023	2024	2025
Total number of employees	2,380	2,708	2,908	3,034	2,959

Includes employees for City of Richmond, Richmond Public Library, Richmond Olympic Oval and Lulu Island Energy Company

Source: City of Richmond Finance and Corporate Services

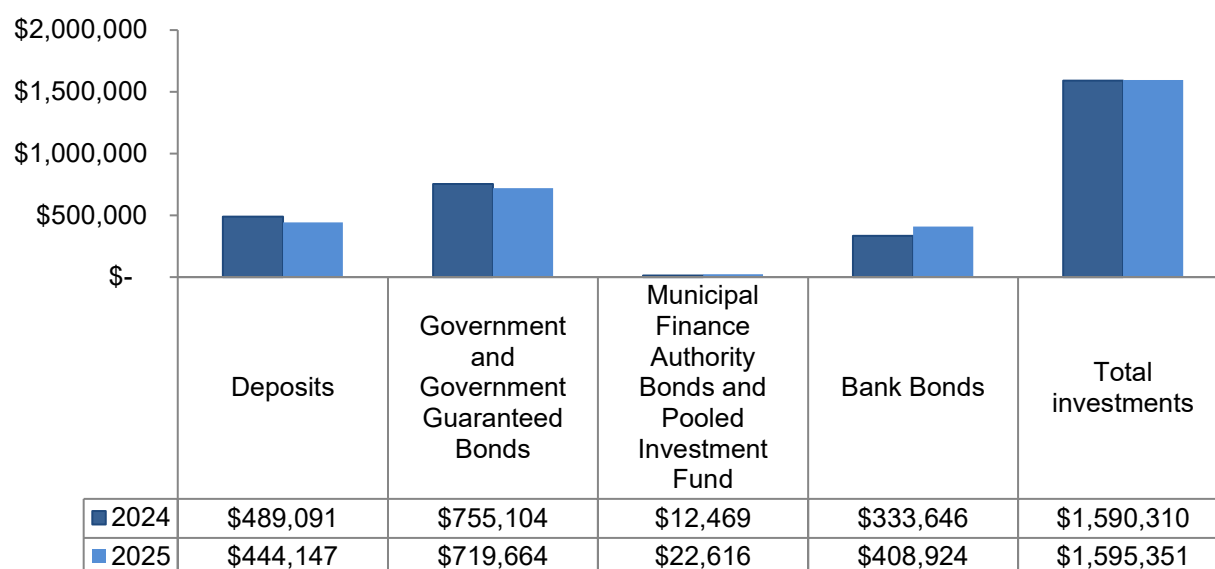
Reserves 2021–2025 (in \$000s)

	2021	2022	2023	2024	2025
Affordable housing	\$14,293	\$15,427	\$16,924	\$16,848	\$18,681
Arts, culture and heritage	3,526	3,573	4,126	4,310	4,457
Capital building and infrastructure	122,720	129,625	145,902	166,411	180,290
Capital reserve	244,445	263,825	287,961	337,547	305,735
Capstan station	11,149	14,582	15,009	21,468	22,174
Child care development	10,078	10,169	10,866	12,773	13,105
Community legacy and land replacement	1,458	1,545	1,671	1,800	1,929
Equipment replacement	25,206	26,888	29,894	31,390	32,654
Flood protection BL 7812 and BL 10403	57,159	59,740	65,719	71,177	80,651
Growing communities fund	-	-	21,067	21,528	21,705
Hamilton area plan community amenity	3,007	3,605	3,767	3,935	4,092
Leisure facilities	18,970	27,768	29,059	35,155	36,705
Local improvements	7,571	7,760	8,109	8,470	8,809
Neighbourhood improvement	8,037	8,588	9,153	9,831	10,250
Oval	8,100	9,846	11,586	13,133	15,117
Public art program	4,405	4,828	4,987	5,302	5,652
Sanitary sewer BL 7812 and BL 10401	49,611	53,518	58,139	63,116	70,832
Solid waste	-	-	-	256	776
Steveston off-street parking	336	339	354	359	391
Steveston road ends	155	147	143	112	34
Transportation demand management*	-	-	-	-	20
Waterfront improvement	187	181	187	195	199
Water supply BL 7812 and BL 10402	56,796	61,230	65,087	67,620	72,317
Total reserves	\$647,209	\$703,184	\$789,710	\$892,736	\$906,575

*New reserves created in 2025

Source: City of Richmond Finance and Corporate Services

Investment portfolio per type 2024–2025 (in \$000s)



Source: City of Richmond Finance and Corporate Services

Ratio analysis indicators of financial condition 2021–2025

	2025	2024	2023	2022	2021
Sustainability ratios					
Assets to liabilities (times)	6.7	6.6	6.3	6.2	7.6
Financial assets to liabilities (times)	2.6	2.7	2.6	2.5	2.8
Net debt to total revenues	10.9%	10.9%	13.3%	16.7%	3.0%
Net debt to the total assessment	0.06%	0.06%	0.07%	0.09%	0.02%
Expenses to the total assessment	0.4%	0.4%	0.4%	0.4%	0.5%
Flexibility ratios					
Debt charges to revenues	0.5%	0.5%	0.8%	0.4%	0.3%
Net book value of capital assets to cost	66.5%	66.2%	66.1%	66.2%	66.8%
Own source revenue to the assessment	0.5%	0.4%	0.4%	0.5%	0.5%
Vulnerability ratios					
Government transfers to total revenues	5.1%	4.1%	7.9%	5.6%	4.9%

Source: City of Richmond Finance and Corporate Services

2025 permissive property tax exemptions

In accordance with Section 98 (2)(b) of the Community Charter, we disclose that the following properties were provided permissive property tax exemptions by Richmond City Council in 2025. Permissive tax exemptions are those exemptions granted by bylaw in accordance with Section 224 of the Community Charter.

Property / Organization	Address	2025 Municipal tax exempted
Churches and religious properties		
Aga Khan Foundation Canada	4000 May Drive	\$14,001
Apostolic Pentecostal Church	8151 Bennett Road	17,748
Bakerview Gospel Chapel	8991 Francis Road	3,157
BC Muslim Association	12300 Blundell Road	2,247
Beth Tikvah Congregation	9711 Geal Road	18,878
Bethany Baptist Church	22680 Westminster Highway	8,887
Broadmoor Baptist Church	8140 Saunders Road	4,901
Canadian Martyrs Parish	5771 Granville Avenue	25,401
Christian and Missionary Alliance	3360 Sexmith Road	9,870
Christian Reformed Church	9280 No. 2 Road	22,568
Church in Richmond	4460 Brown Road	2,860
Church of Latter Day Saints	8440 Williams Road	21,487
Cornerstone Evangelical Baptist Church	12011 Blundell Road	745
Dharma Drum Mountain Buddhist Temple	8240 No. 5 Road	1,212
Emmanuel Christian Community	10351 No. 1 Road	10,348
Fraserview Mennonite Brethren Church	11295 Mellis Drive	6,810
Fujian Evangelical Church	12200 Blundell Road	3,113
Gilmore Park United Church	8060 No. 1 Road	3,518
I Kuan Tao (Fayi Chungder) Association	8866 Odlin Crescent	4,063
Immanuel Christian Reformed Church	7600 No. 4 Road	3,519
India Cultural Centre	8600 No. 5 Road	3,074
International Buddhist Society	9160 Steveston Highway	4,342
Johrei Fellowship Inc.	10380 Odlin Road	7,157
Lansdowne Congregation Jehovah's Witnesses	11014 Westminster Highway	3,271
Ling Yen Mountain Temple	10060 No. 5 Road	1,212
Mennonite Church BC (Peace Mennonite Church)	11571 Daniels Road	15,102
Nanaksar Gurdwara Gursikh Temple	18691 Westminster Highway	2,417
North Richmond Alliance Church	9140 Granville Avenue	5,800
Our Savior Lutheran Church	6340 No. 4 Road	3,424
Parish of St. Alban's	7260 St. Albans Road	16,876
Peace Evangelical Church	8280 No. 5 Road	1,219

Churches and religious properties continued . . .

Richmond Alliance Church	11371 No. 3 Road	\$2,479
Richmond Baptist Church	6560 Blundell Road	4,017
Richmond Baptist Church	6640 Blundell Road	13,687
Richmond Bethel Mennonite Church	10160 No. 5 Road	4,139
Richmond Chinese Alliance Church	10100 No. 1 Road	16,660
Richmond Chinese Evangelical Free Church	8040 No. 5 Road	2,498
Richmond Faith Fellowship	11960 Montego Street	4,287
Richmond Pentecostal Church	9260 Westminster Highway	2,007
Richmond Pentecostal Church	9300 Westminster Highway	17,007
Richmond Presbyterian Church	7111 No. 2 Road	13,160
Richmond Sea Island United Church	8711 Cambie Road	22,854
Salvation Army Richmond	8280 Gilbert Road	4,173
Science of Spirituality SKRM Inc.	11011 Shell Road	1,200
Shia Muslim Community	8580 No. 5 Road	1,936
South Arm United Church	11051 No. 3 Road	1,855
St. Anne's Steveston Anglican Church	4071 Francis Road	6,978
St. Gregory Armenian Apostolic Church	13780 Westminster Highway	1,211
St. Joseph the Worker Roman Catholic Church	4451 Williams Road	47,702
St. Monica's Roman Catholic Church	12011 Woodhead Road	4,394
St. Paul's Roman Catholic Parish	8251 St. Albans Road	17,325
Steveston Buddhist Temple	4360 Garry Street	19,703
Steveston Congregation Jehovah's Witnesses	4260 Williams Road	11,734
Steveston United Church	3720 Broadway Street	4,880
Subramaniya Swamy Temple	8840 No. 5 Road	1,545
Thrangu Monastery Association	8140 No. 5 Road	3,516
Thrangu Monastery Association	8160 No. 5 Road	1,655
Towers Baptist Church	10311 Albion Road	11,703
Trinity Lutheran Church	7100 Granville Avenue	18,179
Trinity Pacific Church	10011 No. 5 Road	8,226
Trustees Congregation of Meeting Room 8020 No. 5 Road Richmond BC	8020 No. 5 Road	2,576
Ukrainian Catholic Church	8700 Railway Avenue	4,219
Vancouver International Buddhist Progress Society	6690 - 8181 Cambie Road	8,957
Vancouver International Buddhist Progress Society	8271 Cambie Road	11,560
Vedic Cultural Society of BC	8200 No. 5 Road	3,639
Walford Road Gospel Church	9291 Walford Street	1,241
West Richmond Gospel Hall	5651 Francis Road	5,127
West Richmond Gospel Hall	5651 Francis Road	5,205

Recreation, child care and community service properties

Atira Women's Resource Society	650 - 5688 Hollybridge Way	\$9,683
BC Society for the Prevention of Cruelty to Animals	12071 No. 5 Road	29,593
City Centre Community Centre	5900 Minoru Boulevard	66,287
Cook Road Children's Centre	8300 Cook Road	2,277
Cranberry Children's Centre	23591 Westminster Highway	9,933
Gardens Children's Centre	10640 No. 5 Road	5,564
Girl Guides of Canada	4780 Blundell Road	7,404
Girl Guides of Canada	11551 Dyke Road	46,493
Hummingbird Child Care Centre	6899 Pearson Way	9,035
Navy League of Canada	7411 River Road	9,546
Richmond Caring Place	7000 Minoru Boulevard	106,032
Richmond Family Place	8660 Ash Street	7,608
Richmond Gymnastics Association	140 - 7400 River Road	22,256
Richmond Lawn Bowling Club	6131 Bowling Green Road	30,828
Richmond Public Library - Cambie Branch	140-160 11590 Cambie Road	3,506
Richmond Public Library - Ironwood Branch	11688 Steveston Highway	3,566
Richmond Rod and Gun Club	140 - 7400 River Road	11,128
Richmond Rod and Gun Club	7760 River Road	26,531
Richmond Tennis Club	6820 Gilbert Road	36,764
Richmond Winter Club	5540 Hollybridge Way	164,336
River Run Early Care and Learning Centre	10277 River Drive	8,998
Riverside Children's Centre	5862 Dover Crescent	1,252
Scotch Pond Heritage	2220 Chatham Street	2,719
Seasoning Child Care Centre	10380 No. 2 Road	17,920
Seedlings Early Childhood Development Hub	6380 No. 3 Road	31,059
Sharing Farm	2900 River Road	18,038
Sharing Farm	2771 Westminster Highway	16,302
Sprouts Early Childhood Development Hub	3368 Carscallen Road	11,147
Terra Nova Children's Centre	6011 Blanchard Drive	2,459
Treehouse Learning Centre	100 - 5500 Andrews Road	2,184
Watermania	14300 Entertainment Boulevard	184,529
West Cambie Children's Centre	4033 Stolberg Street	3,792

Seniors housing

Richmond Legion Senior Citizen Society	7251 Langton Road	\$32,311
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Community care facilities

Aspire Richmond Support Society	431 Catalina Crescent	\$2,307
Aspire Richmond Support Society	4433 Francis Road	2,780
Aspire Richmond Support Society	303 - 7560 Moffatt Road	1,201
Aspire Richmond Support Society	9580 Pendleton Road	3,862
Aspire Richmond Support Society	5728 Woodward's Road	3,415
Developmental Disabilities Association	6531 Azure Road	3,280
Developmental Disabilities Association	7611 Langton Road	3,599
Developmental Disabilities Association	8400 Robinson Road	3,654
Greater Vancouver Community Service	4811 Williams Road	4,223
Pinegrove Place, Mennonite Care Home Society	11331 Mellis Drive	14,178
Richmond Lions Manor	9020 Bridgeport Road	28,560
Rosewood Manor, Richmond Intermediate Care Society	6260 Blundell Road	43,093
Turning Point Housing Society	10411 Odlin Road	3,621

Major services provided by the City of Richmond

Administration

Includes the office of the Chief Administrative Officer who oversees the overall administration of the City's operations. Also includes People and Culture, Intergovernmental Relations, Corporate and Strategic Planning and the Corporate Programs Management Group.

Deputy CAO Office

The Deputy Chief Administrative Officer oversees key operational priorities with direct oversight of Facility Services, Project Development, Works Yard Planning, the Housing Office and the Lulu Island Energy Company.

Law and Community Safety

Brings together the City's public safety providers including RCMP, Fire-Rescue, Emergency Programs, Community Bylaws, Animal Protection Services, Business Licences and the Law Department.

Parks, Recreation and Culture

Provides services to create and engage healthy, active communities such as Parks Services, Recreation and Sport Services and Arts, Culture and Heritage Services, Community Services Planning and Projects, and Corporate Communications and Marketing.

Engineering and Public Works

The Engineering and Public Works Departments deliver public works services, utilities and their maintenance, engineering planning, design and construction, as well as climate and environment programs and transportation planning and operations.

Finance and Corporate Services

Includes Finance, Business Services, Information Technology, Real Estate Services and the City Clerk's Office.

Planning and Development






Includes the Policy Planning, Development Applications, Building Approvals and Community Social Development Departments.

City of Richmond contacts

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


City of Richmond

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Gateway Theatre

6500 Gilbert Road
Richmond, BC V7C 3V4
Phone: 604-270-6500
Box Office: 604-270-1812
GatewayTheatre.com






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Lulu Island Energy Company

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LuluIslandEnergy.ca



Richmond Public Library

100-7700 Minoru Gate (Brighthouse Branch)
Richmond, BC V6Y 1R8
Library Hours Line: 604-231-6401
YourLibrary.ca

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