

FOR ALL THE WAYS YOU MOVE



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Executive Summary

Overview

The Richmond Olympic Oval Corporation (the “Corporation”) is proud to present its 2026 Operating Budget—a reflection of continued progress and disciplined financial stewardship. Guided by the vision of its Board of Directors and strengthened by streamlined management structure introduced in 2025, the Oval continues to evolve as a model of efficiency, sustainability and civic value. Every decision reflects a shared commitment to excellence – ensuring that the Oval remains not just a facility, but a vibrant hub of health, sport and connection for the Richmond community.

Following a year of unprecedented revenues in 2025, the Corporation is looking to sustain its upward financial momentum through 2026. Revenues from rentals, admissions, memberships, programs, parking, and leasing are projected to exceed \$15M in 2026, marking an increase of more than \$1M over the previous year. This growth will be achieved while reducing administrative costs by 7% and a continued decrease in reliance on the City of Richmond’s (the “City”) contribution—a clear indicator of the Corporation’s growing financial independence. The result is a more agile, resilient organization that continues to expand its reach and value to the community while strengthening its long-term sustainability.

Thriving with Less; The Oval’s Model for Sustainable Operations

Since its inception in 2010, the City's \$55M investment has been critical to ensuring that the Richmond Olympic Oval continues to be upheld to a world-class standard. Through disciplined management and strategic reinvestment, the Corporation has allocated \$35M back into the venue, while also building approximately \$13M in capital reserves. This has resulted in a net subsidy of just \$7M over 15 years—an average of only \$0.47M per year. The City’s investment for 2026, at \$2.5M, represents a 38% reduction since 2024 and a 30% reduction from 2025, yet the Oval continues to thrive. In fact, despite reduced municipal funding, the Corporation is transferring an additional \$3.5M into capital reserves in 2025, reinforcing its growing financial sustainability. Even with these efficiencies, the Oval continues to deliver expanded services to more than 1.6M guests annually. This evolution reflects a truly transformational change—driven by a unified focus from both staff and Board—demonstrating the Corporation’s ability to achieve exceptional community impact while steadily reducing reliance on City investment.

Delivering on its High Performance and Community Mandate

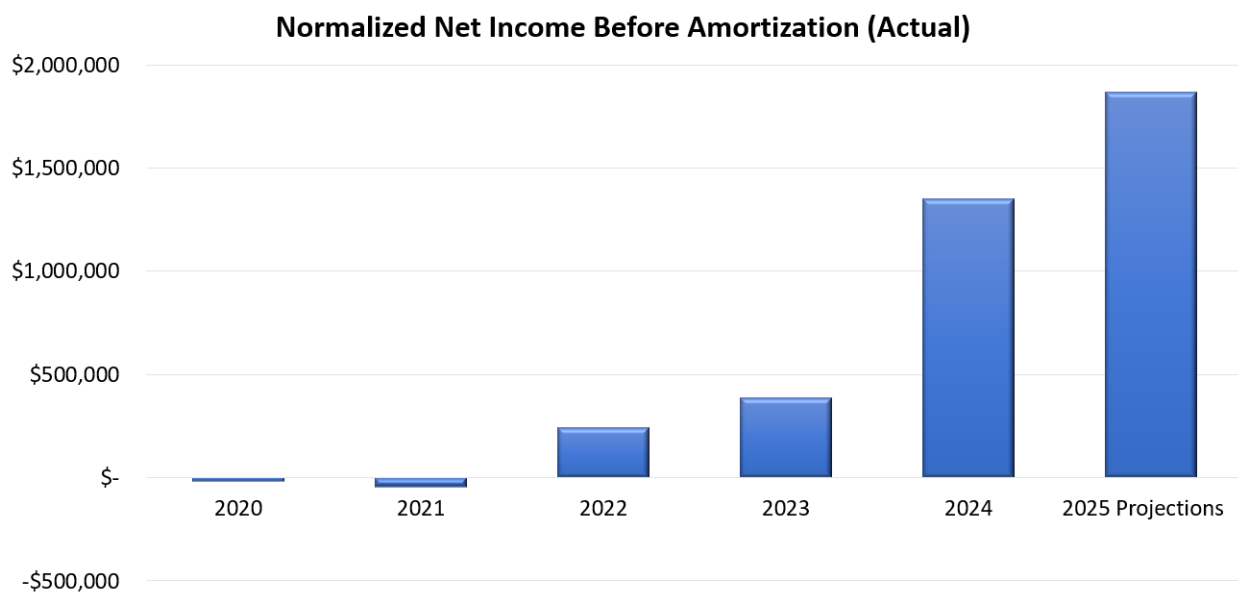
Oval High Performance will continue to play a pivotal role in advancing the Oval’s strategic and financial objectives for 2026. Consistent with the GOT funding requirements, the Oval will further develop and enhance its collaborations with sport organizations at the local, provincial, and national levels. Revenues generated from events and sport hosting activities not only support GOT objectives but also make a substantial contribution to the local visitor economy, having produced over \$87 million in economic impact from 2022 through the end of 2024.

In addition, the Oval continues to prioritize community engagement and accessibility and below are some key initiatives:

- **Oval Community Day:** The second annual event welcomed more than 7,500 residents in August for a free day of activities and celebration;
- **Forever Young 8K:** The 11th annual event sold out once again, as Canada’s only sanctioned 8K run exclusively for participants aged 55 and over;
- **Expanded Access and Inclusion:** Continued growth in participation through Richmond’s Fee Subsidy Program, and the introduction of Learn to Climb 55+ programs;
- **Free Access to the Richmond Olympic Experience:** Effective December 1, 2025, Richmond residents will receive complimentary access to the museum; and
- **Forever Young Wednesdays Membership:** This seniors’ program continues to thrive with nearly 100 active members, providing adults 55+ with weekly access at a nominal annual fee. In 2025, complimentary access was extended to Richmond Seniors Facility Pass holders, reinforcing the Oval’s commitment to inclusive, community-based wellness and social engagement.

Financial Highlights

The chart below illustrates the Oval’s financial performance, presented in a “normalized” format. Normalization means the data has been adjusted to remove irregular or one-time factors, allowing for an accurate, apples-to-apples comparison across different years. By doing so, we can better understand true operational performance and long-term trends without distortion from unique funding events or extraordinary circumstances. This chart illustrates actual net income, normalizing data by adjusting for variations related to the City’s annual contribution, Games Operating Trust (GOT) funding, and external capital project funding.



* Figures are normalized for COR contributions, GOT funding, and capital project external funding

2025 Budget vs. 2026 Budget

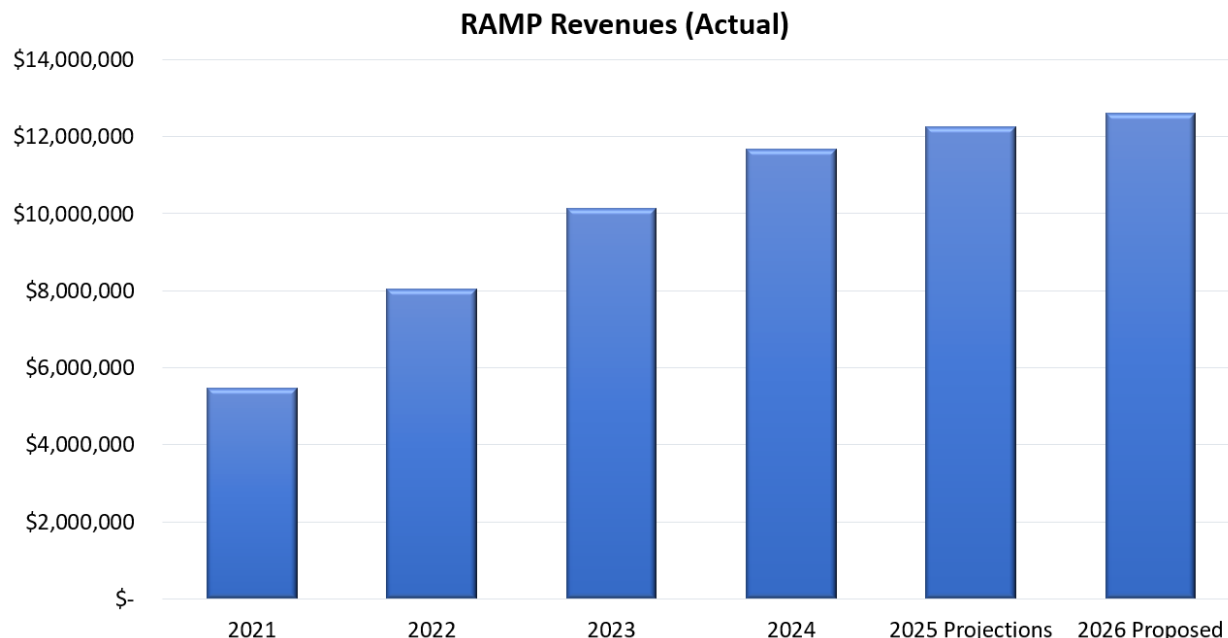
The statement of earnings below shows a breakdown of the changes from the 2025 budget to the 2026 proposed budget.

RICHMOND OLYMPIC OVAL CORPORATION				
Operating Budget				
For the fiscal year ending Dec 31, 2026				
Unaudited, prepared by management				
	2025 BUDGET	2026 BUDGET	\$ Incr. (decr.)	% Incr. (decr.)
REVENUES				
Rentals, admissions, memberships & programs (RAMP)	\$ 11,846,547	\$ 12,619,111	\$ 772,564	7%
Parking, leasing, interest and other	2,300,205	2,580,469	280,264	12%
2010 Games Operating Trust	3,200,000	3,200,000	-	0%
Contribution from City of Richmond (Note 1)	3,573,500	2,500,000	(1,073,500)	-30%
	20,920,252	20,899,580	(20,672)	0%
EXPENSES				
Rentals, admissions, memberships & programs (RAMP)	9,078,027	9,713,054	635,027	7%
Facility Operations	5,618,853	5,903,845	284,992	5%
Admin/Finance	3,765,731	3,512,250	(253,481)	-7%
	18,462,611	19,129,149	666,538	4%
Net income before amortization and transfers	\$ 2,457,641	\$ 1,770,431	\$ (687,210)	-28%
Amortization	2,500,000	2,200,000	(300,000)	-12%
Net income after amortization and before transfers	\$ (42,359)	\$ (429,569)	\$ (387,210)	-914%
Transfer to reserves/provisions (Note 2)	TBD	TBD		
Net income after amortization and transfers	TBD	TBD		
Note 1 - The 2026 budgeted amount reflects a reduction in the City Contribution of \$1.50M from 2024 and \$1.07M from 2025.				
Note 2 - Per the Richmond Oval Agreement, the transfer to reserves/provisions will be determined by the Capital Works Committee.				

The 2026 budget adopts a moderate approach to growth, balancing revenue generation with affordability and service quality. As shown above, despite the reduction in City funding of approximately \$1.07M, a budgeted net income before amortization of \$1.77M is proposed for 2026, which represents a \$0.69M decrease in net position compared to the 2025 approved budget or an improvement of \$0.39M when removing the impact of the City contribution. Each year, the majority of the net income earned from operations is transferred to the Corporation's capital reserves to fund the organization's future capital, which includes the long-term maintenance plan.

With respect to revenue growth, given the ongoing volatility and unpredictability of the broader financial and geopolitical landscape, the Board of Directors approved nominal rate increases for 2026 as a means of supporting families to remain healthy and active during an unpredictable financial period.

This approach aims to balance the Oval’s financial responsibilities with the expectations of its members and clients. The graph below shows the 2021 – 2026 trend of the Oval’s rentals, admissions, memberships, and programs (RAMP) revenues.



On the expense side, staff will continue to pursue efficiencies and reduce operating costs wherever practical and feasible without sacrificing service levels. Labour costs are a key area, and since 2024, regular staffing levels have been either reduced or vacancy gapped by an estimated 11%, all the while the Oval continuing to be an employer of choice. Looking ahead, wage adjustments are set for the next two years across the unionized workforce, providing greater certainty for forecasting purposes for a significant number of employees. In addition, the Oval, like other facilities in the health, fitness, sport, and recreation sectors, is not immune to economic factors such as elevated equipment costs due to tariffs and the lingering effects of inflation, and staff will continue to manage these factors prudently.

For 2026, operating cost increases consist of:

- Non-discretionary expenditures (e.g., annual wage increases to remain competitive with the job market in addition to what is mandated by a Collective Bargaining Agreement);
- Expenses required to maintain vital infrastructure and due to increased plant and growth in the operations (e.g., janitorial and custodial supplies);
- Expenses required to be incurred due to contractual commitments and/or those outside of the Corporation’s control (e.g., subscription agreements for software utilized by the Corporation); and
- Expenses where the correlation to increased earnings is verifiable (for example, increased instructors for skating lessons where the gross margin has been established).

Please refer to Appendix 1 for additional information on the trends from 2021 to 2026 and Appendix 2 for further information on the 2026 operating budget.

APPENDIX 1

2021 – 2026 TRENDS

The following charts show the 2021 – 2026 financial trends reflecting 2021-2024 actuals, 2025 projections, and 2026 proposed figures:

Chart A - RAMP Revenue Breakdown

- This chart shows the breakdown of RAMP revenues in three categories: memberships/admissions, registered programs, and rentals/events.

Chart B – Ratio of City Contribution vs. RAMP Revenues

- This chart shows the Oval's reduced reliance on the City contribution relative to its RAMP revenues. In 2021 this was 67% and in 2026 this is projected to be 20%.

Chart C – Labour Expenses vs. Earned Revenues

- This chart shows the total labour expenses compared to total earned revenues. Earned revenues consist of RAMP, parking, leasing, interest and other revenues.

Chart A

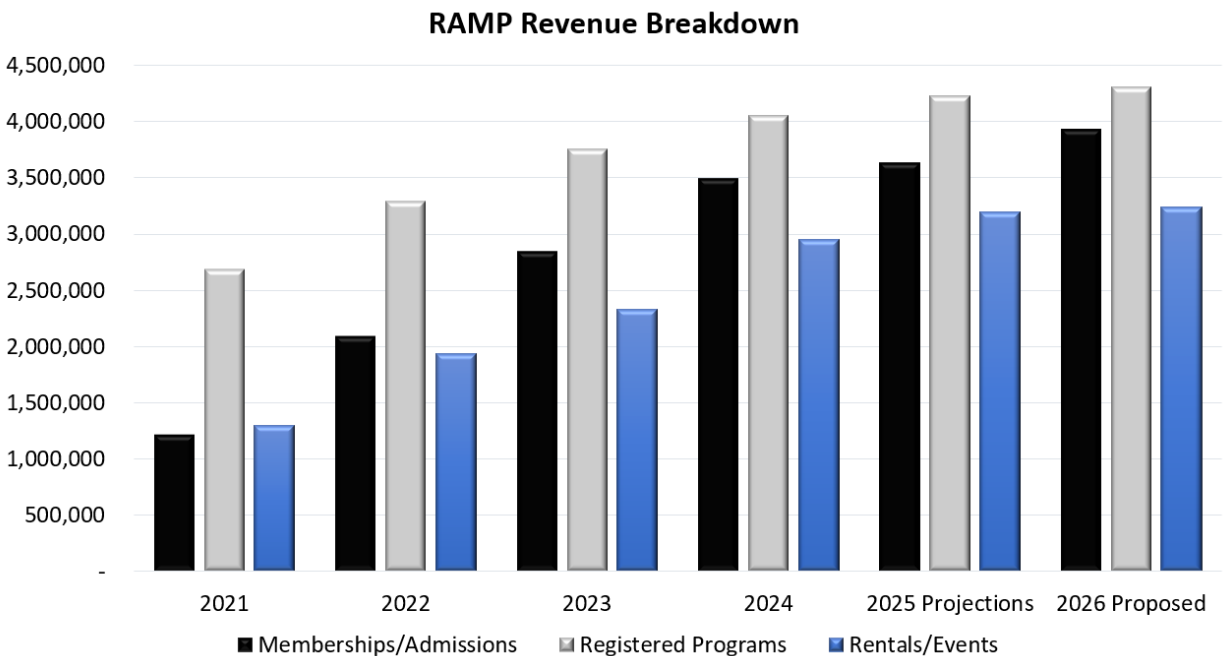


Chart B

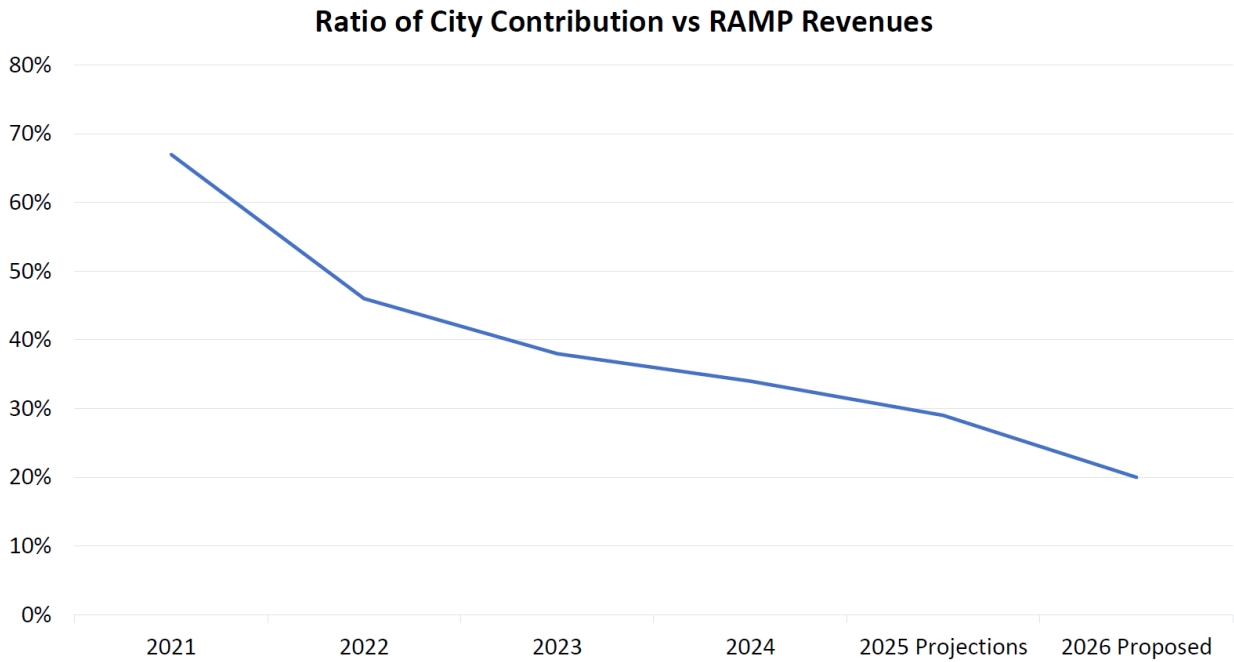
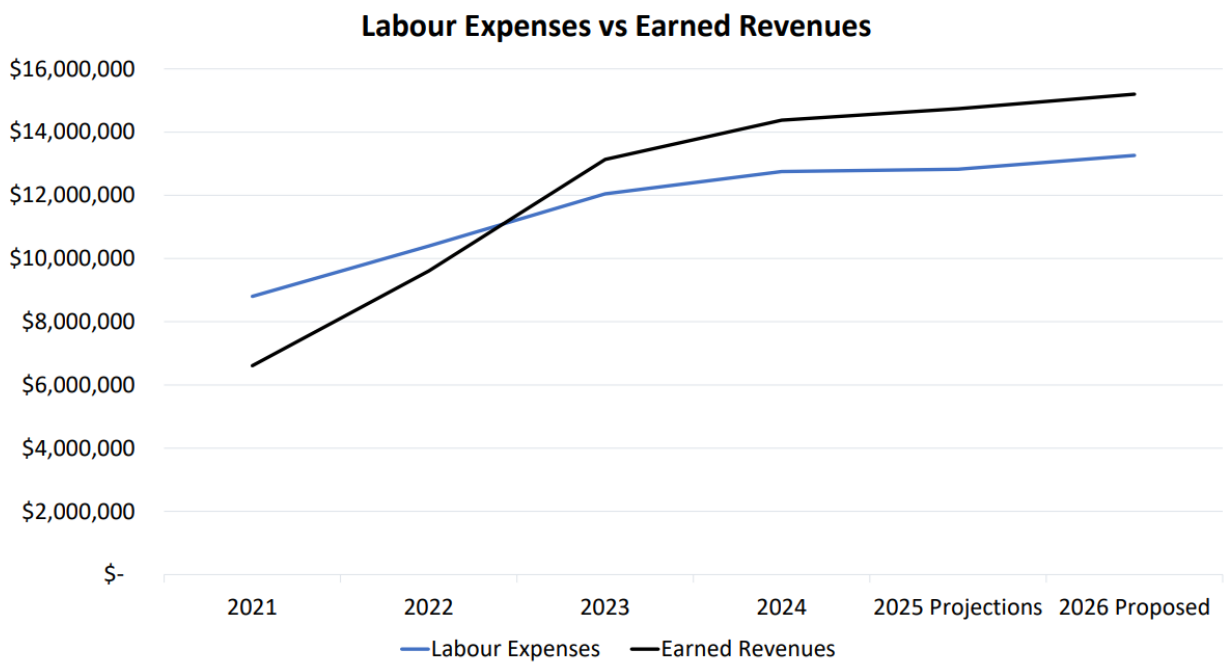


Chart C



APPENDIX 2

2026 BUDGETED REVENUES AND EXPENSES

RICHMOND OLYMPIC OVAL CORPORATION				
2026 Budgeted Revenues and Expenses				
Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
RAMP Revenues				
Memberships/Admissions	3,696,986	3,928,098	231,112	6%
Programs	4,737,641	5,047,121	309,480	6%
Rentals/Events	3,411,920	3,643,892	231,972	6%
Total RAMP Revenues	11,846,547	12,619,111	772,564	7%
Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
Parking, leasing, interest and other				
Parking	770,000	1,045,000	275,000	36%
Leasing	504,113	522,603	18,490	4%
Interest	610,000	625,000	15,000	2%
Other	416,092	387,866	(28,226)	-7%
Total Parking, leasing, interest and other revenues	2,300,205	2,580,469	280,264	12%
Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
Games Operating Trust funding	3,200,000	3,200,000	-	0%
City of Richmond funding	3,573,500	2,500,000	(1,073,500)	-30%
Total Revenues	20,920,252	20,899,580	(20,672)	0%

Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
RAMP Expenses				
Memberships/Admissions				
- Labour	1,339,466	1,376,951	37,485	3%
- Non-labour	367,303	409,795	42,492	12%
Total	1,706,769	1,786,746	79,977	5%
Programs				
- Labour	5,075,968	5,544,334	468,366	9%
- Non-labour	1,083,447	1,131,141	47,694	4%
Total	6,159,415	6,675,475	516,060	8%
Rentals/Events				
- Labour	985,718	1,027,002	41,284	4%
- Non-labour	226,125	223,832	(2,294)	-1%
Total	1,211,843	1,250,833	38,990	3%
Total RAMP Expenses	9,078,027	9,713,054	635,027	7%

Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
Facility Operations				
- Labour	2,662,438	2,853,889	191,451	7%
- Non-labour	2,956,415	3,049,956	93,541	3%
Total Facility Operations expenses	5,618,853	5,903,845	284,992	5%
Admin/Finance				
- Labour	2,677,360	2,459,973	(217,387)	-8%
- Non-labour	1,088,371	1,052,276	(36,095)	-3%
Total Admin/Finance expenses	3,765,731	3,512,250	(253,481)	-7%
Amortization	2,500,000	2,200,000	(300,000)	-12%
Total Expenses	20,962,611	21,329,149	366,538	2%

2025 Budget vs. 2026 Budget

Revenues:

For 2026, total overall revenues are budgeted at \$20.9M, remaining consistent with 2025. While modest growth is anticipated in RAMP revenues (7%) and parking, leasing, interest, and other revenues (12%), this is largely offset by a 30% reduction in the City of Richmond's contribution.

The net increase in RAMP revenue anticipated is primarily from the following business lines: Memberships and Admissions, Fitness, Events, Sport Programs, High Performance, Retail, and Richmond Olympic Experience (ROX).

Expenses:

Total expenses are budgeted at \$21.3 million, representing a 2% increase over the prior year's budget. The increase primarily reflects higher operating expenditures across RAMP (7%) and facility operations (5%), which is partially offset by lower administration (7%) and amortization (12%) expenses.

The RAMP expenses primarily include the following: Memberships and Admissions, Fitness, Events, Sport Programs, High Performance, Retail, and Richmond Olympic Experience. The RAMP expenses are more than offset by the budgeted increase in RAMP revenues.

Labour costs represent a core element of the organization's cost structure, enabling consistent and effective program and service delivery, and some of these expenses are offset by increased revenues. For the 2026 labour budget, non-discretionary salary increases are proposed at 3.5% and are based on comparators from union agreements. In addition, the 2026 operating budget reflects a 2% adjustment to the benefits burden rate to align with market cost trends and maintain the organization's ability to attract and retain skilled employees, which is critical to delivering high-quality services. Despite these factors noted above and the additional expenditures expected from the organization's continued growth which are estimated to result in a 7% increase in RAMP revenues for 2026, the increase in the overall labour budget is approximately \$0.52M (4%) from \$12.74M in 2025 to \$13.26M in 2026. The Oval's 2026 labour budget will allow the organization to effectively manage rising visitation levels, expanded programming, and increased community demand, demonstrating strong fiscal management and operational performance.

