



City of Richmond

Report to Committee

To: Finance Committee

Date: February 8, 2013

From: Jerry Chong
Director, Finance

File:

Re: Financial Information – 4th Quarter December 31, 2012

Staff Recommendation

That the report titled Financial Information – 4th Quarter December 31, 2012 be received for information.

Jerry Chong
Director, Finance
(604-276-4064)

REPORT CONCURRENCE			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Affordable Housing	<input checked="" type="checkbox"/>		
Business Licences	<input checked="" type="checkbox"/>		
Economic Development	<input checked="" type="checkbox"/>		
Recreation Services	<input checked="" type="checkbox"/>		
Engineering	<input checked="" type="checkbox"/>		
Project Development	<input checked="" type="checkbox"/>		
Sewerage & Drainage	<input checked="" type="checkbox"/>		
Water Services	<input checked="" type="checkbox"/>		
Community Bylaws	<input checked="" type="checkbox"/>		
Fire Rescue	<input checked="" type="checkbox"/>		
RCMP	<input checked="" type="checkbox"/>		
Building Approvals	<input checked="" type="checkbox"/>		
Development Applications	<input checked="" type="checkbox"/>		
Transportation	<input checked="" type="checkbox"/>		
Parks	<input checked="" type="checkbox"/>		
REVIEWED BY SMT SUBCOMMITTEE	INITIALS: 	REVIEWED BY CAO	INITIALS:

Staff Report

Origin

Financial information for the 4th quarter ended December 31, 2012 is being provided to Council for review. Global and more specific economic updates outline the current environment with respect to Canada, the Province of B.C., and the City of Richmond. The City's financial results, significant revenues, investments, capital projects and other key indicator information are provided.

Analysis

Global Economic Overview¹

- Economists at TD Bank feel the global economic momentum remained soft during the fourth quarter as industrial output and trade weakened across most regions. As a result, global economic growth will slow to 2.9% this year, 0.2 percentage points lower than their September forecast.
- Next year, emerging markets like China should regain some momentum owing to the Chinese government's intention to double their per-capita by the year 2020. This should allow global economic activity to accelerate, but economic growth will remain sub-par at 3.2% in 2013.
- Between the US and Europe, political risks loom large in the Canadian economic outlook. Fiscal consolidation and private deleveraging have resulted in protracted recessions in Greece and Portugal, and to a lesser extent in Italy and Spain, while the rest of the common currency area has seen very modest growth. Rising unemployment levels and a weak regional backdrop will keep economic activity subdued, exacerbating the challenge of fiscal consolidation.

Canadian Economic Overview^{2,3}

The US fiscal cliff, a European recession and the resulting dampening impact on commodity prices are the biggest challenges facing the Canadian economy over the next six months. Domestic demand is also likely to be further tempered by a slowing housing market.

- TD Bank economists believe now that a compromise on the U.S. fiscal cliff has been reached, fiscal consolidation in the US alone could shave up to 0.7 percentage points off Canadian economic growth through lower exports and the knock-on-effects to other areas of the economy in 2013.

¹ TD Economics Quarterly Economic Forecast – Global Outlook December 2012

² TD Economics Quarterly Economic Forecast – Canadian Outlook December 2012

³ TD Economics Quarterly Economic Forecast – February 8th, 2013 – Data Releases

- Canadian housing starts plunged into 2013, falling to 160,577 (seasonally adjusted at annual rates) in January, the lowest level since July 2009. Despite January's drop, housing starts have averaged 186,000 units over the last three months, a level that is consistent with demographic fundamentals.
- The Canadian job market started 2013 on a sour note, as it gave back 22,000 net new positions in January. This outcome was four times as large as what the market had been expecting. On a three-month and six month moving average, job creation was 21,900 and 27,000 respectively.
- The national unemployment rate inched down 0.1 percentage points to 7.0% in January. While this is the lowest jobless rate in four years, the improvement came on the heels of fewer people looking for work. Labour force participation decreased from 66.8% in December to 66.6% in January.

Table 1

CANADIAN ECONOMIC OUTLOOK																		
Period-Over-Period Annualized Per Cent Change Unless Otherwise Indicated																		
	2012				2013				2014				Annual Average			4th Qtr/4th Qtr		
	Q1	Q2	Q3	Q4F	Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	12F	13F	14F	12F	13F	14F
Real GDP	1.7	1.7	0.6	1.2	1.7	2.1	2.4	2.6	2.7	2.5	2.3	2.2	2.0	1.7	2.5	1.3	2.2	2.4
Labour Force	0.8	2.1	0.7	1.8	1.3	1.2	1.2	1.2	1.0	1.0	1.0	1.0	1.0	1.3	1.1	1.3	1.2	1.0
Unemployment Rate	7.4	7.3	7.3	7.3	7.4	7.5	7.5	7.4	7.3	7.1	7.1	6.9	7.3	7.4	7.1	—	—	—
Cons. Price Index (Y/Y)	2.3	1.6	1.2	1.4	2.1	2.4	2.1	2.0	2.1	2.1	2.1	2.1	1.6	2.2	2.1	1.4	2.0	2.1
Core CPI (Y/Y)	2.1	2.0	1.5	1.5	1.7	1.6	1.8	1.8	1.8	1.9	2.0	2.0	1.8	1.7	1.9	1.5	1.8	2.0
Housing Starts ('000's)	206	231	222	203	196	194	194	197	186	185	184	185	216	195	185	—	—	—
Productivity: Real GDP / worker (Y/Y)	1.3	1.7	0.6	-0.2	-0.2	0.4	0.6	1.1	1.1	1.1	1.0	0.8	0.8	0.5	1.0	-0.2	1.1	0.8
F: Forecast by TD Economics as at December 2012																		
Source: Statistics Canada, Bank of Canada, Canada Mortgage and Housing Corporation, Haver Analytics																		

Province of B.C. Economic Overview⁴

The RBC economists expect British Columbia's economy to be successful in overcoming the drag generated by the downturn of its housing market and more extensive public sector restraint in 2013. Improving demand from the United States and stronger non-residential investment will provide solid support for the province's economic growth to maintain a fairly steady course. They project British Columbia's real GDP to grow by 2.3% in 2013, only slightly faster than the 2.1% that they forecasted for 2012 (both rates will nearly match the national averages). Their initial take on the 2014 outlook keeps the course almost unaltered, as they project a growth rate of 2.6% that year.

- The BC economy enters 2013 dealing with a substantial cooling of its previously red-hot housing market. While a moderation in home prices is a welcomed development for many households in the province – considering the poor levels of affordability of the province's largest market, Vancouver. The correction in home re-sales casts a large shadow on residential investment in the province (home ownership transfer costs, which are directly related to the volume of real estate activity, represent approximately one-fifth of residential investment). RBC believes that lower levels of home re-sales will cause new home construction to decline in 2013.

⁴ Royal Bank Economics – Provincial Outlook, December 2012

- Another challenge facing the BC economy in 2013 will be a tightening in public administration spending, particularly at the provincial level. The BC government recently announced that it must aim at more ambitious expenditure targets than previously set (including for wages in the public service) in light of weaker than earlier anticipated revenues from natural gas royalties.
- On a more positive note, RBC economists believe that further recovery in the US housing sector will benefit British Columbia's economy disproportionately. RBC expects US housing starts to continue climbing out of their deep hole in 2013 and 2014, which bodes well for further gains in what was traditionally the province's top export commodity. RBC believes that the turnaround in exports to the United States will more than offset any possible weakening in other markets such as China.

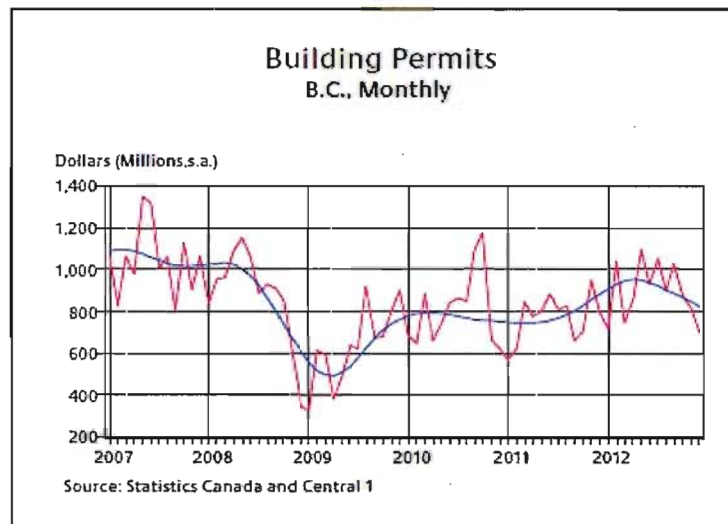
Table 2

British Columbia forecast at a glance				
% change unless otherwise indicated				
	2011	2012F	2013F	2014F
Real GDP	2.8	2.1	2.3	2.6
Employment	0.8	1.7	1.4	1.4
Unemployment rate (%)	7.5	6.8	6.5	6.4
Retail Sales	3.1	2.7	3.1	3.7
Housing starts (units)	26,400	27,700	23,800	23,500
Consumer price index	2.3	1.3	1.2	1.7

Source: Royal Bank Economics - Provincial Outlook - December 2012

- Labour market weakness observed near the tail end of 2012 extended into January as B.C.'s economy shed jobs for a third time in four months. Estimated total employment in the province fell to a seasonally adjusted 2.298 million persons, marking a decline of 0.7 per cent or 15,900 persons from December. The decline was led by a two per cent tumble in the number of part-time employed individuals, while full-time employment also dipped by 0.3%.
- Dollar volume of building permits issued by B.C. municipalities fell for a third consecutive month in December as non-residential activity pulled back sharply, and residential builders slowed activity. Total building permits reached an estimated \$697.5 million which marked a 14.5% decline from November, and extended the downside momentum observed since May.

Table 3

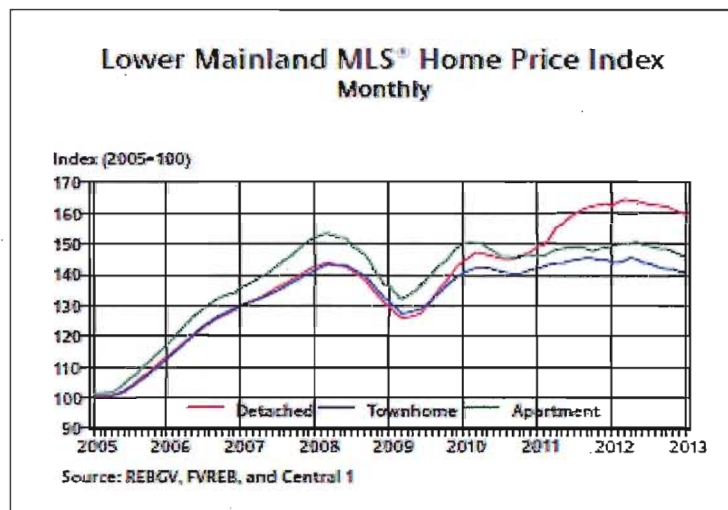


Lower Mainland Overview^{5,6}

Economic activity in the lower mainland region is expected to hold steady through 2013 on moderate employment gains and modest growth in housing activity.

- While sales in the Lower Mainland were already in decline prior to tighter federal mortgage insurance rules, downward momentum accelerated as some buyers were priced out of the market for their desired properties and availability of government-backed mortgage insurance was limited to homes with a purchase price of less than \$1 million

Table 4

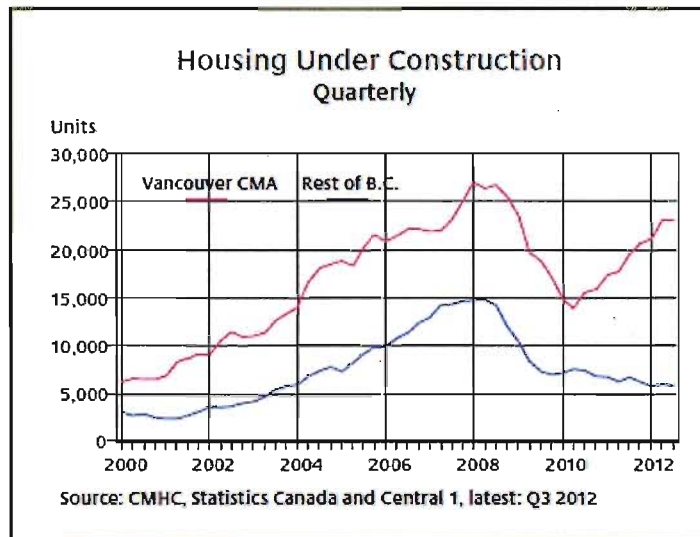


⁵ Central 1 Credit Union-BC Economic Briefing ,Volume 18- Issue 51

⁶ Central 1 Credit Union-BC Economic Briefing ,Volume 19, Issues 1 to 4

- Housing starts in the Vancouver Census Metropolitan Area (CMA) fell 2.2%.
- December's pace of housing starts was the slowest in more than two years, and while monthly activity can fluctuate significantly due to multi-family apartment and town home project starts, the underlying pace has clearly fallen in recent months. This suggests builders, particularly those in the Vancouver region, are making necessary adjustments in response to weak housing demand and high levels of resale and new home inventories.

Table 5



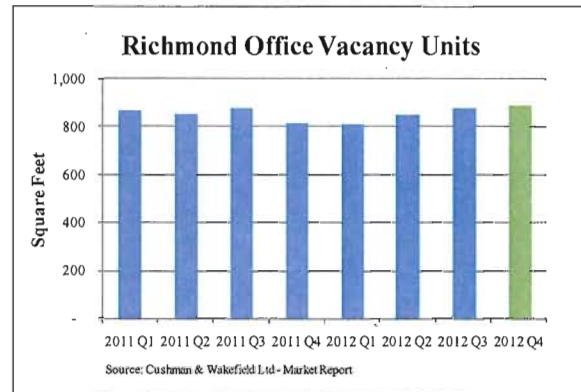
- On an annual basis, employment growth in the Lower Mainland-Southwest was a respectable 2%.

City of Richmond Overview

Overall Richmond is performing well in face of global and provincial economic trends. The figures described below indicate a slowing but still strong Richmond economy.

The office market remained stagnant in the last quarter of 2012, with vacancies edging up slightly to 20.3% from 20.1% in the previous quarter and 19.2% in the last quarter a year ago. Office inventory remained unchanged at 4.4 million square feet compared to the third quarter in 2012. A notable transaction in the last quarter of 2012 is MacDonald Dettwiler and Associates' renewal of their 181,588 square feet lease at Crestwood Corporate Centre.

Chart 1



The industrial market continues to show healthy dynamics, with vacancies edging up in the last quarter of 2012 to 3.1% from 2.7% in the 3rd quarter of 2012, reducing pressures on industrial space availability in Richmond. The last quarter also witnessed a 2% growth in industrial inventory from 36.3 to 36.9 million square feet for a total addition of 0.6 million square feet. Two major facilities on Port Metro Vancouver land were completed, a 275,000 square foot Acklands Granger facility at 16111 Blundell Road and 250,000 square foot Tolco Industries facilities at 16100 Portside Road.

The value of building construction for permits issued increased slightly during the 4th quarter of 2012 by 7.6% from \$103M in the same quarter in 2011 to \$111M. This reflects the current trend of higher value construction projects, predominately as mixed-use residential and commercial buildings are starting to complete.

In the 4th quarter, there were 296 building permits issued, which is comprised of multi-family and residential building permits, representing a decrease of 22.5% compared to the 382 permits issued in the 4th quarter 2011. The total revenues collected on an annual basis increased by 8.0% from \$5.2M to \$5.6M for 2011 to 2012.

Chart 2

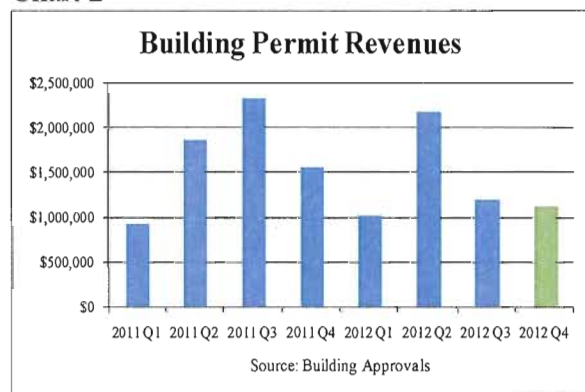
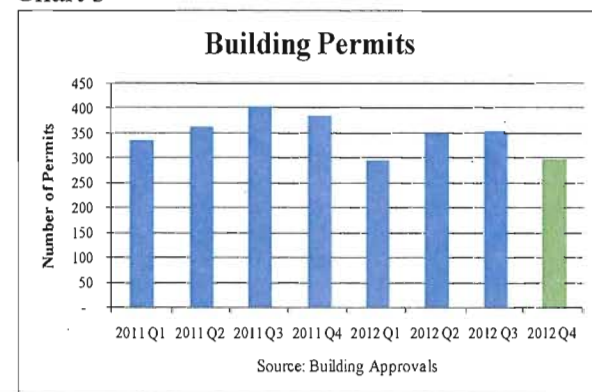


Chart 3

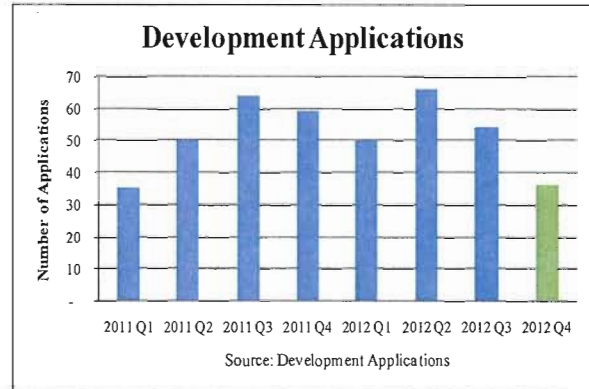


There were 36 development applications received in the 4th quarter which is a decrease of 30.8% as compared to the same quarter in 2011. The monthly figures fluctuated significantly; however, the overall annual development applications received in 2012 was 206 as compared to 208 in 2011. The total development application revenues received year over year are down slightly by 0.9%.

Chart 4



Chart 5



The year-over-year valid licenses show a modest increase reflecting improved collection of delinquent license fees and the net change from a slight increase in commercial business licenses, including an additional Night Market, offset by a year over year decrease in new Home Occupation and Non-Resident (Contractors) Business Licenses. Following a timing adjustment, Business License revenue increased mainly due to the 2% fee increase year-over-year.

Chart 6

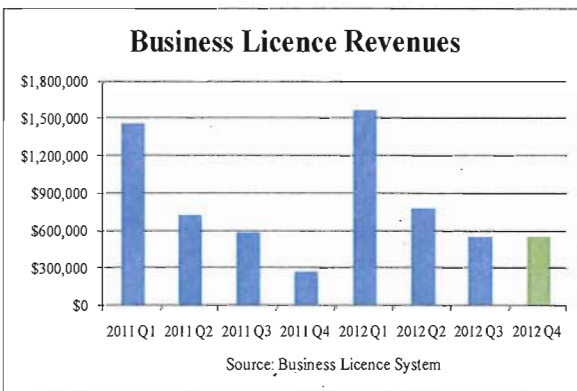
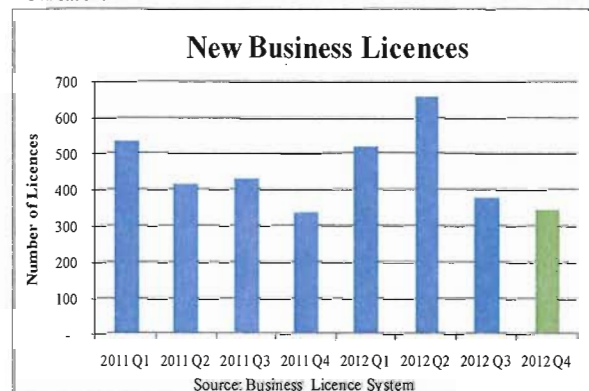
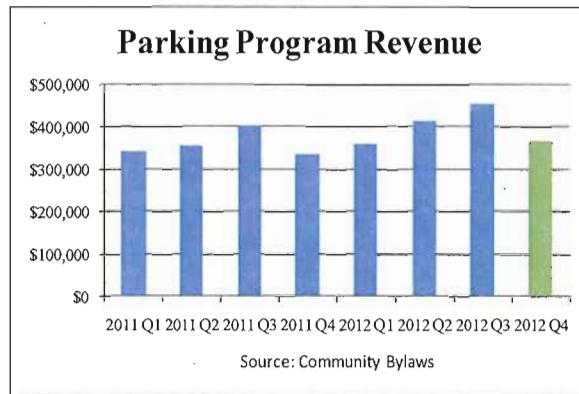


Chart 7



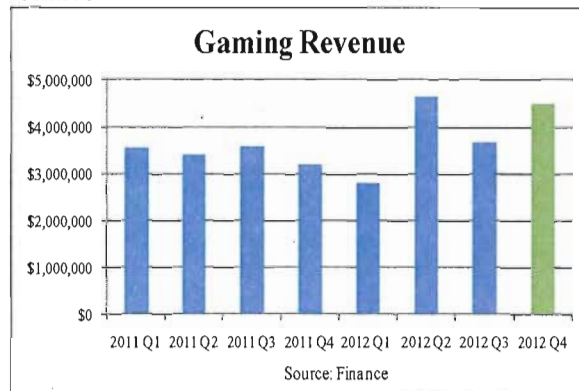
Parking Program revenues from meters, permits and enforcement for the 4th quarter of 2012 increased by \$28,000 to \$0.365M from \$0.337M for the same period in 2011.

Chart 8



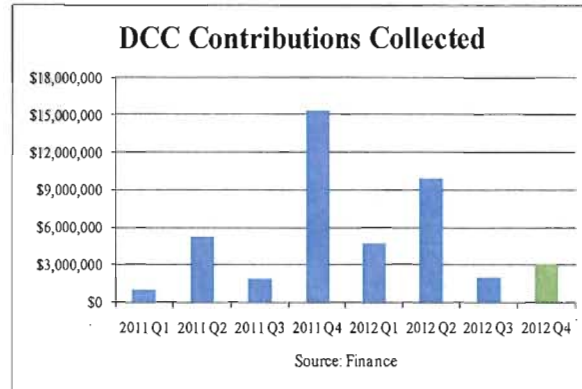
Gaming revenues have increased year over year and the comparable figures described below indicate a slowing but still strong Richmond economy. Revenue for the 4th quarter is \$4.49M compared to \$3.98M in the same quarter last year. This represents a 12.8% increase. Overall, Gaming revenue increased by 13.5% from \$13.7M to \$15.6M for the period of 2011 to 2012.

Chart 9



DCC contributions received in the 4th quarter of 2011 were higher than 2012 due to a large multi-family development that was recognized in 2011. The year-over-year contributions decreased by 15.9% from \$23.5M in 2011 to \$19.7M in 2012 due in part to the slowing of the housing market.

Chart 10



**Statement of (net revenues)/expenditures for
December 31, 2012 (unaudited)**

Operating Budget (000's)		Unaudited	
General Fund	Budget	Actuals	Annual
	2012	Dec 31, 2012*	Surplus*
RCMP	36,986	36,341	645
Fire Rescue	29,283	28,774	509
Community Services	33,090	33,123	(33)
Engineering & Public Works	28,679	28,591	88
Finance & Corporate Services	16,285	15,787	498
Library	7,945	7,989	(44)
Planning & Development	6,016	4,627	1,389
Corporate Administration	7,453	7,203	250
Law & Community Safety	4,414	4,192	222
Fiscal & Transfer to Reserves	(170,151)	(170,351)	200
Total	\$0	(\$3,724)	\$3,724

* These figures may change due to audit adjustments.

The \$3.7M operating surplus amount will be transferred to the Rate Stabilization account which can be used to minimize fluctuations in the tax rate and/or to fund one-time expenditures as approved at the December 10, 2012 Council meeting.

The following describes the net expenditure variances at the departmental level:

- RCMP has a favourable variance due to unfilled positions and contract costs slightly below budget.
- Richmond Fire Rescue has a favourable variance due to lower than expected ECOMM costs relating to Fire Records Management System modules. Delays in the delivery of turnout gear equipment resulted in the transaction costs not impacting the 2012 budget. A reduction in overtime attributed to training, as well as unfilled vacant positions also contributed to the favourable variance.
- Community Services experienced a minor deficit in 2012, mostly driven by the unexpected and unbudgeted expenditures associated with Watermania building repairs.
- Engineering and Public Works had a small surplus at the end of the year. A relatively mild winter and favourable weather conditions contributed to a surplus in the snow and ice and storm drainage programs, those savings were moved to a provision for future weather events. Project Development had savings due to a vacancy and uncompleted infrastructure initiatives which were carried forward to 2013 to complete the projects. There were savings in Fleet which will be transferred to a Reserve per the Green Fleet policy for future replacement of vehicles.

- Finance and Corporate Services had a favourable variance for the year due to unfilled vacant positions, increased business license revenues and lower than expected expenditures for IT maintenance contracts.
- Library has completed the year with a slight deficit due to grant revenue received being less than budgeted.
- Planning and Development has realized higher than budgeted building permit revenue and development application revenue and a favourable variance due to unfilled positions for the end of 2012. The number of development applications received in 2012 is a result of previous development enquiries becoming applications and developers wishing to take advantage of the housing market conditions, which held stable for Richmond throughout the year. It is anticipated that this number could slow in the coming quarters in 2013.
- Corporate Administration has ended the year with a favourable variance.
- Law and Community Safety has a favourable variance due to lower than expected operational costs.
- Fiscal finished the year with a surplus due to the net effect of better than expected results from Traffic Fine revenue sharing, rental properties and offset by the transfers to reserves.

Utilities

- Utilities had a surplus of \$1.2M at the end of the year. The favourable variance can be attributed to higher than expected water consumption which allowed for additional revenue in the Water and Sewer utilities. Also, operational efficiencies and preventative maintenance programs, yielded positive results, such as a reduction in the number of sewer and water main breaks.

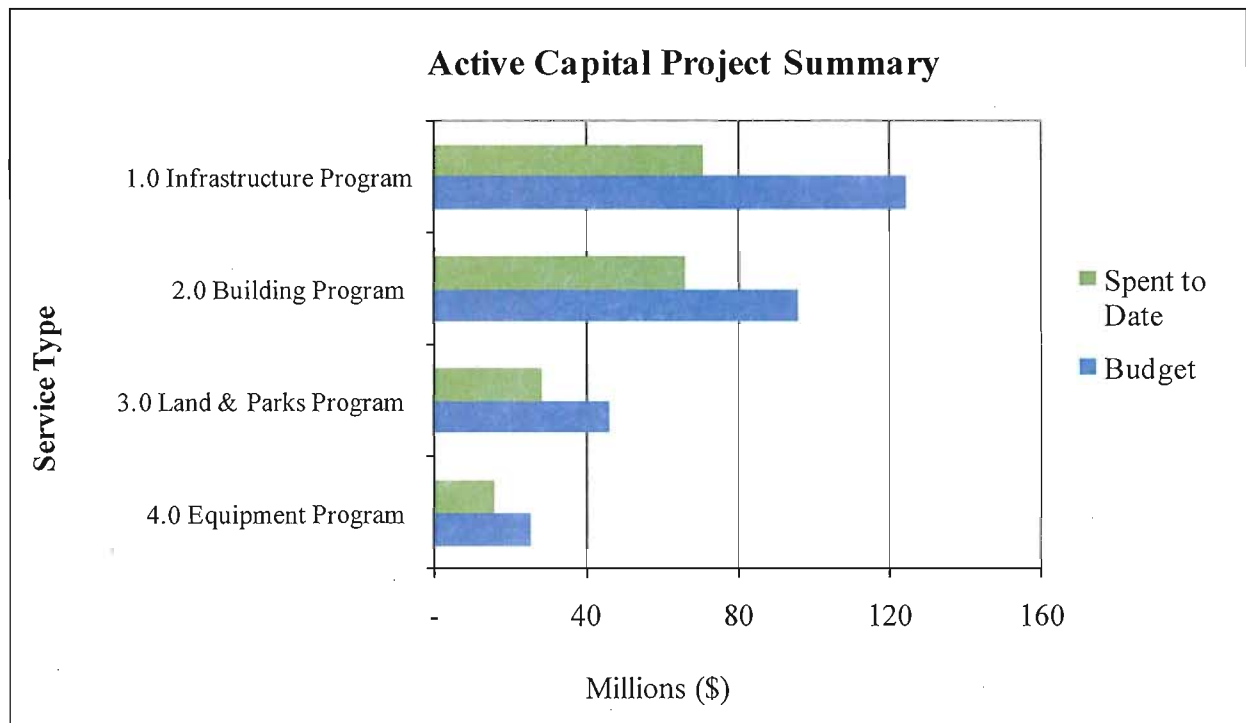
Active Capital Project Summary

The 2012 Capital Budget of \$64.8M (excluding internal payment transfers and debt repayments) are included in the figures below as are amounts relating to capital projects from previous years' Capital budgets that remain active.

The projects within the Infrastructure, Building, Land & Parks and Equipment Programs are in progress.

Statement of Active Capital Project Expenditures in \$'000s

	Budget	Spent to Date	Committed
1.0 Infrastructure Program	124,134	70,606	53,528
2.0 Building Program	95,379	65,489	29,890
3.0 Land & Parks Program	45,838	28,476	17,362
4.0 Equipment Program	25,386	15,696	9,690
Grand Total	\$124,134	\$70,606	\$53,528



Infrastructure Highlights:

- **Nelson Road Improvements – Widening Nelson Road between Blundell Road and Westminster Highway:**
 - Approved Budget: \$4.1M
 - Construction tendering is currently in process.
- **Westminster Hwy: Nelson Rd. to McMillan Way – Widening Westminster Hwy:**
 - Approved Budget: \$10.4M
 - Construction tendering is currently in process.
- **Steveston Drainage Area Replacement and Upgrades – Williams Road West Drainage Pump Station Upgrade:**
 - Approved Budget: \$2.0M
 - Construction is scheduled to be substantially complete in February 2013.
- **No. 1 Road Drainage Pump Station:**
 - Approved Budget: \$3.45M
 - Construction is scheduled to be substantially complete in February 2013.
- **No. 6 Road Widening:**
 - Approved Budget: \$1.5M
 - Construction tendering is anticipated for the February 2013 timeframe.
- **Seaton Laneway Drainage and Pavement Upgrade:**
 - Approved Budget: \$632K
 - The laneway restoration and re-grade of the surface to address 'ride-ability' and drainage issues was completed in November 2012.

Building Highlights:

- **Japanese Fishermen's Benevolent Society Building (formerly 4091 Chatham Street) – Exterior Rehabilitation:**
 - Approved Budget: \$419K
 - The building from 4091 Chatham Street was relocated and placed on a foundation adjacent to the Steveston Museum building. Exterior restoration is underway with completion anticipated in February 2013.

- **Interurban Tram Structure:**
 - Approved Budget: \$1.9M
 - Construction of the new structure which will house the Interurban Tram Car in Steveston Park is nearing completion. The building will permit the restoration of the Tram Car as well as viewing by the public. Target completion date is February 2013.
- **Britannia Heritage Shipyards – Seine Net Loft:**
 - Approved Budget: \$1.2M
 - Construction is underway as of January 2013.
- **Hamilton Childcare Centre:**
 - Approved Budget: \$1.8M (Land value \$480K)
 - A site plan and preliminary drawings have been developed, and rezoning is complete for this modular childcare service facility. Preloading placement at the site is complete. The design services have been awarded and design commenced in January 2013.

Parks Highlights:

- **Railway Corridor:**
 - Approved Budget: \$200K (\$2M approved in the 2013 budget)
 - The terms of reference have been completed with major construction starting this year.
- **Terra Nova Play Environment:**
 - Approved Budget: \$1.0M
 - The planning and design is in progress with the site preparations completed, with construction anticipated to be complete in the summer of 2013.
- **Garden City Community Park:**
 - Approved Budget: \$500K
 - Concept planning and park improvements
- **Oval West Waterfront Park:**
 - Approved Budget: \$850K
 - The detailed design was started in November with construction beginning this year.
- **Terra Nova Heritage Buildings Restorations:**
 - Approved Budget: \$2.0M
 - The construction is in progress.
- **Thompson Youth Park:**
 - Approved Budget: \$673K
 - The Phase two construction is near completion.
- **Woodwards School Park Characterization:**
 - Approved Budget: \$185K
 - The construction was substantially completed in December 2012.

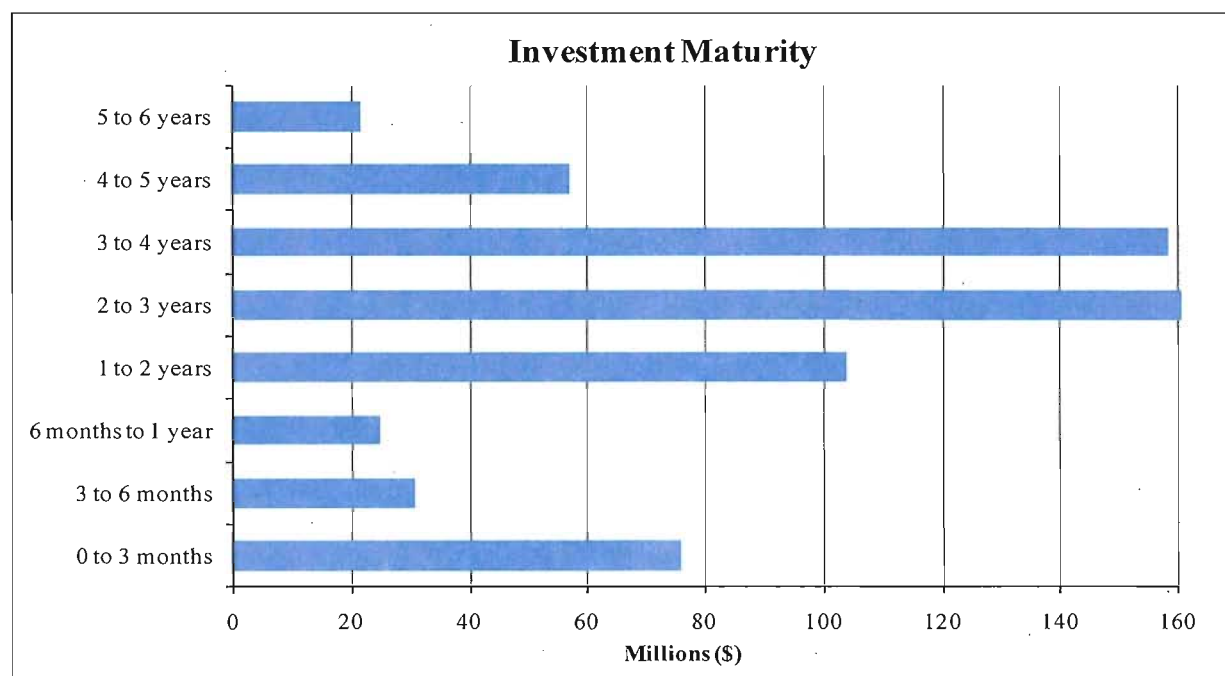
Cash and Investment Portfolio

The City's cash and investment portfolio at December 31, 2012 was \$633.7M, with an average yield on investment for the 4th quarter of 1.79%. The City's investment policy and cash flow projections have been factored into the types of investments that the City holds (**Appendix 1**).

The Bank of Canada has left the key interest rates unchanged and has revised its growth expectations for Canada, now forecasting the real GDP to advance by 2.0% in 2013 and 2.7% in 2014, compared to October's forecast of 2.3% and 2.4% respectively. The global economic outlook is slightly weaker than the Bank had projected in its October Monetary Policy Report. The economic expansion in the United States is continuing at a gradual pace while Europe remains in recession. Growth in China is improving, though economic activity has slowed further in some other major emerging economies. In Canada, the slowdown in the second half of 2012 was more pronounced than the Bank had anticipated, owing to weaker business investment and exports. The Bank expects economic growth to pick up through 2013 and reach full capacity in the second half of 2014.

Reflecting on all these factors, yields across the Canadian yield curve remained low during the quarter as investor's exercised "flight to safety". The interest rate remained at a low level in 2012 and is not likely to increase until late 2013.

The City, in accordance with its Investment Policy (3702) is required to carry a diversified investment mix with strong credit quality and at the same time meeting the objectives of managing its investment activities in a manner that seeks to preserve capital and to realize a reasonable rate of return.



Cash and Investment Portfolio
December 31, 2012 (In'000s)

Issuer	Amount	% of Portfolio
Federal Government and Federal Crown Corporations		
Canadian Mortgage and Housing Corporation	\$ 320,783	50.62%
Government of Canada	\$ 6,048	0.95%
Total	\$ 326,831	51.57%
Provincial Governments and Provincial Crown Corporations		
Province of Ontario	\$ 101,547	16.02%
Alberta Treasury Board	\$ 24,294	3.83%
Financement Quebec	\$ 21,280	3.36%
Total	\$ 147,121	23.22%
Schedule I Banks		
Royal Bank of Canada	\$ 15,411	2.43%
CIBC	8,989	1.42%
TD Financial	8,524	1.35%
Scotia Bank	7,695	1.21%
Total	\$ 40,619	6.41%
Credit Unions		
Gulf & Fraser Financial Group	\$ 29,969	4.73%
Vancity Savings Credit Union	24,879	3.93%
Coast Capital Savings	10,078	1.59%
Total	\$ 64,926	10.25%
Pooled Investments		
Municipal Finance Authority	\$ 21,691	3.42%
Total	\$ 21,691	3.42%
Total Investments	\$ 601,188	
Funds held in trust for Richmond Community Associations	-\$ 1,091	
Total Cash & Cash Equivalents	\$ 33,633	5.31%
Total Reported Investments and Cash & Cash Equivalents	\$ 633,730	

Key Indicators (Appendix 2)

This appendix provides information with regard to various financial and market indicators for the year 2012 as compared to 2011.

Contract Awards (Appendix 3)

This report provides Committee members information with regard to the formal contracts awarded by the City during the 4th quarter.

Financial Impact

The approximate \$3.7M operating surplus will be transferred to the Rate Stabilization account for future consideration by Council as part of the 2014 budget process.


Conclusion


The City of Richmond has finished the fiscal year by maintaining the favourable trend that was started at the beginning of 2012. The City continues with positive increases in Gaming revenue and Planning and Development show a favourable variance in revenues. It is expected that the slowing of the housing market may moderate these favourable amounts in 2013 and 2014.



Cindy Gilfillan
Manager, Financial Reporting
(604) 276-4077

Key Indicators

 City of Richmond Key Indicators - December 31, 2012						
All \$ in 000s	Q4 2012 Oct - Dec 2012	Q4 2011 Oct - Dec 2011	% Change	Year to Date Jan-Dec 2012	Year to Date Jan-Dec 2011	Year to date % change
Housing Starts						
Number of Housing Starts (number of units)	384	204	88.2%	1,602	1,237	29.5%
Number of Demolitions	71	122	(41.8%)	492	653	(24.7%)
Net Housing Units Added	313	82	281.7%	1,110	584	90.1%
Building Permits						
Number of Building Permits Issued	296	382	(22.5%)	1,291	1,480	(12.8%)
Permit Revenues Collected	\$1,127	\$1,194	(5.6%)	\$5,599	\$5,187	8.0%
Value of Building Construction for Permits Issued	\$111,404	\$103,538	7.6%	\$457,247	\$424,366	7.7%
Development Applications						
Development Applications Received	36	52	(30.8%)	206	208	(1.0%)
Development Applications Revenue	\$72	\$224	(67.9%)	\$648	\$654	(0.9%)
<i>Revenue reported for Development Applications reflects deferred revenue adjustments for 2011 & 2012</i>						
Business Licenses						
Number of New Business Licenses Issued	339	335	1.2%	1,898	1,712	10.9%
Number of Employees Reported - New Licenses	1,025	1,482	(30.8%)	5,662	5,474	3.4%
Total Valid Licenses Renewed/(Discontinued)	(469)	(119)	294.1%	13,336	12,988	2.7%
Revenue Received for Current Year Licenses	\$378	\$262	44.2%	\$3,447	\$3,029	13.8%
Revenue Received for Next Year (Deferred)	\$1,423	\$1,223	16.4%	\$1,936	\$1,669	16.0%
Total License Revenue	\$1,801	\$1,485	21.3%	\$5,382	\$4,697	14.6%
<i>Year to date valid licenses and revenue include current year licenses issued in the prior year.</i>						
Other Revenues						
Parking Program Revenue	\$365	\$337	8.2%	\$1,591	\$1,432	11.1%
Gaming Revenue	\$4,493	\$3,983	12.8%	\$15,585	\$13,728	13.5%
Traffic Fine Revenue to date	\$390	\$544	(28.4%)	\$3,472	\$2,176	59.6%
Development Cost Charges Income						
Roads, Water, Sewer DCC's Received	\$1,663	\$3,611	(54.0%)	\$8,613	\$11,972	(28.1%)
Parks DCC's Received	\$1,440	\$1,475	(2.4%)	\$11,158	\$11,535	(3.3%)
Total DCC Fees Received	\$3,102	\$5,086	(39.0%)	\$19,771	\$23,507	(15.9%)
Uncommitted Reserves						
DCC Reserves to date	\$47,401	\$42,437	11.7%	\$47,401	\$42,437	11.7%
Capital Funding Reserves to date	\$85,796	\$77,220	11.1%	\$85,796	\$77,220	11.1%
Affordable Housing Reserves to date	\$7,662	\$2,198	248.5%	\$7,662	\$2,198	248.5%
Other Reserves to date	\$109,516	\$107,806	1.6%	\$109,516	\$107,806	1.6%
Total Uncommitted Reserves to date	\$250,376	\$229,661	9.0%	\$250,376	\$229,661	9.0%
Taxes to date						
Taxes Collected	\$8,580	\$8,070	6.3%	\$339,370	\$328,767	3.2%
City Portion of Taxes Collected	\$4,204	\$3,954	6.3%	\$166,291	\$161,096	3.2%
Unpaid Taxes - Delinquent & Arrears	\$1,544	\$1,519	1.6%	\$1,544	\$1,519	1.6%
No. of Participants on PAWS (Pre authorized withdrawal)	6,031	5,842	3.2%	6,031	5,842	3.2%
PAWS	\$6,608	\$5,992	10.3%	\$21,234	\$18,580	14.3%
Interest Rate Paid to PAWS	1.00%	1.00%	0.00%	1.00%	1.00%	0.00%
<i>Sources: All data is from City of Richmond records</i>						

 City of Richmond Key Indicators - December 31, 2012						
All \$ in 000s	Q4 2012 Oct - Dec 2012	Q4 2011 Oct - Dec 2011	% Change	Year to Date Jan-Dec 2012	Year to Date Jan-Dec 2011	Year to date % change
Employees						
Number of City Employees (City and Library)	1,919	1,883	1.9%	1,919	1,883	1.9%
Fire Rescue Responses	2,515	2,278	10.4%	9,596	9,141	5.0%
RCMP - Calls for Service Handled	17,127	17,396	(1.5%)	70,861	72,423	(2.2%)
Affordable Housing						
Affordable Rental Units	33	16	106.3%	156	21	642.9%
Secondary Suite/Coach House Units	7	4	75.0%	19	29	(34.5%)
Market Rental Units	-	135	(100.0%)	303	303	0.0%
Unspent Funds Allocated to Capital Projects to date	\$10,478	\$9,145	14.6%	\$10,478	\$9,145	14.6%
Investments						
Total Investments	\$633,732	\$571,246	10.9%	\$633,732	\$571,246	10.9%
Interest Earned on Investments						
Average City Rate of Return on Investments	1.79%	2.34%	(0.55%)	1.97%	2.56%	(0.59%)
<i>Sources: All data is from City of Richmond records</i>						
Market Indicators						
Median Residential Selling Prices - Richmond						
Single Family Detached	\$1,070	\$965	10.9%	\$987	\$994	(0.8%)
Townhouse	\$495	\$530	(6.6%)	\$529	\$548	(3.5%)
Apartment	\$320	\$343	(6.7%)	\$339	\$349	(2.8%)
Number of Sales (all housing types)	570	713	(20.1%)	2,809	5,403	(48.0%)
<i>Source: Real Estate Board of Greater Vancouver</i>						
Unemployment Rate-Greater Vancouver	6.2%	6.5%	(0.3%)	6.2%	6.5%	(0.3%)
<i>Regional Unemployment Rate (3 month moving average)</i>						
<i>Source: Statistics Canada & BC Stats (Data not available for Richmond)</i>						
Economic Development						
Total sq. ft space Office YTD	4,358,727	4,241,927	2.8%	4,358,727	4,241,927	2.8%
Total sq. ft vacant space available Office YTD	885,622	816,210	8.5%	885,622	816,210	8.5%
Vacancy rate - Office (in %) YTD	20.32%	19.24%	5.6%	20.32%	19.24%	5.6%
Total sq. ft space Industrial YTD	36,897,163	36,306,863	1.6%	36,897,163	36,306,863	1.6%
Total sq. ft vacant space available Industrial YTD	855,572	1,332,255	(35.8%)	855,572	1,332,255	(35.8%)
Vacancy rate - Industrial (in %) YTD	3.08%	4.56%	(32.5%)	3.08%	4.56%	(32.5%)
<i>Source: Cushman & Wakefield Ltd. - Market Report</i>						
Richmond Population Estimate Year End**	2012	201,160				
**Note: BC Stats Population figures	2011	197,631				

Contract Awards > \$ 25,000
October 1, 2012 – December 31, 2012

	<i>Contract Name and Description</i>	<i>Award</i>	<i>Amount</i>	<i>Department</i>
1	4462F - City Hall Annex: Supply and install DDC controls	Airon Heating and Air Conditioning	\$ 77,330	Project Development & Facilities Services
2	4463F - City Grants Web-based System online tool	Mountain Interactive	\$34,500	Information Technology
3	4464Q - Asbestos abatement and demolition of 8091 Granville Ave and 8080 Anderson Road (over 77% recycling achieved)	Litchfield Demolition	\$56,825	Project Development & Facilities Services
4	4466F - Supply and install wastewater heat recovery system at Gateway Theatre	Commercial Residential Industrial Mechanical Ltd.	\$54,370	PW - Engineering
5	4467F - Road markings (crosswalks, stop bars, "elephant feet"). Road markings (green anti-skid bike lanes, 14 bike stencils)	Scottish Line Painting Ltd.	\$27,930	PW - Engineering
6	4568Q - Supply and Delivery of Turn Out Gear	Associated Fire Safety	\$240,000	Fire-Rescue
7	4616Q - On-Call Contractor: Supply, Install, Repair and Service Heating/Venting and Air Conditioning (HVAC) Systems	Airon Heating and Air Conditioning	\$450,000	Project Development & Facilities Services
8	4710Q - Supply and Delivery of Street Banners	-Big Bold Beautiful Banner Co. -Textile Image Inc. (The Flag Shop)	\$8,272 \$30,722	PW - Parks
9	4717Q - Supply and Delivery of Two (2) 6,500 KG GVW Cutaway Vans with Dual Rear Wheels	Dams Ford Lincoln Sales	\$131,330	PW/Fleet
10	4718Q - Supply and Delivery of Five (5) 19,500 LB GVW Regular Cab and Chassis with Dual Rear Wheels	Metro Motors	\$249,000	PW/Fleet
11	4719Q - Supply and Delivery of one (1) mini paver	Douglas Lake Equipment	\$88,984	PW/Fleet
12	JOC C41914A.03 & JOC IR2012K.02A - City Hall Annex Supply of material and preparation for HVAC installation and	Ashton Service Group	\$657,165	Project Development & Facility

Contract Awards > \$ 25,000
October 1, 2012 – December 31, 2012

	<i>Contract Name and Description</i>	<i>Award</i>	<i>Amount</i>	<i>Department</i>
	mechanical equipment supplemental for coils, exhaust fans, pumps			Maintenance
13	Install 6" water meter in underground chamber at 10177 Pugwash Pl. , as part of Multi-Family water meter program; Install 8" water meter in underground chamber at 11631 7th Avenue , as part of multi-family water meter program; Install 8" water meter in underground chamber at 3500 Cunningham Drive , as part of multi-family water meter program; Install 4" water meter in underground chamber at 6099 Alder Street (south) , as part of multi-family water meter program; Install 6" water meter in underground chamber at 3031 Williams Road (NWS 438,PH 2/3) East, as part of multi-family water meter program; Install 6" water meter in underground chamber at 7831 Garden City Road , as part of multi-family water meter program	Ashton Service Group2	\$229,345	PW - Engineering
14	4765F - Design, fabricate, transport and install Public Artwork at Riverport Flats development at 14000 Riverport Way	Sara Graham	\$34,600	Community Services
15	4769J - JOC BI 2012A1 Minoru Arena: Referee room Conversion	Ashton Service Group	\$70,665	Project Development
16	4770J - Citrix Netscaler MPX 5500 ENT Edition Load Balancer for Internal Network, 1 year Gold Maintenance	CDW	\$31,915	Information Technology