



City of Richmond

Report to Committee

To: Finance Committee

Date: April 12, 2013

From: Jerry Chong
Director, Finance

File:

Re: Financial Information – 1st Quarter March 31, 2013

Staff Recommendation

That the report titled Financial Information – 1st Quarter March 31, 2013 be received for information.

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

REPORT CONCURRENCE			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Business Licences	<input checked="" type="checkbox"/>		
Economic Development	<input checked="" type="checkbox"/>		
Affordable Housing	<input checked="" type="checkbox"/>		
Parks Services	<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"/>		
REVIEWED BY DIRECTORS	INITIALS: 	REVIEWED BY CAO	INITIALS:

Staff Report

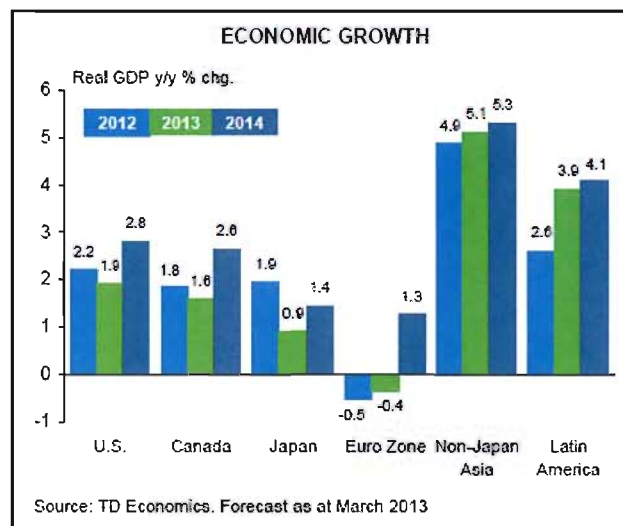
Origin

Financial information for the 1st quarter ended March 31, 2013 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 Overview^{1,2}

- Economists at TD Bank feel that global economic growth faltered last year, amidst renewed recessions in Japan and the euro zone, and concurring slowdowns in the U.S. and developing economies. As a result, the global economy expanded by a sub-par 2.9%.
- Steady growth within emerging economies gives confidence to the TD Bank to project global growth of 3.1% in 2013, and a more notable acceleration to 3.7% in 2014.
- The Chinese economy is projected to grow 7.9% in 2013, supported by a modest acceleration in real estate and infrastructure investment. If the U.S. economy improves beyond TD's current forecast, this would be beneficial for Canada. Chinese monetary policy will likely shift to a neutral stance in the second half of this year, as inflation accelerates.
- In Brazil, economic activity is stabilizing at low levels. Fourth-quarter real GDP growth was weaker than expected, creating a poor hand-off for 2013. Rising inflation will take some steam out of household consumption and likely force the central bank to tighten before the end of this year.
- In the euro zone, economic activity will stabilize at depressed levels in the first half of 2013, and a slow recovery is set for the second half. Rising unemployment and private sector de-leveraging will continue to hinder credit demand, offsetting the accommodative monetary stance of the European Central Bank. Real euro zone GDP will contract around 0.4% in 2013



Canadian Economic Overview³

After grinding nearly to a halt in the second half of 2012, Canada's economic growth looks set to pick up over the course of this year and next. The Economists at TD Bank believe that real GDP growth in 2013 will advance by only 1.6%, but feel that there will be roughly a 2% growth from 2012 to 2013. Stronger growth in the U.S. should help lift Canadian economic growth further to an average of 2.6% next year.

- Canada's housing sector is slowing, and ripple effects will be felt throughout Canada's economy; from residential construction to purchases of housing-related goods. Still, low interest rates and decent employment growth suggest a cooling not a crash, and the weight of a housing slowdown won't be enough to sink the economy.
- Exports will play a larger role in Canada's economic growth in 2013. There are positive indicators that the U.S. economy is rising and should help improve many economies in Canada later this year, and more notably in 2014.
- But, the recent slowdown in economic growth has meant increased excess capacity in Canada's economy, which has cooled inflation significantly. The Bank of Canada's has kept the interest rates low and it is anticipated that the first rate hikes will be delayed to the final quarter of 2014. Interest rates remaining lower for longer should help support the domestic economy until external sources of growth gain momentum.

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	Q4	Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	12F	13F	14F	12F	13F	14F
Real GDP	1.2	1.9	0.7	0.6	1.6	2.0	2.3	2.6	2.6	2.7	2.8	2.7	1.8	1.6	2.6	1.1	2.1	2.7
Labour Force	0.6	2.1	0.8	2.1	0.3	1.7	1.2	1.2	1.5	1.2	1.0	1.0	1.0	1.2	1.3	1.4	1.1	1.2
Unemployment Rate	7.4	7.3	7.3	7.2	7.0	7.2	7.2	7.2	7.2	7.1	7.0	6.8	7.3	7.1	7.0	--	--	--
Cons. Price Index (Y/Y)	2.3	1.6	1.2	0.9	0.9	1.2	1.2	1.3	1.6	1.8	1.9	1.9	1.5	1.1	1.8	0.9	1.3	1.9
Core CPI (Y/Y)	2.1	2.0	1.5	1.2	1.0	0.8	1.0	1.3	1.6	1.8	1.9	1.9	1.7	1.0	1.8	1.2	1.3	1.9
Housing Starts (000's)	205	231	222	202	172	180	175	172	171	170	168	165	215	175	169	--	--	--
Productivity: Real GDP / worker (Y/Y)	1.2	1.5	0.5	-0.5	-0.5	-0.1	0.2	1.0	1.1	1.2	1.2	1.1	0.7	0.2	1.1	-0.5	1.0	1.1
F: Forecast by TD Economics as at March 2013																		
Source: Statistics Canada, Bank of Canada, Canada Mortgage and Housing Corporation, Haver Analytics																		

F: Forecast by TD Economics as at March 2013

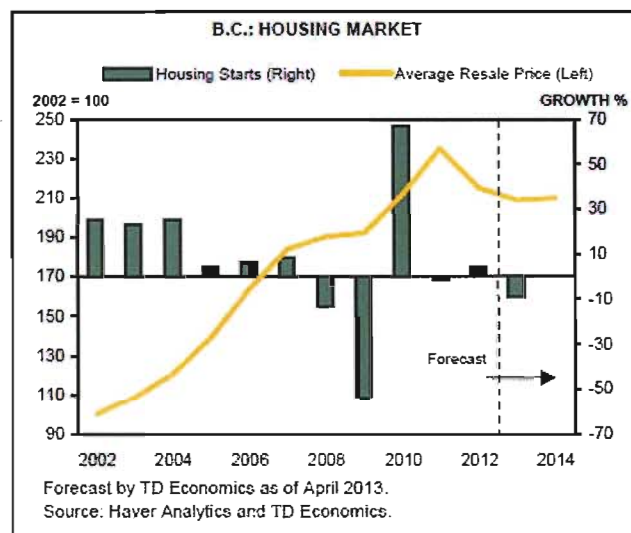
Source: Statistics Canada, Bank of Canada, Canada Mortgage and Housing Corporation, Haver Analytics

Province of B.C. Economic Overview^{4, 5}

The RBC Economists expect British Columbia's economy to grow modestly in 2013 but feel BC will have to wait until 2014 to see acceleration in the pace. Unexpectedly weak capital spending intentions prompted RBC to revise their real GDP growth forecast downward for the province in 2013 to 1.6% from 2.3% previously, and this new rate represents a slight easing from the estimated 1.8% rate in 2012.

- The RBC Economists feel that there are already tentative signs that the BC economy is slowly improving. For example, the housing resale activity stabilized by early in 2013, and new motor vehicle sales picked up in January.

Table 2



- Other sectors such as manufacturing are on the cusp of showing gains. RBC is encouraged by the sustained recovery in US home building and its implications for BC

⁴ RBC Economics – Provincial Outlook, March 2013⁵ TD Economics – Provincial Economic Forecast – April 4, 2013

lumber production. The initial stages of this recovery last year produced an increase of 25% in BC lumber exports to the United States.

- A strengthening of the Chinese economy brightens the outlook for exports even more. As China is expected to be the leading driver of global growth that bodes well for British Columbia.

Table 3

British Columbia forecast at a glance				
% change unless otherwise indicated				
	2011	2012F	2013F	2014F
Real GDP	2.8	1.8	1.6	2.7
Employment	0.8	1.7	1.0	1.4
Unemployment rate (%)	7.5	6.7	6.3	6.3
Retail Sales	3.1	2.2	2.9	3.9
Housing starts (units)	26,400	27,500	23,900	23,500
Consumer price index	2.3	1.1	0.7	1.6

Source: Royal Bank Economics - Provincial Outlook - March 2013

- A pick-up in natural gas prices can be expected in 2013, as increased demand helps draw down inventories in the United States. In addition to higher heating demand due to the recent cold spell, an expected increase in U.S. industrial production will also provide a boost to the natural gas sector in the second half of 2013 and into 2014. Over the longer term, the outlook for natural gas in B.C. is very bright, as a multitude of potential projects have been tabled to get liquefied natural gas to port for emerging Asian markets.
- 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%.

Lower Mainland Overview^{6,7}

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

- Lower Mainland MLS® sales activity rebounded in March following a poor February showing. While total sales in the region, which spans Metro Vancouver and Abbotsford-Mission, were still 19% lower than same-month 2012, seasonally-adjusted sales popped 18% from February to 3,120 units in March - the strongest pace of activity since July 2012.

⁶ Central 1 Credit Union-BC Economic Briefing, Volume 19, Issues 14

⁷ Central 1 Credit Union-Labour Markets – Regional BC – February 2013

Table 4

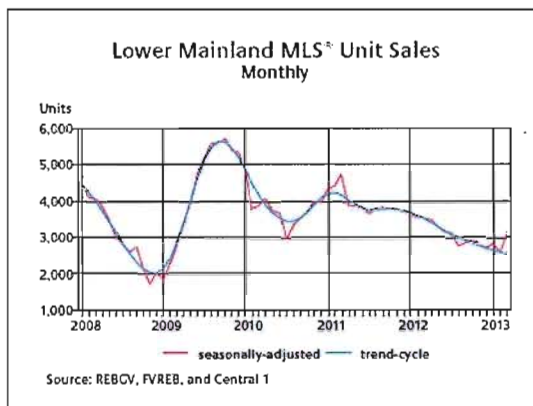
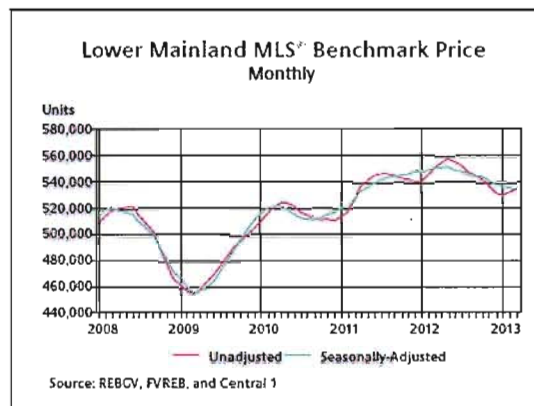
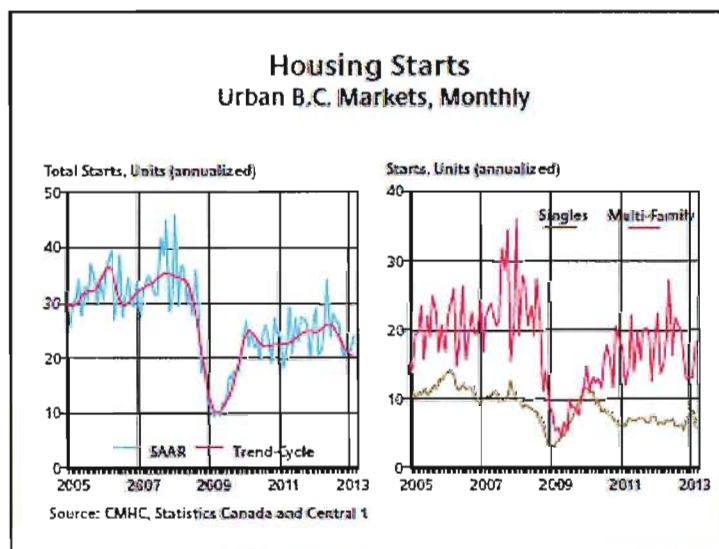


Table 5



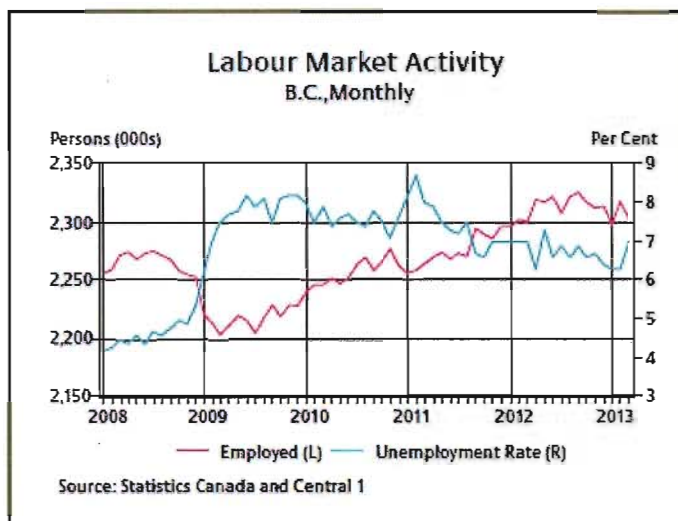
- On the pricing front, the regional benchmark MLS® rose for a second month to reach \$535,600, up 0.5 % from February. However, these likely reflected seasonal gains often observed with transition from the slower winter months to the spring selling season. Stripping out typical seasonal factors, the benchmark price eased for a tenth month in March. The benchmark price has fallen about 3% since peaking in April. The mild but persistent erosion in price levels is consistent with the low sales-to-inventory ratios of a buyers' market.
- B.C. housing starts shifted higher in March as builders began work on more Metro Vancouver multi-family projects following a four-month lull. While starts fell sharply outside Metro Vancouver, total starts in the province's urban areas still rose to a seasonally adjusted annualized pace of nearly 24,400 units, marking a 13 per cent gain from February and 17 per cent gain from same-month 2012.

Table 6



- The latest seasonally adjusted, short-term trends in labour market indicators were mixed. Employment levels were unchanged over the latest three month period. However, a sharp drop in the participation rate suggests a subset of unemployed temporarily left the labour market, leading to a decline in the unemployment rate. The regional unemployment rate fell 0.9 percentage points to 6.3%.

Table 7



City of Richmond Overview

Richmond is performing well relative to global and provincial economic trends. The figures described below indicate that Richmond's economy is maintaining similar levels to that of 2012 and this trend is expected to continue throughout 2013.

Industrial space vacancy continues to be at historical lows, dropping from 3.1% in the last quarter of 2012 to yet another record low of 2.69% in Q1 2013, despite the addition of 100,000 square feet to the inventory (now at 37 million square feet). Industrial space continues to become more and more scarce; pressuring business retention of light industry companies in need to move their operations from areas of re-development.⁸

Chart 1



After peaking at 20.3% in the last quarter of 2012, office vacancies edged down to 18.99% in Q1 2013, which is about 1% higher than the same time last year. Office inventory continues to remain at the same 4.4 million square feet for a 5th quarter in a row, as developers continue to be discouraged from the high vacancy rates and land prices.

Chart 2



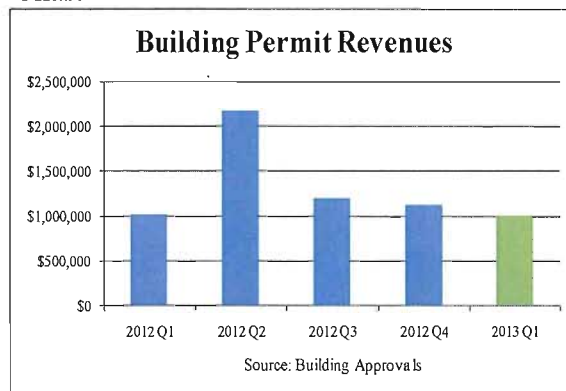
The value of building construction for permits issued increased slightly during the 1st quarter of 2013 by 12.3% from \$67M in the same quarter in 2012 to \$75M. This reflects the current trend of higher value construction projects, predominately as mixed-use residential and commercial buildings are starting to complete.

In the 1st quarter, there were 330 building permits issued, which is comprised of multi-family and residential building permits, representing an increase of 12.2% compared to the 294 permits issued in the 1st quarter 2012. There were 26 more new single family home permits issued in 2012 than 2013, in contrast the number of townhouse/apartment permits went up by 86 from 2012 to 2013. The total revenues collected on for the 1st quarter decreased slightly by 2.2% from \$1.02M to \$1.0M for 2012 to 2013.

Chart 3



Chart 4



There were 63 development applications received in the 1st quarter which is an increase of 26% as compared to 50 received in the same quarter in 2012. Revenues fell by 6.5% in the 1st quarter of 2013 when compared to the 1st quarter of 2012 due to the type and scope of applications submitted in 2013. Development applications submitted in the 1st quarter of 2012 included a number of larger Development Permit and Airspace Parcel Subdivision applications which generated high application fee revenue relative to other application types.

Chart 5

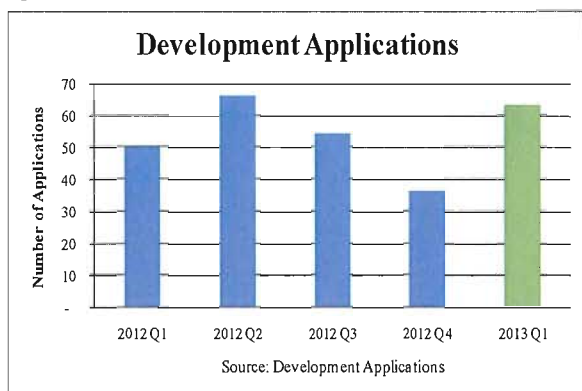
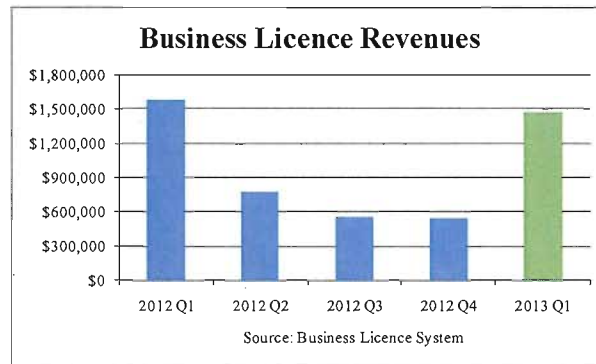


Chart 6



Business Licence activity for the 1st quarter of 2013 is consistent with first quarter 2012. In 2012, the 1st quarter revenue was \$1.57M compared to the \$1.46M earned in the 1st quarter of 2013. There were 423 licenses issued in the 1st quarter of 2013 as compared with the 501 new licenses issued in the 1st quarter of 2012.

Chart 7



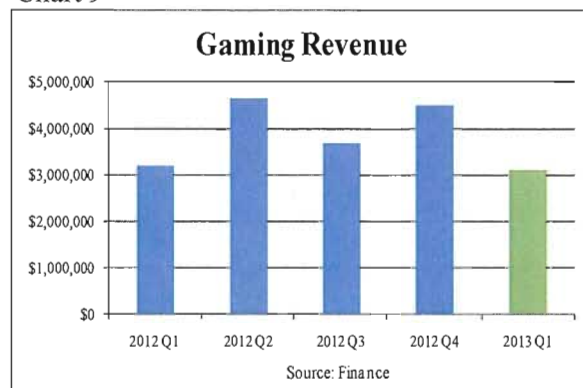
Parking Program revenues from meters, permits and enforcement for the 1st quarter of 2013 increased by \$110,000 to \$0.470M from \$0.360M for the same period in 2012.

Chart 8



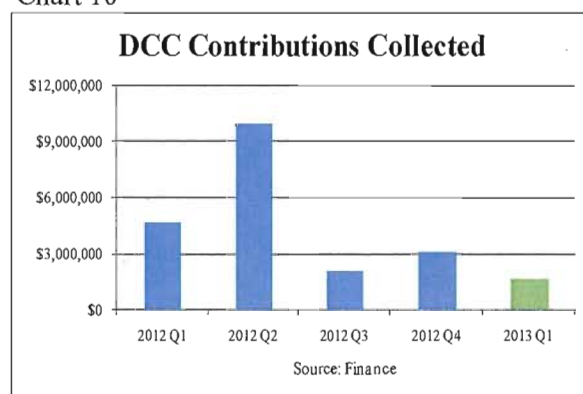
Gaming revenues for the 1st quarter are slightly lower at \$3.09M compared to \$3.20M in the same quarter last year representing a 3.4% decrease.

Chart 9



DCC contributions received in the 1st quarter of 2013 were lower than 2012 due to a large multi-family development that was recognized in the first quarter in 2012. The year-over-year contributions decreased by 65.4% from \$4.68M in 2012 to \$1.62M in 2013.

Chart 10



**Statement of (net revenues)/expenditures for
March 31, 2013**

Operating Budget (000's)		Actuals	
General Fund		March 31,	
	Budget	2013**	Variance
	2013*		
RCMP	9,649	9,772	(123)
Fire Rescue	7,604	6,759	845
Community Services	8,639	7,299	1,339
Engineering & Public Works	10,981	10,595	386
Finance & Corporate Services	4,185	3,840	345
Library	2,834	2,704	130
Planning & Development	1,518	774	744
Corporate Administration	1,809	1,514	295
Law & Community Safety	1,058	576	482
Fiscal & Transfer to Reserves	(41,679)	(42,413)	734
Total	\$6,599	\$1,421	\$5,178

*The 2013 Budget amount represents the prorated annual budget to March 31, 2013 adjusting for the timing of certain revenues and expenditures.

**The 2013 Actuals include, where applicable, accruals and estimates for revenues and expenditures.

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

- RCMP is targeted to be on budget by the end of the year. The federal contract amount for first quarter is an estimated amount as the actual invoices have not been received.
- Richmond Fire Rescue is expected to be on budget at the end of the year. The surplus resulting from vacancies in the first quarter will be eroded by an increase in overtime until the vacancies are filled.
- Community Services revenues and expenditures are on track given the seasonal nature of the business. The highest levels of expenditures are during the 2nd and 3rd quarter for seasonal Parks maintenance.
- Engineering and Public Works are due to be on budget by the end of the year. The favourable variance in Q1 can be attributed to a number of preventative maintenance programs not being initiated due to unfavourable weather conditions at the beginning of the year. It is anticipated that most of the expenditures will occur in Q2 and Q3, due to increased volume of work for seasonal maintenance programs, road paving work and construction and development related projects.
- Finance and Corporate Services has a favourable variance due to unfilled vacant positions within the Finance Division. It is expected that the business licences revenue will be favourable relative to budget.

- Library is on budget.
- Planning and Development has realized higher than anticipated development application revenues during the 1st quarter of 2013. The 1st quarter revenues are primarily a result of large servicing agreements associated with a number of substantial development applications proceeding. Development applications submissions have been consistent through the 1st quarter and continue to build on the strength of the market, particularly in residential applications. It is anticipated the development activity will remain stable during the 2nd quarter of 2013.
- Corporate Administration has a favourable variance in the first quarter due mainly to the timing of training expenditures and vacant positions.
- Law and Community Safety is on budget.
- Fiscal has a favourable variance for the first quarter with anticipated expenses to be incurred throughout the year.

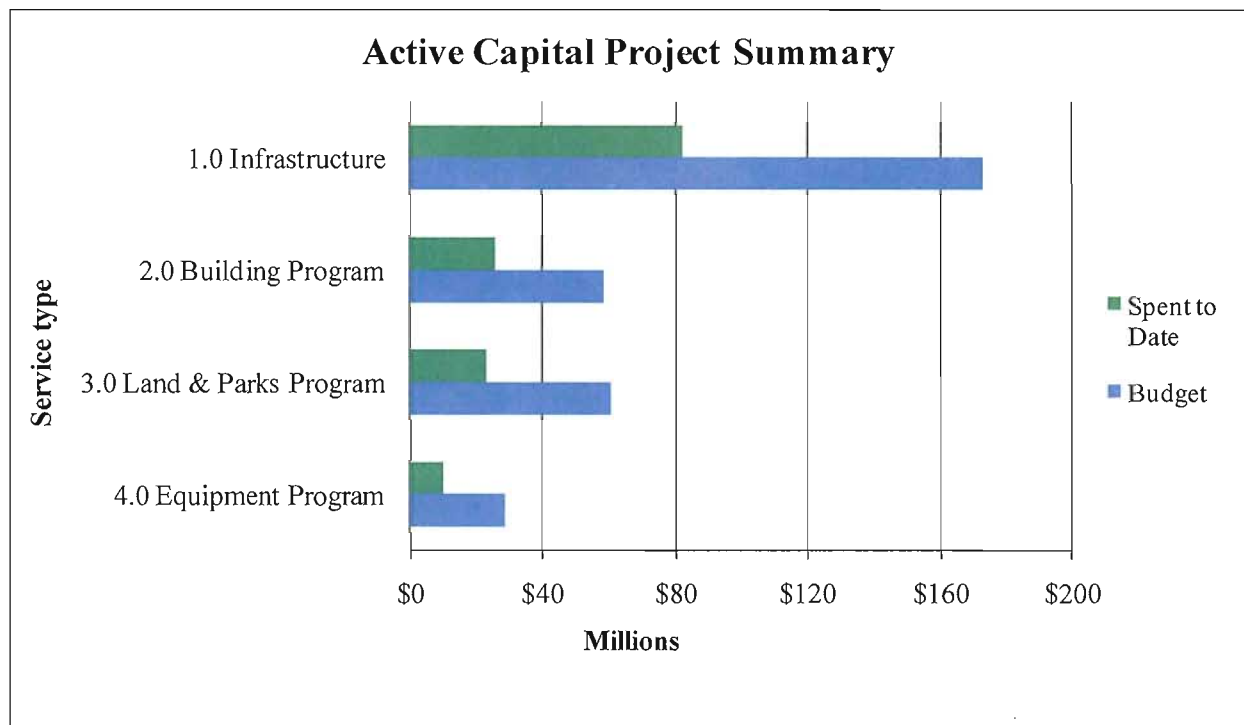
Active Capital Project Summary

The 2013 Capital Budget of \$65.8M (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	173,011	82,296	90,715
2.0 Building Program	58,086	25,917	32,169
3.0 Land & Parks Program	60,567	23,199	37,368
4.0 Equipment Program	28,660	10,134	18,526
Grand Total	\$ 320,324	\$ 141,546	\$ 178,778



Infrastructure Highlights:

- **Nelson Road Improvements – Widening Nelson Road between Blundell Road and Westminster Highway:**
 - Approved Budget: \$4.1M
 - Award of the main road construction contract is currently in process.
- **Westminster Hwy: Nelson Rd. to McMillan Way – Widening Westminster Hwy:**
 - Approved Budget: \$10.4M
 - Preload works are continuing. Award of the main road construction contract is currently in process.
- **Steveston Drainage Area Replacement and Upgrades – Williams Road West Drainage Pump Station Upgrade:**
 - Approved Budget: \$2.0M
 - This project has been substantially completed. Final landscaping and installation of water and bottle filling station are ongoing.
- **No. 1 Road Drainage Pump Station:**
 - Approved Budget: \$3.45M
 - This project has been substantially completed, and the dyke path has been re-opened to the public. Final landscaping and installation of water and bottle filling station are ongoing.
- **No. 6 Road Widening:**
 - Approved Budget: \$1.7M
 - Construction tendering is anticipated for the April 2013 timeframe.
- **Aintree Crescent (West) Laneway Drainage and Pavement Upgrade:**
 - Approved Budget: \$540K
 - Contract award is in process for this laneway restoration project. The work includes re-grading of the surface to address ‘ride-ability’ and drainage issues.
- **Ainsworth Crescent (West) Laneway Drainage and Pavement Upgrade:**
 - Approved Budget: \$510K
 - Contract award is in process for this project. Similar to the Aintree Crescent Laneway, this project includes re-grading of the surface to address ‘ride-ability’ and drainage issues.

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 substantially complete as of February 2013. Interior design & programming are underway and the anticipated construction completion date is October 2013.

- **Interurban Tram Structure:**
 - Approved Budget: \$1.9M
 - Construction of the new structure which will house the Interurban Tram Car in Steveston Park is complete as of March 2013. The Interurban Tram Car 1220 has been moved into the building. The building will permit the restoration of the Tram Car as well as viewing by the public.
- **Britannia Heritage Shipyards – Seine Net Loft:**
 - Approved Budget: \$1.2M
 - Construction is underway as of January 2013. The construction will accommodate Parks & Recreation programmed events at the ship yard.
- **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. Construction is planned to be complete May 2014.

Community Services / Parks Highlights:

- **Railway Corridor:**
 - Approved Budget: \$2.2M
 - Design in progress with construction scheduled to start in the summer.
- **Terra Nova Play Environment:**
 - Approved Budget: \$1.0M
 - The planning and design is in progress with most the site preparations completed. Construction is expected to be complete by the fall.
- **Garden City Community Park:**
 - Approved Budget: \$500K
 - Design in progress for the bike park. Construction to start in the summer.
- **Oval West Waterfront Park:**
 - Approved Budget: \$850K
 - The detailed design is complete with construction commencing in April and completion scheduled for early summer.
- **Terra Nova Heritage Building Restorations:**
 - Approved Budget: \$2.0M
 - The construction is in progress.
- **Thompson Youth Park, Phase 3:**
 - Approved Budget: \$300K
 - Design to start in May and construction to start in September.

- **The Gardens Agricultural Park:**
 - Approved Budget: \$316K
 - Design in progress. Construction to start in the summer.
- **Britannia Heritage Shipyards, Slipways Restoration:**
 - Approved Budget: \$513K
 - Design to start in May.

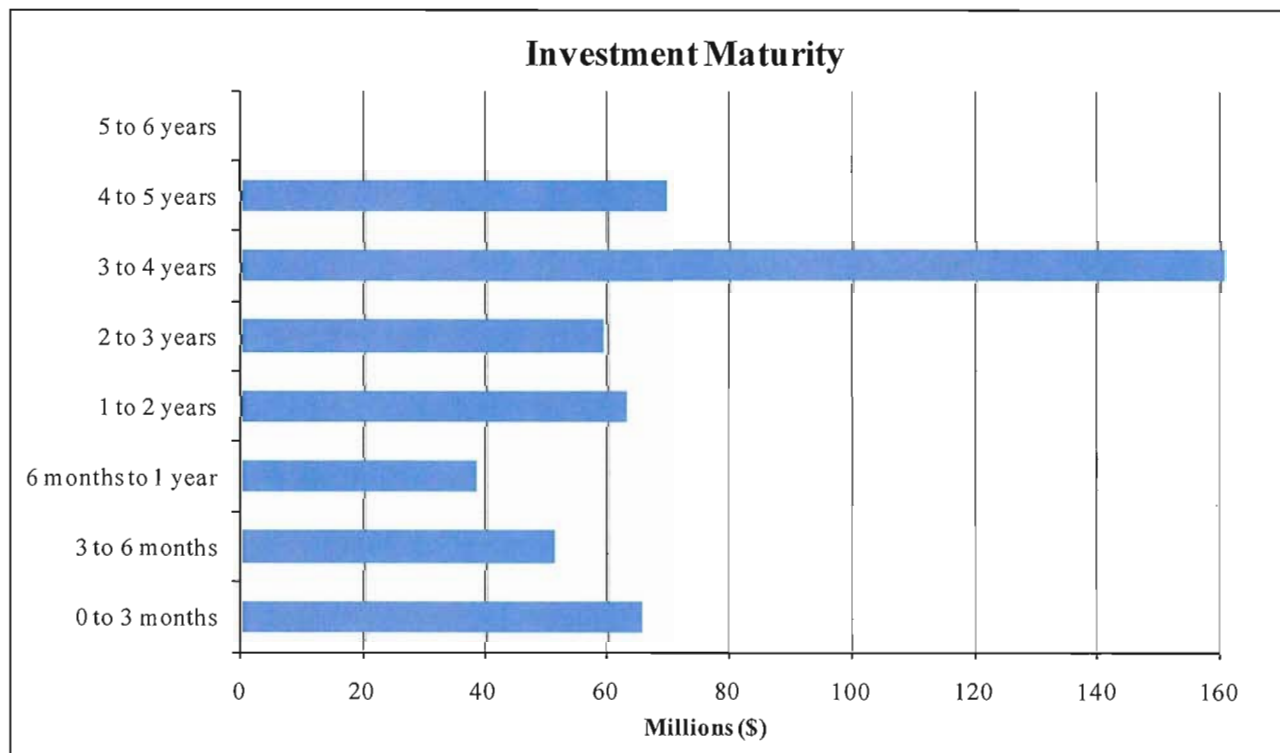
Cash and Investment Portfolio

The City's cash and investment portfolio at March 31, 2013 was \$618.4M, with an average yield on investment for the 1st quarter of 1.78%. The current low interest rate environment and the City's cash flow projections have influenced the terms and types of investments that the City holds (Appendix 1).

The Bank of Canada met on March 6, 2013 and maintained its benchmark overnight rate at 1.0%. Europe remains in a recession as shown by the recent bailout of Cyprus. In the United States, recovery has been sluggish and economic expansion is continuing slowly. Canada's economic growth is expected to pick up over the course of 2013 and 2014 after the economy ended on a soft note in 2012. GDP is projected to grow at a sub-par 1.6% pace this year and 2.6% in 2014. British Columbia's economy is similarly expected to grow modestly in 2013, but some analysts warned that overall economic conditions would not be much different than last year.

Reflecting on all these factors, yields across the Canadian yield curve remained relatively constant during the quarter. The Bank of Canada recently indicated that monetary policy stimulus currently in place "will remain appropriate for a period of time", leading analysts to anticipate the rate will likely remain on hold into next year.

The City in accordance with its Investment Policy (3703) 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
March 31, 2013 (In'000s)

Issuer	Amount	% of Portfolio
Federal Government and Federal Crown Corporations		
Canadian Mortgage and Housing Corporation	\$ 320,065	51.75%
Government of Canada	9,213	1.49%
Total	\$ 329,278	53.24%
Provincial Governments and Provincial Crown Corporations		
Province of Ontario	\$ 85,956	13.90%
Alberta Treasury Board	24,147	3.90%
Financement Quebec	21,217	3.43%
Total	\$ 131,320	21.23%
Schedule I Banks		
Royal Bank of Canada	\$ 15,404	2.49%
CIBC	8,990	1.45%
TD Financial	8,554	1.38%
Scotia Bank	7,659	1.24%
Total	\$ 40,607	6.57%
Credit Unions		
Vancity Savings Credit Union	\$ 25,520	4.13%
Gulf & Fraser Financial Group	20,889	3.38%
Coast Capital Savings	15,279	2.47%
Total	\$ 61,688	9.97%
Pooled Investments		
Municipal Finance Authority	\$ 21,825	3.53%
Total	\$ 21,825	3.53%
Total Investments	\$ 584,718	
Total Cash & Cash Equivalents	\$ 33,743	5.46%
Total Reported Investments and Cash & Cash Equivalents	\$ 618,461	

Key Indicators (Appendix 2)

This appendix provides information with regard to various financial and market indicators for the year 2013 as compared to 2012.

Contract Awards (Appendix 3)

This report provides Committee members information with regard to the formal contracts awarded by the City during the 1st quarter.

Financial Impact

None.


Conclusion


The City of Richmond has started 2013 on similar notes to that of 2012 with stable economic indicators. The City is maintaining its strong financial position through continued business retention and development, building construction and development activity, and revenue collection. It is expected that these trends will continue throughout 2013.



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

Key Indicators

 City of Richmond Key Indicators - March 31, 2013						
All \$ in 000s	Q1 2013 Jan - Mar 2013	Q1 2012 Jan - Mar 2012	% Change	Year to Date Jan-Mar 2013	Year to Date Jan-Mar 2012	Year to date % change
Housing Starts						
Number of Housing Starts (number of units)	243	185	31.4%	243	185	31.4%
Number of Demolitions	64	134	(52.2%)	64	134	(52.2%)
Net Housing Units Added	179	51	251.0%	179	51	251.0%
Building Permits						
Number of Building Permits Issued	330	294	12.2%	330	294	12.2%
Permit Revenues Collected	\$1,000	\$1,023	(2.2%)	\$1,000	\$1,023	(2.2%)
Value of Building Construction for Permits Issued	\$74,794	\$66,599	12.3%	\$74,794	\$66,599	12.3%
Development Applications						
Development Applications Received	63	50	26.0%	63	50	26.0%
Development Applications Revenue	\$270	\$288	(6.5%)	\$270	\$288	(6.5%)
<i>Revenue reported for Development Applications reflects deferred revenue adjustments for 2012 & 2013</i>						
Business Licenses						
Number of New Business Licenses Issued	423	501	(15.6%)	423	501	(15.6%)
Number of Employees Reported - New Licenses	1,799	1,539	16.9%	1,799	1,539	16.9%
Total Valid Licenses Renewed/(Discontinued)	12,925	12,818	0.8%	12,925	12,818	0.8%
Revenue Received for Current Year Licenses	\$1,460	\$1,570	(7.0%)	\$1,460	\$1,570	(7.0%)
Revenue Received for Next Year (Deferred)	\$60	\$53	13.7%	\$60	\$53	13.7%
Total License Revenue	\$1,520	\$1,623	(6.3%)	\$1,520	\$1,623	(6.3%)
<i>Year to date valid licenses and revenue include current year licenses issued in the prior year.</i>						
Other Revenues						
Parking Program Revenue	\$470	\$360	30.7%	\$470	\$360	30.7%
Gaming Revenue	\$3,091	\$3,200	(3.4%)	\$3,091	\$3,200	(3.4%)
Traffic Fine Revenue to date	\$394	\$390	1.0%	\$394	\$390	1.0%
Development Cost Charges Income						
Roads, Water, Sewer DCC's Received	\$798	\$2,318	(65.6%)	\$798	\$2,318	(65.6%)
Parks DCC's Received	\$818	\$2,359	(65.3%)	\$818	\$2,359	(65.3%)
Total DCC Fees Received	\$1,616	\$4,677	(65.4%)	\$1,616	\$4,677	(65.4%)
Uncommitted Reserves						
DCC Reserves to date	\$28,547	\$25,369	12.5%	\$28,547	\$25,369	12.5%
Capital Funding Reserves to date	\$79,327	\$80,667	(1.7%)	\$79,327	\$80,667	(1.7%)
Affordable Housing Reserves to date	\$8,438	\$2,311	265.1%	\$8,438	\$2,311	265.1%
Other Reserves to date	\$103,266	\$113,439	(9.0%)	\$103,266	\$113,439	(9.0%)
Total Uncommitted Reserves to date	\$219,578	\$221,786	(1.0%)	\$219,578	\$221,786	(1.0%)
Taxes to date						
Taxes Collected	\$8,341	\$7,790	7.1%	\$8,341	\$7,790	7.1%
City Portion of Taxes Collected	\$4,087	\$3,817	7.1%	\$4,087	\$3,817	7.1%
Unpaid Taxes - Delinquent & Arrears	\$6,564	\$6,133	7.0%	\$6,564	\$6,133	7.0%
No. of Participants on PAWS (Pre authorized withdrawal)	6,031	5,796	4.1%	6,031	5,796	4.1%
PAWS	\$6,640	\$6,158	7.8%	\$6,640	\$6,158	7.8%
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 - March 31, 2013						
All \$ in 000s	Q1 2013 Jan - Mar 2013	Q1 2012 Jan - Mar 2012	% Change	Year to Date Jan-Mar 2013	Year to Date Jan-Mar 2012	Year to date % change
Employees						
Number of City Employees (City and Library)	1,912	1,874	2.0%	1,912	1,874	2.0%
Fire Rescue Responses	2,251	2,247	0.2%	2,251	2,247	0.2%
RCMP - Calls for Service Handled	16,506	17,256	(4.3%)	16,506	17,256	0.0%
Affordable Housing - New Units						
New Affordable Rental Units	-	94	(100.0%)	-	94	(100.0%)
New Secondary Suite/Coach House Units	1	8	(87.5%)	1	8	(87.5%)
New Market Rental Units	-	-	0.0%	-	-	0.0%
Unspent Funds Allocated to Capital Projects to date	\$11,075	\$10,448	6.0%	\$11,075	\$10,448	6.0%
Investments						
Total Investments	\$618,461	\$542,411	14.0%	\$618,461	\$542,411	14.0%
Interest Earned on Investments						
Average City Rate of Return on Investments	1.78%	2.24%	(0.46%)	1.78%	2.24%	(0.46%)
<i>Sources: All data is from City of Richmond records</i>						
Market Indicators						
Median Residential Selling Prices - Richmond						
Single Family Detached	\$880	\$990	(11.1%)	\$880	\$990	(11.1%)
Townhouse	\$510	\$532	(4.2%)	\$510	\$532	(4.2%)
Apartment	\$345	\$343	0.6%	\$345	\$343	0.6%
Number of Sales (all housing types)	664	846	(21.5%)	664	846	(21.5%)
<i>Source: Real Estate Board of Greater Vancouver</i>						
Unemployment Rate-Greater Vancouver	7.0%	7.3%	(0.3%)	7.0%	7.3%	(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	4,358,727	0.0%	4,358,727	4,358,727	0.0%
Total sq. ft vacant space available Office YTD	827,706	810,434	2.1%	827,706	810,434	2.1%
Vacancy rate - Office (in %) YTD	18.99%	18.59%	2.2%	18.99%	18.59%	2.2%
Total sq. ft space Industrial YTD	36,997,163	36,306,863	1.9%	36,997,163	36,306,863	1.9%
Total sq. ft vacant space available Industrial YTD	994,683	1,325,355	(24.9%)	994,683	1,325,355	(24.9%)
Vacancy rate - Industrial (in %) YTD	2.69%	4.56%	(41.0%)	2.69%	4.56%	(41.0%)
<i>Source: Cushman & Wakefield Ltd. - Market Report</i>						
Richmond Population Estimate Year End**	2013	205,133				
**Note: BC Stats Population figures	2012	201,471				

Contract Awards > \$25,000
January 1st, 2013 to March 31st, 2013

	<i>Contract Name and Description</i>	<i>Award</i>	<i>Amount</i>	<i>Department</i>
1.	4630 Q - Supply and Delivery of one (1) 21 Passenger Low Floor Bus Gasoline/Diesel Options	Dynamic Specialty Vehicles Ltd.	\$126,260	PW - Fleet
2.	4698 Q - Supply and Delivery of two (2) Gang Mowers Implements	A.R. Mower Supply	\$59,930	PW-Fleet
3.	4699 Q - Supply and Delivery of one (1) 3/4 ton Extended Cab Pick Up Truck	Dueck GM	\$51,023	PW-Fleet
4.	4700 Q - Supply and Delivery of one (1) Excavator	Finning Canada	\$209,695	PW-Fleet
5.	4704 Q - Supply and Delivery of one (1) Telescopic Aerial DRW Bucket Extended Van	Metro Motors Ltd.	\$62,715	PW-Fleet
6.	4720 Q - Supply & Delivery of One (1) Aerial Lift Truck with Extended Cab	Altec	\$118,719	PW-Fleet
7.	4721 P - Electric Vehicle Charging Infrastructure Plan	Leviton Manufacturing Co. Of Canada Ltd.	\$31,880	PW/Fleet
8.	4755 P - Design consulting services for the Hamilton Child Care Centre	GHMA	\$107,820	Project Development
9	4758 Q - Supply and Delivery of a Pump Station Shell, Internal Piping, Ladder and Related Appurtenances for the Montrose Sanitary Pump Station	Xylem Water Solutions	\$48,472	PW - Engineering
10.	4773 P - East Richmond Agricultural Study	AECOM	\$136,068	PW- Engineering
11.	4779 F - Construction services / site servicing for Branscombe Heritage House	Performance Contracting Ltd	\$88,800	PW - Engineering

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>
12.	4785 PQ - Graham Hoffart Mathiasen Architects	General Contractor for the construction of Hamilton Child Daycare Facility	\$123,728	Project Development
13.	4828 F - 2013 Thermoplastic Road Markings	Sutton Road Marking Ltd.	\$45,000	PW - Roads