



# City of Richmond

## Report to Committee

**To:** Finance Committee

**Date:** February 13, 2012

**From:** Jerry Chong  
Director, Finance

**File:** 99 - FILE  
LATER/2012-Vol 01

**Re:** Financial Information – 4th Quarter 2011

### Staff Recommendation

That the report of Financial Information for the 4th Quarter ended December 31, 2011 be received for information.

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

FOR ORIGINATING DEPARTMENT USE ONLY					
ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Enterprise Services	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Information Technology	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Engineering	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Sewerage & Drainage	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Water Services	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Community Bylaws	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Fire Rescue	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
RCMP	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Parks and Recreation	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Building Approvals	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Development Applications	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Transportation	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
Project Development	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>				
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	<b>REVIEWED BY CAO</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

## Staff Report

### Origin

Information for the 4th quarter ended December 31, 2011 is being provided to Council with a global economic overview along with more specific economic updates with respect to Canada, the Province of B.C., the City of Richmond, and the financial activity and position of the City.

### Analysis

#### Global Economic Overview

The outlook for global economic growth has deteriorated in recent months. The euro zone's festering sovereign debt problem still remains to be the dominant risk to the global outlook. Advances in the faster-growing emerging nations are being constrained by both the trade shocks ripping around the world and by prior tightening moves to contain domestic inflationary pressures. Both these drivers, the renewed recession in the euro zone and the slower emerging market growth, have caused global economic forecast for 2012 to be revised down to 2.5% from the previous forecast of 3.2% from September 2011.

#### Canadian Economic Overview

Canadian economic momentum over the second half of 2011 has been better than expected, led by a rebound in exports. However, the weaker global economy has inevitably put a damper on Canadian exports and consumer and business confidence. According to TD Economics, Canadian Real GDP is expected to be 1.7% in 2012, down from 2.2% in the September 2011 forecast. Some of these factors are important when looking at Canada's economic outlook:

- Canada's debt-to-income ratio rose to a record 153% in the third quarter, according to Statistics Canada. It is estimated that Canada is inching closer to the 160% plus threshold that got the U.S. and the U.K. into so much trouble four years ago.
- The high Canadian household debt-to-income ratio makes the economy more vulnerable to a sharper downturn should there be any unexpected shock such as a deterioration in the labour market, a drop in housing prices, or spike in interest rates;
- Business investment continues to be a contributor to the expansion alongside consumer spending on goods and services;
- Stronger than anticipated housing demand and non-residential construction fuelled by low interest rates is the exception to slow growth;
- Turmoil in financial markets causing commodity prices to slightly come down but is forecasted to hold up at the elevated levels; and
- The Bank of Canada has reaffirmed its 2% inflation target for the next five years. Interest rates not expected to increase until the global turbulence has eased, which is projected to be early 2013.

CANADIAN ECONOMIC OUTLOOK																			
Period-Over-Period Annualized Per Cent Change Unless Otherwise Indicated																			
	2011				2012				2013				Annual Average			4th Qtr/4th Qtr			
	Q1	Q2	Q3	Q4F	Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	11F	12F	13F	11F	12F	13F	
Real GDP	3.5	-0.5	3.5	2.0	1.7	0.5	1.6	2.4	2.0	2.4	2.7	2.8	2.4	1.7	2.2	2.1	1.6	2.5	
Consumer Expenditure	-0.1	2.1	1.2	1.7	1.6	1.0	1.8	2.1	2.0	2.2	2.1	2.0	1.9	1.6	2.0	1.2	1.6	2.1	
Durable Goods	-6.5	2.1	-1.5	3.0	1.8	-5.0	1.0	2.5	3.5	4.0	2.0	1.9	0.4	0.3	2.3	-0.8	0.0	2.8	
Labour Force	2.6	0.8	0.1	0.8	1.0	1.0	1.2	1.2	1.3	1.2	1.3	1.5	1.0	0.9	1.2	1.1	1.1	1.3	
Unemployment Rate (%)	7.8	7.5	7.2	7.3	7.4	7.5	7.7	7.7	7.6	7.4	7.3	7.2	7.4	7.6	7.4	--	--	--	
Cons. Price Index (Y/Y)	2.6	3.4	3.0	2.7	2.1	1.7	1.4	1.5	1.8	1.8	1.9	1.8	2.9	1.7	1.8	2.7	1.5	1.9	
Core CPI (Y/Y)	1.3	1.6	1.9	2.0	1.8	1.5	1.4	1.3	1.5	1.6	1.8	1.8	1.7	1.5	1.7	2.0	1.3	1.8	
Housing Starts ('000s)	178	192	205	193	188	175	180	182	178	173	169	187	192	181	172	--	--	--	
Productivity: Real GDP / worker (Y/Y)	0.9	0.6	0.9	0.6	0.5	1.2	1.0	0.8	0.7	0.8	0.7	0.7	0.7	0.9	0.7	0.6	0.8	0.7	

F. Forecast by TD Economics as at December 2011  
Source: Statistics Canada, Bank of Canada, Canada Mortgage and Housing Corporation, Haver Analytics

### Province of B.C. Economic Overview

Central 1 Credit Union reports that the following trends from the quarter reflect B.C.'s economy:

- Real GDP slows to 2.4% growth in 2011, from 3.8% in 2010;
- B.C.'s labour market recorded significant employment growth in December. Annual employment growth in 2011 was 0.8%. Unemployment rate is forecasted to drop to 7.3% for 2012, compared to 7.7% for 2011 and 7.6% in 2010;
- Provincial population is forecasted to expand at 1.1% in 2011 and 1.2% in 2012, dropping from growth levels of 1.7% and 1.6% for 2009 and 2010, respectively;
- Housing starts remain stable and will continue to trend upward due to the repeal of the Harmonized Sales Tax (HST) in 2013;
- The annual 2011 Consumer Price Index (CPI) for B.C. fell to 1.7% in December, which was previously forecasted at 2.3% for 2011.
- Housing prices have plateaued at elevated levels while the sales-to-inventory ratios have transitioned to a buyers' market; and
- Building permits surged in Q4 2011. Year-to-date permit volumes were 6.6% higher than the previous year's volumes.

### Forecast Summary: British Columbia

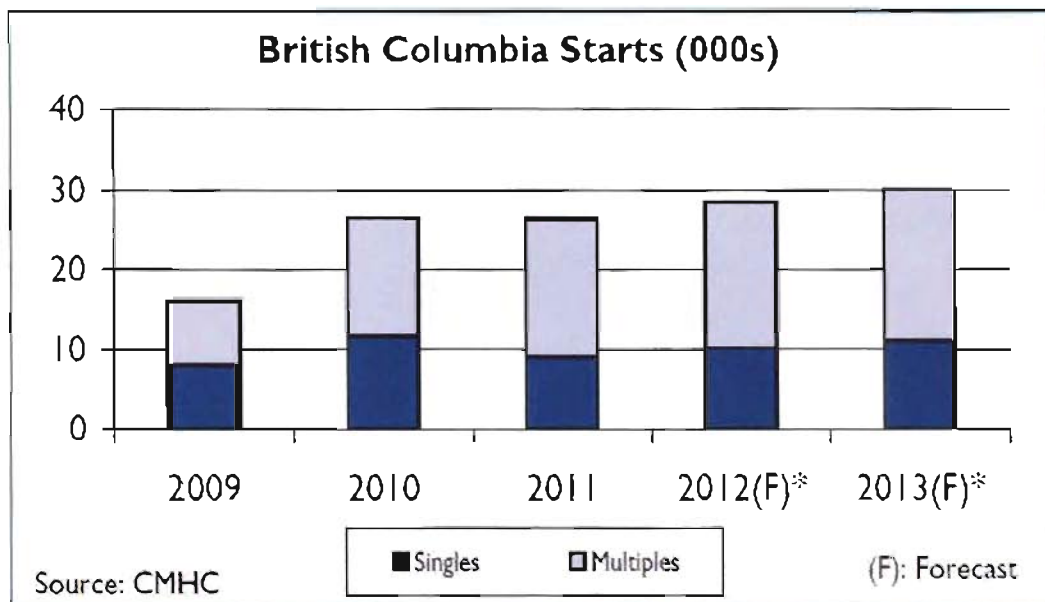
	2009	2010	2011	2012	2013	2014	2015
Real GDP, % change	-1.8	3.8	2.4	2.8	3.5	3.4	3.5
Nominal GDP, % change	-3.4	6.7	4.4	5.6	6.0	5.9	7.0
Employment, % change	-2.1	1.7	0.8	1.7	2.0	2.1	2.7
Unemployment Rate, %	7.7	7.6	7.7	7.3	7.0	6.3	5.2
Population, % change	1.7	1.6	1.1	1.2	1.2	1.2	1.2
Housing Starts, units, 000s	16.1	26.5	25.9	27.6	32.3	33.3	35.1
Retail Sales, % change	-4.4	5.3	2.4	4.2	5.8	5.1	6.1
Personal Income, % change	-0.1	4.9	4.1	3.9	4.2	4.2	5.7
Corporate Pre-tax profits, % change	-21.3	21.2	7.7	16.0	11.3	12.0	11.6
Consumer Price Index, % change	0.0	1.4	2.3	1.7	1.4	2.0	2.5

Forecast commences 2011 Source: Statistics Canada, Central 1 CU

City of Richmond Overview

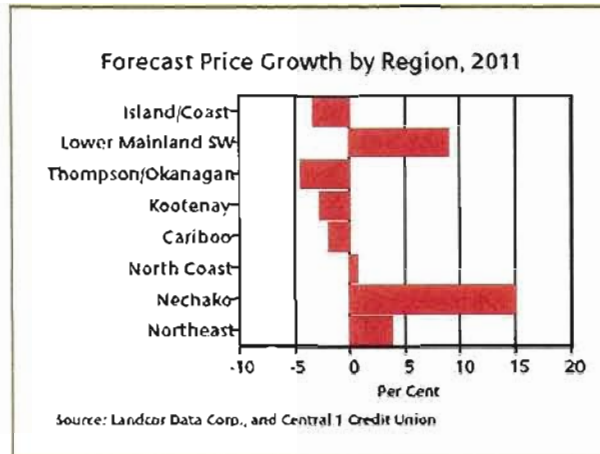
There are similarities in the economic forecasts of Canadian and B.C. outlook with economists all agreeing that the current economy is slow moving. Although this pertains to the City as well, historically the main factors that revolve around the real estate market, such as housing starts, median selling prices, building permits and development applications, play a more important role in determining the City’s economic overview.

Based on the most recent provincial forecast made by the Canada Mortgage and Housing Corporation in its *Housing Market Outlook Report*, B.C.’s housing market is expected to move upwards over the course of 2012 and 2013, as home builders are expected to gradually ramp up residential construction in response to positive signals from the resale market and economic developments. This forecast is also expected to hold true for Richmond as evident by the number of demolitions, which has increased for the quarter by 13.0% from 2010 and 17.7% on a year-to-year basis, as well as the year-to-date numbers of building permits issued and development applications received compared to the previous year (only 4.3% and 4.1% decrease respectively). It is estimated that housing starts and net housing units added in Richmond in 2012 and 2013 would gradually increase at similar pace as the provincial forecast below:

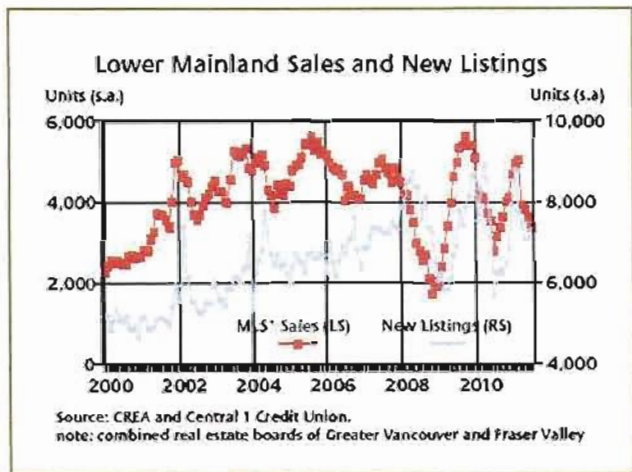
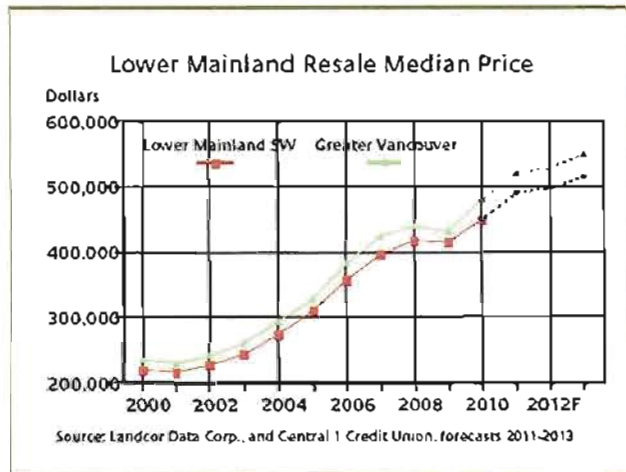


\*The point estimate for provincial total housing starts is 28,500 for 2012 and 30,100 for 2013. Economic uncertainty is reflected by the current range of forecasts which varies from 24,500-31,900 units for 2012 and 26,200-34,000 for 2013.

Economists have also realized from recent history that the Lower Mainland’s real estate market does not perform and/or act similarly to other parts of Canada and BC as can be seen on the following chart.

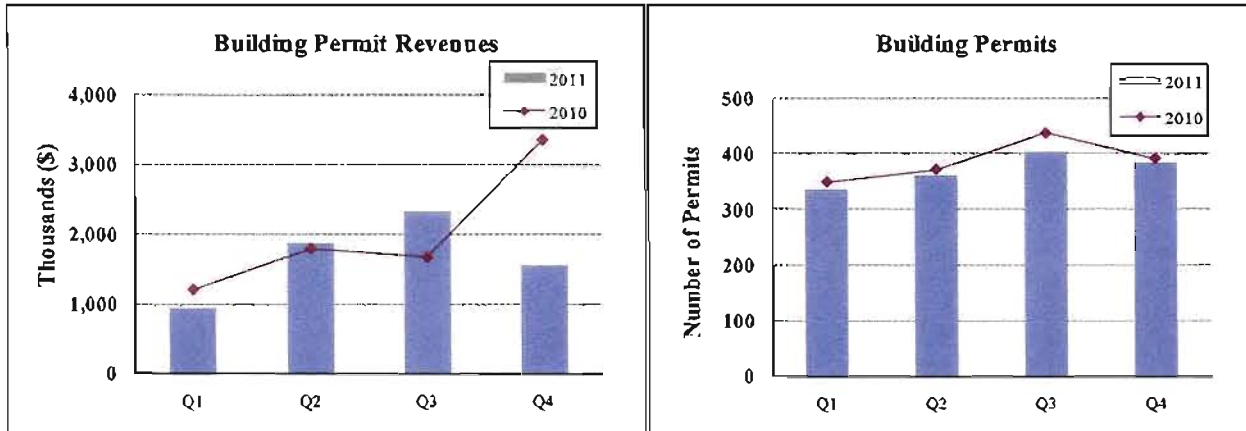


This also holds true for Richmond, where median selling prices have again increased moderately from the previous year. The median selling prices have increased for a single family detached home to \$994,000, a townhouse to \$548,000 and an apartment to \$349,000. This equates to a price growth of 19.0% for single family detached homes, 11.3% for townhouses and 4.9% for apartments in 2011. Despite the increase in the median selling prices, the number of sales for 2011 compared to 2010 has increased by 14.4%.

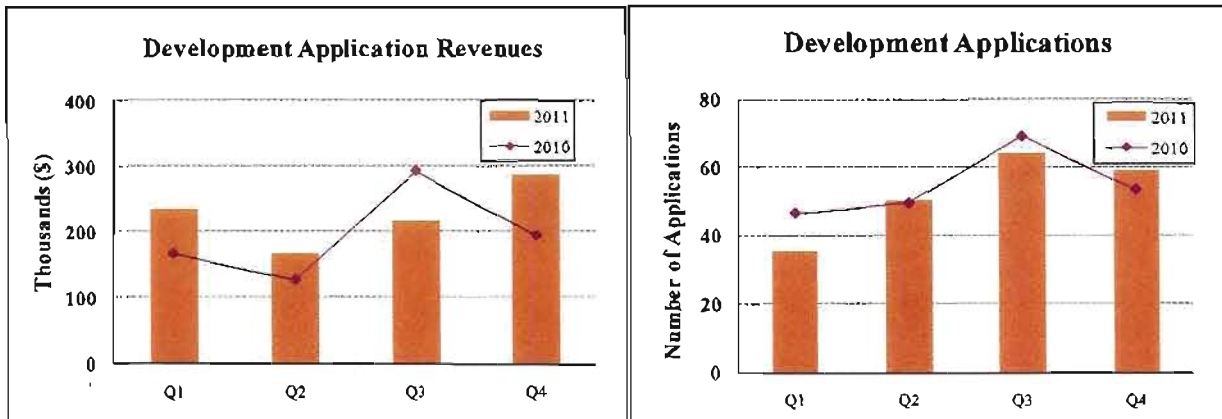


The office space vacancy in Richmond has remained at a stable level in 2011 compared to 2010, with a slight increase of 2.4%. The vacancy rate of the industrial sector has increased from 3.53% in 2010 to 4.56% in 2011.

The number of building permits issued remained at a similar level as the previous year; however, the revenues collected for building permits were lower than the same quarter last year by 54.6% and on a year-to-year basis by 16.7%. The overall decrease in building permit revenues is mainly the result of smaller construction projects in the current year in comparison to the higher value mixed-used residential and commercial building construction in the previous year. Despite of the drop when compared to the prior year, the actual permits revenue for 2011 was \$4.41 million compared to a budget of \$4.08 million.

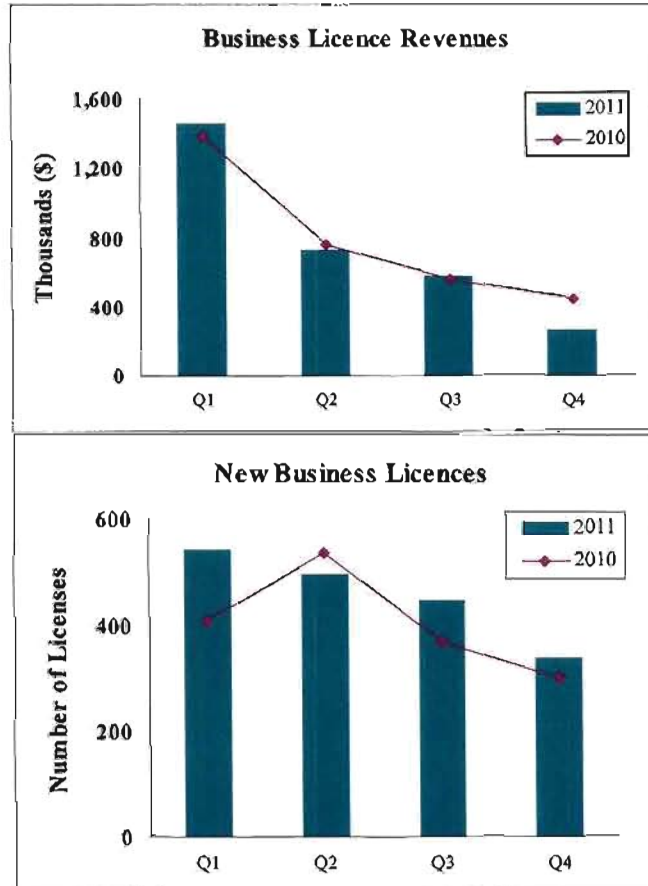


The number of development applications received in the 4th quarter and total for the year 2011 was consistent with the levels in 2010. Total revenues collected in 2011 increased by 15.8% compared to 2010.

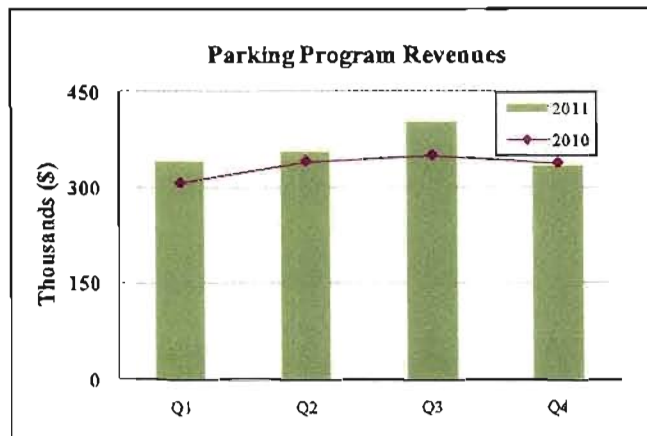




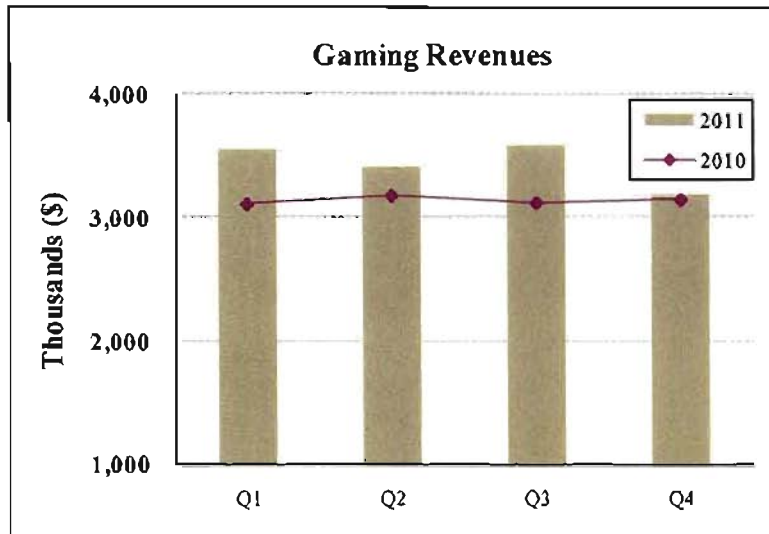
The total number of business licences issued in 2011 is comparable to 2010, with 12,988 and 12,832 licences issued in 2011 and 2010 respectively. The current year-to-date revenues remained at approximately \$3.0M, which is comparable to last year's revenue. The number of new licenses issued increased by 13.5% from 1,606 new licenses issued in 2010 to 1,823 in 2011.



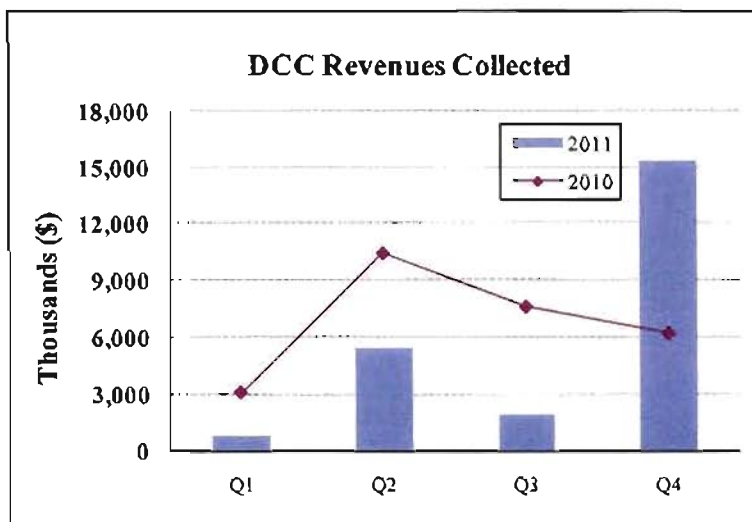
The permit and enforcement (Parking Program) revenues for the 4th quarter of \$0.3M are comparable to the same period in 2010, and the overall 2011 total revenues are higher by 7.3% largely due to the efforts of the parking enforcement staff.



Gaming revenues of \$3.2M for the 4th quarter and \$13.7M for the year have increased from the same periods in 2010, by 1.3% and 9.3%, respectively.



DCC contributions increased significantly in the 4th quarter as a result of the collection of DCC from major developments upon final issuance of building permits. The total of \$23.5M collected for the year is 9.9% lower than the previous year's collection of \$26.1M. This decrease compared to last year can be attributed to the circumstances surrounding DCC activity in 2010 as a result of major developments approved and the push by developers to move quickly before the anticipated increase in DCC rates that occurred in September 2010.





**Statement of (net revenues)/expenditures for  
Year ended December 31, 2011**

<b>Operating (in \$'000s)</b>	<b>Budget Year to Date December 31, 2011</b>	<b>Actual Year to Date December 31, 2011 (unaudited)</b>	<b>Variance</b>
RCMP	35,719	35,106	613
Fire Rescue	29,721	28,986	735
Parks & Recreation	24,738	24,304	434
Engineering & Public Works	19,639	18,776	863
Corporate Services	15,249	15,204	45
Project Development & Facility Maintenance	8,630	8,395	235
Library	7,675	7,655	20
Community Services	7,294	6,968	326
Planning & Development Services	5,919	5,019	900
Corporate Administration	4,342	4,329	13
Law & Community Safety	3,149	2,898	251
Business and Financial Services	3,004	2,741	263
Fiscal & Transfer to Reserves	(165,079)	(164,937)	(142)
	<b>\$ -</b>	<b>\$ (4,556)</b>	<b>\$ 4,556</b>

The unaudited surplus of \$4.556 million was mainly attributed to the CAO's cost containment initiative that took place since September 2011 in freezing all of the City's discretionary expenses. The following are the explanations for net expenditure variances at the departmental level.

- RCMP has a favourable variance due to unfilled positions and lower than expected contract costs.
- Fire Rescue has a favourable variance due to unfilled positions and lower than expected contract and operational costs.
- Parks and Recreation has a favourable variance due to surpluses realized by each of the eight community centres. Also contributing to the favourable variance is the lower than anticipated windstorm and snowfall related expenditures because of the favourable weather condition during the year.
- Engineering and Public Works has a favourable variance due to increased receivable work in Roads and the higher than expected revenues in the areas Storm and Engineering.
- Corporate Services was on budget.
- Project Development and Facility Maintenance has a favourable variance due to an unfilled vacant position and cost savings realized from the lower than expected operational costs.

- Library was on budget.
- Community Services has a favourable variance due to unfilled positions and staffing delays.
- Planning and Development has a favourable variance due to the higher than budgeted building permit revenues and servicing agreement fees. Also contributing to the favourable variance is the lower than budgeted salary expense as a result of a previously vacant position that was budgeted for a full year being filled only during the last quarter of the year.
- Corporate Administration was on budget.
- Law and Community Safety has a favourable variance due to unfilled positions in the first quarter and cost savings realized in the lower than expected operational costs.
- Business and Financial Services has a favourable variance due to unfilled vacant positions within the Financial Division.
- Fiscal has a slight variance due to higher than expected corporate expenditures.

#### Utilities

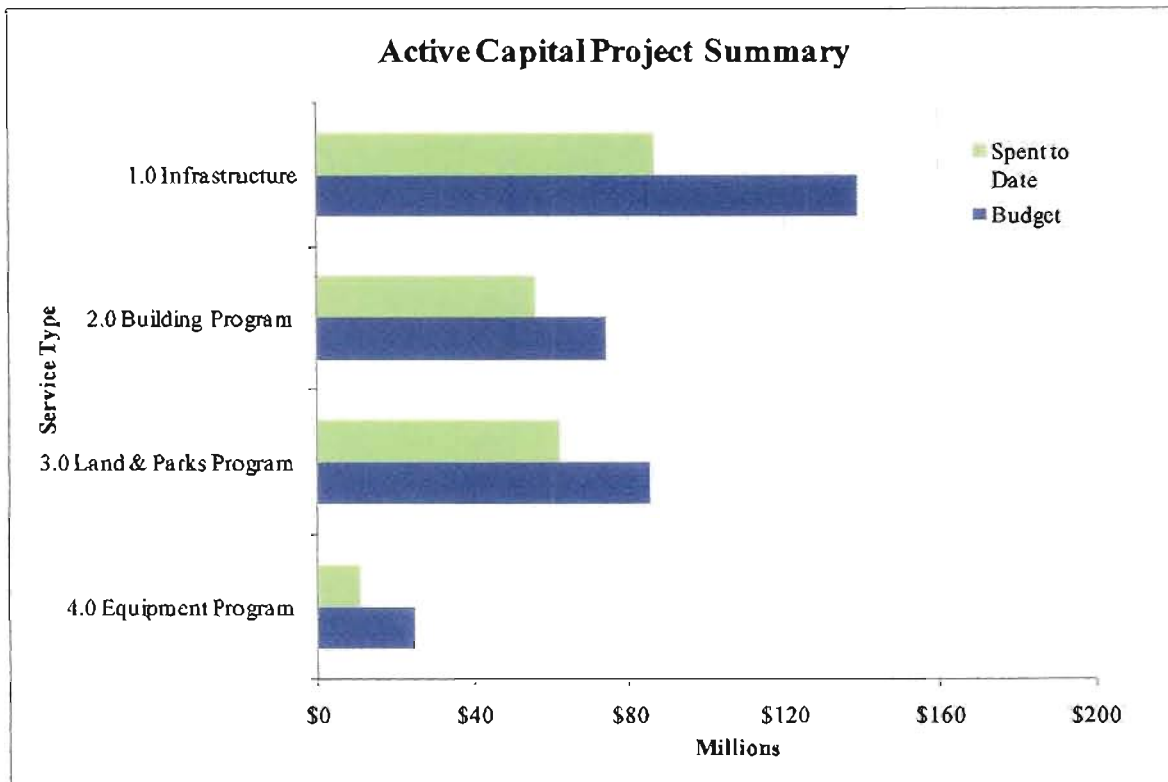
- Water Utility has a surplus of approximately \$0.45M due to sustainable practices that resulted in reduced consumption and lower water purchases. This surplus has been transferred to the water utility rate stabilization provision account.
- Sewer Utility has a surplus of approximately \$0.40M due to less than anticipated maintenance costs resulting from various innovative maintenance practices. This surplus has been transferred to the sewer utility rate stabilization provision account.
- Sanitation and Recycling Utility has a surplus of approximately \$1.05M due to the favourable market conditions for recycling commodities (i.e. sale of recycling materials) that resulted in higher than anticipated net revenues from recycling materials. This surplus has been transferred to the sanitation utility provision account.

Active Capital Project Summary

The 2011 Capital Budget was amended by Bylaw 8809 on September 26, 2011. The amended 2011 Capital Budget of \$75.2M (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.

<b>Statement of Active Capital Project Expenditures</b>			
<b>\$'000s</b>			
<b>Asset Category</b>	<b>Budget</b>	<b>Spent to Date</b>	<b>Commitment</b>
1.0 Infrastructure	\$138,973	\$86,713	\$52,260
2.0 Building Program	\$74,266	\$56,139	\$18,128
3.0 Land & Parks Program	\$85,137	\$62,207	\$22,930
4.0 Equipment Program	\$24,331	\$10,630	\$13,701
<b>Grand Total</b>	<b>\$322,708</b>	<b>\$215,688</b>	<b>\$107,019</b>



Cash and Investment Portfolio

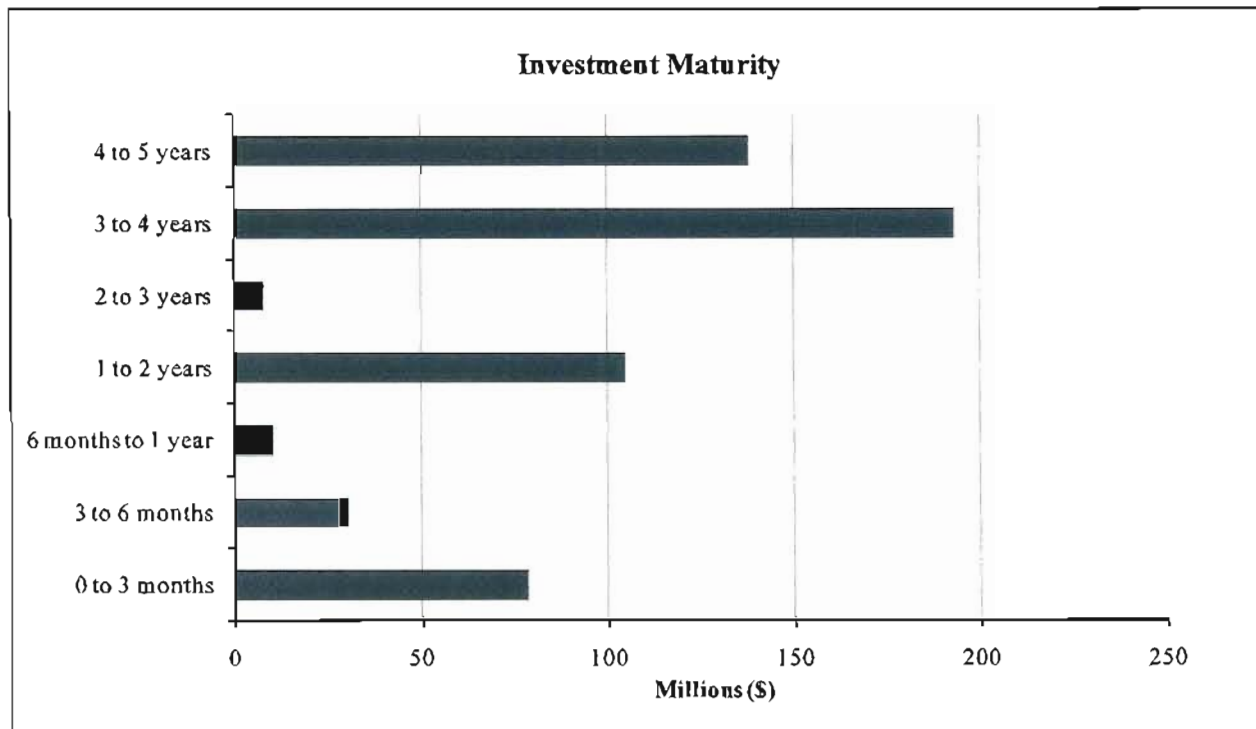
The City's cash and investment portfolio at December 31, 2011 was \$571.2M, with an average actual return on investment for the 4th quarter of 2.34%. The current low interest rate environment and the City's cash flow projections have influenced the terms and types of investments that the City holds, which is reflected in the return.

<b>Investment</b>	<b>Value ('000)</b>	<b>% of Portfolio</b>
<b>Prov Gov and Prov Crown Corp</b>		
Province of Ontario	\$ 52,181	9.13%
Province of BC	\$ 30,294	5.30%
Province of Manitoba	\$ 21,057	3.69%
<b>Total Prov Gov and Prov Crown Corp.</b>	<b>\$ 103,532</b>	<b>18.12%</b>
<b>Fed Gov and Fed Crown Corp</b>		
Canadian Mortgage and Housing Corporation	\$ 299,848	52.49%
Government of Canada	\$ 469	0.08%
Canadian Wheat Board	\$ 391	0.07%
<b>Total Fed Gov and Fed Crown Corp</b>	<b>\$ 300,709</b>	<b>52.64%</b>
<b>Schedule I Banks</b>		
Royal Bank of Canada	\$ 18,138	3.18%
CIBC	\$ 17,969	3.15%
TD Financial	\$ 14,444	2.53%
Scotia Bank	\$ 10,834	1.90%
First Bank	\$ 40	0.01%
<b>Total Schedule I Banks</b>	<b>\$ 61,425</b>	<b>10.75%</b>
<b>Credit Unions</b>		
Vancity Savings Credit Union	\$ 29,387	5.14%
Gulf & Fraser Financial Group	\$ 25,548	4.47%
Coast Capital Savings	\$ 20,037	3.51%
<b>Total Credit Unions</b>	<b>\$ 74,972</b>	<b>13.12%</b>
<b>Pooled Investments</b>		
Municipal Finance Authority	\$ 21,289	3.73%
<b>Total Pooled Investments</b>	<b>\$ 21,289</b>	<b>3.73%</b>
<b>Total Investments</b>	<b>\$ 561,926</b>	<b>98.37%</b>
<b>Cash and cash equivalents</b>	<b>\$ 10,335</b>	<b>1.81%</b>
<b>Funds held in Trust</b>		
Richmond Community Associations	\$ (1,015)	(0.18%)
<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$ 571,246</b>	<b>100.00%</b>

The outlook for the global economy has deteriorated and uncertainty has continued to increase since the 4th quarter of 2011. The sovereign debt crisis in Europe has intensified, conditions in international financial markets have tightened and risk aversion has risen. The recession in Europe is now expected to be deeper and longer than anticipated. While the economy had more momentum than anticipated in the second half of 2011, the pace of growth going forward is expected to be more modest than previously envisaged, largely due to the external environment. Prolonged uncertainty about the global economic and financial environment is likely to dampen Canada’s overall rate of growth.

Reflecting all of these factors, on January 17<sup>th</sup>, 2012, the Bank maintained the target for the overnight rate at 1%. As a result, yields across the Canadian yield curve remained low during the quarter as investors exercised “flight to safety” in the fear of the market uncertainty. Given the elevated level of risk in the growth outlook, it is projected that interest rate is going to remain at the low level in 2012 and will not likely to increase until 2013.

The City continues to be in compliance with its Investment Policy (3702), where the City 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 along and to realize a reasonable rate of return.



**Key Indicators (Appendix 1)**

This appendix provides information with regard to various financial and market indicators for the year 2011 as compared to 2010.

**Contract Awards (Appendix 2)**

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

**Financial Impact**

None

**Conclusion**


The City of Richmond has been able to avoid the slowdown that has impacted other economies. The unaudited surplus of \$4.56M for the year ended December 31, 2011 is a result of various factors including cost containment measures implemented by the CAO, projects and programs in progress, and vacant positions that have not been filled.



Venus Ngan  
Manager, Treasury Services  
(604-276-4217)



### Key Indicators

 <b>City of Richmond</b> <b>Key Indicators - Dec 31, 2011</b>						
All \$ in 000s	Q4 2011 Oct-Dec 2011	Q4 2010 Oct-Dec 2010	% Change	Year to Date Jan-Dec 2011	Year to Date Jan-Dec 2010	Year to date % change
<b>Housing Starts</b>						
Number of Housing Starts (number of units)	204	1,514	(86.5%)	1,237	3,179	(61.1%)
Number of Demolitions	122	108	13.0%	653	555	17.7%
Net Housing Units Added	82	1,406	(94.2%)	584	2,624	(77.7%)
<b>Building Permits</b>						
Number of Building Permits Issued	382	391	(2.3%)	1,480	1,547	(4.3%)
Permit Revenues Collected (Includes deferred revenue)	\$1,523	\$3,354	(54.6%)	\$8,665	\$8,007	(16.7%)
Value of Building Construction for Permits Issued	\$103,538	\$433,041	(76.1%)	\$424,367	\$811,759	(47.7%)
<b>Development Applications</b>						
Development Applications Received	52	53	(1.9%)	208	217	(4.1%)
Development Applications Revenue	\$287	\$194	47.8%	\$904	\$781	15.8%
<b>Business Licenses</b>						
Number of New Business Licenses Issued	339	298	13.8%	1,823	1,606	13.5%
Number of Employees Reported - New Licenses	1,515	1,303	16.3%	5,850	5,816	0.6%
Total Valid Licenses Renewed/(Discontinued)	(119)	(56)	112.5%	12,988	12,832	1.2%
Revenue Received for Current Year Licenses	\$262	\$443	(40.9%)	\$3,029	\$3,142	(3.6%)
Revenue Received for Next Year (Deferred)	\$1,223	\$1,306	(6.4%)	\$1,669	\$1,730	(3.5%)
Total License Revenue	\$1,485	\$1,749	(15.1%)	\$4,697	\$4,872	(3.6%)
<i>Year to date valid licenses and revenue include current year licenses issued in the prior year.</i>						
<b>Other Revenues</b>						
Parking Program Revenue	\$333	\$337	(1.2%)	\$1,432	\$1,335	7.3%
Gaming Revenue	\$3,186	\$3,146	1.3%	\$13,728	\$12,563	9.3%
Traffic Fine Revenue to date	\$544	\$1,182	(53.9%)	\$2,176	\$1,182	84.2%
<b>Development Cost Charges Income</b>						
Roads, Water, Sewer DCC's Received	\$7,559	\$3,811	109.3%	\$11,972	\$14,760	(18.9%)
Parks DCC's Received	\$7,710	\$1,475	422.7%	\$11,535	\$11,341	1.7%
Total DCC Fees Received	\$15,269	\$5,086	200.2%	\$23,507	\$26,101	(9.9%)
<b>Uncommitted Reserves</b>						
DCC Reserves to date	\$42,437	\$34,424	23.3%	\$42,437	\$34,424	23.3%
Capital Funding Reserves to date	\$77,220	\$60,772	27.1%	\$77,220	\$60,772	27.1%
Affordable Housing Reserves to date	\$2,198	\$1,530	43.7%	\$2,198	\$1,530	43.7%
Other Reserves to date	\$107,806	\$88,830	21.4%	\$107,806	\$88,830	21.4%
Total Uncommitted Reserves to date	\$229,661	\$185,556	23.8%	\$229,661	\$185,556	23.8%
<b>Taxes to date</b>						
Taxes Collected	\$8,070	\$7,361	9.6%	\$328,767	\$322,685	1.9%
City Portion of Taxes Collected	\$3,954	\$3,607	9.6%	\$161,096	\$158,115	1.9%
Unpaid Taxes - Delinquent & Arrears	\$1,519	\$1,431	6.2%	\$1,519	\$1,431	6.2%
No. of Participants on PAWS (Pre authorized withdrawal)	5,842	5,799	0.7%	5,842	5,799	0.7%
PAWS	\$5,992	\$5,276	13.6%	\$18,580	\$15,926	16.7%
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>						

All \$ In 000s	Q4 2011 Oct-Dec 2011	Q4 2010 Oct-Dec 2010	% Change	Year to Date Jan-Dec 2011	Year to Date Jan-Dec 2010	Year to date % change
<b>Employees</b>						
Number of City Employees (City and Library)	1,883	1,884	(0.1%)	1,883	1,884	(0.1%)
<b>Fire Rescue Responses</b>						
	2,278	2,263	0.7%	9,141	9,048	1.0%
<b>RCMP - Calls for Service Handled</b>						
	17,396	18,449	(5.7%)	72,423	84,658	(14.5%)
<b>Affordable Housing</b>						
Affordable Rental Units	6	16	(62.5%)	21	46	(54.3%)
Secondary Suite/Coach House Units	7	4	75.0%	24	29	(17.2%)
Market Rental Units	135	-	0.0%	135	8	1587.5%
Unspent Funds Allocated to Capital Projects to date	\$9,145	\$9,262	(1.3%)	\$9,145	\$9,262	(1.3%)
<b>Investments</b>						
Total Investments	\$571,246	\$513,466	11.3%	\$571,246	\$513,466	11.3%
<b>Interest Earned on Investments</b>						
Average City Rate of Return on Investments	2.34%	2.83%	(0.49%)	2.56%	2.74%	(0.18%)
<i>Sources: All data is from City of Richmond records</i>						
<b>Market Indicators</b>						
<b>Median Residential Selling Prices - Richmond</b>						
Single Family Detached	\$965	\$854	13.0%	\$994	\$835	19.0%
Townhouse	\$530	\$497	6.7%	\$548	\$493	11.3%
Apartment	\$343	\$343	0.0%	\$349	\$333	4.9%
Number of Sales (all housing types)	713	1,080	(34.0%)	5,403	4,722	14.4%
<i>Source: Real Estate Board of Greater Vancouver</i>						
Unemployment Rate-Greater Vancouver	6.5%	6.7%	(0.2%)	7.4%	7.4%	(0.0%)
<i>Regional Unemployment Rate (3 month moving average)</i>						
<i>Source: Statistics Canada &amp; BC Stats (Data not available for Richmond)</i>						
<b>Economic Development</b>						
Total sq. ft space Office YTD	4,241,927	4,365,067	(2.8%)	4,241,927	4,365,067	(2.8%)
Total sq. ft vacant space available Office YTD	816,210	797,384	2.4%	816,210	797,384	2.4%
Vacancy rate - Office (in %) YTD	19.24%	18.27%	5.3%	19.24%	18.27%	5.3%
Total sq. ft space Industrial YTD	36,306,863	36,208,363	0.3%	36,306,863	36,208,363	0.3%
Total sq. ft vacant space available Industrial YTD	1,332,255	1,279,446	4.1%	1,332,255	1,279,446	4.1%
Vacancy rate - Industrial (in %) YTD	4.56%	3.53%	29.0%	4.56%	3.53%	29.0%
<i>Source: Cushman &amp; Wakefield Ltd. - Market Report</i>						
<b>Richmond Population Estimate Year End*</b>	<b>2011</b>	197,631	<b>2010</b>	196,801		
<i>*Note: These population estimates are published by BC Stats. Amounts rounded to the nearest thousand.</i>						

**Contract Awards > \$ 25,000  
October 1, 2011 – December 31, 2011**

	<b>Contract Name</b>	<b>Award</b>	<b>Amount</b>	<b>Description</b>	<b>Department or Division</b>
1.	4181 P - On-Line Event Application & Approval Web Application Software	Mountain Interactive	\$43,200	The system will allow an Event Organizer to apply for permission to host an event in the City through an online form. This system will facilitate the approval process and the communication between City staff and Event Organizers.	Enterprise Services
2.	4258 Q - Supply and Delivery eight (8) Mid-Sized (4) four Door Sedans	Metro Motors Maple Ridge Chrysler	\$40,242 \$68,428	Vehicle replacements per replacement plan.	Fleet
3.	4272 Q - Supply & Delivery of Eleven (11) Mini-Vans	Maple Ridge Chrysler Dams Ford Lincoln	\$ 127,850 \$ 166,848	Vehicle replacements per replacement plan.	Fleet
4.	4278 Q - Supply and Delivery of two (2) Full Size Cargo Van	Dams Ford Lincoln	\$ 53,686	Vehicle replacements per replacement plan (Cultural Centre and Library)	Fleet
5.	4298 T - RCMP CSB; Interior Glazing	Columbia Glazing Systems	\$80,240	Interior glazing for the RCMP Community Safety Building	Project Development
6.	4355 F - People Soft HCM 9.1 Upgrade - Technical Consultant	L. Parker Consulting Services	\$43,200	To restructure and simplify the existing Acting/Auxiliary Pay program in order to eliminate the process dependencies that caused over/under pay, and to provide flexibility in allowing potential contractual changes	Information Technology
7.	4356 F - ROO: Exterior Video Sign Base	Colter Developments	\$141,356	Supply & install of a concrete base for the exterior sign at the Oval.	Project Development & Facilities Services
8.	4357 F - Supply and Installation Multi-Room Air Conditioning System for City Hall Tower Communication Closets	Airon Heating and Air Conditioning	\$81,500	To provide 24/7 air conditioning in Cityhall Network Communication closets required by higher load from Voice over IP Network switches.	Information Technology
9.	4358 F - Supply and Installation of Roadworks - Cambie Rd	Progressive Contracting (Brighthouse) Ltd.	\$86,155	Supply and installation of roadworks (curb & gutter, sidewalk and asphalt) along the south side of Cambie Road (from No. 4 Road to approx. 200m +/- west)	Engineering
10.	4359 F - Supply As-Built Digital Electrical Drawings for Traffic Signals on No 3 Road - Restoration Project	DMD & Associates	\$26,947	The As-built Digital Electrical Drawings.	Engineering
11.	4360Q - Supply and Install one 3" Water Meters at 4771 Garry Street	PJB Mechanical	\$28,500	Volunteer water meter installation for townhouse complex, as part of Volunteer Multi-Family Water Meter Program	Engineering
12.	4361 F - National Water and Wastewater Benchmarking Program	AECOM Canada Ltd	\$31,450	The City participates in this program that measures our water, sanitary, and storm utilities performance against 40 other cities in Canada. It helps us plan our maintenance and capital replacement programs and allows comparison with other cities.	Engineering

	<b>Contract Name</b>	<b>Award</b>	<b>Amount</b>	<b>Description</b>	<b>Department or Division</b>
13.	4362 F - Supply and Delivery of three (3) 2012 Electric four (4) Door Sedans	Dueck Lansdowne Pontiac Buick	\$136,530 (less rebate of \$16,800)	Purchase of electric vehicles for vehicle replacements via a consortium purchase.	Fleet and Environmental Programs
14.	4363 F - Supply and Delivery of one (1) Dodge Ram 5500 Cab Chassis	Richmond Chrysler Jeep	\$39,604	Vehicle replacement per replacement plan to support operations.	Fleet and Environmental Programs
15.	4364 F - Supply and Installation of Steel Piles for Imperial Landing Site	Cullen Construction Ltd	\$79,800	Installation of the floating docks at Imperial Landing	Parks
16.	4365 F - Paving for Garden City Tennis Courts	Imperial Paving	\$37,190	Construction of a two new tennis courts at Garden City Park	Parks
17.	4366 F - Supply and Delivery of Eighty (80) Telephones for City Hall and Replacement Use	Telus Communications	\$26,270	IP Telephones purchased to replace aging digital phones at City Hall and the Works Yard	Information Technology
18.	4367 F - Supply and Delivery of Gensis Software for Voice Network and 911 Reporting Tool	Telus Communications	\$78,897	This is a full suite of products; one of which allows the Telecom team to manage moves, adds and changes for the phone system; another is manage and record 911 calls, ACD reporting, Traffic management and Call Accounting reports for the Organization.	Information Technology
19.	4368 F - Supply and Installation Exhaust Fan at Watermania	Airon Heating and Air Conditioning	\$28,790	Supply & Install of an Exhaust Unit in the Slide Tower at Watermania to reduce heat, humidity and to improve air quality.	Project Development & Facilities
20.	4369 F - Peoplesoft Financial Maintenance and Support Fees	Bal Global Finance Canada Corp	\$39,175	Additional PeopleSoft Financial License increase based in original contract agreement.	Information Technology
21.	4370 F - Senior Inspection Services for the Engineering Dept	Cormax Consulting	\$70,000	Services required due to vacancies.	Engineering
22.	4375 Q - Supply and Delivery of two (2) Citrix Netscaler Enterprise and one (1) Citrix Netscaler Platinum	CDW	\$61,394	Complete the Microsoft Exchange 2010 E mail system upgrade and provide a backup in case of problems with the hardware of the Citrix remote access system	Information Technology
23.	4372 F - Lighting Project at Thompson Community Centre	Commercial Lighting	\$30,000	Lighting re-lamp and retrofit	Sustainability
24.	4373 F - Environmental Investigation and Site Analysis of real property	Golder Associates	\$30,994	Environmental investigation and site analysis conducted in relation to the purchase of real property.	Real Estate
25.	4374 F - Exterior restoration and rehabilitation of Japanese Association Building	Birmingham & Wood	\$25,000	Architectural services for the rehabilitation of the Japanese Association Building.	Project Development & Facilities Services
26.	4375 Q - Supply and Delivery of two (2) Citrix Netscaler Enterprise with Gold Support	CDW	\$36,143	These devices will be part of the new Exchange 2010 (email) system that replaces the obsolete Exchange 2003 system still in use.	Information Technology
27.	4376 Q - BC Hydro Gas Meter upgrade program at Richmond Ice Centre	SES Consulting	\$33,000	Real time energy monitoring and baseline energy investigation.	Sustainability
28.	4377 F - Terra Nova Mound - Phase II	Space 2 Place	\$25,000	Consulting advance design for Terra Nova Park play environment.	Parks

	<b>Contract Name</b>	<b>Award</b>	<b>Amount</b>	<b>Description</b>	<b>Department or Division</b>
29.	4379 F - Regional Voter Turnout radio ad campaign for Municipal government group	i2i Advertising & Marketing Ltd	\$45,769	To book and purchase radio advertising in support of regional voter turnout initiative for civic election. Project was co-funded by 14 municipalities. Richmond's actual share of contract was \$4,637.65.	Communications
30.	4380 Q – LCC Parkade: Parkade Restoration	Polycrete Restorations Ltd	\$105,818	Restoration of the Library Cultural Centre Parkade.	Project Development & Facilities Services
31.	4381 Q - Supply and Delivery of Storage Tek SL500 Upgrade to four (4) drives	RCR Technologies	\$35,456	Upgrade (from two to four) tape drives for producing backup tapes of City data for off-site storage.	Information Technology
32.	4382 F - RCMP TI: Supply and Install Lockers	Shanahans Ltd	\$41,565	Lockers for the tenant improvement space within the RCMP CSB.	Project Development & Facilities Services
33.	4383 Q - Supply and Install Black Mando Sport impact Flooring to West Lobby of Men's Bathrooms @ Richmond Ice Centre	Fast Track Floors Ltd	\$28,526	Supply & install of sport impact flooring to west lobby of men's bathroom at RIC.	Project Development & Facilities Services
34.	4384 F - RCMP CSB: Supply and Installation of a Telephone system (Voice Over IP Phone System) at RCMP @ No 5 Rd	Receiver General of Canada	\$80,000	Supply & install of voice-over IP phone system at the RCMP CSB.	Project Development & Facilities Services
35.	4550 T - Springfield Watermain Replacement - Phase 1	Targa Contracting Ltd.	\$1,988,640	This is required to replace ageing asbestos cement watermains that are nearing the end of their useful service life.	Engineering
36.	4585 T - ROO: Construction Services for Team Rooms & Admin Offices	Turner Construction	\$535,034	Construction services for the new ROO administration offices and the creation of 2 new team rooms.	Project Development & Facilities Services
37.	4595 P - Security Information Event Management Appliance and Software	Herjavec	\$65,560	Log Management equipment to monitor security and hardware events on network devices, for legal retention of security incidents.	Information Technology
38.	4599 Q - Supply and Delivery of Street Banners	The Flag Shop	\$42,275	Purchase of 926 street banners for the 2012 Richmond Street Banner Program.	Parks & Recreation
39.	4612 P - Supply and Installation of Shelter for Vector Trucks	Lindome Structures	\$100,800	Snow shed storage structure addition to house vector trucks in the winter. This ensures the equipment remains available for emergency response to clear drains to avoid flooding after snow events and avoids space challenges and safety concerns in Fleet garage.	Engineering/Fleet
40.	4626 F - Disposal, processing and marketing services for yard trimmings and organics collected under residential organics program (2010 to 2019)	Fraser Richmond Soil and Fibre Ltd	Estimated Annual Cost \$500,000	Processing and marketing services for organics material collected curb side. Material is composted and marketed as a soil amendment product.	Environmental Programs