



City of Richmond

Report to Committee

To: Finance Committee

Date: August 25, 2011

From: Jerry Chong
Director, Finance

File: 03-0970-09-01/2010-Vol
01

Re: Financial Information – 2nd Quarter 2011

Staff Recommendation

That the report on Financial Information for the 2nd Quarter ended June 30, 2011 be received for information.

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

Att.

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 and Drainage	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>	
Water Services	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"/>	
Project Development & Facility Services	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>	
Community Bylaws	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>	
Transportation	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>	
REVIEWED BY TAG	YES	NO	
	RR <input checked="" type="checkbox"/>	<input type="checkbox"/>	AS <input checked="" type="checkbox"/>

Staff Report

Origin

Information for the 2nd quarter ended June 30, 2011 is being provided to Council with economic updates with respect to Canada, the Province of BC, the City of Richmond, and the financial activity and position of the City.

Analysis

Global Economic Overview

With several global issues occurring this year, such as the earthquakes in Japan curtailing Asian production, high crude oil prices hindering U.S. recovery, the debt crisis in Europe and the tightening of the domestic monetary policy initiatives in China, the global economy has slowed down considerably after growth of 4.5% annual change in Real GDP (Gross Domestic Product) and is now forecasted to grow by only 3.6% for 2011.

Recently, the U.S. debt ceiling controversy in conjunction with all the other global issues have led to declines in the financial and commodity markets worldwide. Economic uncertainties have affected investors, businesses and consumers confidence alike, which has resulted in further delays to the economic recovery than forecasted earlier in the year.

Canadian Economic Overview

The global trend is also reflected in Canada's economic forecast. According to TD Economics, the Canadian economic outlook has likely peaked and a steady growth of 2.8% in Real GDP is to be expected for the remainder of 2011. Canada's Real GDP growth for 2010 was below the global average at 3.2% but showed potential with growth of 3.9% (annualized rate) for the first quarter of 2011. Certain factors are important when looking at Canada's economic outlook:

- Slowing down of household borrowing is expected to constrain real consumer spending;
- Business investment and exports will bounce back, supported by the increase in U.S. demand;
- High Canadian dollar will impede the transition back to a more export-driven economy; and
- The Bank of Canada is not expected to raise rates until 2012.

CANADIAN ECONOMIC OUTLOOK																				
Period Over-Period Annualized Per Cent Change Unless Otherwise Indicated																				
	2011				2012				2013				Annual Average				4th Qtr/4th Qtr			
	Q1	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	Q1F	Q2F	Q3F	Q4F	10	11F	12F	13F	10	11F	12F	13F
Real GDP	3.9	1.3	2.8	2.7	2.6	2.5	2.3	2.2	2.1	2.0	2.0	2.2	3.2	2.8	2.5	2.1	3.3	2.7	2.4	2.1
Consumer Expenditure	0.2	2.5	2.0	2.5	2.4	2.2	2.0	1.7	1.8	2.0	2.1	2.1	3.3	2.5	2.3	1.9	3.2	1.9	2.1	2.0
Durable Goods	-5.0	2.6	2.7	2.5	2.0	1.5	0.8	-0.6	1.0	1.5	1.8	1.9	4.4	1.2	1.8	1.0	2.1	0.5	0.9	1.5
Labour Force	2.6	1.0	1.5	1.4	1.2	1.0	0.8	0.8	0.8	0.8	0.7	0.7	1.1	1.2	1.1	0.8	0.9	1.0	0.9	0.7
Unemployment Rate (%)	7.3	7.8	7.8	7.6	7.6	7.5	7.4	7.3	7.2	7.2	7.1	7.1	6.0	7.6	7.4	7.1	—	—	—	—
Core Price Index (Y/Y)	2.6	3.0	2.8	2.7	2.4	2.2	2.1	2.1	2.1	2.1	2.1	2.0	1.8	2.8	2.2	2.1	2.3	2.7	2.1	2.0
Core CPI (Y/Y)	1.3	1.8	1.8	1.9	2.1	1.9	2.0	2.0	2.2	2.1	2.0	2.0	1.7	1.7	2.0	2.1	1.8	1.9	2.0	2.0
Housing Starts ('000s)	178	176	174	172	170	169	169	169	169	170	172	174	182	176	164	171	—	—	—	—
Productivity: Real GDP / Worker (Y/Y)	1.0	1.1	1.3	1.0	0.9	1.4	1.2	1.1	1.1	1.0	1.0	1.0	1.8	1.1	1.2	1.0	1.7	1.0	1.1	1.0

F: Forecast by TD Economics as of June 2011

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

Province of BC Economic Overview

Scotia Economics forecasts that economic growth in British Columbia will outperform the Canadian average but lag behind Saskatchewan and Alberta. The economy will be dependent on expansion of the commodity sector, in conjunction with burgeoning high-tech industries and diversification efforts by several established industries, most notably mining and forestry. Otherwise, record high home prices and weak affordability will challenge the housing sector.

The key economic drivers include:

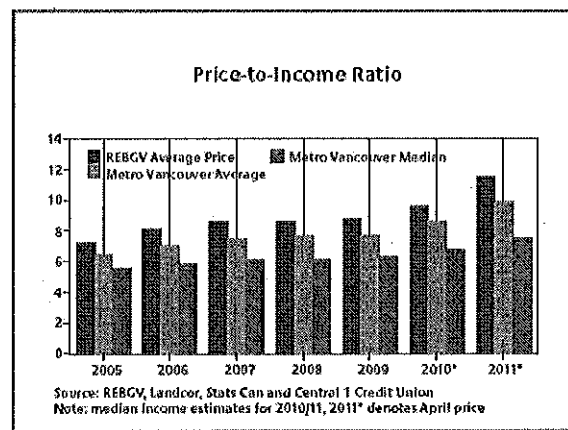
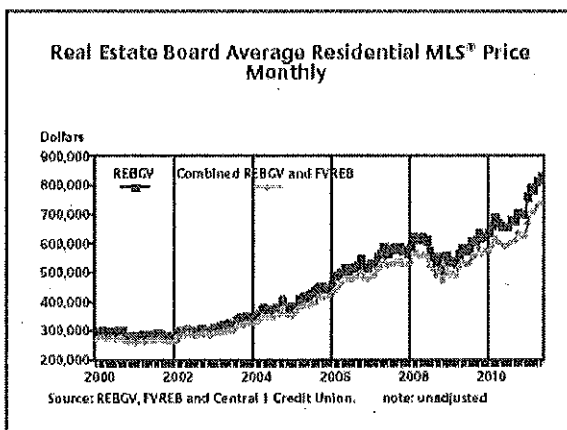
- Development of the mining industry from significant foreign and domestic investment;
- Increased production of copper and coal mining as demand increases with construction projects and infrastructure expenditures in emerging markets;
- Increased demand in the professional services segment from mining, software and film industries;
- Resurgence in exports of forestry products due to increase demand from China and from the rebuilding efforts in Japan – production is expected to increase by over 8%;
- Employment growth is expected to keep pace with the national average with notable gains in the professional services, transportation and manufacturing;
- Weak retail sales performance due to high debt accumulation;
- Harmonized Sales Tax (HST) referendum may be pushing consumers to postpone large discretionary purchases; and
- Housing market, particularly in the Greater Vancouver area is stable from the support of favourable demographics, tight supply and foreign-buyer interest but due to weak affordability, activity will decrease, especially among the first-time buyers.

Forecast Summary: British Columbia					
	2010	2010	2011F	2012F	2013F
Real GDP, % chg.	2.3	2.2	2.5	2.7	2.7
Domestic GDP, % chg.	2.4	2.5	2.7	2.9	2.9
Employment, % chg.	2.4	2.2	2.2	2.3	2.1
Unemployment Rate, %	7.5	7.5	7.3	6.7	6.1
Population, % chg.	1.7	1.6	1.6	1.6	1.6
Housing Starts, (MIL. DDD)	10.1	10.3	10.5	10.0	12.0
Retail Sales, % chg.	-0.4	0.7	0.1	0.7	0.0
Personal Income, % chg.	0.7	0.9	0.2	0.6	0.6
Consumer Price Index, % chg.	0	1.5	2.1	1.7	1.0

Statistics Canada, Central 1 Credit Union

City of Richmond Overview

There are similarities in the economic forecasts of the Canadian and BC outlook. These factors may impact municipalities, especially regarding the housing market. Economists are predicting a decrease in the housing market primarily due to the maximization of debt accumulation and dramatic increases in housing prices during the last few years which affects affordability and is measured by the price-to-income ratio. This increase has especially affected first-time buyers as the ratio for Metro Vancouver average in 2011 has reached above 9.0. Comparatively, Canada's national average ratio at the end of April 2011 is just under 4.5 ⁽¹⁾. Since June 2010, Richmond housing prices have reached increases of 19.0% for single family detached homes, 11.0% for townhouses and 6.7% for apartments as their median selling prices are currently just under \$1.0M, \$0.6M and \$0.4M, respectively.



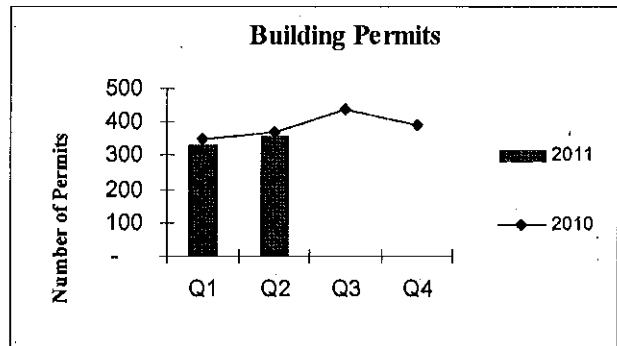
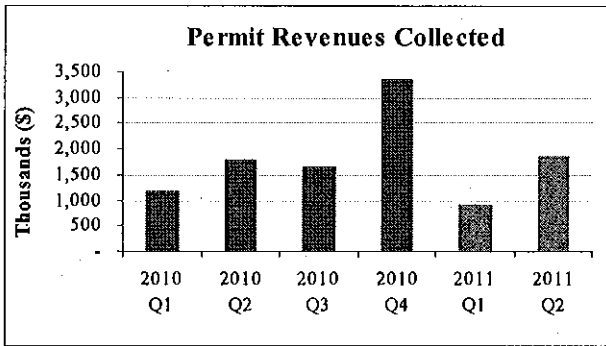
Economists are predicting a downturn in the housing market, however the City of Richmond has avoided this so far as statistics have shown. Even with the increasing prices, sales have stayed relatively steady as this year's 2,667 units is in line with last year's sales to date of 2,679 units. Housing starts to date are also indicating that the housing market has not declined as greatly in Richmond as other areas within the Greater Vancouver Regional District, with the number of starts for this year of 552 is comparable to that in 2010 of 621.

The housing market stability in the City can also be evidenced by the increase in building permit revenues for the current quarter, which are higher than the same period last year by 13.2% from \$1.5M to \$1.9M. The year-to-date building permits issued of 696 and revenues of \$2.4M are in line with last year when it reached peak levels not seen since the pre-recession years of 2008 and earlier.

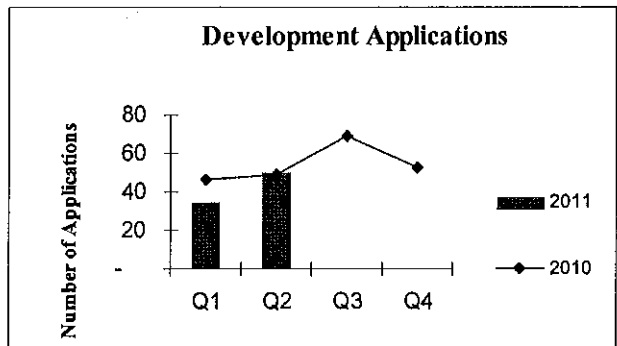
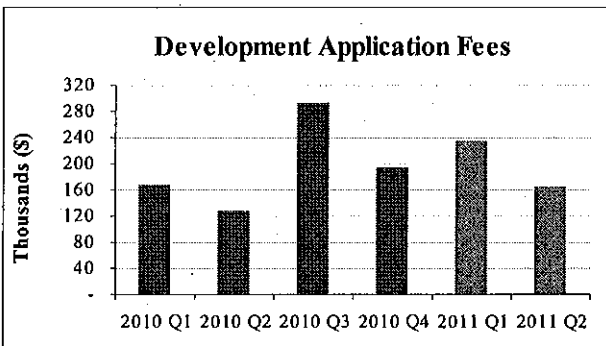
Richmond has also realized an increase in business activity especially for the industrial sector as the vacancy rates have decreased from a rate of 5.7% in 2010 to 4.4% in 2011. This vacancy rate decrease is still occurring while total new space available has increased by over 250,000 square feet. Office space vacancy remains a challenge as the total square feet of vacant space has increased by 10.8% from year to year.

(1) Source: Statistics Canada, Teranet-NB, Royal LePage, Bank of Canada calculations

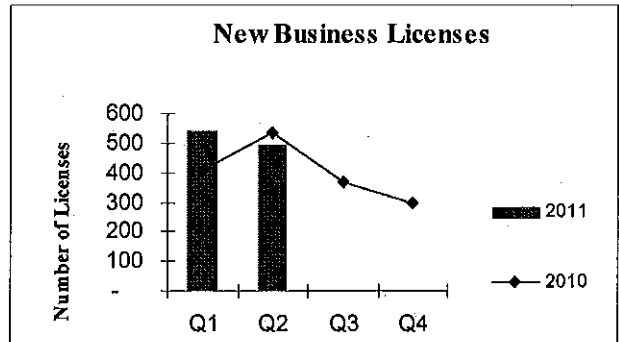
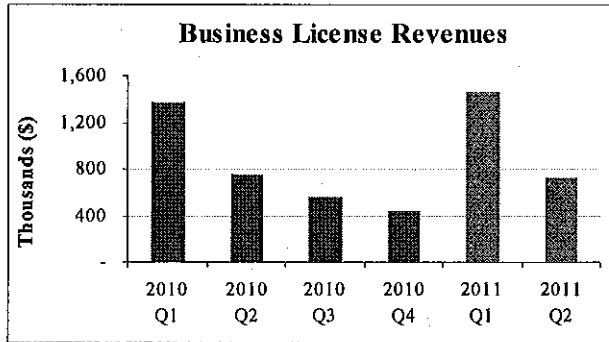
The value of building construction for permits issued during the 2nd quarter of 2011 decreased slightly but comparatively is 47.9% higher in value on a year-to-date basis as compared to 2010. The total construction value for 2011 is \$174.5M versus \$118.0M for 2010. This reflects the current trend of higher value construction projects, predominantly as mixed-use residential and commercial buildings are starting to complete. This trend should continue for the next few years as the City Centre Area begins to transition.



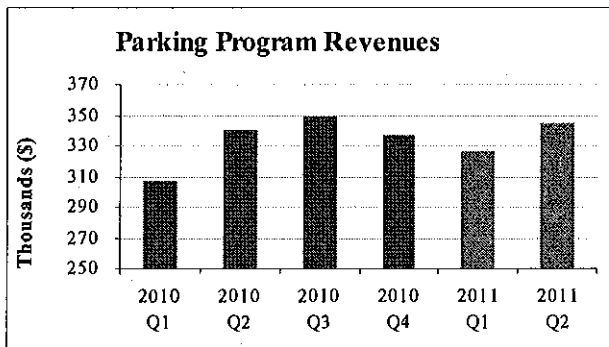
Although the number of development applications received in the 2nd quarter and year-to-date in 2011 has stayed constant with the levels in 2010, related revenues have significantly increased. Revenues collected to date in 2011 of \$0.4M is 36.7% higher than in 2010 of \$0.3M. The additional revenues in the 1st quarter, provided by the administration fees related to the completion of Servicing Agreements, has continued into the current quarter.



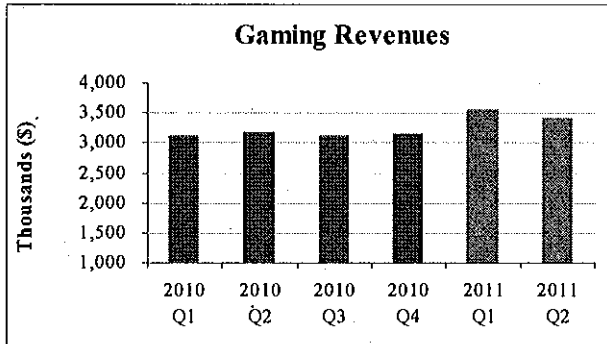
The total number of business licences issued to date in 2011 are comparable to last year, 13,068 to 13,178 licences, respectively. With the increased enforcement and collections of outstanding receivables during the 1st quarter, the current year-to-date revenues of \$2.2M have stayed relatively equal to last year. The increase in the number of new licences in 2011 of 1,038 from 940 last year (10.4% increase), is indicative of the growth that Richmond is experiencing.



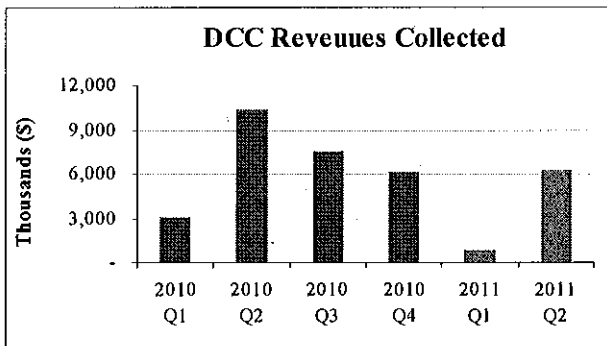
The permit and enforcement (Parking Program) revenues of \$0.3M and \$0.7M for the quarter and year-to-date, respectively are slightly higher than the same periods last year due largely to the efforts of the parking enforcement staff.



Gaming revenues of \$3.4M for the 2nd quarter and \$7.0M for the year have increased from the same periods in 2010, by 7.3% and 10.7%, respectively. Great Canadian Gaming Corporation has reported an increase in revenues of \$3.7M in their 2nd quarter results compared to 2010 for River Rock Casino due mainly to the 19% improvement in table drop.



Although DCC contributions received to date are still lower than last year, the overall trend is comparable to the 2008 levels. For the 2nd quarter, revenues collected increased significantly as compared to the 1st quarter from \$0.8M to \$6.3M, but is still 39.4% lower than \$10.4M collected in the same quarter of 2010. Year-to-date contributions of \$7.1M in 2011 compared to \$13.4M in 2010 results in a decrease of 47.0%. These decreases compared to last year can be attributed to the unusual 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
Quarter ended June 30, 2011**

Operating (in \$'000s)	Budget Year to Date June 30, 2011	Actual Year to Date June 30, 2011 (unaudited)	Variance	Forecast For December 31, 2011
RCMP	17,713	17,510	203	300
Fire Rescue	14,738	14,108	630	650
Parks & Recreation	12,354	10,961	1,393	-
Engineering & Public Works	9,739	7,909	1,830	-
Corporate Services	7,535	6,891	644	-
Project Development & Facility Maintenance	4,272	4,148	124	-
Library	3,794	3,683	111	-
Planning & Development Services	2,935	1,673	1,262	500
Community Services	3,562	2,970	592	50
Corporate Administration	2,153	1,759	394	-
Law & Community Safety	1,562	1,345	217	-
Business and Financial Services	1,490	314	1,176	200
Fiscal & Transfer to Reserves	(81,847)	(84,391)	2,544	-
	\$ -	\$ (11,120)	\$ 11,120	\$ 1,700

The variance for Q2 is consistent with prior years and is mainly attributable to timing and seasonality. This should not be used as an indicator for annual results.

The following are the explanations for net expenditure variances at the departmental level.

- After receiving the realized savings from the 2010/11 contract in Q1, RCMP is now slightly favourable. Due to vacancies of administrative positions, a surplus of \$0.3M is forecasted for the end of the year.
- Fire Rescue has a favourable variance to budget due to a staffing delay which has resulted in surplus salary, fringe, overtime, and training costs. A surplus of \$0.65M is forecasted for the end of the year.
- Parks and Recreation has a favourable variance for Q2 due to the seasonal nature of operating expenditures (e.g. utilities and maintenance) which will be incurred in the 2nd half of the year. It is anticipated to be on budget at the end of the year.
- Engineering and Public Works are due to be on budget by the end of the year. The favourable variance can be attributed to the Major Road Network (MRN), road maintenance and dyke programs having had incurred no major costs to date. It is anticipated that most of the expenditures will occur in Q3.
- Corporate Services has a favourable variance in Q2 due to the timing of operating expenses which will be spent by the end of the year. It is anticipated to be on budget at the end of the year.

- Project Development and Facility Maintenance is on budget and is anticipated to be on budget at the end of the year.
- Library is on budget and is anticipated to be on budget at the end of the year.
- Planning and Development has recognized higher than budgeted building permit revenues and servicing agreement fees. Also contributing to the favourable variance are lower operating costs from the management of vacant positions, however, as the need to provide services associated with new building permit revenues arises, there will be a need to fill vacant positions. With the higher revenues and vacancies, a \$0.5M surplus is anticipated at the end of the year.
- Community Services has a favourable variance as at Q2. The timing of expenditures for key community events and operating expenditures is expected to be incurred in the latter half of the year. Because there are also vacant positions that have not been filled, a small surplus is anticipated by the end of the year.
- Corporate Administration has a favourable variance due to vacancies. It is anticipated to be on budget at the end of the year.
- Law and Community Safety is on budget and is anticipated to be on budget at the end of the year.
- Business and Financial Services has a favourable variance due to the majority of the Business Licences revenue having been received in Q1 and the vacant positions within the Financial Services department. It is forecasted to have a surplus of \$0.2M by the end of the year.
- Fiscal is favourable for Q2 with anticipated expenditures to follow in the latter half of 2011.

Utilities

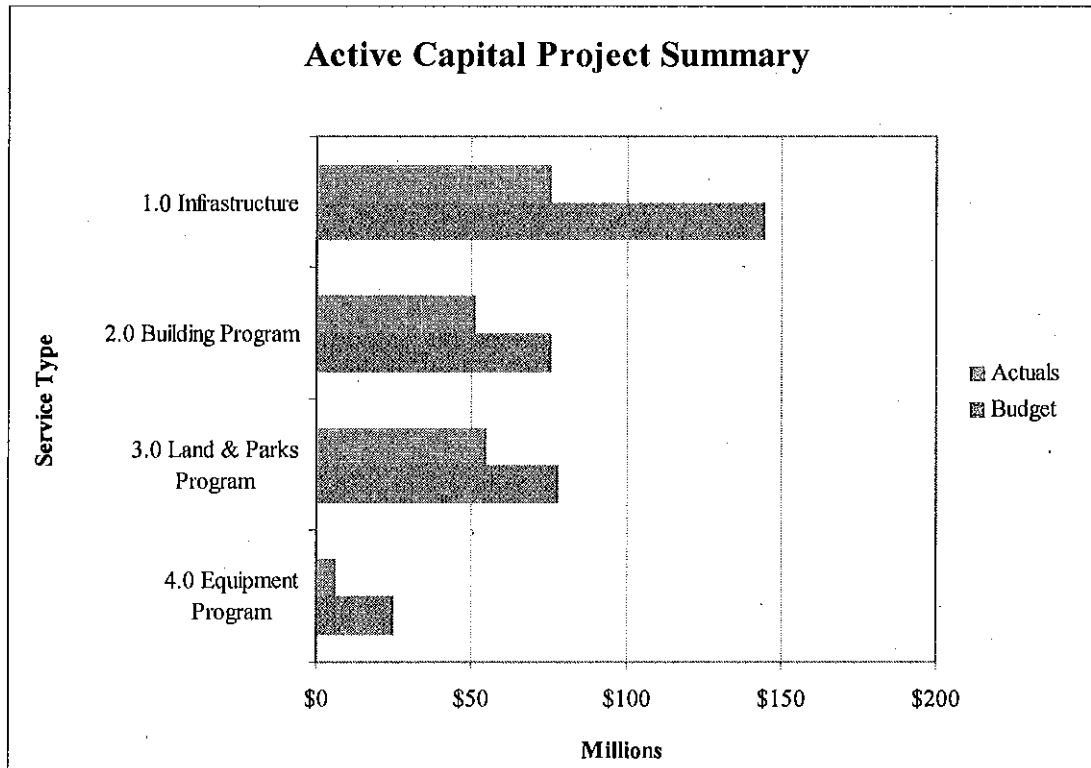
- Water Utility is currently on budget with water consumption increasing as the high usage summer months are starting. Also, increased receivable activity costs have been matched with increased receivable income. It is anticipated to have a balanced budget at the end of the year.
- Sewer Utility is on budget and is anticipated to have a balanced budget at the end of the year.
- Sanitation & Recycling Utility is on budget, with a noticeable shift from garbage utility to recycling as residents are starting to be more environmentally conscious. It is anticipated to have a balanced budget at the end of the year.

Active Capital Project Summary

The approved 2011 Capital Budget of \$61.2M (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.

	Statement of Active Capital Project Expenditures		
	Budget	Spent to Date	Commitment
1.0 Infrastructure	144,900	75,779	69,121
2.0 Building Program	76,034	51,119	24,915
3.0 Land & Parks Program	78,482	54,620	23,862
4.0 Equipment Program	25,122	6,292	18,830
Grand Total	\$324,538	\$187,810	\$136,728

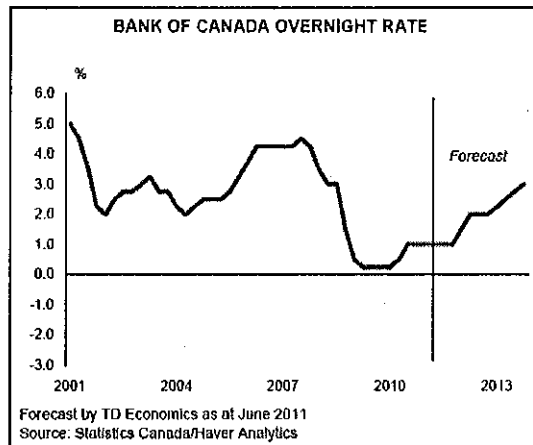


Cash and Investment Portfolio

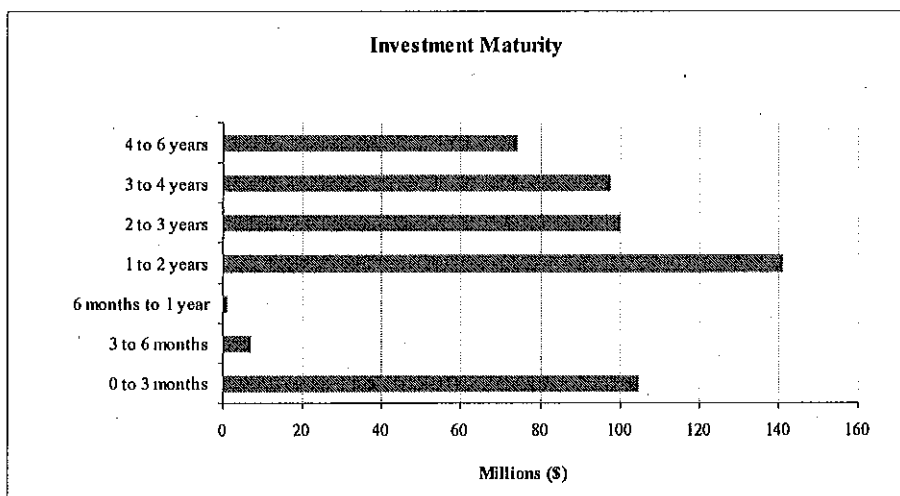
The City's cash and investment portfolio at June 30, 2011 was \$604.6M, with an average actual return on investment for the 2nd quarter of 2.4%. The current low interest rate environment and the City's cash flow projections have influenced the terms and types of investments that the City holds, which is reflected in the return.

Investment \$'000s	Value	% of Portfolio
Prov Gov and Prov Crown Corp		
Province of Ontario	\$ 52,645	8.71%
Province of BC	\$ 31,132	5.15%
Province of Manitoba	\$ 21,321	3.53%
Total Prov Gov and Prov Crown Corp.	\$ 105,098	17.39%
Fed Gov and Fed Crown Corp		
Canadian Mortgage and Housing Corporation	\$ 172,855	28.59%
Government of Canada	\$ 100,562	16.63%
Canadian Wheat Board	\$ 5,191	0.86%
Total Fed Gov and Fed Crown Corp	\$ 278,608	46.08%
Schedule I Banks		
TD Financial	\$ 17,102	2.83%
Royal Bank of Canada	\$ 10,308	1.70%
CIBC	\$ 9,603	1.59%
Scotia Bank	\$ 7,915	1.31%
First Bank	\$ 603	0.10%
National Bank of Canada	\$ 528	0.09%
Total Schedule I Banks	\$ 46,059	7.62%
Credit Unions		
Vancity Savings Credit Union	\$ 29,616	4.90%
Gulf & Fraser Financial Group	\$ 25,169	4.16%
Coast Capital Savings	\$ 20,000	3.31%
Total Credit Unions	\$ 74,785	12.37%
Pooled Investments		
Municipal Finance Authority	\$ 20,982	3.47%
Total Pooled Investments	\$ 20,982	3.47%
Total Investments	\$ 525,532	86.93%
Cash and cash equivalents	\$ 79,080	13.07%
TOTAL CASH AND INVESTMENTS	\$ 604,612	100.00%

The fallout from the Japanese earthquake has caused worldwide supply chain disruptions and the sovereign credit defaults in Europe have continued to push growth forecasts lower across the globe. The Canadian economy is expected to grow at a steady pace in the second half of 2011, but remains vulnerable due to a weaker U.S. economy. The Bank of Canada held rates constant at 1.0% because of the fear of a slower rate of growth in the Canadian economy, partly due to the slower than expected recovery in the U.S. The downgrade of the U.S. credit ratings may potentially delay any interest rate increase in the near future. It is forecasted that an interest rate increase will not likely happen until early or even mid 2012. A forecast of the interest rate movement is illustrated in the graph below.



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 2nd quarter.

Financial Impact

None


Conclusion

The City of Richmond's 2nd quarter 2011 financial results indicate that the City's revenues are trending favourably as evidenced by the increase in the number of housing starts, development applications received and business licences issued as compared to the previous quarter. This increased activity has generated revenues but because of the timing of costs incurring related to maintenance programs, vacant positions and major contracts, the City is in a surplus position. The costs are expected to increase as planned when the operational programs are fully underway during the second half of the year. Staff will continue to monitor the results and update the Committee on a quarterly basis.



Lisa Skippen
Manager, Finance System Support
(604-204-8660)

Key Indicators

 City of Richmond Key Indicators - June 30, 2011						
All \$ in 000s	Q2 2011 Apr-June 2011	Q2 2010 Apr-June 2010	% Change	Year to Date Jan-Jun 2011	Year to Date Jan-June 2010	Year to date % change
Housing Starts						
Number of Housing Starts (number of units)	374	249	50.2%	552	821	(11.1%)
Number of Demolitions	185	157	17.8%	309	279	10.8%
Net Housing Units Added	189	92	105.4%	243	342	(28.9%)
Building Permits						
Number of Building Permits Issued	361	371	(2.7%)	696	719	(3.2%)
Permit Revenues Collected (includes deferred revenue)	\$1,857	\$1,640	13.2%	\$2,785	\$2,768	0.6%
Value of Building Construction for Permits Issued	\$85,989	\$91,132	(5.7%)	\$174,474	\$118,001	47.9%
Development Applications						
Development Applications Received	50	49	2.0%	85	95	(10.5%)
Development Applications Revenue	\$168	\$127	30.5%	\$402	\$294	36.7%
Business Licenses						
Number of New Business Licenses Issued	496	533	(6.9%)	1,038	940	10.4%
Number of Employees Reported - New Licenses	1,311	1,412	(7.2%)	2,876	3,441	(16.4%)
Total Valid Licenses Renewed/(Discontinued)	(16)	174	(109.2%)	12,600	13,178	(4.4%)
Revenue Received for Current Year Licenses	\$621	\$760	(18.3%)	\$2,080	\$2,141	(2.8%)
Revenue Received for Next Year (Deferred)	\$105	\$139	(24.4%)	\$156	\$188	(16.9%)
Total License Revenue	\$726	\$899	(19.2%)	\$2,236	\$2,328	(4.0%)
<i>Year to date valid licenses and revenue include current year licenses issued in the prior year.</i>						
Other Revenues						
Parking Program Revenue	\$345	\$340	1.3%	\$671	\$647	3.7%
Gaming Revenue	\$3,412	\$3,181	7.3%	\$6,967	\$6,294	10.7%
Traffic Fine Revenue to date	\$894	\$893	11.4%	\$1,277	\$1,024	24.7%
Development Cost Charges Income						
Roads, Water, Sewer DCC's Received	\$3,084	\$5,080	(39.3%)	\$3,484	\$6,634	(47.5%)
Parks DCC's Received	\$3,209	\$5,306	(39.5%)	\$3,636	\$6,812	(46.6%)
Total DCC Fees Received	\$6,294	\$10,386	(39.4%)	\$7,121	\$13,446	(47.0%)
Uncommitted Reserves						
DCC Reserves to date	\$27,653	\$19,472	42.0%	\$27,653	\$19,472	42.0%
Capital Funding Reserves to date	\$50,679	\$23,027	120.1%	\$50,679	\$23,027	120.1%
Affordable Housing Reserves to date	\$1,830	\$1,003	82.5%	\$1,830	\$1,003	82.5%
Other Reserves to date	\$73,862	\$62,815	17.6%	\$73,862	\$62,815	17.6%
Total Uncommitted Reserves to date	\$154,024	\$106,318	44.9%	\$154,024	\$106,318	44.9%
Taxes to date						
Taxes Collected	\$140,795	\$127,507	10.4%	\$148,025	\$136,438	8.5%
City Portion of Taxes Collected	\$68,989	\$62,478	10.4%	\$72,532	\$66,854	8.5%
Unpaid Taxes - Delinquent & Arrears	\$4,077	\$4,016	1.5%	\$4,077	\$4,016	1.5%
No. of Participants on PAWS (Pre authorized withdrawal)	5,655	5,444	3.9%	5,655	5,444	3.9%
PAWS ⁽¹⁾	\$3,458	\$1,770	95.4%	\$8,696	\$7,139	21.8%
Interest Rate Paid to PAWS	1.00%	0.25%	0.75%	1.00%	0.25%	0.75%
<i>Sources: All data is from City of Richmond records</i>						
<i>(1) PAWS period changed from July - April in 2010 to August - May in 2011, which explains the increase and therefore is not comparable</i>						

All \$ in 000s	Q2 2011 Apr-June 2011	Q2 2010 Apr-June 2010	% Change	Year to Date Jan-Jun 2011	Year to Date Jan-June 2010	Year to date % change
Employees						
Number of City Employees (City and Library)	1,897	1,898	(0.1%)	1,897	1,898	(0.1%)
Fire Rescue Responses						
	2,251	2,181	3.2%	4,482	4,322	3.7%
RCMP - Calls for Service Handled						
	18,291	22,331	(18.1%)	35,533	41,700	(14.8%)
Affordable Housing						
Affordable Rental Units	8	0	100.0%	8	0	100.0%
Secondary Suite/Coach House Units	6	0	100.0%	11	0	100.0%
Market Rental Units	0	18	(100.0%)	0	26	(100.0%)
Unspent Funds Allocated to Capital Projects to date	\$9,198	\$9,198	0.0%	\$9,198	\$9,198	0.0%
Investments						
Total Investments	\$607,877	\$552,803	10.0%	\$607,877	\$552,803	10.0%
Interest Earned on Investments						
Average City Rate of Return on Investments	2.40%	2.60%	(0.20%)	2.83%	2.60%	0.23%
<i>Sources: All data is from City of Richmond records</i>						
Market Indicators						
Median Residential Selling Prices - Richmond						
Single Family Detached	\$970	\$825	17.6%	\$989	\$831	19.0%
Townhouse	\$557	\$500	11.4%	\$547	\$492	11.0%
Apartment*	\$358	\$338	6.6%	\$356	\$333	6.7%
Number of Sales (all housing types)	1,141	1,392	(18.0%)	2,667	2,679	(0.4%)
<i>Source: Real Estate Board of Greater Vancouver</i>						
Unemployment Rate-Greater Vancouver						
	7.3%	7.7%	(0.4%)	7.8%	7.7%	0.0%
<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	4,319,927	4,365,067	(1.0%)	4,319,927	4,365,067	(1.0%)
Total sq. ft vacant space available Office YTD	850,682	767,427	10.8%	850,682	767,427	10.8%
Vacancy rate - Office (in %) YTD	19.69%	17.58%	12.0%	19.69%	17.58%	12.0%
Total sq. ft space Industrial YTD	36,246,862	35,989,013	0.7%	36,246,862	35,989,013	0.7%
Total sq. ft vacant space available Industrial YTD	1,594,862	1,649,765	(3.3%)	1,594,862	1,649,765	(3.3%)
Vacancy rate - Industrial (in %) YTD	4.40%	5.66%	(22.3%)	4.40%	5.66%	(22.3%)
<i>Source: Cushman & Wakefield Ltd. - Market Report</i>						
Richmond Population Estimate Year End*	2010:	196,858	2009:	193,505		
<i>*Note: These population estimates include an estimate of the Census undercount. Amounts rounded to the nearest thousand.</i>						

Contract Awards > \$ 25,000
April 1, 2011 – June 30, 2011

	Contract Name	Award	Amount	Description	Department or Division
1.	3969 P Sanitary Sewer Assessment for the Terra Nova Study Area	M.J. Pawlowski	\$ 371,284	Video inspection of the sanitary sewer system in the Terra Nova area to identify sewers that require repairs or replacement	Engineering & Public Works
2.	4023 P Development of an Emergency & Business Continuity Department Plan for Richmond Fire-Rescue	KPMG LLP	\$ 40,000	Preparation of an emergency and business continuity plan for Richmond Fire-Rescue that is based on Richmond's Emergency Plan	Fire-Rescue
3.	4075 T RCMP CSB: Commercial Glazing RCMP Building	Concept Aluminum Products Inc	\$ 1,008,451	Glazing for the RCMP building	Project Development & Facilities Services
4.	4077 T RCMP CSB: Concrete and Concrete Masonry RCMP Community Safety Building	Athens Masonry	\$ 171,400	Concrete and masonry work for the RCMP building	Project Development & Facilities Services
5.	4214 Q RCMP CSB: Supply and Delivery of Tiling	Greyston Tile & Stone	\$ 117,333	Supply & install of tile at the RCMP building	Project Development & Facilities Services
6.	4200 P Social Planning Strategy	HB Lanarc Consultants Ltd	\$ 62,500	Consulting services 10 Year Richmond Social Planning Strategy	Community Services
7.	4223Q On Call Roofing Contractor	Marine Roofing	\$ 100,000	Contract for annual roofing inspections and maintenance	Project Development & Facilities Services
8.	4225 Q On Call Plumbing	Ashton Mechanical Group	\$ 300,000	Contract for annual plumbing inspections and maintenance	Project Development & Facilities Services
9.	4227 T RCMP CSB: Drywall, steel stud and acoustic ceiling	Benchmark LTD	\$ 614,950	Supply & install of drywall, steep stud and acoustic ceiling for the RCMP building	Project Development & Facilities Services
10.	4228 Q Supply & Install Backup Power - Richmond Ice Centre	Nightingale Electric	\$ 120,500	July 20, contracts awarded, site work to commence fall '11	Parks & Recreation
11.	4235 Q Supply and Delivery of Uniforms, Accessories and Recreational Clothing (Inventory) for Richmond Fire-Rescue	Award to multiple vendors	\$ 37,360	Contract to supply of uniform clothing items, accessories and gear for fire fighters Required under the collective agreement	Fire-Rescue
12.	4237 Q Supply and Delivery of Stationwear for Richmond Fire-Rescue	Canadian Linen	\$ 60,037	Contract to supply protective uniform stationwear (pants & shirts) for fire fighters Required under the collective agreement	Fire-Rescue
13.	4239 Q On Call Electrical Contractor	Western Integrated Electrical	\$ 25,000	Contract for annual electrical inspections yearly estimate	Project Development & Facilities Services
14.	4240 F RCMP CSB: Mechanical Excavation & Electrical Work	Hazelmere Contracting Ltd	\$ 96,188	Mechanical, Excavation and Electrical work being done for the new RCMP building	Project Development & Facilities Services
15.	4243 T RCMP CSB: Painting	M&L Painting LTD	\$ 120,950	Painting work at the new RCMP building	Project Development & Facilities Services
16.	4249 Q Supply and Delivery of one (1) Aerial Lift Electrical Truck	Altec Industries	\$ 138,222	Vehicle Replacement for unit 916 – Roads/Electrical	Engineering & Public Works (Fleet)

	Contract Name	Award	Amount	Description	Department or Division
17.	4254 Q Supply and Delivery of one (1) Excavator	Great West Equipment	\$ 345,333	Vehicle Replacement for unit 732 – Fleet Operations Excavator	Engineering & Public Works (Fleet)
18.	4256 Q Supply and Delivery of one (1) Passenger Bus	Kirkman Bus Sales	\$ 98,332	Vehicle Replacement for unit 891 – Seniors' Centre Bus	Engineering & Public Works (Fleet)
19.	4257 Q Supply and Delivery of one (1) extended Cab & Chassis (1) One Tonne Flat Bed Truck	Richmond Chrysler	\$ 42,125	Vehicle Replacement for unit 917 – Roads/Crack Sealing	Engineering & Public Works (Fleet)
20.	4260 T RCMP CSB; Electrical	Elgar Electrical	\$ 1,699,500	Supply & install of electrical at the new RCMP building	Project Development & Facilities Services
21.	4275 Q Supply and Delivery of one (1) Crew Cab Flat Deck Truck	Richmond Chrysler Jeep	\$ 71,257	Vehicle Replacement for unit 943 – Roads/Paving	Engineering & Public Works (Fleet)
22.	4287 Q RCMP: Millwork	Colwin Design Ltd	\$ 99,719	Supply & install of millwork at the new RCMP building	Project Development & Facilities Services
23.	4290 Q Supply and Delivery of One (1) Full Size Cargo Van (shorty)	Metro Motors	\$ 28,839	Vehicle Replacement for unit 896 – Administration/Radio Communications	Engineering & Public Works (Fleet)
24.	4296 Q Supply and Install Blundell and Dixon School Tot Lots	Suttle Recreation Inc - Blundell School Rec Tec Industries - Dixon School	\$ 38,519 (Blundell) \$40,697 (Dixon)	Supply and installation of playground equipment to replace existing equipment that no longer meets current safety standards	Parks & Recreation
25.	4299 F Sewer back up repairs - Fire Hall #5	On Side Restoration	\$ 44,246	Sewer back up repairs	Project Development & Facilities Services
26.	4300 F Flow control - various pump stations	McRae's Environmental Services	\$ 205,009	Pump truck services required to perform emergency repairs and install temporary bypass for the Lansdowne Forcemain due to grease blockages	Sewerage/Drainage
27.	4301 F IT software/ hardware/ Training/ Labour	SoftChoice Corporation	\$ 51,693	Microsoft annual maintenance for server and client software licenses (all systems)	Information Technology
28.	4302 F RCMP CSB: Metal Cladding & Column Cladding	Rite-way Metals	\$ 63,950	Supply & install of metal & column cladding at the new RCMP building	Project Development & Facilities Services
29.	4303 Q Supply & Install Fibre Optic Cable - Ironwood	Plan Group	\$ 70,344	City data & voice network extension to support City (RCMP support) staff who will be moving to Ironwood along with the RCMP	Information Technology
30.	4308 Q 2011 Exterior Repainting	A. Craig and Son Ltd	\$ 55,823	Paint Contract for City Buildings listed on Exterior Paint Program	Project Development & Facilities Services
31.	4309 F IT software/ hardware/ Training/ Labour	Dell	\$ 55,997	Dell servers for Peoplesoft upgrade project; replacing old HP servers	Information Technology
32.	4310 Q Supply and Install of Tot Lot at Currie Elementary School	Habitat Systems Inc	\$ 81,890	Supply and installation of playground equipment to replace existing equipment that no longer meets current safety standards	Parks & Recreation
33.	4312 F Emergency design services - Lansdowne	McElhanney Consulting Services Ltd	\$ 25,000	Design services for the Emergency Replacement of the Lansdowne Forcemain due to grease blockages	Engineering & Public Works
34.	4313 F Supply and Install of unglazed solar panels at South Arm Pool	Hot Sun Industries Ltd	\$ 69,500	Installation completed May 31, 2011	Project Development & Facilities Services

	Contract Name	Award	Amount	Description	Department or Division
35.	4314 F Supply and Install of solar heating panels at Centennial Pool	Hot Sun Industries Ltd	\$ 75,000	Supply and Install of solar heating panels	Project Development & Facilities Services
36.	4318 F Design/build Alexandra District Energy Utility	Oris Geo Energy	\$ 3,500,000	Design and construction of the Alexandra District Energy Utility Phase 1, including geothermal wellfield, Energy Centre and distribution piping	Engineering & Public Works
37.	4319 F Annual support for REDMS.DM and RM	Open Text	\$ 153,467	Open Text annual maintenance for server and client software licenses (REDMS system)	Information Technology
38.	4320 F Supply and Install: two (2) boilers at South Arm Pool	Ashton Service Group	\$ 77,500	Boiler installation completed May 31, 2011	Project Development & Facilities Services
39.	4321 F RCMP CSB: Supply and install of overhead doors	Valmart Door Sales	\$ 36,487	Supply & install of overhead doors at the new RCMP building	Project Development & Facilities Services
40.	4322 F Supply and Delivery of one (1) Bobcat	Bobcat Country Inc	\$ 39,320	Equipment Replacement for unit 1381 – Parks/Chipper	Engineering & Public Works (Fleet)
41.	4323 F Annual Powder Post Beetle Remediation	Entech Consultants Ltd	\$ 50,000	Pest control	Project Development & Facilities Services
42.	4327 F RCMP CSB: Furniture & Moving	Heritage Office Furnishings	\$ 253,202	Costs to relocate existing furniture to the RCMP building	Project Development & Facilities Services
43.	4328 F Landscape Architectural Consulting Services - Oval West Waterfront Park	Phillips Farevaag Smallerberg	\$ 95,000	Consulting services for detailed design, tender documents and specifications	Parks & Recreation
44.	4329 F Supply and Install Temporary Sewer Bypass at Lansdowne Road from Cederbridge to Hollybridge	PW Trenchless Construction Ltd	\$ 46,351	Emergency temporary bypass of the Lansdowne Forcemain due to grease blockages	Sewerage/Drainage
45.	4331 Q Supply and Delivery Leisure Guide Wrap Inner Content Printing	International Web Express	\$ 66,932	Printing and binding of three Parks, Recreation and Culture Guides (@ 22,000 copies each x 160 pages)	Parks & Recreation
46.	4332 F RCMP CSB: Interior Carpentry	Vertegic Construction	\$ 36,700	Supply & install of interior carpentry work	Project Development & Facilities Services
47.	4335 F Supply and Install: RCMP CSB: Supply Entry Mats, Counter Shutters, Lockers, Corner guards and Crash Rails	Shanahans Ltd	\$ 65,625	Supply & install Entry Mats, Counter Shutters, Lockers, Corner guards and Crash Rails	Project Development & Facilities Services
48.	4337 F Janitorial Services (April/11) - Thompson, Steveston, West Richmond Community Centres	Acom Building Maintenance	\$ 26,622	Contract cleaning for Community Centres for work beyond that which is typically done by in-house staff	Project Development & Facilities Services
49.	4338 J Reassemble Double Wide Trailer at Public Works Yard (from Fire Hall 2)	RMT Contracting	\$ 45,572	Relocation & minor renovation of existing modular building	Project Development & Facilities Services
50.	4339 F Janitorial Services (February/11) - West Richmond, Thompson, Steveston Community Centre	Acom Building Maintenance	\$ 26,622	Contract cleaning for Community Centres for work beyond that which is typically done by in-house staff	Project Development & Facilities Services
51.	4340 F Inspections on City's Pump Stations	TND Technical Services	\$ 50,000	Provide electrical inspection and assessment on pump stations	Sewerage/Drainage

	Contract Name	Award	Amount	Description	Department or Division
52.	4341 F Consulting Services - PC Evergreen Work Process Review	Beyond Tech Solutions	\$ 33,696	Consulting services to refine work process and to identify line-of-business & DT applications for software inventory	Information Technology
53.	4545 F Supply and Delivery of HDPE pipe and fusion equipment for Lansdowne Forcemain	Sandale Utility Products	\$ 78,763	HDPE pipe for the Emergency Replacement of the Lansdowne Forcemain due to grease blockages	Engineering & Public Works
54.	4549 F Supply and Install Solar System at South Arm Pool	Ashton Service Group	\$ 35,457	Improve energy efficiency of the hot water supply for the pool and shower facilities by installing new high energy efficiency boilers augmented by solar panels to take advantage of fossil fuel and green house gas free alternative energy source	Community Services
55.	4551 F Hansen Annual Maintenance Contract	Hansen Information Technologies (Canada)	\$ 92,375	Hansen annual maintenance for server and client software licenses (Hansen work-order system)	Information Technology
56.	4554 F RCMP CSB: Fireproofing	Greer Contracting Ltd	\$ 49,600	Supply & install of fireproofing	Project Development
57.	4556 F King George Park Master Plan Update	Damon Oriente Ltd	\$ 25,000	Consulting services for design development for the master plan update	Parks & Recreation
58.	4557 F Supply and Install Anti-Skid coating to No 6 Road and Granville Ave	Lafrentz Road Marking	\$ 60,000	Installation of anti-skid coating to the s-curves on No 6 Rd to improve public safety	Engineering & Public Works
59.	4558 F PHASE 2 - Supply and Install: Mechanical & Supply and Delivery of six (6) Trolleys - Richmond Brighthouse Branch Expansion at Brighthouse Library	Lyngose Systems Inc	\$ 38,582	Phase 2 of the extension of the Automated Materials Handling system project for the Circulation department of the Richmond Public Library	Library
60.	4563 F Election Services: Web Hosting & Management Services	Comprint Systems Inc-Data Fix	\$ 76,900	Web Hosting & Management Services	Corporate Services
61.	4564 J Garratt Wellness Centre - Upgrades & Renovation	RMT Contracting Ltd	\$ 220,798	Asbestos abatement, new floors, plumbing upgrade, washroom upgrades	Project Development & Facilities Services
62.	4565 J Tennis Net Shed Upgrades	RMT Contracting Ltd	\$ 93,762	Expansion of storage area on south wall and new garage door	Project Development & Facilities Services
63.	4566 F Supply and install roof top garden Richmond Library Cultural Centre	C.L.C.S. Ltd	\$ 105,881	Renovation of 2 nd floor patio including installation of green roof	Project Development & Facilities Services