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**Finance Committee**

**Anderson Room, City Hall  
6911 No. 3 Road**

**Monday, April 2, 2012**

**Immediately Following the General Purposes Committee meeting**

Pg. #      ITEM

**MINUTES**

- FIN-3**      *Motion to adopt the minutes of the meeting of the Finance Committee held on Monday, February 6, 2012.*



**BUSINESS AND FINANCIAL SERVICES DEPARTMENT**

1.      **FINANCIAL INFORMATION – 4<sup>TH</sup> QUARTER 2011**  
(File Ref. No.) (REDMS No. 3463943)

**FIN-7**

See Page **FIN-7** for full report

*Designated Speaker: Jerry Chong*

**STAFF RECOMMENDATION**

*That the staff report of Financial Information for the 4<sup>th</sup> Quarter ended December 31, 2011 be received for information.*



2.      **4<sup>TH</sup> QUARTER 2011 - FINANCIAL INFORMATION FOR THE RICHMOND OLYMPIC OVAL CORPORATION**  
(File Ref. No.: ) (REDMS No. 3485710)

**FIN-27**

See Page **FIN-27** for full report

*Designated Speaker: John Mills & Andrew Nazareth*

STAFF RECOMMENDATION

*That the staff report on Financial Information for the Richmond Olympic Oval Corporation for the fourth quarter ended December 31, 2011, from the Controller of the Richmond Olympic Oval Corporation, be received for information.*

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3.      **RICHMOND OLYMPIC OVAL CORPORATION - BUDGET FOR FISCAL YEAR 2012**

(File Ref. No.) (REDMS No. 3486284)

**FIN-33**

See Page **FIN-33** for full report

*Designated Speaker: John Mills & Andrew Nazareth*

STAFF RECOMMENDATION

*That the staff report on the Richmond Olympic Oval Corporation Budget for fiscal year 2012 from the Controller of the Richmond Olympic Oval Corporation be received for information.*

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4.      **5 YEAR FINANCIAL PLAN (2012-2016)**

(File Ref. No.: 12-8060-8867) (REDMS No. 3456903)

**FIN-39**

See Page **FIN-39** for full report

*Designated Speaker: Jerry Chong*

STAFF RECOMMENDATION

*That the 5 Year Financial Plan (2012 –2016) be approved, that the 5 Year Financial Plan (2012 –2016) Bylaw No. 8867 be introduced and given first, second, and third readings and that staff undertake a process of public consultation as required in Section 166 of the Community Charter.*

☐

ADJOURNMENT

☐



## Finance Committee

Date: Monday, February 6, 2012

Place: Anderson Room  
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair  
Councillor Chak Au  
Councillor Derek Dang  
Councillor Evelina Halsey-Brandt  
Councillor Ken Johnston  
Councillor Bill McNulty  
Councillor Linda McPhail  
Councillor Harold Steves

Absent: Councillor Linda Barnes

Call to Order: The Chair called the meeting to order at 5:11 p.m.

## MINUTES

It was moved and seconded

*That the minutes of the meeting of the Finance Committee held on Monday, December 12, 2011, be adopted as circulated.*

**CARRIED**

## BUSINESS AND FINANCIAL SERVICES DEPARTMENT

### 1. 2012 CAPITAL BUDGET

(File Ref. No. 03-0900-01/2011-Vol 01) (REDMS No. 3428244)

Andrew Nazareth, General Manager, Business and Financial Services, joined by Jerry Chong, Director, Finance, reviewed the process under which the newly formed Assessor Team considered and ranked each submission for the Capital Budget.

## **Finance Committee**

### **Monday, February 6, 2012**

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In response to a query, Mr. Nazareth advised that the 2012 Unfunded Submissions (listed in Appendix 2) were listed by structure type, and were not presented in any priority order .

A discussion ensued amongst members of the Committee and staff about many projects that were recommended as well as the rationale for some that were not recommended at this time, and the following was noted:

- improvements to Nelson Road were supplemental, and the project would receive federal funding as well as contributions from Port Metro Vancouver and TransLink;
- User Fee funds are placed into a Reserve fund for future turf replacement and improvements to sports fields;
- the proposed new major play area at the Terra Nova Northwest Quadrant would be similar to the one at Garden City Park;
- as a result of the City's management of land acquisitions approximately 200 acres have been acquired in the past four years, without impacting the City's reserve funds, and during a recession period;
- video camera vehicle detection would allow residents to view traffic conditions on the internet, and would serve as a traffic management tool as the camera would detect traffic flow and change the traffic lights accordingly;
- the initial cost for the Herbert Road - Afton to Bates proposed walkway is \$250,000, and an additional \$10,000 would be placed annually into the paving program for future replacement of the walkway;
- there is a need for a walkway on Ash Street between Walter Lee and James Whiteside Elementary schools, as there are safety concerns related to students walking on the road in its current state. Staff advised that the walkway would be included in the 2013 Capital Budget, or that Council may choose to allocate funding for the walkway from the 2012 Operating Budget Surplus, which would allow staff to construct it during the 2012 summer while school is not in session;
- improvements to the No. 5 Road and Steveston intersection, including a left turn signal, are included in the Fantasy Gardens site re-development with all associated costs to be covered by the developer;
- emergency stabilization repairs are required at the Phoenix Net Loft as a portion of the structure is becoming unstable;
- the Public Safety Building (former RCMP building) was part of a cascading plan to consolidate city departments within the City Hall Precinct, and had been approved by Council in 2011, however, subsequently this building was included in the Minoru Precinct Plan, and therefore any funding from this project will not be spent until Council makes a final decision on the overall plan for the area;

**Finance Committee**  
**Monday, February 6, 2012**

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- the Emergency Mobile Command Unit Replacement and Upgrade to Emergency Response Capabilities was not recommended as it is not a high priority for this year, and will be brought forward in the future; and
- the City Centre Community Police Office will not impact the operating budget as Council has previously allocated funds from the 2011 budget, to be dispersed over the three years;

It was moved and seconded

*That the 2012 Capital Budget be approved and that staff be authorized to commence the recommended 2012 capital projects.*

**CARRIED**

**2. 2012 OPERATING BUDGET**

(File Ref. No.) (REDMS No.3454492)

Andrew Nazareth, General Manager, Business and Financial Services, joined by Jerry Chong, Director, Finance, provided background information on the 2012 Operating Budget report.

A discussion then ensued about:

- the request for funding for the Child Care Grant program. Clarification was provided that although staff was developing new Terms of Reference for the Child Care Development Grant Program to expand their ability to recommend grants for more than minor capital expenses, an additional \$20,000 was requested to expand the Program and raise the existing level of the grants;
- the request for funding for the Public Art Assistant's salary. Staff noted that currently the position is funded on a part-time basis as funds are available in the administrative budget;
- the comparison of average residential property taxes and business taxes;
- concerns and challenges related to using CPI as a measure for municipal budgeting;
- the decrease in the operating budget which resulted from lower discretionary spending without impacting the level of service provided; and
- how the 2012 Operating Budget was a very prudent budget, with one of the lowest tax increases, and with additional level increases only related to social planning.

It was moved and seconded

*That the 2012 Operating Budget as presented in the report dated January 10, 2012, from the Director, Finance, be approved.*

The question on the motion was not called as a brief discussion took place about the current status of repayment of funds that had been borrowed for projects in the past.

**Finance Committee**  
**Monday, February 6, 2012**

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The question on the motion was then called, and it was **CARRIED**.

3. **CITY CENTRE AREA TRANSITIONAL TAX EXEMPTION BYLAW  
NO. 8776 - REFERRAL**

(File Ref. No.) (REDMS No. 3433830)

It was moved and seconded

*That the report entitled City Centre Area Transitional Tax Exemption Bylaw No. 8776 - Referral, dated January 10, 2012, from the General Manager, Business and Financial Services, be received for information.*

The question on the motion was not called, as a brief discussion ensued about the benefits realized by eligible businesses in the City of Richmond as a result of the City Centre Area Tax Exemption. It was noted that in order to mitigate the tax impact, 1/3 of the growth from the City Centre exempted properties has been added back to business and light industrial properties, 1/3 has been allocated to all other remaining tax classes, and 1/3 has been funded by the Appeals Provision account.

The question on the motion was then called, and it was **CARRIED**.

**ADJOURNMENT**

It was moved and seconded

*That the meeting adjourn (6:30 p.m.).*

**CARRIED**

Certified a true and correct copy of the Minutes of the meeting of the Finance Committee of the Council of the City of Richmond held on Monday, February 6, 2012.

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Mayor Malcolm D. Brodie  
Chair

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Shanan Dhaliwal  
Executive Assistant  
City Clerk's Office



# 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	NO	<b>REVIEWED BY CAO</b>	
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	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	1.9	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	167	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.

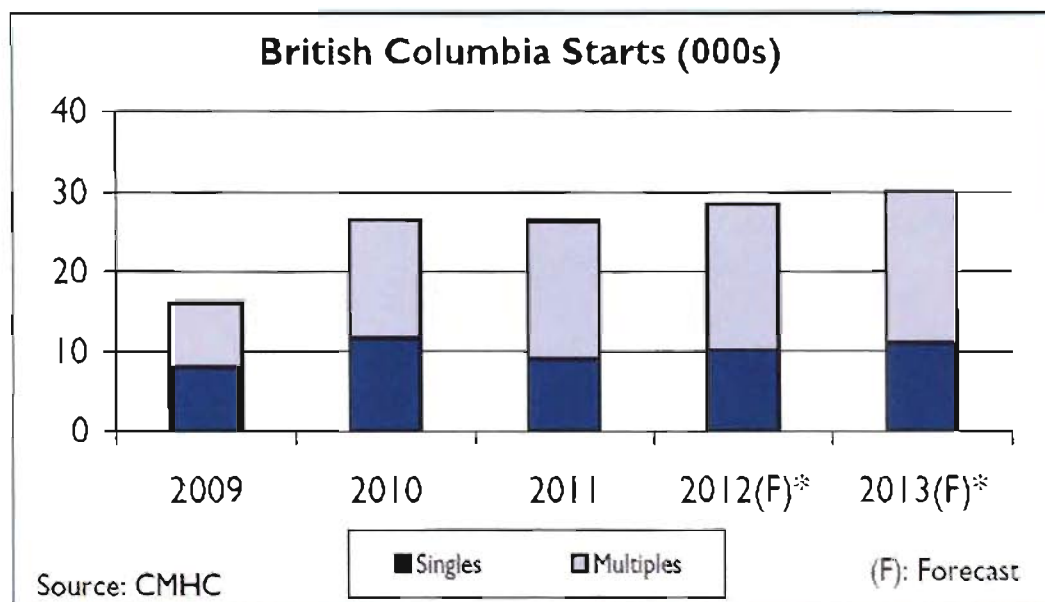
Forecast Summary: British Columbia							
	2009	2010	2011	2012	2013	2014	2015
Real GDP, % change	-1.8	3.8	2.4	2.8	3.5	3.4	3.5
Nominal GDP, % change	-3.4	6.7	4.4	5.6	6.0	5.9	7.0
Employment, % change	-2.1	1.7	0.8	1.7	2.0	2.1	2.7
Unemployment Rate, %	7.7	7.6	7.7	7.3	7.0	6.3	5.2
Population, % change	1.7	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

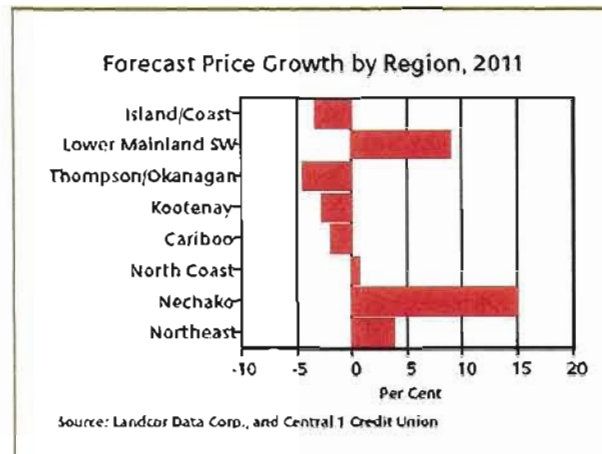
There are similarities in the economic forecasts of Canadian and B.C. outlook with economists all agreeing that the current economy is slow moving. Although this pertains to the City as well, historically the main factors that revolve around the real estate market, such as housing starts, median selling 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:

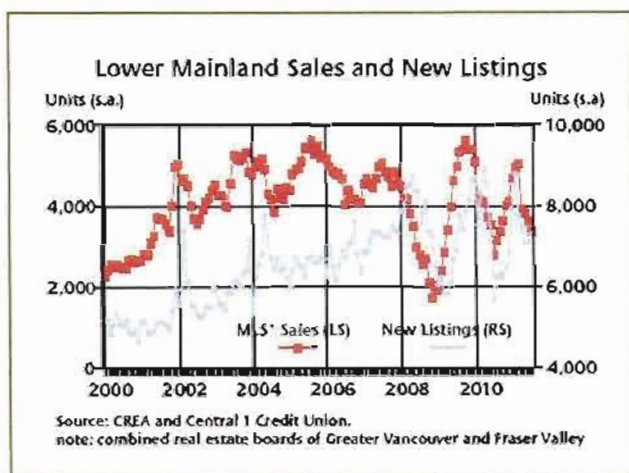
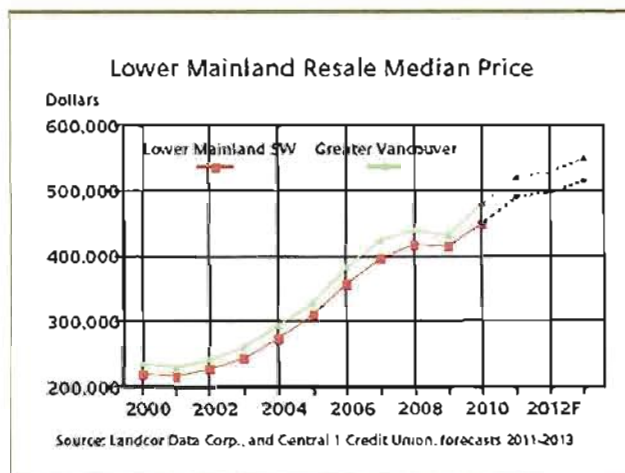


\*The point estimate for provincial total housing starts is 28,500 for 2012 and 30,100 for 2013. Economic uncertainty is reflected by the current range of forecasts which varies from 24,500-31,900 units for 2012 and 26,200-34,000 for 2013.

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.

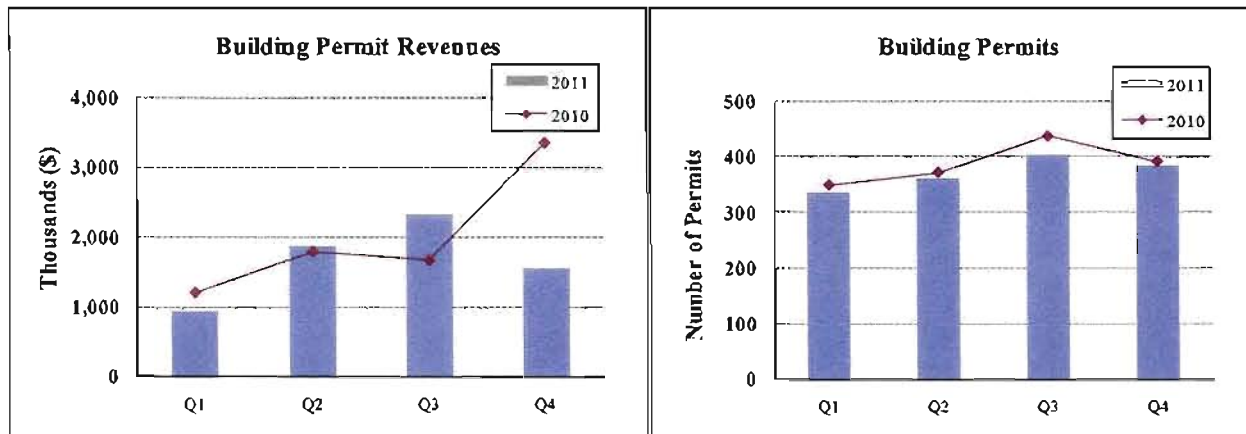


This also holds true for Richmond, where median selling prices have again increased moderately from the previous year. The median selling prices have increased for a single family detached home to \$994,000, a townhouse to \$548,000 and an apartment to \$349,000. This equates to a price growth of 19.0% 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%.

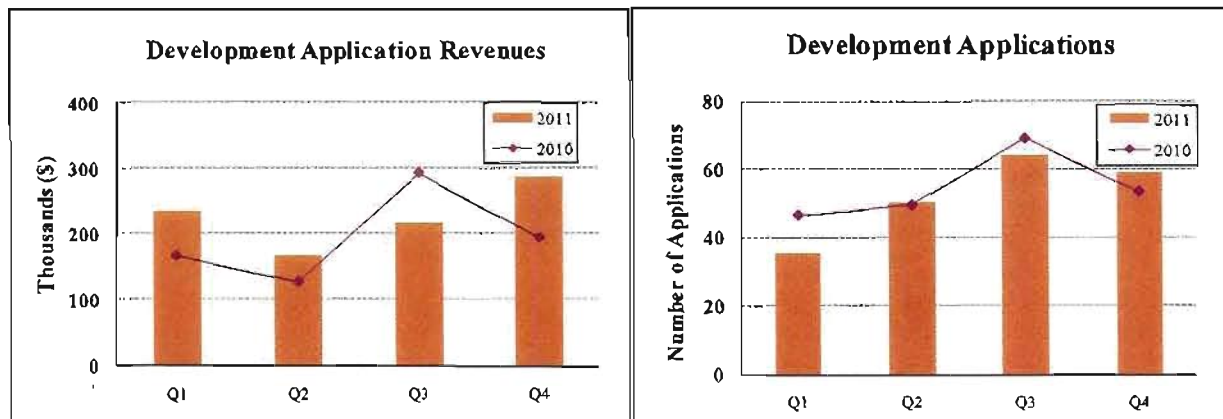


The office space vacancy in Richmond has remained at a stable level in 2011 compared to 2010, with a slight increase of 2.4%. The vacancy rate of the industrial sector has increased from 3.53% in 2010 to 4.56% in 2011.

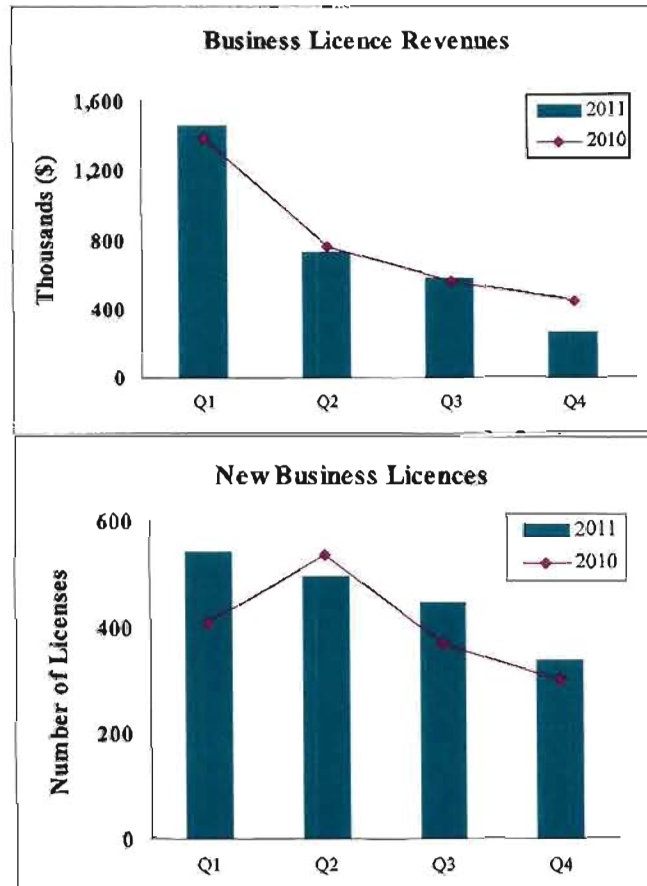
The number of building permits issued remained at a similar level as the previous year; however, the revenues collected for building permits were lower than the same quarter last year by 54.6% and on a year-to-year basis by 16.7%. The overall decrease in building permit revenues is mainly the result 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.



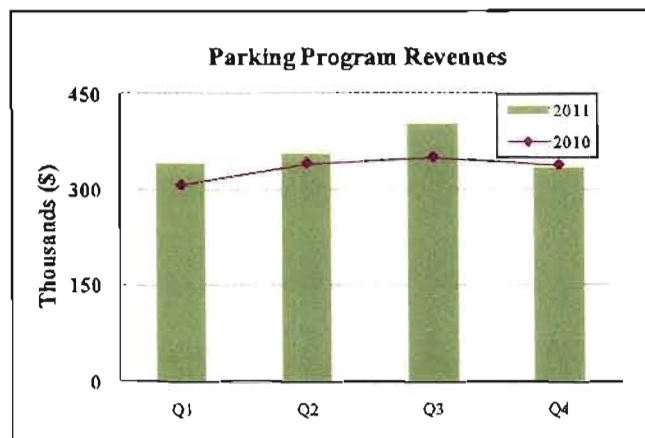
The number of development applications received in the 4th quarter and total for the year 2011 was consistent with the levels in 2010. Total revenues collected in 2011 increased by 15.8% compared to 2010.



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.

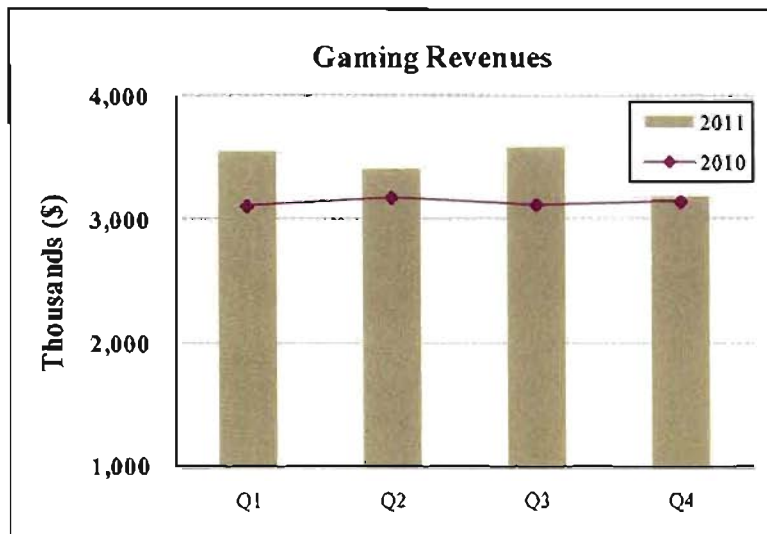


The permit and enforcement (Parking Program) revenues for the 4th quarter of \$0.3M are comparable to the same period in 2010, and the overall 2011 total revenues are higher by 7.3% largely due to the efforts of the parking enforcement staff.

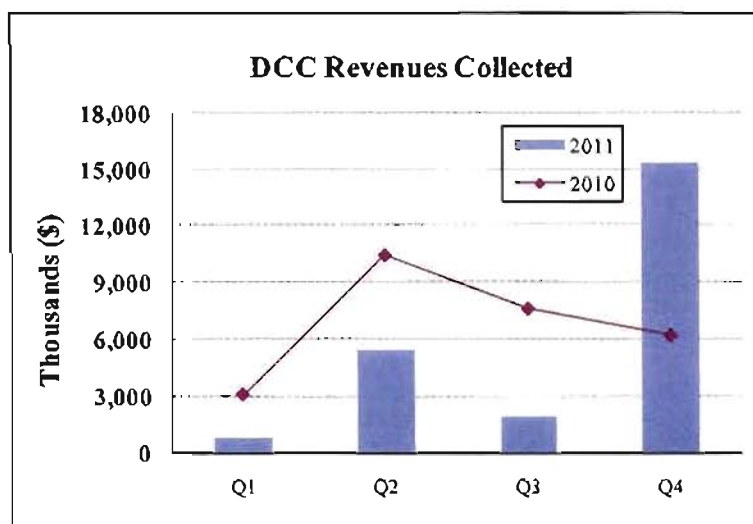




Gaming revenues of \$3.2M for the 4th quarter and \$13.7M for the year have increased from the same periods in 2010, by 1.3% and 9.3%, respectively.



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.

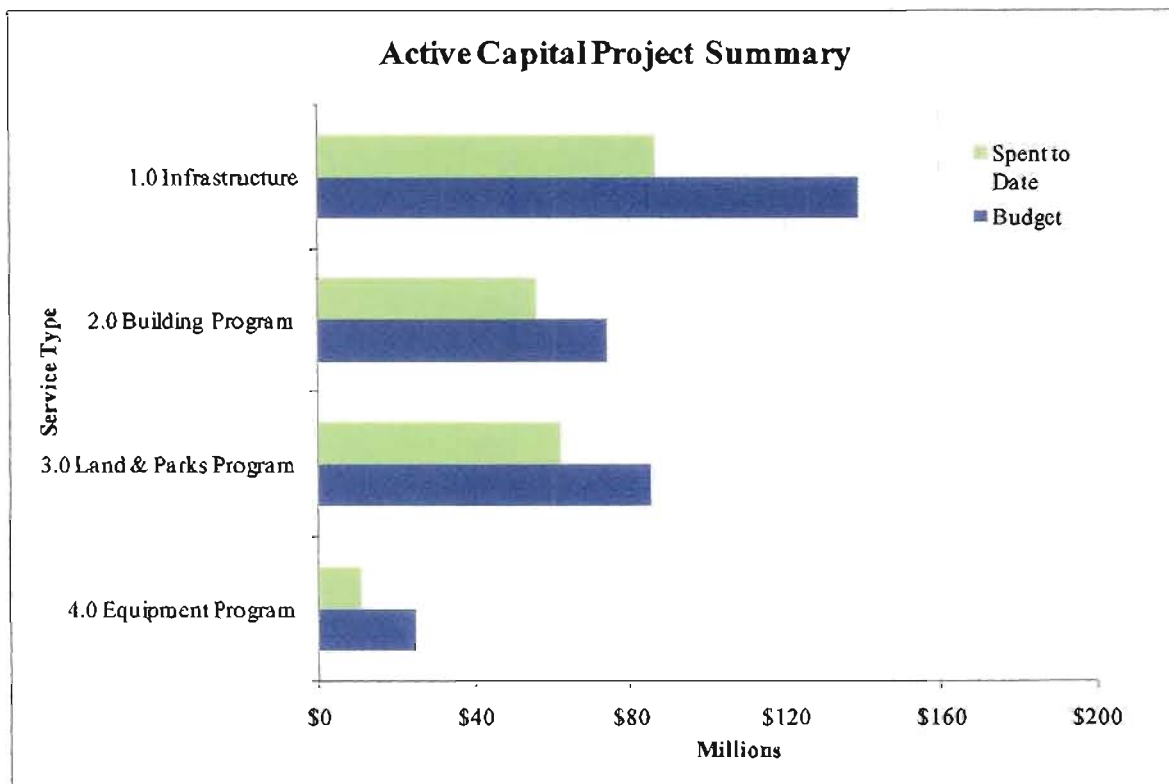


### Active Capital Project Summary

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

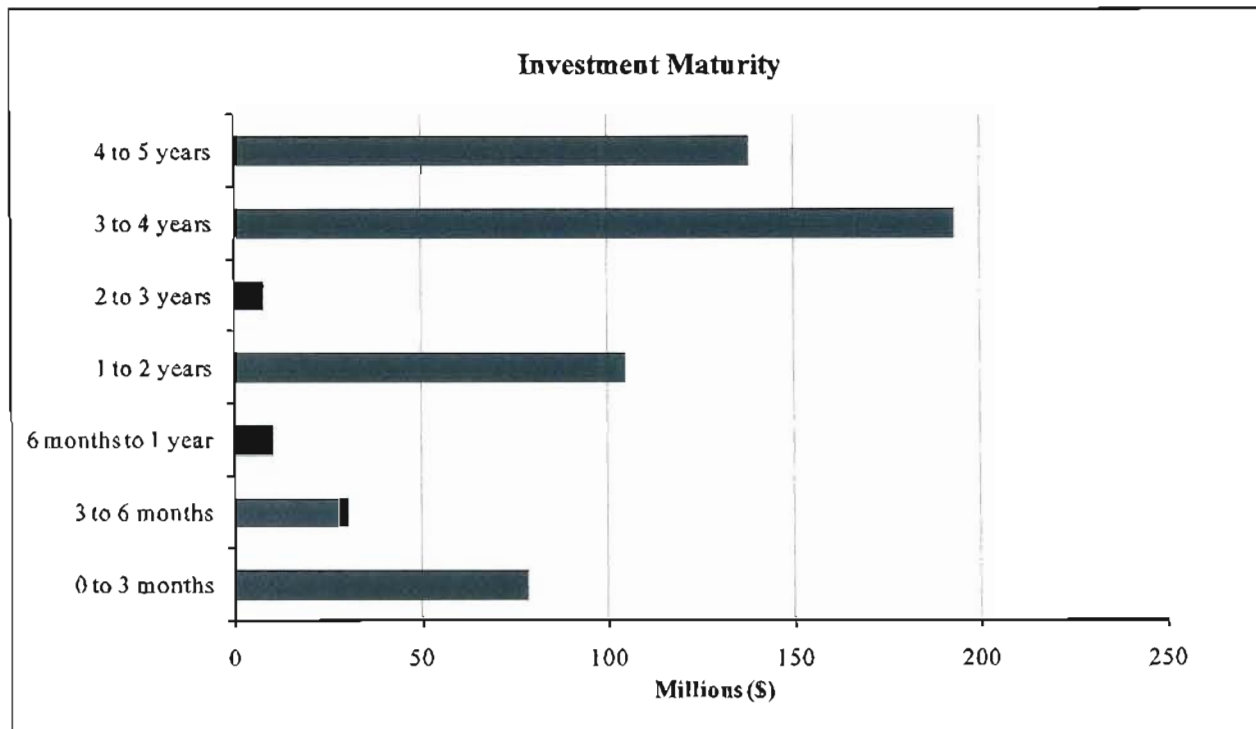
The City's cash and investment portfolio at December 31, 2011 was \$571.2M, with an average actual return on investment for the 4th quarter of 2.34%. The current low interest rate environment and the City's cash flow projections have influenced the terms and types of investments that the City holds, 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%
Total Prov Gov and Prov Crown Corp.	\$ 103,532	18.12%
<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%
Total Fed Gov and Fed Crown Corp	\$ 300,709	52.64%
<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%
Total Schedule I Banks	\$ 61,425	10.75%
<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%
Total Credit Unions	\$ 74,972	13.12%
<b>Pooled Investments</b>		
Municipal Finance Authority	\$ 21,289	3.73%
Total Pooled Investments	\$ 21,289	3.73%
Total Investments	\$ 561,926	98.37%
<b>Cash and cash equivalents</b>	\$ 10,335	1.81%
<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

<div>  <div> City of Richmond  <b>Key Indicators - Dec 31, 2011</b> </div> </div>						
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>						
<b>Unemployment Rate-Greater Vancouver</b>	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





# City of Richmond

## Report to Committee

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**To:** Finance Committee

**Date:** March 27, 2012

**From:** George Duncan  
Chief Administrative Officer  
& President and CEO  
Richmond Olympic Oval

**File:**

Andrew Nazareth  
General Manager, Business and Financial Services  
& Chief Financial Officer, Richmond Olympic Oval

**Re:** 4th Quarter 2011 - Financial Information for the Richmond Olympic Oval  
Corporation

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### Staff Recommendation

That the report on Financial Information for the Richmond Olympic Oval Corporation for the fourth quarter ended December 31, 2011 from the Controller of the Richmond Olympic Oval Corporation be received for information.

George Duncan  
Chief Administrative Officer  
& President and CEO  
Richmond Olympic Oval

Andrew Nazareth  
General Manager, Business and Financial Services  
& Chief Financial Officer,  
Richmond Olympic Oval



**DATE:** March 27, 2012

**TO:** George Duncan  
Chief Executive Officer, Richmond Olympic Oval Corporation

Andrew Nazareth  
Chief Financial Officer, Richmond Olympic Oval Corporation

John Mills  
General Manager, Richmond Olympic Oval Corporation

**FROM:** Rick Dusanj, CA  
Controller, Richmond Olympic Oval Corporation

**Re:** Richmond Olympic Oval Corporation – 4<sup>th</sup> Quarter 2011 Financial information

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#### **Origin**

Section 7.3 of the Operating Agreement between the City of Richmond (the "City") and the Richmond Olympic Oval Corporation (the "Corporation") requires reporting with respect to business plans, budgets, audited financial statements, and quarterly comparisons of actual results to budget along with projections to fiscal year end. This staff report deals with the fourth quarter business plan and financial results for the 3 months ended December 31, 2011 ("Q4").

#### **Business Plans and Planning**

Highlights of the activities undertaken by Oval staff during Q4 are described below.

#### Community Use

The Corporation continued to provide facility access to the Richmond community. Richmond organizations and residents represented a majority of the usage of the ice, track and court areas during prime time, including: 84% of ice usage, 54% of track usage and 74% of court usage. In terms of membership usage, the Oval had 4,168 active members at the end of Q4 – 78% of which were Richmond residents – and averaged 740 member scans per day.

Registered programs experienced strong growth in Q4 2011 as revenue from this area increased by 56% compared to Q4 2010. Drop-in fitness classes and Fitness Centre usage are continuing to show strong growth as evidenced by increased attendance figures.

Some new partnerships with local sport organizations were formed in the last quarter in 2011, including an official announcement of the DRIVE basketball partnership on November 16, 2011.

Negotiations with the Richmond Soccer Association (RSA) also wrapped up, with agreements expected to be finalized in 2012. These partnerships will deliver comprehensive youth player development models supplementing high school and community coaching and competition. Additionally the following services , nutritional consulting, sports psychology, performance testing, sports rehabilitation, strength and conditioning training will be available to athletes at all levels.

#### Sport Development and Events

Strong attendance at the Oval's complimentary introductory group training programs, delivered in mid-December, validated demand estimates for strength, fitness and flexibility training in sport-specific groups.

Partnerships with LifeMark are expanding to include two contract Sport Dieticians who provide consultations to clients. LifeMark's Sport Medical are further integrated with the Oval resulting in greater client referrals between each organization.

The Oval signed a Memorandum of Understanding (MOU) with the Canadian Sport Centre Pacific, a BC-based delivery partner, which is jointly aimed at strengthening the Canadian sport system. This strategic alliance outlined areas for 'Collaborative Work' (including the Oval's stewardship of the Ignite Program, and the hosting of national teams and events) and the 'Transfer of Best Practices and Knowledge'.

The Volleyball Centre of Excellence introduced a new boys program to complement its already strong girls programs. Twelve boys are enrolled in the weekday daytime and sixteen are in the weekend high performance program. Events hosted by the Volleyball Centre included: two parent education evenings, an Atomic Jamboree, a UBC Coaching Symposium (60 Coaches) and the Junior Girls High School Provincial Championships (16 teams).

The Oval continues to host a variety of local and national events. Some of the events that took place in Q4 included the following: Western Marine Trade Show, Dairy Farmer Film Shoot, Glen Sutor Football Camp, American Housewife Film Shoot, Panther Cheer Competition, and the Toyota Product Launch.

#### Governance

A meeting of the Corporation's Board of Directors and the Annual Information Meeting for the Richmond Olympic Oval Corporation took place on November 30, 2011. In addition, meetings of the Audit & Finance Committee and the Business & Budget Planning Committee took place during Q4.

## **Comments on the Financial Results for Q4**

**Basis of Accounting** – The unaudited financial statements and budget have been prepared in accordance with Public Sector Accounting Board ("PSAB") standards. The statements are prepared on the following basis:

- 1) \$1,700,000 has been transferred to the Capital Reserve in accordance with the Richmond Oval Agreement between the City and the Oval.
- 2) The 2011 approved budget is based on uninterrupted operations, the first such fiscal year since the Oval opened in 2008.
- 3) The 2010 Annual Distributable Amount from the 2010 Games Operating Trust ("GOT") of \$2,739,000 was deferred and amortized to revenue at a rate of 1/12 per month.
- 4) Effective July 1, 2011, the Sport Hosting department from the City was transferred over to the Corporation along with separate funding that is attached to that function through the hotel tax. The funding is recognized as deferred revenue until it is spent at which time the revenue and expense are both recognized. In Q4, \$94,000 of expenses pertaining to Sport Hosting were incurred. The identical amount of revenue was recognized.
- 5) In the fourth quarter of 2011, the CEO of the Oval implemented a spending freeze whereby requests for purchases of discretionary items required prior approval from the City's Discretionary Spending Committee. This added level of oversight contributed to the overall favorable variance in the fourth quarter.

## **Analysis of Significant Variances of actual results compared to Budget for Q4 of Fiscal Year 2011:**

**Q4 result** was budgeted at a **net income** of \$376,000 and the actual results show a net income before transfers of \$707,000 a favorable variance of \$331,000.

### Revenues

**Memberships, admissions and programs** revenue of \$1,219,000 had a negative variance of \$60,000 (5%) when compared to budget. The anticipated incremental growth in revenue for each quarter flattened somewhat in Q4, but overall the year to date revenues were on track.

**Sport Hosting** revenue of \$94,000 was recognized to offset the expenditures during Q4.

**Other Revenue** of \$236,000 was recorded during the quarter which mainly included sponsorship revenue, space leasing, parking, and interest revenue.

### Expenses

**Aggregate Member Care Services, Event Services, and Fitness Services** costs over the fourth quarter of 2011 were \$414,000 which is \$34,000 (8%) under budget primarily due to salaries being under budget.

**Sports Services** costs for Q4 were \$289,000 which was \$4,000 (2%) under budget due to managing auxilliary staff resources.

**Facility Operations** costs for Q4 were \$757,000 which was \$202,000 (21%) under budget primarily due to utilitles being under budget by \$135,000, wages being under budget by \$27,000 and supplies being under budget by \$38,000.

**Sport Hosting** expenses for Q4 were \$94,000 which included salaries and other expenditures pertaining to Sport Hosting related activities.

**Marketing** expenses for Q4 were \$74,000 and were \$80,000 (52%).under budget.

**Administration and Finance** expenses for Q4 were \$654,000 which was \$18,000 (3%) under budget.

### **Summary**

The three month period ending December 31, 2011 was budgeted at a net income of \$376,000 and the actual results show a net income, before transfers of \$425,000 to the Capital Reserve, of \$707,000; a favorable variance of \$331,000. This is mainly due to favorable variances as discussed above. Overall for 2011, the Oval earned an unaudited net income of \$560,000, after transfers of \$1,700,000 to the reserves.



Rick Dusanj, CA  
Controller, Richmond Olympic Oval Corporation

cc: Shana Turner  
Director, Administration & Corporate Services, Richmond Olympic Oval Corporation

# **RICHMOND OLYMPIC OVAL CORPORATION**

## **Statement of Operations**

**For the year ended December 31, 2011**

Unaudited, prepared by management

	QTR 4				Year ended December 31,			
	2011				2011			
	BUDGET	ACTUALS	\$ Variance Fav/(Unfav)	% Variance Fav/(Unfav)	BUDGET	ACTUALS	\$ Variance Fav/(Unfav)	% Variance Fav/(Unfav)
<b>REVENUES</b>								
2010 Games Operating Trust Fund	625,000	684,850	59,850	10%	2,500,000	2,739,398	239,398	10%
Contribution from City of Richmond	755,625	755,625	-	0%	3,022,500	3,022,500	-	0%
Memberships, admissions and programs	1,278,829	1,218,748	(60,081)	-5%	4,151,554	4,133,135	(18,419)	0%
Sport Hosting (Note 1)	-	94,403	94,403	-	-	157,689	157,689	-
Interest and other	242,325	235,867	(6,458)	-3%	881,337	872,684	(8,653)	-1%
	2,901,779	2,989,492	87,713	3%	10,555,391	10,925,406	370,015	4%
<b>EXPENSES</b>								
Member care services	258,279	225,796	32,482	13%	1,040,713	817,460	223,253	21%
Event services	38,062	31,990	6,072	16%	152,252	140,144	12,108	8%
Sport services	293,538	289,118	4,420	2%	1,185,405	1,084,509	100,896	9%
Fitness services	151,425	156,252	(4,827)	-3%	598,011	568,388	29,623	5%
Facility Operations	959,019	757,498	201,521	21%	3,624,623	3,032,427	592,196	16%
Marketing	153,739	73,592	80,146	52%	614,960	389,938	225,022	37%
Sport Hosting (Note 1)	-	94,403	(94,403)	-	-	157,689	(157,689)	-
Admin/Finance	671,925	653,926	17,999	3%	2,738,464	2,474,594	263,870	10%
	2,525,986	2,282,575	243,411	10%	9,954,428	8,665,147	1,289,281	13%
<b>Net income before transfer to reserves</b>	375,793	706,917	331,124		600,963	2,260,259	1,659,296	
<b>Transfer to reserves</b>	-	425,000			-	1,700,000		
<b>Net income after transfer to reserves</b>	375,793	281,917	(93,876)		600,963	560,259	(40,704)	

- Numbers may be off due to rounding.

- Also see attached comments on the results for the Fourth Quarter of Fiscal Year 2011.

**Note 1** - Effective July 1, 2011 the Sport Hosting department (along with the funding) was transferred over from the City of Richmond to the Oval Corporation. The funding is recognized as deferred revenue until spent at which time the revenue and expense are both recognized.





# City of Richmond

## Report to Committee

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**To:** Finance Committee

**Date:** March 27, 2012

**From:** George Duncan  
Chief Administrative Officer  
& President and CEO  
Richmond Olympic Oval

**File:**

Andrew Nazareth  
General Manager, Business and Financial  
Services  
& Chief Financial Officer, Richmond Olympic  
Oval

**Re:** Richmond Olympic Oval Corporation - Budget for fiscal year 2012

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### Staff Recommendation

That the report on the Richmond Olympic Oval Corporation Budget for fiscal year 2012 from the Controller of the Richmond Olympic Oval Corporation be received for information.

George Duncan  
Chief Administrative Officer  
& President and CEO  
Richmond Olympic Oval

Andrew Nazareth  
General Manager, Business and Financial Services  
& Chief Financial Officer,  
Richmond Olympic Oval



**DATE:** March 27, 2012

**TO:** George Duncan  
Chief Executive Officer, Richmond Olympic Oval Corporation

Andrew Nazareth  
Chief Financial Officer, Richmond Olympic Oval Corporation

John Mills  
General Manager, Richmond Olympic Oval Corporation

**FROM:** Rick Dusanj, CA  
Controller, Richmond Olympic Oval Corporation

**Re:** Richmond Olympic Oval Corporation – Budget for fiscal year 2012

---

### Origin

Section 7.3 of the Operating Agreement between the City of Richmond (the "City") and the Richmond Olympic Oval Corporation (the "Corporation") requires reporting with respect to business plans, budgets, audited financial statements, and quarterly comparisons of actual results to budget along with projections to fiscal year end. This staff report deals with the 2012 annual budget.

### Analysis

#### 2011 Results

In 2011, the Corporation out performed its budget substantially by earning an unaudited net income of \$2,260k before transfers to reserves. The favorable variance in 2011 was partly attributable to salary savings due to vacancies and prudent management of the casual labour staffing, savings in utility costs in the budget, more funding than planned was received from the 2010 Games Operating Trust ("GOT"), and savings in the marketing and operations budget.

Note that in the fourth quarter of 2011, the CEO of the Oval implemented a hiring freeze and a spending freeze on discretionary items whereby purchases of discretionary items were to go to a special Committee prior to approval. This added level of oversight contributed to the overall favorable variance.

The Corporation also took part in a re-lamping project beginning in 2011 and entered into an agreement with BC Hydro whereby BC Hydro will subsidize the Corporation a portion of the total

project costs based on annual electrical savings. As a result of these types of initiatives, the Corporation has been able to contain certain budget expenditures (ex. utility budget) in 2012 versus having to increase the budget.

### 2012 Outlook

Highlights anticipated in 2012 include the launch of the climbing wall, the unveiling of a new 5,000 square foot training centre to accommodate the needs of aspiring youth and Olympic calibre athletes alike, the addition of high performance program options for adult recreationalists and seasoned athletes looking to take their personal performance levels beyond traditional fitness, the opening of a permanent cafe on the ground floor, and the launch of an outdoor LED message screen.

Successful events that have already taken place at the Oval in 2012, include: Richmond Celebrates Hockey Day in Canada (16,000 participants), Canadian Junior Short Track Championships, Vancouver Sun Harry Jerome Indoor Track Classic, Karate National Championships, Futsal Fiesta, and The Province Gran Forza Track Meet. Confirmed events in 2012, include: the 2012 Reebok Crossfit Games (April 27-29), International Shotokan Karate Federation of BC National Championships (May 11-13), Wheelchair Basketball Nationals (May 18-20), the Challenge Cup Hockey Tournament (May 18-21), the North American Chinese Basketball Association Tournament (May 25-28), the 2012 FCABC Conference and Fire Service Expo (June 1-4), Corporate Champions of Vancouver Summer Games (June 9-10), Canadian Cancer Society Relay for Life (June 16), the Wheelchair Rugby Canada Cup (June 20-23), Lancover (video game expo; June 29 – July 1), S.O.S. Children's Village Run (June 30), Yonex 2012 Canada Open (July 7-15), the Vancouver Dodgeball Association International Tournament (July 27-29), the Rehab Equipment Expo (September 10-11), CAN-AM Investment Expo (September 21-23), and the Western Marine Tradeshow (October 12-14).

### **2012 Budget**

Some of the highlights of the 2012 budget are as follows:

#### Revenues

Overall revenues are expected to increase by \$1,186k (which includes \$500k to fund the Sport Hosting department. Effective July 1, 2011, the Sport Hosting department from the City was transferred over to the Corporation along with separate funding that is attached to that function through the hotel tax).

Revenue from memberships and programming are expected to increase by \$677k over the previous year budget as a result of a growth in 2011, anticipated growth in 2012 in programs including Fitness Programs, High Performance Training Programs, the Climbing Wall, and the Volleyball Centres of Excellence and also due to various events that have already been secured for 2012.

### Expenses

Overall expenses are expected to increase by \$942k (which includes \$500k for the Sport Hosting department offset by the corresponding funding).

Labour costs are expected to increase by \$795k compared to 2011 due to the following reasons: salary and wage adjustments for full time staff, an adjustment resulting in an increase in the benefits percentage loading factor that is applied to full time staff, the addition of the salaries and benefits budget for the Sport Hosting Department, new positions that were approved during 2011, new positions being requested in 2012 and an increase in the casual labour budget to meet operational needs.

Non-labour costs are expected to increase by \$147k. This is primarily due to the Sport Hosting departmental costs being included in the 2012 budget offset by a reduction in the 2012 amortization budget. The non salary expenses pertaining to Sport Hosting increase the 2012 budget by \$336k. This increase is offset by a reduction in budgeted amortization expense of \$174k primarily due to a number of capital leases expiring in 2012.

### **Summary**

The 2012 budget has an overall budgeted net income of \$845k versus \$601k in 2011 which represents an increase of \$244k over 2011. Attached is the summary statement of earnings for the 2012 budget.



Rick Dusanj, CA  
Controller, Richmond Olympic Oval Corporation

cc: Shana Turner  
Director, Administration & Corporate Services, Richmond Olympic Oval Corporation

# **RICHMOND OLYMPIC OVAL CORPORATION**

## **Budgeted Statement of Earnings**

**For the fiscal year ending Dec 31, 2012**

**Unaudited, prepared by management**

	<b>2011 Adjusted BUDGET *</b>	<b>2012 BUDGET</b>	<b>\$ Increase (decrease)</b>	<b>% Increase (decrease)</b>	<b>2011 (unaudited) ACTUAL</b>
<b>Revenue from operations:</b>					
Membership and programming	\$ 4,151,554	\$ 4,828,246	\$ 676,692	16%	\$ 4,133,135
Funding from Games Operating Trust	2,500,000	2,500,000	-	0%	2,739,398
City of Richmond contributions	3,022,500	3,073,883	51,383	2%	3,022,500
Sport Hosting	-	500,000	500,000		157,689
Other	881,337	838,930	(42,407)	-5%	872,684
<b>Total revenue</b>	<b>10,555,391</b>	<b>11,741,059</b>	<b>1,185,668</b>	<b>11%</b>	<b>10,925,406</b>
<b>Expenses:</b>					
<b>Program services:</b>					
Client services	\$ 534,970	515,868	\$ (19,102)	-4%	509,569
Event services	152,252	159,942	7,690	5%	140,144
Sport Services	879,808	992,872	113,064	13%	679,155
Fitness services	583,416	699,359	115,943	20%	550,224
General program and membership sales	263,833	302,907	39,074	15%	271,369
High Performance Sports	533,384	750,118	216,734	41%	391,679
Marketing	614,960	480,525	(134,435)	-22%	389,938
<b>Total program expenses</b>	<b>3,562,623</b>	<b>3,901,591</b>	<b>338,968</b>	<b>10%</b>	<b>2,932,079</b>
<b>Sport Hosting</b>	<b>-</b>	<b>500,000</b>	<b>500,000</b>		<b>157,689</b>
<b>Facility Operations</b>	<b>2,415,081</b>	<b>2,474,046</b>	<b>58,965</b>	<b>2%</b>	<b>2,108,643</b>
<b>Utilities</b>	<b>1,107,750</b>	<b>1,107,750</b>	<b>-</b>	<b>0%</b>	<b>818,959</b>
<b>Admin/Finance</b>	<b>2,370,779</b>	<b>2,589,224</b>	<b>218,445</b>	<b>9%</b>	<b>2,120,813</b>
<b>Amortization</b>	<b>498,195</b>	<b>323,789</b>	<b>(174,406)</b>	<b>-35%</b>	<b>526,964</b>
<b>Total expenses</b>	<b>9,954,428</b>	<b>10,896,400</b>	<b>941,972</b>	<b>9%</b>	<b>8,665,147</b>
<b>Net earnings (before transfers)</b>	<b>\$ 600,963</b>	<b>\$ 844,659</b>	<b>\$ 243,696</b>	<b>41%</b>	<b>\$ 2,260,259</b>
Transfer to Capital Reserve **					1,700,000
<b>Net earnings (after transfers)</b>	<b>\$ 600,963</b>	<b>\$ 844,659</b>	<b>\$ 243,696</b>	<b>41%</b>	<b>\$ 560,259</b>

\* The adjusted budget column includes reclassifications of 2011 positions so that appropriate comparisons can be made to the 2012 budget. Note that there is no overall change to the 2011 approved budget as a result of this.

\*\* The Corporation has an obligation to annually contribute funds to the reserve accounts in accordance with the Richmond Oval Agreement with such amount to be determined at the end of the year.





# City of Richmond

## Report to Committee

**To:** Finance Committee

**Date:** March 16<sup>th</sup>, 2012

**From:** Jerry Chong  
Director of Finance

**File:**

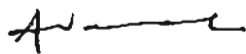
**Re:** 5 Year Financial Plan (2012-2016)

### Staff Recommendation

That the 5 Year Financial Plan (2012 –2016) be approved, that the 5 Year Financial Plan (2012 –2016) Bylaw No. 8867 be introduced and given first, second, and third readings and that staff undertake a process of public consultation as required in Section 166 of the Community Charter.



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

<b>FOR ORIGINATING DEPARTMENT USE ONLY</b>		
<b>CONCURRENCE OF GENERAL MANAGER</b> 		
<b>REVIEWED BY TAG</b>	<b>YES</b> <input checked="" type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
<b>REVIEWED BY CAO</b>	<b>YES</b> <input checked="" type="checkbox"/>	<b>NO</b> <input type="checkbox"/>

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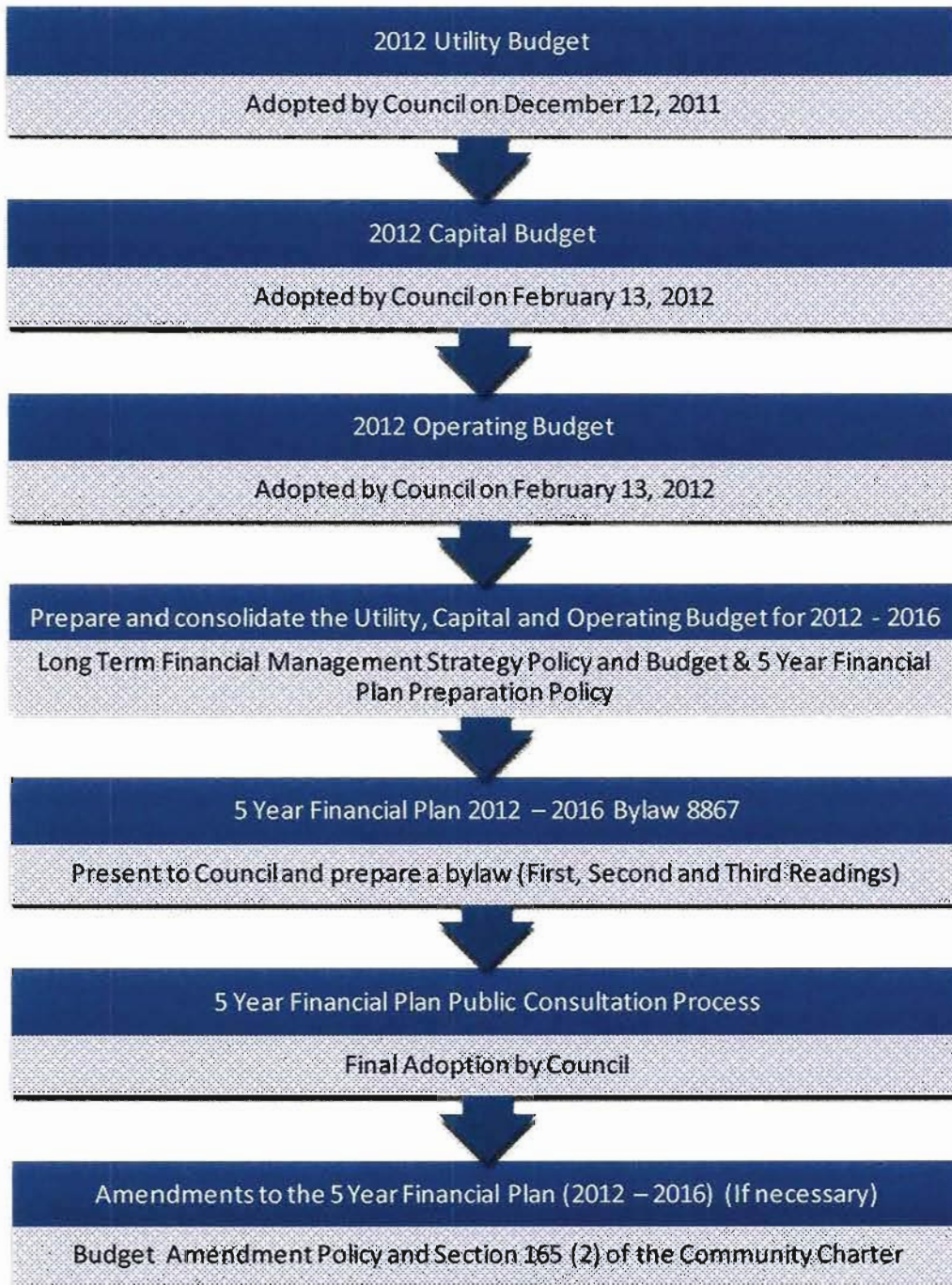
## Staff Report

### I. Origin

Subsection 165(l) of the Community Charter requires the City to adopt a 5 Year Financial Plan (5YFP) Bylaw on or before May 15th of each year. However early adoption is encouraged in order for all users to be aware of bylaws and rates in place. Included in the 5 Year Financial Plan are the 2012 Utility, Capital and Operating Budgets and estimates for the remainder of the five-year program. The 2012 5YFP Bylaw provides the City with the authority to proceed with spending to the limits as outlined in the bylaw. The following outlines the process and timeline behind the 2012 – 2016 Financial Plan:

Timeline	2012 Capital Budget	2012 Operating Budget	2012 Utility Budget
<b>May 2011</b>	<ul style="list-style-type: none"> <li>Identify the capital focus areas</li> <li>Publish guidelines for the preparation of capital submissions</li> </ul>	<ul style="list-style-type: none"> <li>Research and prepare assumptions &amp; systems updates for the budget</li> <li>Direction on budget provided by CAO and TAG based on Council Policy</li> </ul>	
<b>June</b>	<ul style="list-style-type: none"> <li>Prepare and submit capital submissions and OBI impact to departmental budgets</li> </ul>	<ul style="list-style-type: none"> <li>Publish guidelines for the preparation of the operating budget</li> </ul>	<ul style="list-style-type: none"> <li>Liaise with external agencies for any external factors (i.e. Metro Vancouver and Regional District)</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>Rank 2012 – 2016 capital submissions</li> </ul>	<ul style="list-style-type: none"> <li>Prepare and submit the 2012 Operating Budget by the departments</li> </ul>	<ul style="list-style-type: none"> <li>Prepare and submit the 2012 Utility Budget by Engineering and Public Works</li> </ul>
<b>August / September</b>	<ul style="list-style-type: none"> <li>Council endorsed budget assumptions</li> <li>Prepare preliminary list of recommended projects based on rank and funding availability</li> </ul>	<ul style="list-style-type: none"> <li>Council endorsed budget assumptions</li> <li>Finance department reviews the 2012 operating budget with individual departments</li> </ul>	<ul style="list-style-type: none"> <li>Council endorsed budget assumptions</li> <li>Finance department reviews the 2012 Utility Budget with Engineering and Public Works</li> </ul>
<b>October/ November</b>	<ul style="list-style-type: none"> <li>Present preliminary 2012 Capital Budget to TAG for further direction</li> </ul>	<ul style="list-style-type: none"> <li>Prepare and consolidate the 2012 Operating Budget</li> </ul>	<ul style="list-style-type: none"> <li>TAG review of the 2012 Utility Budget</li> </ul>
<b>December/ January 2012</b>	<ul style="list-style-type: none"> <li>TAG review of 2012 – 2016 Capital Budget</li> </ul>	<ul style="list-style-type: none"> <li>TAG Budget Review –General Discussion and Budget Reduction</li> </ul>	<ul style="list-style-type: none"> <li>Present 2012 Utility Budget to Finance Committee</li> </ul>
<b>February</b>	<ul style="list-style-type: none"> <li>Present 2012 Capital Budget to Finance Committee</li> </ul>	<ul style="list-style-type: none"> <li>Present 2012 Operating Budget to Finance Committee</li> </ul>	
<b>March</b>	<ul style="list-style-type: none"> <li>Review and update the 5 Year capital plan to reflect the priorities identified by Council and citizens</li> <li>TAG review of 5 YFP</li> </ul>	<ul style="list-style-type: none"> <li>Identify the primary economic and cost drivers for the City financial plan</li> <li>TAG review of 5 YFP</li> </ul>	<ul style="list-style-type: none"> <li>Identify the primary cost drivers for the 5 Year Utility Budget</li> <li>TAG review of 5 YFP</li> </ul>
<b>April</b>	<ul style="list-style-type: none"> <li>Public Consultation</li> <li>Final reading of 5 YFP</li> </ul>	<ul style="list-style-type: none"> <li>Public Consultation</li> <li>Final reading of 5 YFP</li> </ul>	<ul style="list-style-type: none"> <li>Public Consultation</li> <li>Final reading of 5 YFP</li> </ul>

**Council approval process:**





The 2012 – 2016 Financial Plan incorporates the operating budget, capital budget and utility budget. The following table provides a five year summary of revenues and expenditures and projected tax increases:

**Table 1 – 5 Year Financial Plan (2012 – 2016)**

**CITY OF RICHMOND  
5 YEAR FINANCIAL PLAN (2012 - 2016)  
(IN \$000'S)**

	2012	2013	2014	2015	2016
<b>Revenues</b>					
Property Taxes	168,204	175,106	182,909	190,245	197,767
Transfer from Capital Equity	44,387	45,163	46,648	46,613	46,736
Utilities	88,085	93,212	96,080	98,971	101,585
Transfer from Capital Equity	7,051	7,208	7,313	7,406	7,538
Fees and Charges	26,329	26,611	26,900	27,193	27,493
Investment Income	16,184	16,265	16,346	16,428	16,510
Grant-in-lieu	13,199	13,331	13,465	13,599	13,735
Gaming Revenue	11,148	11,168	11,196	11,229	11,263
Grants	4,112	4,174	4,237	4,300	4,365
Penalties and Interest on Taxes	990	1,000	1,010	1,020	1,030
Miscellaneous Fiscal Earnings	24,342	24,367	24,392	24,419	24,443
<b>Capital Plan</b>					
Transfer from DCC Reserve	21,366	15,682	11,872	8,055	9,079
Transfer from Other Funds and Reserves	47,194	63,948	34,478	34,013	36,897
External Contributions	4,584	3,779	114	114	114
Carryforward Prior Years	107,019	54,049	41,238	26,311	20,548
<b>TOTAL REVENUES</b>	<b>\$584,194</b>	<b>\$ 555,063</b>	<b>\$ 518,198</b>	<b>\$509,916</b>	<b>\$ 519,103</b>
<b>Expenditures</b>					
Utilities	95,136	100,420	103,393	106,377	109,123
Law and Community Safety	82,449	84,192	87,493	89,896	92,272
Engineering and Public Works	54,106	55,698	57,443	58,618	59,914
Parks and Recreation	39,485	40,695	42,564	43,344	43,860
Community Services	21,361	21,732	21,821	22,137	22,600
Corporate Services	17,532	17,795	17,856	17,778	18,050
Project Dev and Facility Maintenance	11,714	11,950	12,099	12,319	12,545
Planning and Development Services	12,470	12,798	13,133	13,465	13,727
Business and Financial Services	7,275	7,410	7,549	7,690	7,833
Corporate Administration	4,464	4,548	4,634	4,722	4,812
Fiscal	22,805	24,090	25,301	28,690	29,440
Transfer to Funds: Statutory Reserves	31,124	32,807	34,596	36,387	38,289
<b>Municipal Debt</b>					
Debt Interest	2,999	2,359	1,503	-	-
Debt Principal	1,111	1,111	1,111	-	-
<b>Capital Plan</b>					
Current Year Capital Expenditures	73,144	83,409	46,464	42,182	46,090
Carryforward Prior Years	107,019	54,049	41,238	26,311	20,548
<b>TOTAL EXPENDITURES</b>	<b>\$584,194</b>	<b>\$ 555,063</b>	<b>\$ 518,198</b>	<b>\$509,916</b>	<b>\$ 519,103</b>
<b>Proposed Property Tax Increase</b>	<b>2.98%</b>	<b>2.90%</b>	<b>3.26%</b>	<b>2.86%</b>	<b>2.80%</b>

## II. Analysis

The 2012 Utility Budget was approved by Council on December 12, 2011, the 2012 Capital Budget and the 2012 Operating Budget was approved by Council on February 13, 2012. These key inputs have been incorporated in the 5YFP (2012 – 2016) which is an important tool in achieving the goals of the Long Term Financial Management Strategy (LTFMS), while providing for the current and future needs of the community. Under the City's LTFMS, the City is committed to financial planning that maintains existing levels of service to the community, while limiting the impact on property taxes.

### A. Situational Analysis

#### Key Economic Drivers

Table 2 – Key Economic Drivers

	2011 (actual)	2012 (forecast)	2013 (forecast)	2014 (forecast)	2015 (forecast)
Real GDP (% Change)	2.4%	2.8%	3.5%	3.4%	3.5%
Employment (% Change)	0.8%	1.7%	2.0%	2.1%	2.7%
Unemployment Rate (%)	7.7%	7.3%	7.0%	6.3%	5.2%
Housing Starts	25,900	27,600	32,300	33,300	35,100
3-month Government of Canada T-Bill	0.91%	0.90%	1.11%	1.50%	2.00%
10-year-Government of Canada T-Bill	2.78%	2.16%	2.63%	3.00%	3.50%

Sources: actual – Statistics BC; forecast – Central 1 Economic Analysis of BC September 2011 issue.

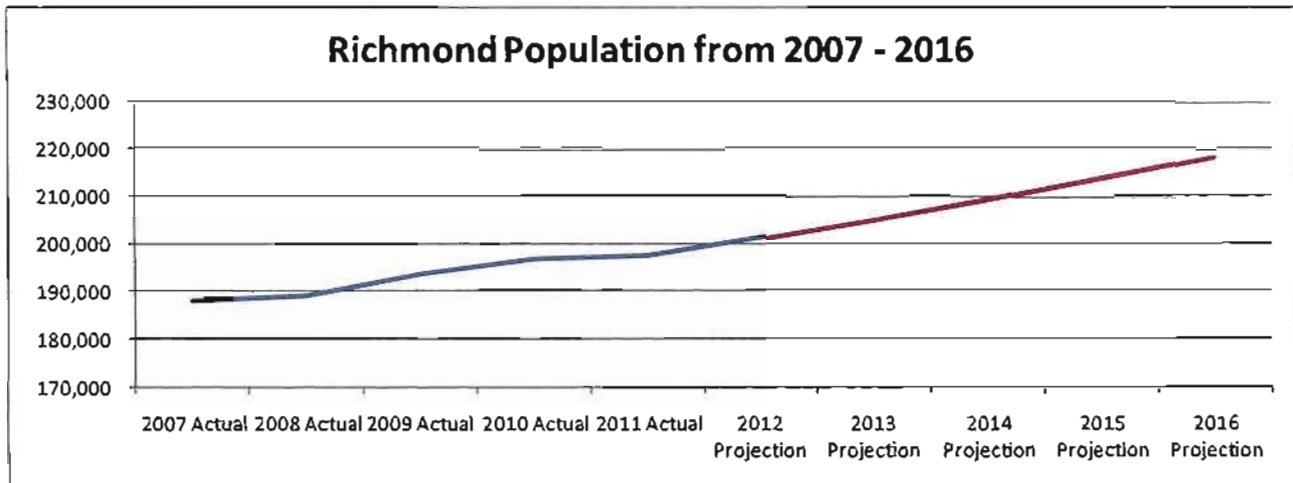
The BC economy will experience moderate economic growth of around 2.8% in 2012 and through to 2016 with the domestic sectors continuing to be the main drivers of the economy as some exports may struggle under the high Canadian dollar.

The assumptions for the 5YFP are contained in Attachment 1.

#### Population

Richmond has been growing of an average of 1.3% per year since 2007, following a period of rapid growth over the last 30 years during which the population doubled in size. It is projected that Richmond will grow to 280,000 people by 2041, an increase of 80,000 from 2011. Richmond is expected to expand approximately at the same rate as the rest of BC and will account for approximately 7% of Metro Vancouver's population. The table 3 illustrates the population growth from 2007 to 2011 and the projection for the next five years:

**Table 3 – Richmond Population**



Sources: Urban Futures Ltd

The demand for City services has increased annually and this is reflected in the following statistics:

**Table 4 – Demand for City Services**

	2008	2009	2010	2011	Est.2012
Population Growth (per annum)	0.56%	2.35%	1.70%	0.42%	1.20%
Capital Construction Costs (\$mil)	\$147.83	\$63.90	\$152.95	\$75.16	\$64.69
Registration in Recreation Programs	109,789	113,396	128,622	122,784	128,923
Public Works Calls for Services*	6,334	12,554	13,664	13,332	13,800

\*(2009-utilized software system to track service requests)

Note that the projections for 2012-2016 maintain existing service levels and incorporate operating costs resulting from capital growth.

## Aging Population and Workforce

Similar to most communities, Richmond will experience an aging population which means increased demand for policies and services to improve aging-in-place, affordable housing accessibility and healthy communities.

Likewise, the demographic profile of the Canadian workforce will undergo a substantial shift as a larger number of older workers will be joined by relatively few new entrants to the labour force. As an increasing number of employees will be eligible to retire within the next five years, a systematic method for projecting critical resource gaps will be combined with effective hiring, development, and retention programs to fill these critical roles.

Economists believe that increased productivity is required as Canada's labour productivity has declined relative to past performance and in comparison to other countries most notably, the U.S.

## Employment Estimates

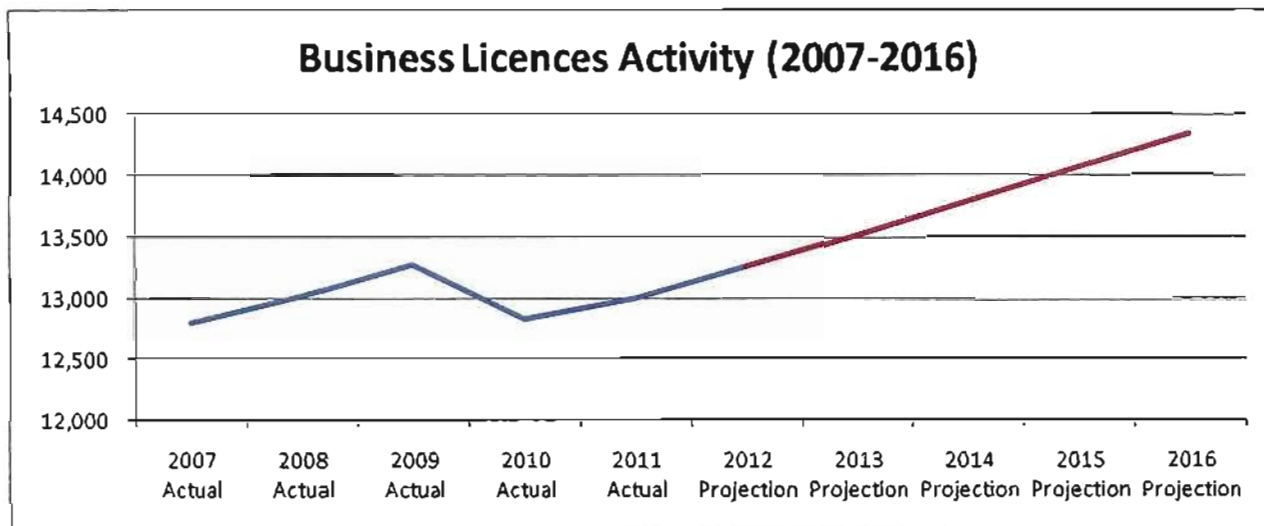
Richmond's anticipated employment growth to 2016 is not as vigorous as its population growth or its housing growth because of an aging labour force and limited supply of land. Generally, core municipalities such as Richmond, Vancouver, Burnaby and New Westminster will see more rapid growth in their senior's population and hence have a smaller labour force.

The City Centre is continuing to be projected to accommodate the greatest absolute and relative increase in employment between 2012 and 2016, reinforcing its status as the central employment hub in Richmond.

## Business Licences

The business growth in Richmond is steadily growing. The table below shows a trend line of business licence activity in Richmond from the last five years. 97% of Richmond businesses are categorized as "small business" (less than 50 employees). Over 50% of the Richmond businesses are involved in sales and services and over 100,000 jobs have been created, of which 60% are full time positions.

**Table 5 – Business Licences Activity (2007 – 2016)**



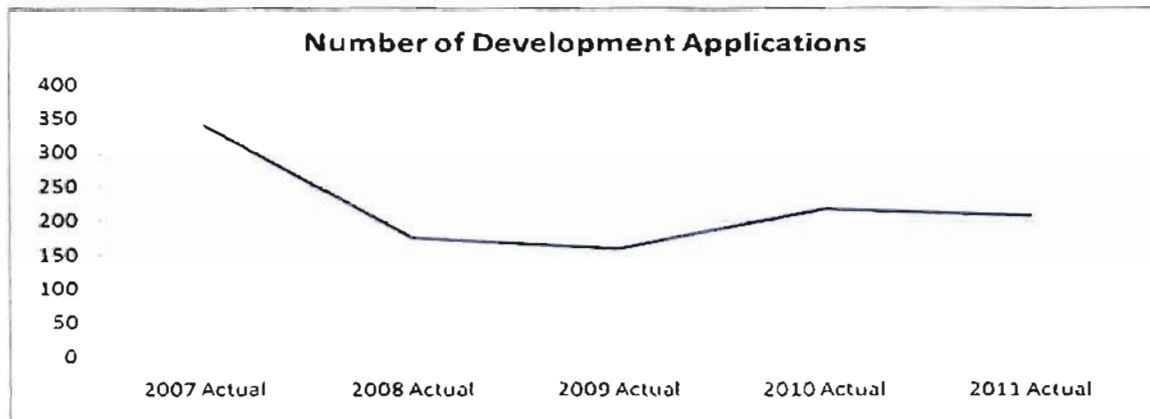
For 2012 to 2016, the Business Licences Department anticipates a 2% increase per year in business licences activity.



## Housing and Development

Richmond housing prices outpaced the residential average for Greater Vancouver, with prices of detached houses rising sharply above \$1 million in early 2011 and staying near that value throughout the year. Housing starts in 2012 are forecasted at 27,600. In the longer term, residential development is expected to plateau alongside interest rate increases. Table 6 below shows the development activity with a significant decrease from 2007 to 2008 due to the economic recession. However, 2011 continued to recover and 2012 to 2016 are expected to be at the same level.

**Table 6 – Number of Development Applications**



## Salaries

Salary increases for all employee groups have been estimated based on information currently available. Contract negotiations have been entered into with the Richmond Fire Fighters Association (RFFA) and CUPE 718 & 394. The RFFA collective agreement has expired December 31st, 2009 and CUPE 718 & 394 collective agreement expired December 31st, 2011.

## Climate Action Plan

Increasing greenhouse gas (GHG) emissions are identified as major contributors to climate change and the resulting impacts, such as sea level rise, increased extreme weather events, decrease in agricultural viability, energy and natural resources availability, community health and other socio-economic effects, etc., are likely to be felt both now and in the future.

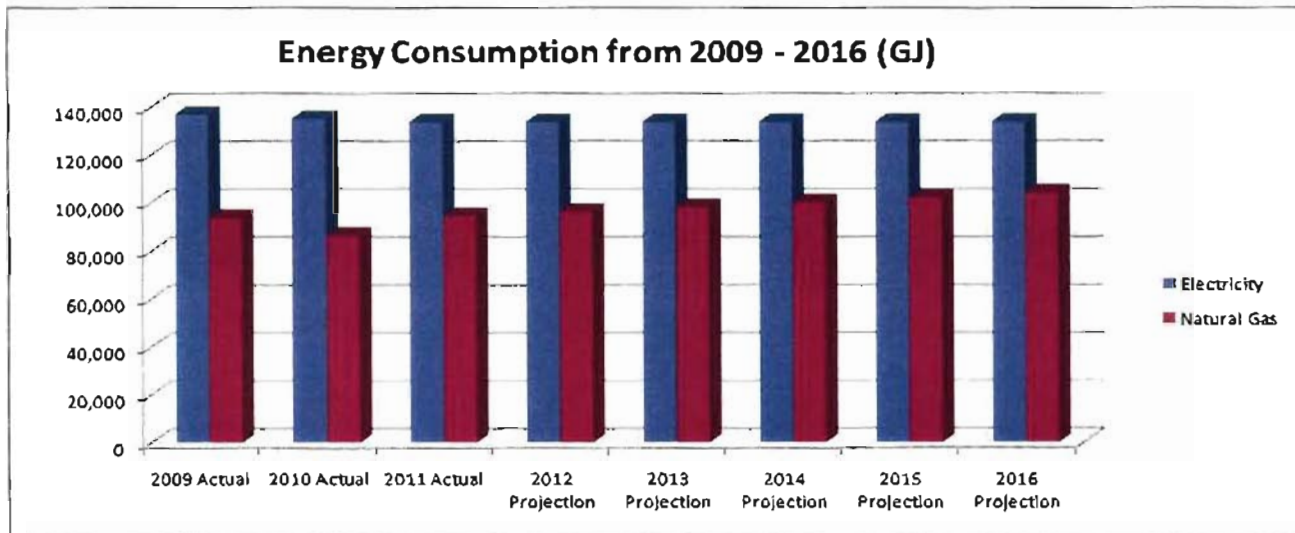
In Richmond, over 49% of GHG emissions are transportation-related and over 47% come from the way buildings are built and operated. After buildings and transportation, waste is the third most significant source of GHGs and contributes to approximately 4% of carbon dioxide emissions. The City will be reporting annually on our GHG emissions beginning in 2012, which will be due in mid-2013. The City will measure and report on our community greenhouse gas emission profile; and work to create compact, more energy efficient communities.

The City along with the Province of BC and the Union of British Columbia Municipalities (UBCM) has signed the Climate Action Charter (CAC) pledging to achieve the following goals to be carbon neutral in corporate operations by 2012 and the City is on track to meet the Carbon Neutrality commitment for 2012.

## Energy Cost

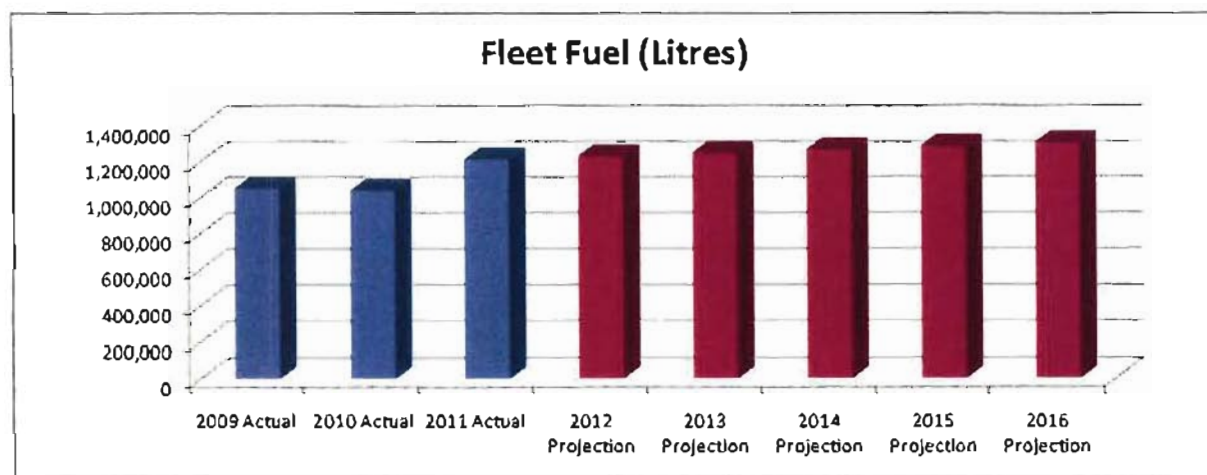
The most recent BC Hydro rate application was reviewed by the BC Utility Commission (BCUC) and increases of 8% in 2012, and 4% in both 2013 and 2014 has been approved, for a total increase of 16% over the next three years. The graph below illustrates the 2009 to 2011 actual and projected energy consumption in GJ:

**Table 7 – Energy Consumption from 2009 - 2016**



The top 10 City consuming facilities, for natural gas, have locked into a fixed rate until the end of 2013. However, an increase of 2% in natural gas would be a conservative estimate subject to consumption variations due to weather. For an estimate of civic energy consuming assets between 2012 and 2016, at a minimum the goal of the Energy Management Program will be to keep energy consumption rates relatively stable even with the projected increase in civic infrastructure through building energy retrofits, major renovations where warranted, upgrading of energy using equipment, and incorporation of more renewable energy sources within our energy system. The table below includes gasoline, marked diesel and bio diesel and the anticipated city consumption is about 1.5% annually for 2012 – 2016:

**Table 8 – Fuel Consumption**





## **B. Operating Budget Comments for some of the Major City Services:**

### **Fire Rescue**

The rapidly changing community as well as the forecasted growth and increased population expectations within the community, will result in higher demands for services. Richmond Fire Rescue has a stated objective of delivering services and programs through an approach that balances prevention, education and emergency response.

### **RCMP**

The RCMP is committed to working in partnership with the citizens of Richmond to achieve the goal of "Safe Homes and Safe Communities". Through a consultative process with Council and others, the RCMP establishes policing priorities on an annual basis.

Serious crime is significantly lower in Richmond than in the rest of BC, at 8.7 offences per 1,000 people compared to 12.3 offences for BC. The crime rate in Richmond has decreased between 2006 and 2009 by 29.3%. Juvenile drug crime, violent crime and property crimes are also less prevalent than the provincial average.

### **Library**

The Richmond Public Library is committed to working with the Mayor and Council, City staff, community partners and generous donors to achieve the five strategic goals:

1. Support reading in our community
2. Use technology to connect readers
3. Develop collections to meet popular demand
4. Offer programs that inform and inspire
5. Create friendly, welcoming facilities

### **Parks, Recreation and Community Services**

Parks and Recreation and Community Services both continue to work in partnership with the community to provide a variety of programs, services, places and spaces and other amenities which greatly enhance the quality of life for both current and future generations. There will be a significant increase to the operating expenditures due to the operating budget impact of the new City Centre Community Centre which will come online in 2014.

## Utilities

The utility rates need to be established by December 31<sup>st</sup> every year in order to facilitate charging from the next January 1<sup>st</sup>. Home owners in the City are issued a utility bill annually or quarterly. The operating expenditure covers services for water supply, sewage collection and treatment, drainage, dike, solid waste, recycling, flood protection, grease management and environmental programs. The major cost drivers are salaries, regional water rates, regional waste disposal tipping fee increases, regional operating costs for sewer treatment, contracts and new programs related to solid waste and recycling collection services.

**Table 9: Infrastructure – Drainage, Sanitary Sewer and Water Mains (km)**

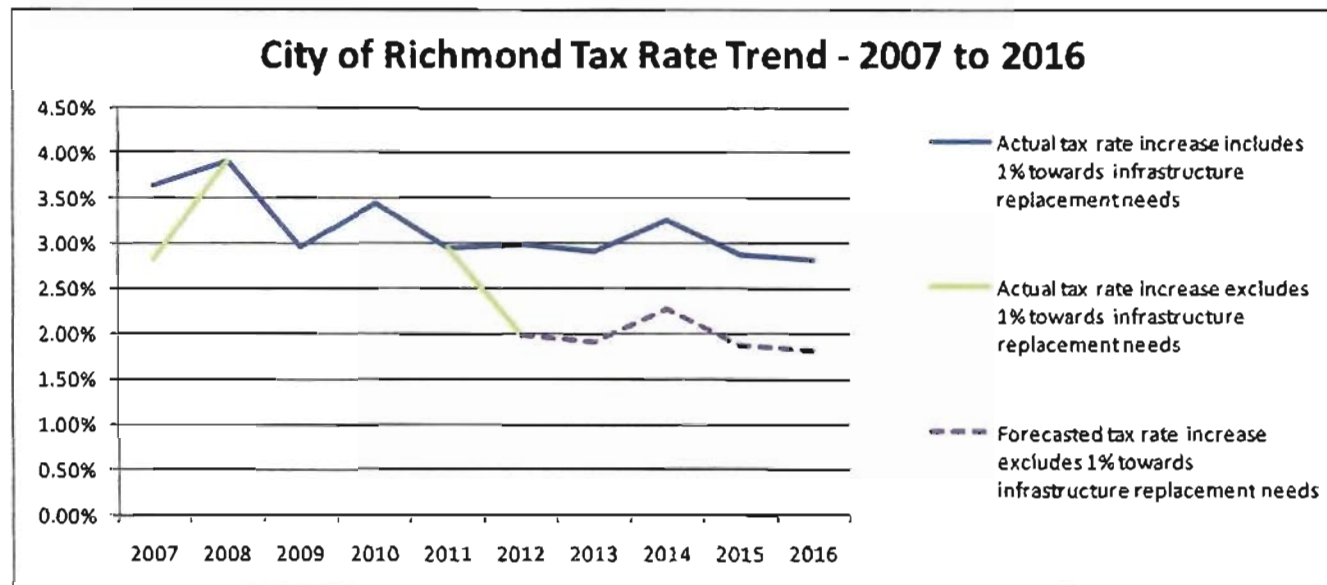
	2007	2008	2009	2010	2011
Drainage	603	609	613	613	620
Sewer	460	462	463	463	465
Water	626	626	624	624	630

## C. Consolidated Financial Summary

The 5YFP is a consolidation of the operating, utility and capital plans. The projected increases in expenditures are offset against all projected non-tax revenues (refer to Table 1). All expenditures in excess of non-tax revenues result in the required tax levy. The average tax increase is calculated by taking the year over year change in the required tax levy less any projected growth in the tax base due to new construction. The average tax rate increase is then determined by dividing this resulting increase by the prior year's tax base.

Table 10 below illustrates the actual property tax rate increase and forecast from 2007 to 2016. The 2012 tax levy is comprised of the projected increases in the base budget, the additional expenditures and operating budget impact of capital projects. The base budget is the total cost of maintaining current service levels provided by the City, and the additional expenditures and operating budget impact are increases to the base level of service as a result of new or increased programs or assets. In preparation of the annual operating budget, staff ensured that the 1% towards infrastructure replacement needs is included based on the Long Term Financial Management Strategy. The 5YFP does not include any additional levels and any amounts that are unverifiable.

**Table 10: Property Tax Increase Trend 2007 - 2016**



The 2012 Operating and Capital Budgets were prepared with a particular awareness of moderate economic growth and recovery. During the economic downturn, the City of Richmond showed restraint and leadership by exercising responsible cost cutting measures in order to minimize the tax impact on our citizens while creating economic stimulus through investments in capital projects.

### **Subsequent items adopted after the operating and capital budget approved**

Subsequent to the adoption of the 2012 operating budget and capital budget on February 13<sup>th</sup>, 2012, additional opportunities and projects have emerged. There is no tax impact for any of these changes as these items are funded from provisions and reserves:

- At the Council meeting on February 27<sup>th</sup>, 2012, Council approved: "That the additional required funding of \$288,738.50 be approved with funding from the Public Works Equipment Reserve and that the 2012 Capital Budget and the 5 Year Financial Plan (2012-2016) be adjusted accordingly."
- At the Council meeting on March 12<sup>th</sup>, 2012, Council approved: "That up to \$115,000 be approved from the Major Events Provisional Fund for the proposed 2012 Ship to Shore Program and 2013 Tall Ship Recruitment program."
- At the Council meeting on March 12<sup>th</sup>, 2012, Council approved: "That up to \$200,000 be authorized from the Major Events Provisional Fund to the Maritime Festival account to provide funding in support of the 2012 Maritime Festival, as outlined in the report from the Director, Arts, Culture and Heritage Services dated February 13, 2012."
- At the Council meeting on March 12<sup>th</sup>, 2012, Council approved "That \$40,000 from the Major Events Provisional Fund be allocated to provide funding for End of Day events on the Richmond portion of the Rick Hansen 25th Anniversary Relay Celebration."

- At the Council meeting on March 26<sup>th</sup>, 2012, Council approved “That the estimated expenditures of \$70,000 with respect to the South Arm Pool Piping Repair project be funded from the Minor Capital Provision.”

On July 23<sup>rd</sup>, 2007 Council approved a cessation on policy 1 of the Long Term Financial Management strategy that requires a 1% increase in reserves has been incorporated into the 2012 budget and in the 5YFP from 2012 – 2016. Based on the proposed 5YFP (2012-2016), the average tax (\$) increase and the corresponding average tax rate (%) increases are as follows:

**Table 11 – Tax Rate Increases**

(in \$'000s)	2012	2013	2014	2015	2016
Total expenditure before OBI and Transfer to Reserve	5,298	4,815	4,669	5,359	5,367
OBI	264	404	1,383	147	253
Additional 1% infrastructure replacement	1,613	1,682	1,751	1,829	1,902
<b>Total Funding Increase Required</b>	<b>7,175</b>	<b>6,901</b>	<b>7,803</b>	<b>7,335</b>	<b>7,522</b>
Growth from New Construction	(2,365)	(2,018)	(2,101)	(2,103)	(2,188)
Proposed Property Tax Increase (\$)	4,810	4,883	5,702	5,232	5,334
Proposed Property Tax Increase %	2.98%	2.90%	3.26%	2.86%	2.80%

For 2012, Attachment 5 shows the breakdown of where each tax dollar is spent by the City. The biggest areas are the services provided by the City to its citizens (e.g. Police, Fire, Parks and Recreations).

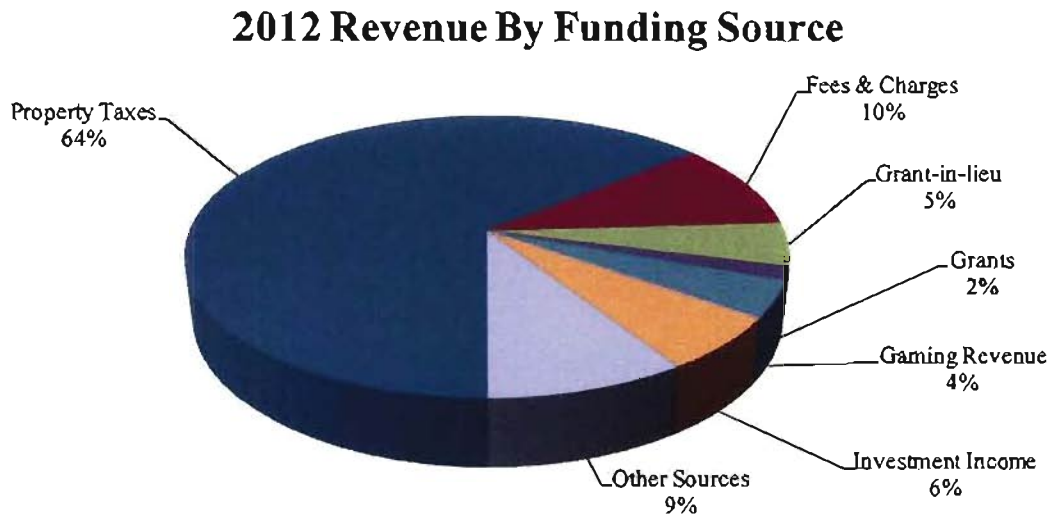
## Permissive Exemption

Each year, Council passes a permissive exemption bylaw exempting certain properties from property tax. The property tax exemptions policy 3561 sets out the guidelines for permissive exemptions to churches, private schools, hospitals and charities as stated in Sections 220 and 224 of the Community Charter.

## Major Funding Sources

The main funding received by the City is outlined by source in Table 12 below. The distribution of revenues only includes amounts for the Operating Budget as Utility and Capital Funding have been removed from this analysis. As shown, the largest funding source for the City is property taxes. The next largest portion of funding is received from user fees and charges.

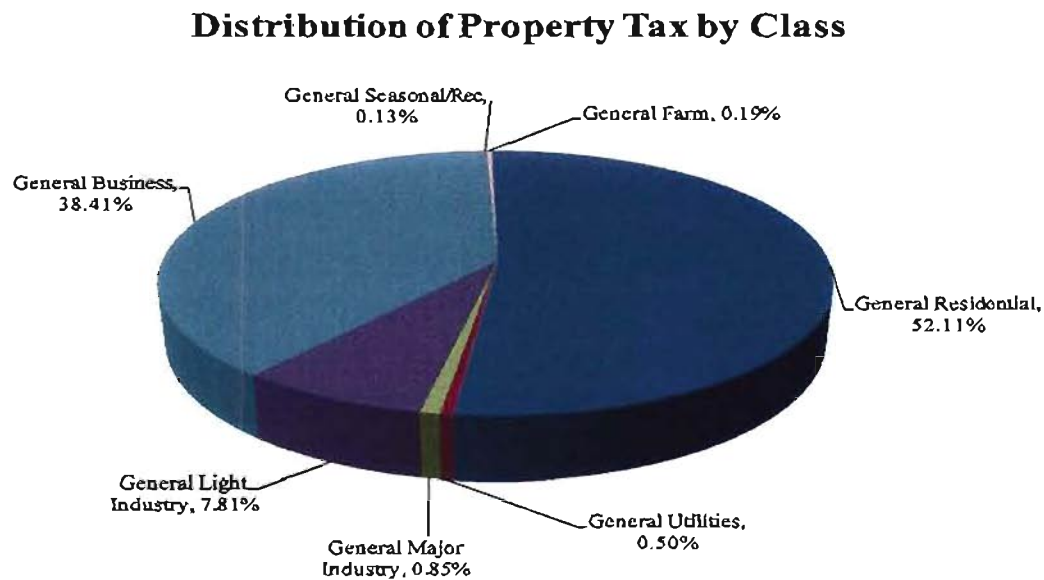
Table 12– 2012 Revenue by funding source



## Property Tax by Class

Revenue from property tax is collected from multiple classes of properties. The largest two contributors to property tax are the residential and business classes. The table 13 below charts the proposed distribution of tax among the various classes.

Table 13– Proposed Distribution of Property Tax by Class





#### **D. 2012 Capital and Future Programs**

The 2012-2016 5 Year Financial Capital Plan addresses Richmond's ageing infrastructure and rapid infrastructure expansion related with urban growth in the midst of fluctuating market conditions. The projects in the 2012-2016 Capital Budget maintain, improve and advance the City of Richmond's infrastructure inventory, provide the basic necessities for urban living and help fulfill Council's strategic goals for the City.

Under Council's direction, the following are a summary of recommended projects to be undertaken for the next 5 years:

- Enhance traffic capacity and safety and expand the cycling network.
- Laneway drainage and pavement improvements for better access for residents.
- Extensive water, drainage and sanitary sewer upgrades to maintain quality service.
- Upgrade and construct pump stations to ensure reliable service.
- Construction of the No. 1 Fire Hall and City Centre Community Centre.
- Continued development of the City's trail and park systems, and replacement of playground equipment to create safe and engaging recreational environments.
- Increased public art to ensure our continued development as a vibrant cultural city.
- Development of childcare facilities that will provide much needed childcare to Richmond residents.
- Funding for affordable housing projects and initiatives to ensure affordable rental housing to Richmond residents

Significant items from the major facilities replacements have been deferred from the current 2012-2016 Capital Budget to allow further discussion and direction by Council. Once the review is completed and further discussions with Council, a report will be presented to Council for approval, and the 5-year capital budget will be amended if necessary.

Details of the 2012 Capital Budget, approved at the February 13, 2012 Council meeting, can be referenced in the 2012 Capital Budget Report.

[http://www.richmond.ca/\\_shared/assets/Capital\\_Budget\\_Finance\\_2-6-201232222.pdf](http://www.richmond.ca/_shared/assets/Capital_Budget_Finance_2-6-201232222.pdf)

In addition to the 2012 Capital Budget, there is \$107M of carry forward funds from previously approved Capital Plans that are committed but remain unspent to date.

The capital projects for years 2013-2016 are recommended based on existing priorities and current funding estimates. The projects and estimates for each of these successive years will be updated as more current and accurate information becomes available.

There are a number of projects that have not been funded at this time, but will be considered in the future as funds become available or as priorities are reconsidered. A detailed list of all of the unfunded

projects is included in the 2012 capital report. Also note that for all of the unfunded projects, there is a potential opportunity for these projects to request funding as one-time requests from surplus.

## Capital Program

The 2012-2016 5 Year Financial Capital Plan by Program summary is located in Attachment 2 and the project details including the approved 2012 and recommended 2013-2016 are located in Attachment 3.

A summary of the 2012-2016 Capital Program is as follows:

**Table 14 – Capital Program (2012-2016) in (\$000's)**

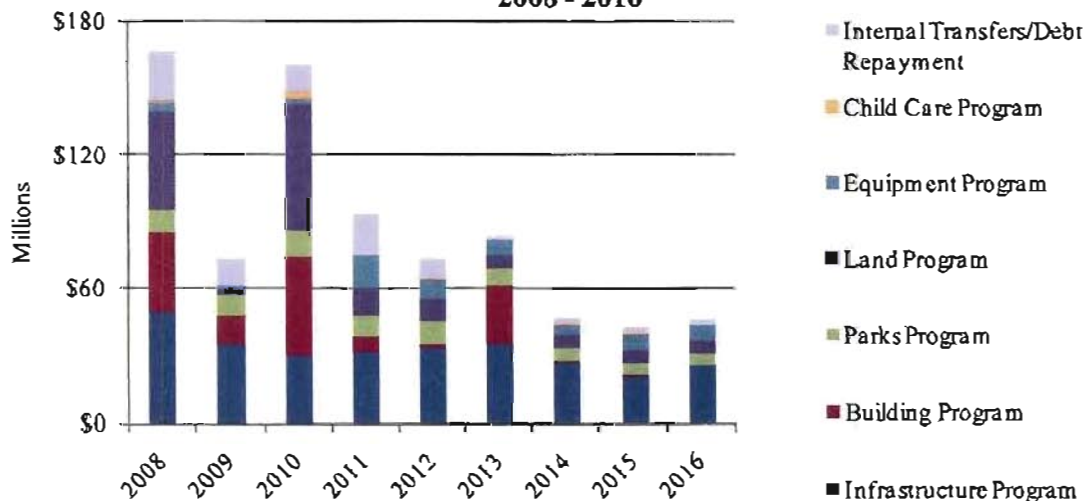
	2012	2013	2014	2015	2016
Infrastructure Program	33,165	35,244	26,665	20,876	25,502
Building Program	1,872	25,650	250	250	250
Parks Program	10,132	8,000	6,200	5,250	5,000
Land Program <sup>1</sup>	8,850	5,000	5,000	5,000	5,000
Affordable Housing Program <sup>1</sup>	1,303	975	975	975	975
Equipment Program	8,285	6,658	4,670	6,980	6,791
Child Care Program <sup>1</sup>	1,150	275	275	275	275
Internal Transfers/Debt Payment	8,387	1,607	2,429	2,576	2,297
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$73,144</b>	<b>\$83,409</b>	<b>\$46,464</b>	<b>\$42,182</b>	<b>\$46,090</b>

<sup>1</sup> The availability of funding for these programs is based on external factors such as contributions from development or proceeds on land disposition. The future programs are estimated based on forecasted market conditions.

The 2012-2016 Capital Plan represents a basic capital program relative to previous years to reflect the current economic trends. The major differences are the Land and Building Programs that have had relatively large expenditures over the past few budget cycles.

## Capital Budget by Program

2008 - 2016

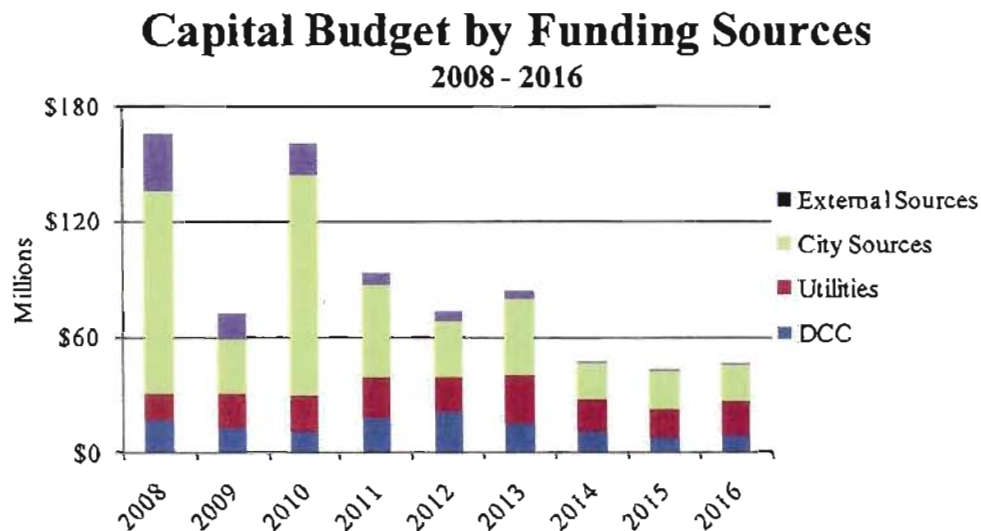


## Capital Budget Funding Sources

The capital budget uses a variety of funding sources which include:

- Development Cost Charges (DCC) – These contributions are made through development and are used for growth related projects.
- External Sources – these include grants awarded from Provincial and Federal Governments, developer cash contributions (other than DCCs) and other non-City related sources
- Utilities – these are funds collected through the utility bills and are specified for waterworks, sanitary sewer and drainage.
- City Sources – this includes all other sources of City funding such as statutory reserves, appropriated surplus (provisions) and general surplus.

The capital funding sources correspond to the nature of expenditure where external sources are the most restricted and City sources the most general. Council can direct the use of City Reserve funds in compliance with the Community Charter section 189.



The detailed funding sources for the 5 Year Financial Capital Plan (2012-2016) are located in Attachment 4.



### III. Financial Impact

The following proposed property tax increases for the 5 Year Financial Plan (2012 – 2016) Bylaw results in a tax increase of 2.8% to 3.26% in the next 5 years which includes an additional 1% levy for infrastructure replacement and OBI from the capital projects:

**Table 15 – Tax Rate Increases**

Year	Tax Increase (in \$000's)	Property Tax Proposed Increase %
2012	\$4,810	2.98%
2013	\$4,883	2.90%
2014	\$5,702	3.26%
2015	\$5,232	2.86%
2016	\$5,334	2.80%

### IV. Conclusion

The 5YFP outlines the current year's budget and provides projections for future years. It should be emphasized that the 5YFP beyond 2012 will change as more accurate and current information is obtained to update each successive year accordingly. Richmond is competitive in its municipal tax levy when compared with other municipalities in Metro Vancouver and continues to be a leader in providing quality services to its residents.



Nashater Sanghera, CA  
Manager, Budgets & Accounting  
(604-247-4628)

**V. Attachments**

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## 5 YEAR FINANCIAL PLAN (2012-2016)

### ASSUMPTIONS

(in \$000's unless otherwise stated)

	2012	2013	2014	2015	2016
<b>Consumer Price Index</b>	1.70%	2.10%	2.10%	2.10%	2.10%
<b>Municipal Price Index (For comparative purposes only)</b>	3.23%	2.61%	2.61%	2.80%	2.61%
<b>US Exchange Rates</b>	1.01	1.02	1.02	1.02	1.03
<b>Natural gas expense</b>	2.00%	2.00%	2.00%	2.00%	2.00%
<b>Electricity expense</b>	8.00%	4.00%	4.00%	10.00%	10.00%
<b>Material and Supplies</b>	1.00%	1.00%	1.00%	1.00%	1.00%
<b>User Fees</b>	1.70%	2.10%	2.10%	2.10%	2.10%
<b>Fuel Cost</b>	4.00%	4.00%	4.00%	4.00%	4.00%
<b>Casino Funding</b>					
Oval	5,000	5,000	5,000	0	0
Revolving Fund	1,239	1,239	1,239	6,239	6,239
Capital	600	600	600	600	600
Capital Building Infrastructure	1,777	1,777	1,777	1,777	1,777
Grants	538	546	554	562	570
Physical Plant	1,400	1,400	1,400	1,400	1,400
Operating (RCMP)	589	606	626	651	677
<b>Operating budget impact of capital budget (OBI)</b>	264	404	1,383	147	253
<b>Insurance expense</b>	2.00%	2.00%	2.00%	2.00%	2.00%
<b>Growth (tax base)</b>	1.47%	1.20%	1.20%	1.15%	1.15%
<b>RCMP contract increases</b>	4.00%	4.00%	4.00%	4.00%	4.00%
<b>Business License revenue</b>	2.00%	2.00%	2.00%	2.00%	2.00%
<b>Metro Vancouver</b>					
Water	5.90%	18.60%	6.50%	6.00%	4.50%
Liquid Waste	3.50%	5.50%	5.00%	5.00%	5.00%
Solid Waste	10.99%	7.92%	22.02%	15.04%	9.15%

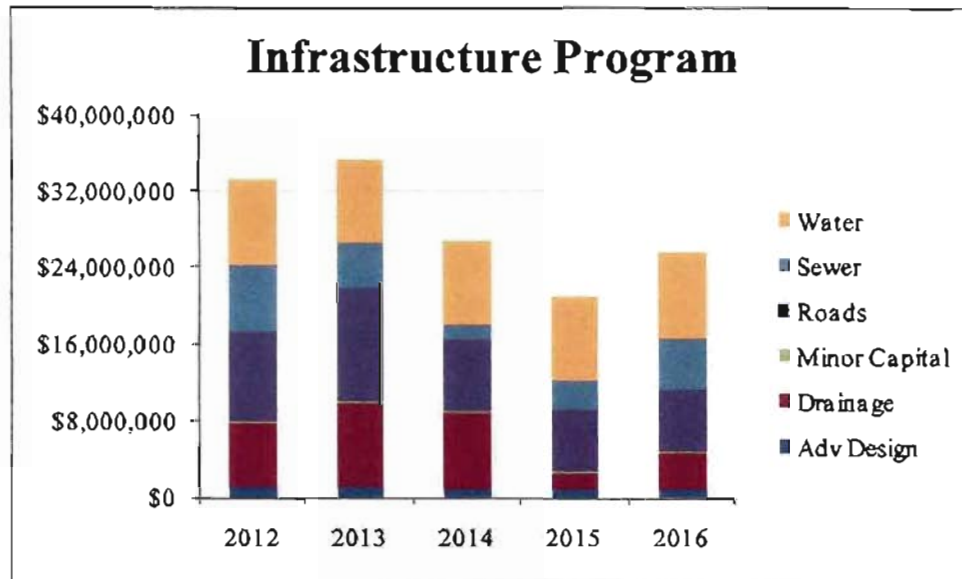
**CITY OF RICHMOND**  
**5 YEAR CAPITAL PROGRAM (2012-2016)\***  
(In \$000's)

	2012	2013	2014	2015	2016
<b>Infrastructure Program</b>					
Drainage	6,817	8,829	7,831	1,562	3,711
Infrastructure Advanced Design	950	961	905	902	885
Minor Public Works	250	250	250	250	250
Roads	9,285	11,857	7,464	6,424	6,371
Sanitary Sewer	6,856	4,647	1,400	2,983	5,374
Water Main Replacement	9,007	8,700	8,815	8,755	8,911
<b>Total Infrastructure Program</b>	<b>\$33,165</b>	<b>\$35,244</b>	<b>\$26,665</b>	<b>\$20,876</b>	<b>\$25,502</b>
<b>Building Program</b>					
<b>Total Building Program</b>	<b>\$1,872</b>	<b>\$25,650</b>	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>
<b>Parks Program</b>					
Parkland Acquisition	5,803	4,500	3,500	3,500	3,500
Major Parks/Streetscapes	3,725	2,950	2,250	1,200	950
Minor Parks	604	550	450	550	550
<b>Total Parks Program</b>	<b>\$10,132</b>	<b>\$8,000</b>	<b>\$6,200</b>	<b>\$5,250</b>	<b>\$5,000</b>
<b>Land Program</b>					
<b>Total Land Program</b>	<b>\$8,850</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>
<b>Affordable Housing Program</b>					
<b>Total Affordable Housing Program</b>	<b>\$1,303</b>	<b>\$975</b>	<b>\$975</b>	<b>\$975</b>	<b>\$975</b>
<b>Equipment Program</b>					
Vehicle Equipment	3,255	2,871	2,125	4,746	3,149
Library	1,160	1,160	1,160	1,160	1,160
Fire Dept. Equipment	1,113	920	327	16	1,424
Computer Capital	2,083	1,378	1,058	1,058	1,058
Miscellaneous Equipment	674	329	0	0	0
<b>Total Equipment Program</b>	<b>\$8,285</b>	<b>\$6,658</b>	<b>\$4,670</b>	<b>\$6,980</b>	<b>\$6,791</b>
<b>Child Care Program</b>					
<b>Total Child Care Program</b>	<b>\$1,150</b>	<b>\$275</b>	<b>\$275</b>	<b>\$275</b>	<b>\$275</b>
<b>Internal Transfers/Debt Payment</b>					
<b>Total Internal Transfers/Debt Payment</b>	<b>\$8,387</b>	<b>\$1,607</b>	<b>\$2,429</b>	<b>\$2,576</b>	<b>\$2,297</b>
<b>TOTAL CAPITAL PROGRAM</b>	<b>\$73,144</b>	<b>\$83,409</b>	<b>\$46,464</b>	<b>\$42,182</b>	<b>\$46,090</b>

\*Based on available funding, future programs may change in subsequent years.

## Infrastructure Program 2012-2016

The City's Infrastructure Program assets include: road, drainage and sanitary pump stations, drainage, water, and sanitary mains.



### 2012 Approved Infrastructure Road Program

Year	Project Name	Amount	Category
2012	Annual Asphalt Re-Paving Program - MRN	\$915,500	Annual Asphalt MRN
2012	Annual Asphalt Re-Paving Program - Non-MRN	\$2,458,600	Annual Asphalt Non-MRN
2012	Arterial Road Crosswalk Improvement Program	\$60,000	Arterial Road Crosswalk
2012	Cycling Network Expansion Program	\$127,660	Cycling Expansion
2012	Enhanced Accessible Traffic Signal and Crosswalk Program	\$74,468	Accessible Traffic Signal & Crosswalk
2012	Functional and Preliminary Design (Transportation)	\$33,814	Design
2012	Interim Lansdowne Road Extension - Alderbridge Way to Minoru Blvd.	\$100,000	Lansdowne road Extension
2012	Miscellaneous Cycling Safety Enhancements	\$50,000	Cycling Enhancements
2012	Miscellaneous Intersection Improvements	\$95,745	Intersection Improvements

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2012	Neighbourhood Traffic Safety Program	\$87,500	Neighbourhood Traffic Safety
2012	Neighbourhood Walkways	\$250,000	Neighbourhood Walkways
2012	Nelson Road Improvements	\$1,150,667	Nelson road
2012	New Traffic Signal Installation	\$274,000	New Traffic Signals
2012	No. 6 Road Widening	\$566,667	No. 6 Road
2012	Sidewalk Expansion / Enhancement Program	\$100,000	Sidewalk
2012	Street Light Security and Wire Theft Prevention	\$133,000	Street Light Security
2012	Traffic Detection Video Systems	\$75,000	Traffic Detection
2012	Transit Related Infrastructure Improvements	\$50,000	Transit Improvements
2012	Westminster Hwy Widening: Nelson Rd to McMillan Way	\$2,683,333	Westminster Hwy Widening

**Total 2012 Approved Infrastructure Road Program** **\$9,285,954**

**2013 – 2016 Recommended Infrastructure Road Program**

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2013	Annual Asphalt Re-Paving Program - MRN	\$915,500	Annual Asphalt MRN
2013	Annual Asphalt Re-Paving Program - Non-MRN	\$2,458,600	Annual Asphalt Non-MRN
2013	Arterial Road Crosswalk Improvement Program	\$60,000	Arterial Road Crosswalk
2013	Asphalt Re-Paving Program - Non-MRN Backlog Management	\$1,000,000	Annual Asphalt Non-MRN
2013	Cycling Network Expansion Program	\$127,660	Cycling Expansion
2013	Enhanced Accessible Traffic Signal and Crosswalk Program	\$74,468	Accessible Traffic Signal & Crosswalk
2013	Functional and Preliminary Design (Transportation)	\$37,246	Design
2013	Gilbert Road Widening	\$851,064	Gilbert Road
2013	Interim Lansdowne Road Extension- Alderbridge Way to Minoru Blvd.	\$1,200,000	Lansdowne road Extension
2013	Miscellaneous Cycling Safety Enhancements	\$50,000	Cycling Enhancements
2013	Miscellaneous Intersection Improvements	\$95,745	Intersection Improvements
2013	Neighbourhood Traffic Safety Program	\$87,500	Neighbourhood



<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
			Traffic Safety
2013	Nelson Road Improvements	\$1,150,667	Nelson road
2013	New Traffic Signal Installation	\$274,000	New Traffic Signals
2013	No. 6 Road Widening	\$566,667	No. 6 Road
2013	Sidewalk Expansion / Enhancement Program	\$100,000	Sidewalk
2013	Traffic Detection Video Systems	\$75,000	Traffic Detection
2013	Transit Related Infrastructure Improvements	\$50,000	Transit Improvements
2013	Westminster Hwy Widening: Nelson Rd to McMillan Way	\$2,683,333	Westminster Hwy Widening
2014	Annual Asphalt Re-Paving Program - MRN	\$915,500	Annual Asphalt MRN
2014	Annual Asphalt Re-Paving Program - Non-MRN	\$2,458,600	Annual Asphalt Non-MRN
2014	Arterial Road Crosswalk Improvement Program	\$60,000	Arterial Road Crosswalk
2014	Asphalt Re-Paving Program - Non-MRN Backlog Management	\$1,000,000	Annual Asphalt Non-MRN
2014	Cycling Network Expansion Program	\$127,660	Cycling Expansion
2014	Enhanced Accessible Traffic Signal and Crosswalk Program	\$74,468	Accessible Traffic Signal & Crosswalk
2014	Interim Lansdowne Road Extension- Alderbridge Way to Minoru Blvd.	\$1,200,000	Lansdowne road Extension
2014	Miscellaneous Cycling Safety Enhancements	\$50,000	Cycling Enhancements
2014	Miscellaneous Intersection Improvements	\$95,745	Intersection Improvements
2014	Neighbourhood Traffic Safety Enhancement Program	\$87,500	Neighbourhood Traffic Safety
2014	Neighbourhood Walkways	\$250,000	Neighbourhood Walkways
2014	New Traffic Signal Installation	\$274,000	New Traffic Signals
2014	No. 2 Road Widening - Phase 1 of 4	\$212,766	No. 2 road Widening
2014	Roads Minor Capital	\$300,000	Roads Minor Capital
2014	Sidewalk Expansion / Enhancement Program	\$100,000	Sidewalk
2014	Street Light Security and Wire Theft Prevention	\$133,000	Street Light Security
2014	Traffic Detection Video Systems	\$75,000	Traffic Detection
2014	Transit Related Infrastructure Improvements	\$50,000	Transit Improvements

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2015	Annual Asphalt Re-Paving Program - MRN	\$915,500	Annual Asphalt MRN
2015	Annual Asphalt Re-Paving Program - Non-MRN	\$2,458,600	Annual Asphalt Non-MRN
2015	Arterial Road Crosswalk Improvement Program	\$60,000	Arterial Road Crosswalk
2015	Asphalt Re-Paving Program - Non-MRN Backlog Management	\$1,000,000	Annual Asphalt Non-MRN
2015	Cycling Network Expansion Program	\$127,660	Cycling Expansion
2015	Enhanced Accessible Traffic Signal and Crosswalk Program	\$74,468	Accessible Traffic Signal & Crosswalk
2015	Miscellaneous Cycling Safety Enhancements	\$50,000	Cycling Enhancements
2015	Miscellaneous Intersection Improvements	\$95,745	Intersection Improvements
2015	Neighbourhood Traffic Safety Program	\$87,500	Neighbourhood Traffic Safety
2015	Neighbourhood Walkways	\$250,000	Neighbourhood Walkways
2015	New Traffic Signal Installation	\$274,000	New Traffic Signals
2015	No. 2 Road Widening - Phase 2 of 4	\$372,340	No. 2 road Widening
2015	Roads Minor Capital	\$300,000	Roads Minor Capital
2015	Sidewalk Expansion / Enhancement Program	\$100,000	Sidewalk
2015	Street Light Security and Wire Theft Prevention	\$133,000	Street Light Security
2015	Traffic Detection Video Systems	\$75,000	Traffic Detection
2015	Transit Related Infrastructure Improvements	\$50,000	Transit Improvements
2016	Annual Asphalt Re-Paving Program - MRN	\$915,500	Annual Asphalt MRN
2016	Annual Asphalt Re-Paving Program - Non-MRN	\$2,458,600	Annual Asphalt Non-MRN
2016	Arterial Road Crosswalk Improvement Program	\$60,000	Arterial Road Crosswalk
2016	Asphalt Re-Paving Program - Non-MRN Backlog Management	\$1,000,000	Annual Asphalt Non-MRN
2016	Cycling Network Expansion Program	\$127,660	Cycling Expansion
2016	Enhanced Accessible Traffic Signal and Crosswalk Program	\$74,468	Accessible Traffic Signal & Crosswalk
2016	Miscellaneous Cycling Safety Enhancements	\$50,000	Cycling Enhancements



Total 2013 - 2016 Recommended Infrastructure Road Program	\$32,116,125
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## Infrastructure Program - Drainage

## 2012 Approved Infrastructure Drainage Program

Year	Project Name	Amount	Category
2012	10000 Block Williams Road (South) Laneway Drainage and Pavement Upgrade + Two Additional Lane Ends	\$429,378	Laneway Drainage & Pavement Upgrade
2012	Canal Stabilization	\$300,000	Canal Stabilization
2012	Drainage Minor Capital	\$300,000	Drainage Minor Capital
2012	East Richmond Drainage and Irrigation Upgrades Program – No 6 Road Ditch Improvement plus Hydraulic Model Update	\$621,000	East Richmond Drainage and Irrigation Upgrades Program
2012	Fully Automate No 3 Road South and Horseshoe Slough Pump Station Irrigation Valves	\$100,000	Irrigation Valve Program
2012	Gilbert South Pump Station Generator	\$100,000	Pump Station Generator
2012	Long Shaft Pump Replacement Program	\$450,000	Long Shaft Pump Replacement Program
2012	McCallan Road North Pump Station MCC Upgrade	\$175,000	Pump Station MCC Upgrade
2012	No 1 Road North Pump Station Upgrade	\$3,450,000	Pump Station Upgrade
2012	No 6 Road North Pump Station Generator	\$120,000	Pump Station Generator
2012	Pump Station Level Control Upgrade – Multiple Stations	\$140,000	Pump Station Level Control Upgrade
2012	Seaton Road Laneway Drainage and Pavement Upgrade	\$631,572	Laneway Drainage & Pavement Upgrade
Total 2012 Approved Drainage Program		\$6,816,950	

## Infrastructure Program - Drainage

## 2013-2016 Recommended Infrastructure Drainage Program

Year	Project Name	Amount	Category
2013	Ainsworth Crescent (West) Laneway Drainage and Pavement Upgrade	\$447,000	Laneway Drainage & Pavement Upgrade
2013	Aintree Crescent (West) Laneway Drainage and Pavement Upgrade	\$467,400	Laneway Drainage & Pavement Upgrade
2013	Bath Slough Pump Station Upgrade	\$3,660,000	Pump Station Upgrade
2013	Drainage Minor Capital	\$300,000	Drainage Minor Capital
2013	East Richmond Drainage and Irrigation Upgrades Program - Cambie Road Ditch Improvement	\$450,000	East Richmond Drainage and Irrigation Upgrades Program
2013	East Richmond Drainage and Irrigation Upgrades Program - No. 6 Road Ditch Improvement	\$215,000	East Richmond Drainage and Irrigation Upgrades Program
2013	Long Shaft Pump Replacement Program	\$450,000	Long Shaft Pump Replacement Program
2013	No 7 Road North Pump Station Generator	\$120,000	Pump Station Generator
2013	No 7 Road South Pump Station Upgrade	\$2,420,000	Pump Station Upgrade
2013	No. 3 Road and No. 8 Road Canal Stabilization	\$300,000	Canal Stabilization
2014	11000 Blk Williams Road Laneway Drainage and Pavement Upgrade	\$230,281	Laneway Drainage & Pavement Upgrade
2014	Dennis Crescent (East) Laneway Drainage and Pavement Upgrade	\$475,380	Laneway Drainage & Pavement Upgrade
2014	Drainage Minor Capital	\$300,000	Drainage Minor Capital
2014	Long Shaft Pump Replacement Program	\$450,000	Long Shaft Pump Replacement Program
2014	McCallan Road North Pump Station Generator	\$105,000	Pump Station Generator
2014	No 2 Road North Pump Station Upgrade	\$3,240,000	Pump Station Upgrade

**Attachment 3**  
**Infrastructure Program - Drainage**

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<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2014	No 8 Road North Pump Station Generator	\$120,000	Pump Station Generator
2014	No. 3 Road and No. 8 Road Canal Stabilization	\$300,000	Canal Stabilization
2014	Shell Road North Pump Station Upgrade	\$2,610,000	Pump Station Upgrade
2015	Drainage Minor Capital	\$300,000	Drainage Minor Capital
2015	Nelson Road South Pump Station Generator	\$120,000	Pump Station Generator
2015	No. 3 Road and No. 8 Road Canal Stabilization	\$300,000	Canal Stabilization
2015	Queens Road North Pump Station Generator	\$120,000	Pump Station Generator
2015	Swinton Cr (West) Laneway Drainage and Pavement Upgrade	\$371,641	Laneway Drainage & Pavement Upgrade
2015	Swinton Crescent (East) Laneway Drainage and Pavement Upgrade	\$349,980	Laneway Drainage & Pavement Upgrade
2016	Dennis Crescent West Laneway Drainage and Pavement Upgrade	\$440,600	Laneway Drainage & Pavement Upgrade
2016	Drainage Minor Capital	\$300,000	Drainage Minor Capital
2016	Miller Road Pump Station Generator Upgrade	\$120,000	Pump Station Generator
2016	No. 3 Road and No. 8 Road Canal Stabilization	\$300,000	Canal Stabilization
2016	No. 3 Road South Drainage Pump Station	\$2,550,000	Pump Station Upgrade
<b>Total 2013 - 2016 Recommended Infrastructure Drainage Program</b>		<b>\$21,932,282</b>	



## Infrastructure Program – Waterworks

## 2012 Approved Infrastructure Water Main Replacement Program

Year	Project Name	Amount	Category
2012	Lulu East Waterworks Area	\$1,635,867	Water Main Replacement: East
2012	Lulu North Waterworks Area	\$3,476,810	Water Main Replacement: North
2012	Lulu West Waterworks Area	\$1,623,247	Water Main Replacement: West
2012	Sea Island Waterworks Area	\$670,832	Water Main Replacement: Sea Island
2012	Residential Water Metering	\$1,600,000	Water Metering
Total 2012 Approved Water Main Replacement Program		\$9,006,756	

## 2013-2016 Recommended Infrastructure Water Main Replacement Program

Year	Project Name	Amount	Category
2013	Lulu Island West Waterworks Area	\$6,800,000	Water Main Replacement: West
2013	Residential Water Metering	\$1,600,000	Water Metering
2013	Minor Capital Waterworks Program	\$300,000	Minor Capital
2014	Lulu Island West Waterworks Area	\$6,915,361	Water Main Replacement: West
2014	Residential Water Metering	\$1,600,000	Water Metering
2014	Minor Capital Waterworks Program	\$300,000	Minor Capital
2015	Lulu Island East Waterworks Area	\$2,559,546	Water Main Replacement: East
2015	Lulu Island North Waterworks Area	\$399,069	Water Main Replacement: North
2015	Lulu Island West Waterworks Area	\$3,896,657	Water Main Replacement: West
2015	Residential Water Metering	\$1,600,000	Water Metering
2015	Minor Capital Waterworks Program	\$300,000	Minor Capital
2016	Lulu North Waterworks Area	\$3,944,820	Water Main Replacement: North
2016	Lulu West Waterworks Area	\$3,066,410	Water Main Replacement: West
2016	Residential Water Metering	\$1,600,000	Water Metering
2016	Minor Capital Waterworks Program	\$300,000	Minor Capital
Total 2013 – 2016 Recommended Infrastructure Water Main Replacement Program		\$35,181,863	

## Infrastructure Program –Sanitary Sewer / Infrastructure Advanced Design

**2012 Approved Infrastructure Sanitary Sewer Program**

<b>Year</b>	<b>Project Name</b>	<b>Program Total</b>	<b>Category</b>
2012	Blundell Force main Replacement (Terra Nova Area)	\$1,427,000	Force main Replacement
2012	Gravity Sanitary Sewer Upgrade on Brown/Leslie Road (Bridgeport Sanitary Sewer Area)	\$1,509,000	Gravity Sewer Replacement/Upgrade
2012	Minoru Pump Station Upgrade	\$2,874,000	Sanitary Pump Station
2012	Pump Station and Force main Assessment and Upgrade	\$750,000	Assessment and Upgrade
2012	Sanitary Sewer Replacement at 6331/6351 Cooney Road (City Centre Area)	\$296,000	Gravity Sewer

**Total 2012 Approved Infrastructure Sanitary Sewer Program**                      **\$ 6,856,000**

**2013 – 2016 Recommended Infrastructure Sanitary Sewer Program**

<b>Year</b>	<b>Project Name</b>	<b>Program Total</b>	<b>Category</b>
2013	City Centre SSA Rehabilitation and Upgrades	\$1,631,250	SSA Rehabilitation and Upgrade
2013	Force Main Valve Installation Program	\$100,000	Force main Valve Installation
2013	Miscellaneous SCADA System Improvements	\$250,000	SCADA System Improvements
2013	Public Works Minor Capital - Sanitary	\$300,000	Minor Capital
2013	Pump Station and Force main Assessment and Upgrade	\$750,000	Assessment and Upgrade
2013	Steveston SSA Rehabilitation and Upgrades	\$1,615,369	SSA Rehabilitation and Upgrade
2014	Force Main Valve Installation Program	\$100,000	Force main Valve Installation
2014	Miscellaneous SCADA System Improvements	\$250,000	SCADA System Improvements
2014	Public Works Minor Capital - Sanitary	\$300,000	Minor Capital
2014	Pump Station and Force main Assessment and Upgrade	\$750,000	Assessment and Upgrade
2015	Bridgeport SSA Rehabilitation and Upgrade	\$1,000,000	SSA Rehabilitation and Upgrade
2015	Force Main Valve Installation Program	\$100,000	Force main Valve Installation
2015	Miscellaneous SCADA System Improvements	\$250,000	SCADA System Improvements

## Infrastructure Program –Sanitary Sewer / Infrastructure Advanced Design

Year	Project Name	Program Total	Category
2015	Public Works Minor Capital - Sanitary	\$300,000	Minor Capital
2015	Pump Station and Force main Assessment and Upgrade	\$750,000	Assessment and Upgrade
2015	Sanitary Sewer Modelling	\$320,000	Sanitary Sewer Modelling
2015	Steveston SSA Rehabilitation and Upgrades	\$263,390	SSA Rehabilitation and Upgrade
2016	Force Main Valve Installation Program	\$100,000	Force main Valve Installation
2016	Gravity Sanitary Sewer Upgrade on River Rd / Beckwith Rd / Charles St	\$2,500,000	Gravity Sewer
2016	Van Horne Pump Station Upgrade	\$2,774,000	Sanitary Pump Station
<b>Total 2013 - 2016 Recommended Infrastructure Sanitary Sewer Program</b>		<b>\$14,404,009</b>	

## 2012 Approved Public Works Infrastructure Advanced Design

Year	Project Name	Amount	Category
2012	PW Infrastructure Advanced Design	\$949,516	Advanced Design
<b>Total 2012 Approved Infrastructure Advanced Design Program</b>		<b>\$949,516</b>	

## 2013 - 2016 Recommended Public Works Infrastructure Advanced Design

Year	Project Name	Amount	Category
2013	PW Infrastructure Advanced Design	\$960,955	Advanced Design
2014	PW Infrastructure Advanced Design	\$905,018	Advanced Design
2015	PW Infrastructure Advanced Design	\$902,159	Advanced Design
2016	PW Infrastructure Advanced Design	\$885,000	Advanced Design
<b>Total 2013 - 2016 Recommended Infrastructure Advanced Design Program</b>		<b>\$3,653,132</b>	

## Infrastructure Program –Minor Capital

**2012 Approved Infrastructure Public Works Minor Capital - Traffic Program**

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2012	Public Works Minor Capital - Traffic	\$250,000	Minor Capital

Total 2012 Approved PW Minor Capital - Traffic Program                      \$250,000

**2013-2016 Recommended Infrastructure Public Works Minor Capital – Traffic Program**

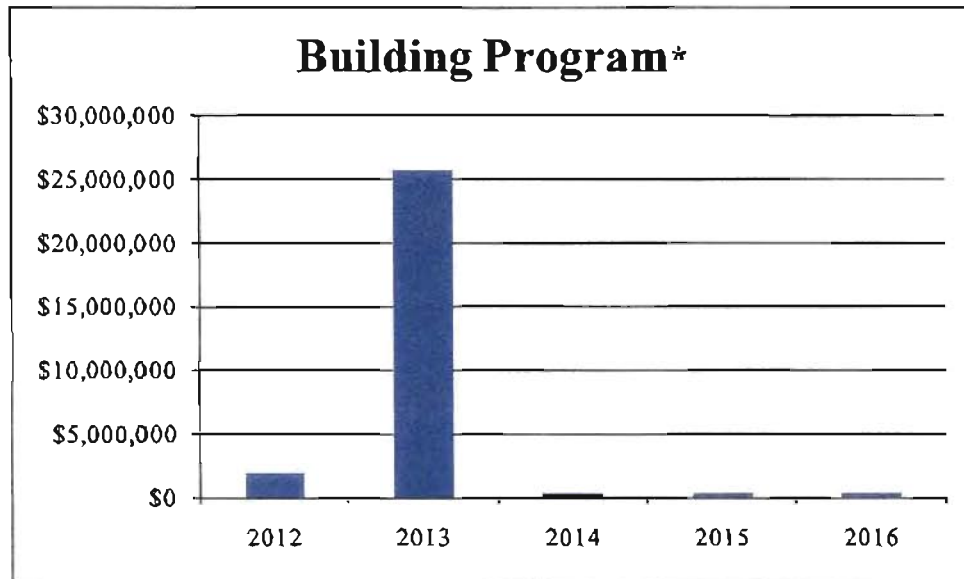
<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2013	Public Works Minor Capital - Traffic	\$250,000	Minor Capital
2014	Public Works Minor Capital - Traffic	\$250,000	Minor Capital
2015	Public Works Minor Capital - Traffic	\$250,000	Minor Capital
2016	Public Works Minor Capital - Traffic	\$250,000	Minor Capital

Total 2013 - 2016 Recommended Public Works Minor Capital – Traffic                      \$1,000,000



## Building Program 2012-2016

The building program includes major building construction and renovation projects as well as minor facility upgrades and repairs. The City's building assets include: arenas, pools, community centres, libraries, heritage buildings, police stations, fire halls and other government facilities.



\*Significant items from the major facilities replacements have been deferred from the current 2012-2016 Capital Budget to allow further discussion and direction by Council. Once the review is completed and further discussions with Council, a report will be presented to Council for approval, and the 5-year capital budget will be amended if necessary.

### 2012 Approved Building Program

Year	Project Name	Amount	Category
2012	Public Safety Building Renovation	\$1,100,000	Public Safety Building
2012	Phoenix Net Loft Safety Repairs	\$250,000	Phoenix Net Loft
2012	Project Development Advanced Design	\$200,000	Advanced Design
2012	City Centre Community Police Office	\$167,000	Police Office
2012	South Arm Pool Piping Repair <sup>1</sup>	\$155,000	South Arm Pool
Total 2012 Approved Building Program		\$1,872,000	

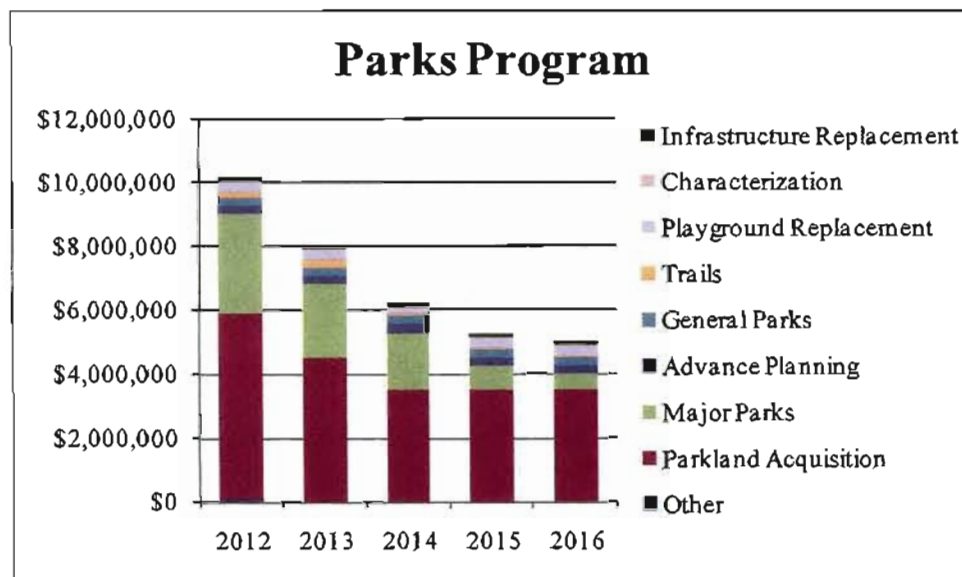
<sup>1</sup>Council approved an increase of \$70,000 funded from the minor capital provision March 26, 2012 for a total project amount of \$155,000.

**2013-2016 Recommended Building Program**

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2013	Fire Hall No. #1	\$18,890,000	Fire Hall No. 1
2013	City Centre Community Centre	\$6,450,000	City Centre Community Centre
2013	Project Development Advanced Design	\$250,000	Advanced Design
2014	Project Development Advanced Design	\$250,000	Advanced Design
2015	Project Development Advanced Design	\$250,000	Advanced Design
2016	Project Development Advanced Design	\$250,000	Advanced Design
<b>Total 2013 - 2016 Recommended Buildings</b>		<b>\$26,340,000</b>	

## Parks Program 2012-2016

Richmond is renowned for its high quality parks and recreation facilities. The City's park system has over 90 parks that total approximately 1,400 acres. Parks are unique places designed and developed for the enjoyment of all city residents as well as visitors to Richmond. These sites usually contain a wide variety of recreational and sports facilities, play equipment and other specialized facilities. In addition to parks, Richmond has a 200-acre recreational trail system.



### 2012 Approved Parks Program

Year	Project Name	Amount	Category
2012	Parkland Acquisition	\$5,803,180	Parkland Acquisition
2012	Terra Nova - Play Environment	\$1,000,000	Major Parks
2012	Oval West Waterfront Park - Phase 1	\$850,000	Major Parks
2012	Garden City Park	\$500,000	Major Parks
2012	West Cambie Greenway	\$300,000	Major Parks
2012	West Cambie Neighbourhood Park	\$300,000	Major Parks
2012	Parks Advance Planning & Design	\$275,000	Major Parks
2012	Parks General Development	\$250,000	General Parks
2012	Trails	\$200,000	Major Parks
2012	Unsafe Playground Replacement Program	\$200,000	Playground Replacement
2012	Blundell Park – Sports Field Upgrade	\$100,000	Major Parks
2012	Characterization - Neighbourhood Parks	\$100,000	Major Parks
2012	Parks Ageing Infrastructure Replacement Program	\$100,000	Infrastructure Replacement

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2012	The Gardens Agricultural Park - Phase 1	\$100,000	Major Parks
2012	Sports Field Equipment	\$54,000	Sports Equipment
<b>Total 2012 Approved Parks Program</b>		<b>\$10,132,180</b>	

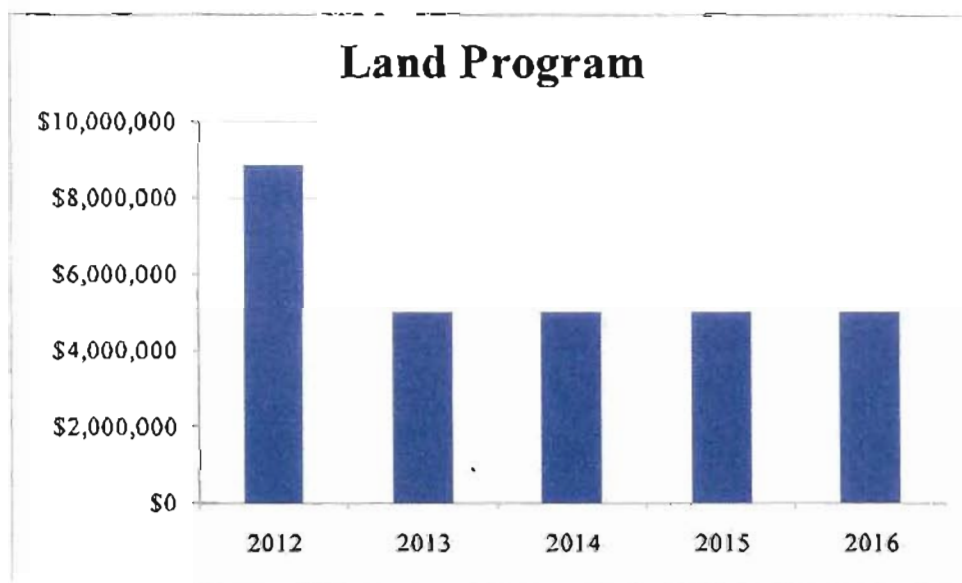
**2013-2016 Recommended Parks Program**

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2013	Parkland Acquisition	\$4,500,000	Parkland Acquisition
2013	The Gardens Agricultural Park - Phase 2	\$1,000,000	Major Parks
2013	Terra Nova Park - Waterfront Development	\$500,000	Major Parks
2013	Minoru Park - Track Resurfacing	\$450,000	Major Parks
2013	Thompson Youth Park Phase 3	\$300,000	Major Parks
2013	Parks Advance Planning & Design	\$250,000	Major Parks
2013	Parks General Development	\$250,000	General Parks
2013	Trails	\$250,000	Major Parks
2013	Unsafe Playground Replacement Program	\$200,000	Playground Replacement
2013	Characterization - Neighbourhood Parks	\$100,000	Major Parks
2013	Parks Ageing Infrastructure Replacement Program	\$100,000	Infrastructure Replacement
2013	West Cambie Neighbourhood Park	\$100,000	Major Parks
2014	Parkland Acquisition	\$3,500,000	Parkland Acquisition
2014	The Gardens Agricultural Park	\$1,500,000	Major Parks
2014	Parks Advance Planning & Design	\$300,000	Major Parks
2014	Parks General Development	\$250,000	General Parks
2014	West Cambie Park	\$250,000	Major Parks
2014	Characterization - Neighbourhood Parks	\$100,000	Major Parks
2014	Parks Ageing Infrastructure Retrofit Program	\$100,000	Infrastructure Replacement
2014	Trails	\$100,000	Major Parks
2014	Unsafe Playground Equipment Replacement	\$100,000	Playground Replacement
2015	Parkland Acquisition	\$3,500,000	Parkland Acquisition
2015	The Gardens Agricultural Park	\$750,000	Major Parks
2015	Parks Advance Planning & Design	\$250,000	Major Parks
2015	Parks General Development	\$250,000	General Parks
2015	Unsafe Playground Equipment Replacement Program	\$200,000	Playground Replacement
2015	Characterization - Neighbourhood Parks	\$100,000	Major Parks
2015	Parks Ageing Infrastructure Upgrade Program	\$100,000	Infrastructure Replacement
2015	Trails	\$100,000	Major Parks

Year	Project Name	Amount	Category
2016	Parkland Acquisition	\$3,500,000	Parkland Acquisition
2016	The Gardens Agricultural Park	\$500,000	Major Parks
2016	Parks Advance Planning & Design	\$250,000	Major Parks
2016	Parks General Development	\$250,000	General Parks
2016	Unsafe Playground Replacement Program	\$200,000	Playground Replacement
2016	Characterization - Neighbourhood Parks	\$100,000	Major Parks
2016	Parks Ageing Infrastructure Replacement Program	\$100,000	Infrastructure Replacement
2016	Trails	\$100,000	Major Parks
<b>Total 2013-2016 Recommended Parks Program</b>		<b>\$24,450,000</b>	

## Land Program 2012-2016

The land acquisition program relates to the acquisition and disposition of real property for the City, as approved by Council, for a variety of Council approved acquisitions.



Year	Project Name	Amount	Category
2012	Strategic Land Acquisition	\$8,850,000	Land Acquisition
2013	Strategic Land Acquisition	\$5,000,000	Land Acquisition
2014	Strategic Land Acquisition	\$5,000,000	Land Acquisition
2015	Strategic Land Acquisition	\$5,000,000	Land Acquisition
2016	Strategic Land Acquisition	\$5,000,000	Land Acquisition

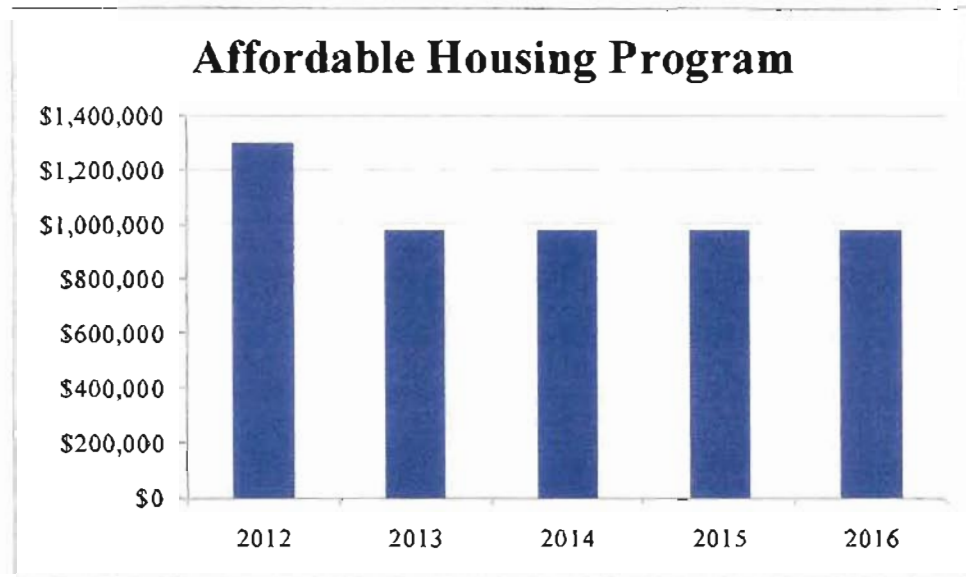
**Total 2012-2016 Recommended Land Program \$28,850,000**

*\*All land acquisitions are brought to Council for approval. These amounts are placeholders only.*



## Affordable Housing Program 2012-2016

Affordable Housing is responsible for coordinating the implementation of the Richmond Affordable Housing Strategy – a Strategy that was adopted in 2007 which contains recommendations, policies, directions, priorities, definitions and annual targets for affordable housing in the city. The City is working with other levels of government, the non-profit sector, the private sector, local groups and the community in pursuit of the Strategy's goals.



### 2012 Approved Affordable Housing Program

Year	Project Name	Amount	Category
2012	Affordable Housing Projects- City Wide	\$750,000	Affordable Housing
2012	Affordable Housing Projects- City Wide Development	\$402,500	Affordable Housing
2012	Affordable Housing Projects- West Cambie	\$150,000	Affordable Housing
Total 2012 Approved Affordable Housing Program		\$1,302,500	

*\*The program is dependent on funding sources that are unknown at this time. Should this funding be available the table will be revised.*

## Affordable Housing Program

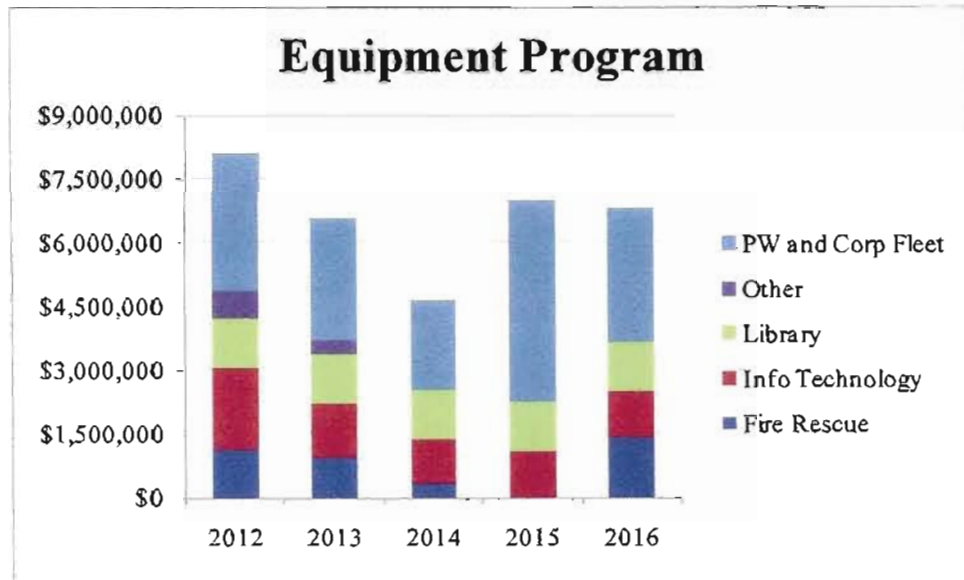
## 2013 – 2016 Recommended Affordable Housing Program

Year	Project Name	Amount	Category
2013	Affordable Housing Projects- City Wide	\$750,000	Affordable Housing
2013	Affordable Housing Projects- West Cambie	\$225,000	Affordable Housing
2014	Affordable Housing Projects- City Wide	\$750,000	Affordable Housing
2014	Affordable Housing Projects- West Cambie	\$225,000	Affordable Housing
2015	Affordable Housing Projects- City Wide	\$750,000	Affordable Housing
2015	Affordable Housing Projects- West Cambie	\$225,000	Affordable Housing
2016	Affordable Housing Projects- City Wide	\$750,000	Affordable Housing
2016	Affordable Housing Projects- West Cambie	\$225,000	Affordable Housing
<b>Total 2013-2016 Recommended Affordable Housing Program</b>		<b>\$3,900,000</b>	



## Equipment Program 2012-2016

The equipment program includes machinery and vehicles for Public Works and Fire Rescue Services, computer hardware, software, library collections, and other miscellaneous equipment.



### 2012 Approved Equipment Program

Year	Project Name	Amount	Category
2012	Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet)	\$2,129,500	PW and Corp Fleet
2012	Library Book Purchases	\$1,160,000	Library
2012	Vehicle/Equipment Reserve Purchases Carry Over from Project 40517 (PW)	\$836,276	PW and Corp Fleet
2012	Fire Vehicle Replacement Reserve Purchases	\$818,000	Fire Rescue
2012	Existing Operational Computer Services Infrastructure Lease Funding	\$528,100	Info Technology
2012	Windows 7 / Office 2007 Infrastructure	\$375,000	Info Technology
2012	Existing Operational Desktop Computer Hardware Funding	\$330,000	Info Technology
2012	PS Electronic Purchase Requisitions	\$300,000	Info Technology
2012	Ice Re-surfacer Replacements <sup>1</sup>	\$288,739	PW and Corp Fleet
2012	Energy Management - Continuous Optimization Implementation	\$247,000	Other
2012	Parking Pay Station - Replacement	\$208,750	Other
2012	Fibre Optic Cabling to City Facilities- Group 2	\$200,000	Info Technology
2012	Existing Operational Application Software Funding	\$200,000	Info Technology

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2012	Fire Training Site	\$200,000	Fire Rescue
2012	Fleet Management Software <sup>2</sup>	\$150,000	Other
2012	Energy Management - RTU Heat Pump Replacement	\$138,000	Other
2012	Fire Equipment Replacement	\$95,142	Fire Rescue
2012	Energy Management - South Arm Community Centre Solar Wall	\$80,000	Other
<b>Total 2012 Approved Equipment Program</b>		<b>\$8,284,507</b>	

<sup>1</sup>The Ice Re-surfacer Replacement project was approved by Council February 27, 2012, after the initial 2012 Capital Budget was approved.

<sup>2</sup>The Fleet Management Software was approved by Council July 12, 2010 for \$225,000 including a portion for Fire Rescue Services. This submission is for the fleet portion of \$150,000.

**2013-2016 Recommended Equipment Program**

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2013	Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet)	\$2,870,800	PW and Corp Fleet
2013	Library Book Purchases	\$1,160,000	Library
2013	Fire Vehicle Replacement Reserve Purchases	\$920,046	Fire Rescue
2013	Existing Operational Computer Services Infrastructure Lease Funding	\$528,100	Info Technology
2013	Existing Operational Desktop Computer Hardware Funding	\$330,000	Info Technology
2013	Parking Pay Station - Replacement	\$328,750	Other
2013	Fibre Optic Cabling to City Facilities- Group 1 and 2	\$320,000	Info Technology
2013	Existing Operational Application Software Funding	\$200,000	Info Technology
2014	Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet)	\$2,125,000	PW and Corp Fleet
2014	Library Book Purchases	\$1,160,000	Library
2014	Existing Operational Computer Services Infrastructure Lease Funding	\$528,100	Info Technology
2014	Existing Operational Desktop Computer Hardware Funding	\$330,000	Info Technology
2014	Fire Equipment Replacement	\$326,500	Fire Rescue
2014	Existing Operational Application Software Funding	\$200,000	Info Technology
2015	Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet)	\$4,745,500	PW and Corp Fleet
2015	Library Book Purchases	\$1,160,000	Library
2015	Existing Operational Computer Services Infrastructure Lease Funding	\$528,100	Info Technology
2015	Existing Operational Desktop Computer Hardware Funding	\$330,000	Info Technology

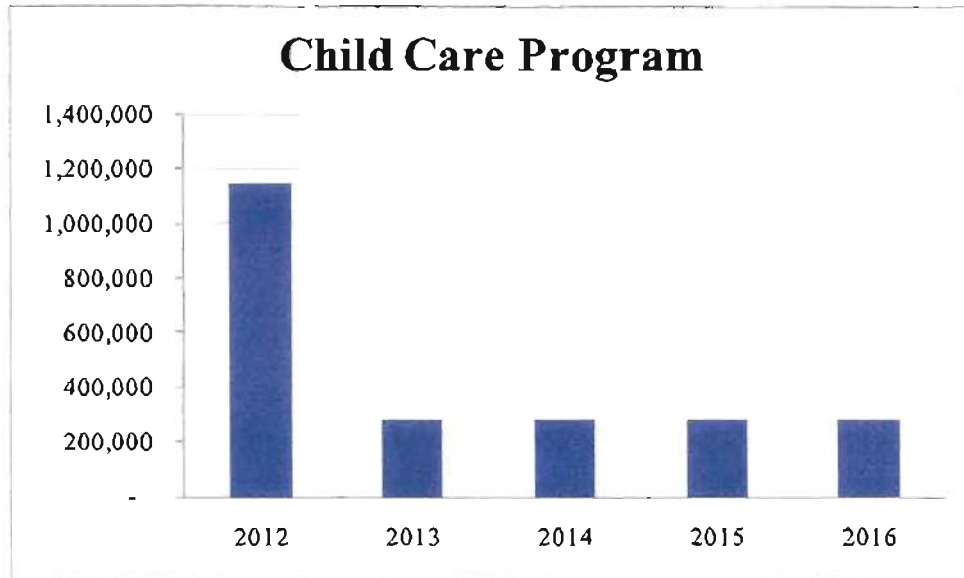
**Attachment 3**  
Equipment Program

- 44 -

<b>Year</b>	<b>Project Name</b>	<b>Amount</b>	<b>Category</b>
2015	Existing Operational Application Software Funding	\$200,000	Info Technology
2015	Fire Equipment Replacement	\$16,396	Fire Rescue
2016	Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet)	\$3,148,976	PW and Corp Fleet
2016	Fire Vehicle Replacement Reserve Purchases	\$1,407,023	Fire Rescue
2016	Library Book Purchases	\$1,160,000	Library
2016	Existing Operational Computer Services Infrastructure Lease Funding	\$528,100	Info Technology
2016	Existing Operational Desktop Computer Hardware Funding	\$330,000	Info Technology
2016	Existing Operational Application Software Funding	\$200,000	Info Technology
2016	Fire Equipment Replacement	\$16,765	Fire Rescue
<b>Total 2013-2016 Recommended Equipment Program</b>		<b>\$25,098,156</b>	

## Child Care Program 2012-2016

To address child care need, the City will plan, partner and, as resources and budgets become available, support a range of quality, affordable child care including facilities and spaces.



### 2012 Approved Child Care Program

Year	Project Name	Amount	Category
2012	West Cambie Child Care Facility	\$700,000	West Cambie
2012	Hamilton Child Care Facility	\$400,000	Hamilton
2012	Child Care Projects - City Wide	\$50,000	City Wide
Total 2012 Approved Child Care Program		\$1,150,000	

### 2013-2016 Recommended Child Care Program

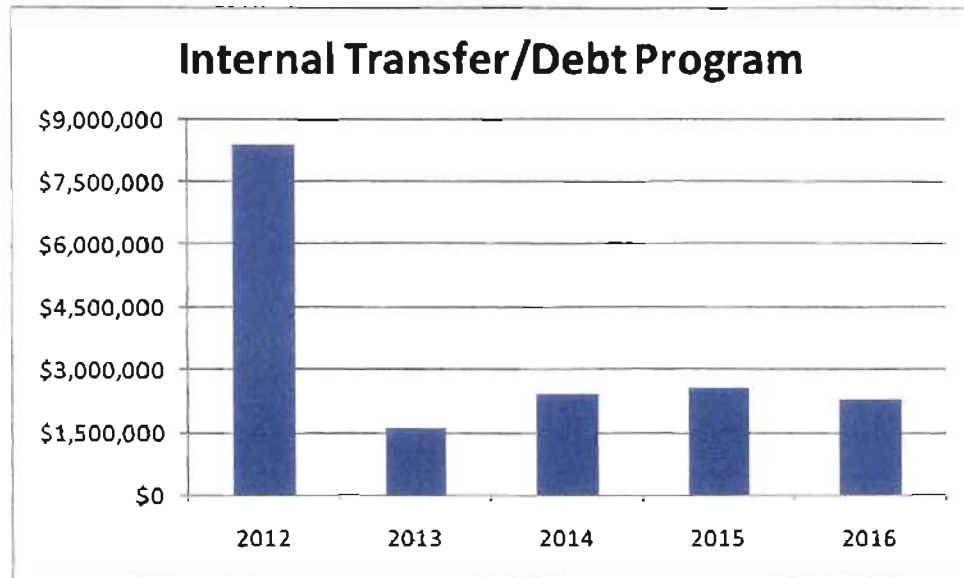
Year	Project Name	Amount	Category
2013	West Cambie Child Care Facility	\$225,000	West Cambie
2013	Child Care Projects - City Wide	\$50,000	City Wide
2014	West Cambie Child Care Facility	\$225,000	West Cambie
2014	Child Care Projects - City Wide	\$50,000	City Wide
2015	West Cambie Child Care Facility	\$225,000	West Cambie
2015	Child Care Projects - City Wide	\$50,000	City Wide
2016	West Cambie Child Care Facility	\$225,000	West Cambie
2016	Child Care Projects - City Wide	\$50,000	City Wide
Total 2013-2016 Child Care Program		\$1,100,000	

### Attachment 3

#### Internal Transfers / Debt Program 2012-2016

## Internal Transfers/Debt Program 2012-2016

The internal transfers/debt program relates to the use of capital funding for items that do not result in tangible capital assets. This includes: the repayment of capital funds borrowed from other internal sources of funding, external debt repayment and transfers to the operating budget for items that do not meet the asset capitalization criteria.



#### 2012 Approved Internal Transfer/Debt Program

Year	Project Name	Amount	Category
2012	Parkland Acquisition	\$4,750,000	Internal Repayment
2012	T1368/1369 - No. 2 Road Bridge	\$2,030,000	Debt Repayment
2012	Parkland Acquisition West Cambie	\$746,258	Internal Repayment
2012	Public Art Program	\$503,398	Non Tangible Capital Asset
2012	River Rd/North Loop Repayment	\$200,000	Internal Repayment
2012	Lansdowne Rd. Repayment	\$77,263	Internal Repayment
2012	Tree Planting Program	\$50,000	Non Tangible Capital Asset
2012	Affordable Housing Operating Reserve	\$30,000	Non Tangible Capital Asset
Total 2012 Approved Internal/Debt Program		\$8,386,919	



### Attachment 3

#### Internal Transfers / Debt Program 2012-2016

#### 2013-2016 Recommended Internal Transfer/Debt Program

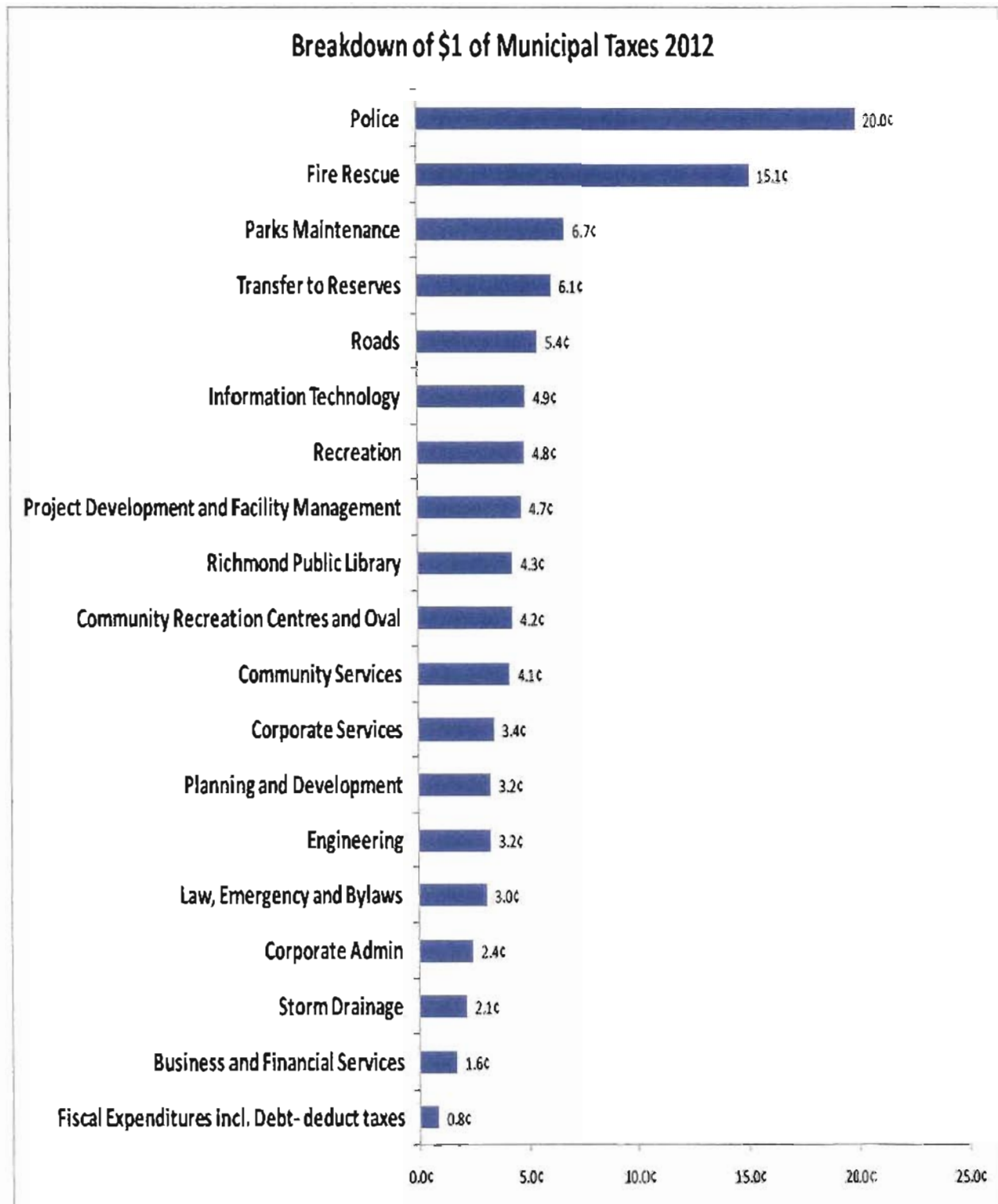
Year	Project Name	Amount	Category
2013	T1368/1369 - No. 2 Road Bridge	\$1,280,000	Debt Repayment
2013	Public Art Program	\$100,000	Non Tangible Capital Asset
2013	River Rd/North Loop Repayment	\$100,000	Internal Repayment
2013	Lansdowne Rd. Repayment	\$77,263	Internal Repayment
2013	Tree Planting Program	\$50,000	Non Tangible Capital Asset
2014	River Rd/North Loop Repayment	\$1,317,000	Internal Repayment
2014	Oval Precinct Public Art Program	\$500,000	Non Tangible Capital Asset
2014	Nelson Rd Interchange Repayment	\$385,098	Internal Repayment
2014	Public Art Program	\$100,000	Non Tangible Capital Asset
2014	Lansdowne Rd. Repayment	\$77,263	Internal Repayment
2014	Tree Planting Program	\$50,000	Non Tangible Capital Asset
2015	River Rd/North Loop Repayment	\$1,685,056	Internal Repayment
2015	Nelson Rd Interchange Repayment	\$385,098	Internal Repayment
2015	Oval Precinct Public Art Program	\$278,000	Non Tangible Capital Asset
2015	Public Art Program	\$100,000	Non Tangible Capital Asset
2015	Lansdowne Rd. Repayment	\$77,263	Internal Repayment
2015	Tree Planting Program	\$50,000	Non Tangible Capital Asset
2016	River Rd/North Loop Repayment	\$1,685,056	Internal Repayment
2016	Nelson Rd Interchange Repayment	\$385,098	Internal Repayment
2016	Public Art Program	\$100,000	Non Tangible Capital Asset
2016	Lansdowne Rd. Repayment	\$77,263	Internal Repayment
2016	Tree Planting Program	\$50,000	Non Tangible Capital Asset
<b>Total 2013-2016 Internal Transfer/Debt Program</b>		<b>\$8,909,458</b>	

**Attachment 4**  
**5 Year Capital Funding Sources**

**CITY OF RICHMOND**  
**5 YEAR CAPITAL FUNDING SOURCES**  
**(2012 – 2016)**  
**(In \$000's)**

	2012	2013	2014	2015	2016
<b><u>DCC Reserves</u></b>					
Drainage	97	2,680	2,228	0	0
Parks Acquisition	10,972	4,232	3,292	3,292	3,292
Parks Development	3,174	2,492	2,398	1,411	1,176
Roads	4,554	5,152	3,954	3,340	3,275
Sanitary Sewer	2,569	1,126	0	12	1,336
Water	0	0	0	0	0
<b>Total DCC Reserves</b>	<b>\$21,366</b>	<b>\$15,682</b>	<b>\$11,872</b>	<b>\$8,055</b>	<b>\$9,079</b>
<b><u>Reserves and Other Sources</u></b>					
<b><u>Statutory Reserves</u></b>					
Affordable Housing Reserve Fund	1,333	975	975	975	975
Capital Building and Infrastructure Reserve Fund	254	7,300	0	0	0
Capital Reserve Fund	12,798	22,675	8,762	8,541	8,085
Child Care Development Reserve Fund	1,150	275	275	275	275
Drainage Improvement Reserve Fund	5,347	6,019	5,590	1,441	3,748
Equipment Replacement Reserve Fund	3,528	2,607	2,177	3,342	4,272
Leisure Facilities Reserve Fund	0	0	0	0	0
Local Improvements Reserve Fund	0	0	0	0	0
Neighbourhood Improvement Reserve Fund	428	0	17	0	0
Public Art Program Reserve Fund	503	100	100	100	100
Sanitary Sewer Reserve Fund	4,487	3,621	1,500	3,172	4,238
Watermain Replacement Reserve Fund	7,807	13,600	9,215	9,155	9,311
<b>Total Reserves</b>	<b>\$37,635</b>	<b>\$57,172</b>	<b>\$28,611</b>	<b>\$27,001</b>	<b>\$31,004</b>
<b><u>Other Sources</u></b>					
Appropriated Surplus	5,694	4,432	4,432	4,432	4,432
Enterprise	465	0	0	0	0
Utility Levy	640	1,184	275	1,420	301
Library Provision	1,160	1,160	1,160	1,160	1,160
Water Metering Provision	1,600	0	0	0	0
Grant, Developer and Comm. Contributions	4,584	3,779	114	114	114
<b>Total Other Sources</b>	<b>\$14,143</b>	<b>\$10,555</b>	<b>\$5,981</b>	<b>\$7,126</b>	<b>\$6,007</b>
<b>TOTAL CAPITAL FUNDING</b>	<b>\$73,144</b>	<b>\$83,409</b>	<b>\$46,464</b>	<b>\$42,182</b>	<b>\$46,090</b>





Adopted by Council: September 22<sup>nd</sup>, 2003

Policy 3707

File Ref: 0970-03-01

**Long Term Financial Management Strategy****Policy 3707:****It is Council Policy that:****1. Tax Revenue**

Tax increases will be at Vancouver's CPI rate (to maintain current programs and maintain existing infrastructure at the same level of service) plus 1.0 % towards infrastructure replacement needs.

**2. Gaming Revenue**

Gaming revenues will go directly to the capital reserves, the grants program and a community legacy project reserve.

**3. Alternative Revenues & Economic Development**

Any increases in alternative revenues and economic development beyond all the financial strategy targets can be utilized for increased levels of service or to reduce the tax rate.

**4. Changes to Senior Government Service Delivery**

Any additional costs imposed on the City as a result of mandatory senior government policy changes should be identified and added to that particular year's taxes above and beyond the CPI and infrastructure percentage contribution.

**5. Capital Plan**

Ensure that long term capital funding for infrastructure (e.g. parks, trails, facilities, roads etc.) is in place in order to maintain community liveability and generate economic development.

**6. Cost Containment**

Staff increases should be achieved administratively through existing departmental budgets, and no pre-approvals for additional programs or staff beyond existing budgets should be given, and that a continuous review be undertaken of the relevancy of the existing operating and capital costs to ensure that the services, programs and projects delivered continue to be the most effective means of achieving the desired outcomes of the City's vision.

Adopted by Council: September 22<sup>nd</sup>, 2003

Policy 3707

File Ref: 0970-03-01

**Long Term Financial Management Strategy****7. Efficiencies & Service Level Reductions**

Savings due to efficiencies or service level reductions identified in the strategy targets should be transferred to the capital reserves. Any savings due to efficiencies beyond the overall strategy targets can be utilized to reduce the tax rate or for increased levels of service.

**8. Land Management**

Sufficient proceeds from the sales of City land assets will be used to replenish or re-finance the City's land inventory. Any funds in excess of such proceeds may be used as directed by Council.

**9. Administrative**

As part of the annual budget process the following shall be undertaken:

- all user fees will be automatically increased by CPI;
- the financial model will be used and updated with current information, and
- the budget will be presented in a manner that will highlight the financial strategy targets and indicate how the budget meets or exceed them.

**10. Debt Management**

Utilize a "pay as you go" approach rather than borrowing for financing infrastructure replacement.



**5 Year Financial Plan (2012-2016) Bylaw 8867**

The Council of the City of Richmond enacts as follows:

1. Schedule "A", Schedule "B" and Schedule "C" which are attached and form a part of this bylaw, are adopted as the 5 Year Financial Plan (2012-2016).
2. 5 Year Financial Plan (2011 – 2015) Bylaw 8707 and all associated amendments are repealed.
3. This Bylaw is cited as "**5 Year Financial Plan (2012 - 2016) Bylaw 8867**".



FIRST READING

SECOND READING

THIRD READING

ADOPTED

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\_\_\_\_\_  
\_\_\_\_\_

CITY OF RICHMOND
APPROVED for content by originating dept. 
APPROVED for legality by Solicitor 

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

**CITY OF RICHMOND**  
**5 YEAR FINANCIAL PLAN (2012 - 2016)**  
**(IN \$000'S)**

	2012	2013	2014	2015	2016
<b>Revenues</b>					
Property Taxes	168,204	175,106	182,909	190,245	197,767
Transfer from Capital Equity	44,387	45,163	46,648	46,613	46,736
Utilities	88,085	93,212	96,080	98,971	101,585
Transfer from Capital Equity	7,051	7,208	7,313	7,406	7,538
Fees and Charges	26,329	26,611	26,900	27,193	27,493
Investment Income	16,184	16,265	16,346	16,428	16,510
Grant-in-lieu	13,199	13,331	13,465	13,599	13,735
Gaming Revenue	11,148	11,168	11,196	11,229	11,263
Grants	4,112	4,174	4,237	4,300	4,365
Penalties and Interest on Taxes	990	1,000	1,010	1,020	1,030
Miscellaneous Fiscal Earnings	24,342	24,367	24,392	24,419	24,443
<b>Capital Plan</b>					
Transfer from DCC Reserve	21,366	15,682	11,872	8,055	9,079
Transfer from Other Funds and Reserves	47,194	63,948	34,478	34,013	36,897
External Contributions	4,584	3,779	114	114	114
Carryforward Prior Years	107,019	54,049	41,238	26,311	20,548
<b>TOTAL REVENUES</b>	<b>\$ 584,194</b>	<b>\$ 555,063</b>	<b>\$ 518,198</b>	<b>\$ 509,916</b>	<b>\$ 519,103</b>
<b>Expenditures</b>					
Utilities	95,136	100,420	103,393	106,377	109,123
Law and Community Safety	82,449	84,192	87,493	89,896	92,272
Engineering and Public Works	54,106	55,698	57,443	58,618	59,914
Parks and Recreation	39,485	40,695	42,564	43,344	43,860
Community Services	21,361	21,732	21,821	22,137	22,600
Corporate Services	17,532	17,795	17,856	17,778	18,050
Project Dev and Facility Maintenance	11,714	11,950	12,099	12,319	12,545
Planning and Development Services	12,470	12,798	13,133	13,465	13,727
Business and Financial Services	7,275	7,410	7,549	7,690	7,833
Corporate Administration	4,464	4,548	4,634	4,722	4,812
Fiscal	22,805	24,090	25,301	28,690	29,440
Transfer to Funds: Statutory Reserves	31,124	32,807	34,596	36,387	38,289
<b>Municipal Debt</b>					
Debt Interest	2,999	2,359	1,503	-	-
Debt Principal	1,111	1,111	1,111	-	-
<b>Capital Plan</b>					
Current Year Capital Expenditures	73,144	83,409	46,464	42,182	46,090
Carryforward Prior Years	107,019	54,049	41,238	26,311	20,548
<b>TOTAL EXPENDITURES</b>	<b>\$ 584,194</b>	<b>\$ 555,063</b>	<b>\$ 518,198</b>	<b>\$ 509,916</b>	<b>\$ 519,103</b>
<b>Proposed Property Tax Increase</b>	<b>2.98%</b>	<b>2.90%</b>	<b>3.26%</b>	<b>2.86%</b>	<b>2.80%</b>

**CITY OF RICHMOND**  
**5 YEAR FINANCIAL PLAN FUNDING SOURCES**  
**(2012 - 2016)**  
**(In 000's)**

	2012	2013	2014	2015	2016
<b><u>DCC Reserves</u></b>					
Drainage	97	2,680	2,228	0	0
Parks Acquisition	10,972	4,232	3,292	3,292	3,292
Parks Development	3,174	2,492	2,398	1,411	1,176
Roads	4,554	5,152	3,954	3,340	3,275
Sanitary Sewer	2,569	1,126	0	12	1,336
Water	0	0	0	0	0
<b>Total DCC Reserves</b>	<b>\$21,366</b>	<b>\$15,682</b>	<b>\$11,872</b>	<b>\$8,055</b>	<b>\$9,079</b>
<b><u>Reserves and Other Sources</u></b>					
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Affordable Housing Reserve Fund	1,333	975	975	975	975
Capital Building and Infrastructure Reserve Fund	254	7,300	0	0	0
Capital Reserve Fund	12,798	22,675	8,762	8,541	8,085
Child Care Development Reserve Fund	1,150	275	275	275	275
Drainage Improvement Reserve Fund	5,347	6,019	5,590	1,441	3,748
Equipment Replacement Reserve Fund	3,528	2,607	2,177	3,342	4,272
Leisure Facilities Reserve Fund	0	0	0	0	0
Local Improvements Reserve Fund	0	0	0	0	0
Neighbourhood Improvement Reserve Fund	428	0	17	0	0
Public Art Program Reserve Fund	503	100	100	100	100
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Watermain Replacement Reserve Fund	7,807	13,600	9,215	9,155	9,311
<b>Total Reserves</b>	<b>\$37,635</b>	<b>\$57,172</b>	<b>\$28,611</b>	<b>\$27,001</b>	<b>\$31,004</b>
<b><u>Other Sources</u></b>					
Appropriated Surplus	5,694	4,432	4,432	4,432	4,432
Enterprise	465	0	0	0	0
Utility Levy	640	1,184	275	1,420	301
Library Provision	1,160	1,160	1,160	1,160	1,160
Water Metering Provision	1,600	0	0	0	0
Grant, Developer and Comm. Contributions	4,584	3,779	114	114	114
<b>Total Other Sources</b>	<b>\$14,143</b>	<b>\$10,555</b>	<b>\$5,981</b>	<b>\$7,126</b>	<b>\$6,007</b>
<b>TOTAL CAPITAL FUNDING</b>	<b>\$73,174</b>	<b>\$83,409</b>	<b>\$46,464</b>	<b>\$42,182</b>	<b>\$46,090</b>

**City of Richmond  
2012-2016 Financial Plan  
Statement of Policies and Objectives**

**Revenue Proportions By Funding Source**

Property taxes are the largest portion of revenue for any municipality. Taxes provide a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. These include services such as community safety, general government, libraries and park maintenance.

**Objective:**

- Maintain revenue proportion from property taxes at current level or lower

**Policies:**

- Annually, review and increase user fee levels by consumer price index (CPI).
- Any increase in alternative revenues and economic development beyond all financial strategy targets can be utilized for increased levels of service or to reduce tax rate.

Table 1:

<b>Revenue Source</b>	<b>% of Total Revenue*</b>
Property Taxes	64.1%
User Fees & Charges	10.0%
Investment Income	6.1%
Grants in Lieu of Taxes	5.0%
Gaming Revenue	4.2%
Grants	1.5%
Other Sources	9.1%
<b>Total</b>	<b>100.0%</b>

*\*Total Revenue consists of general revenues*

Table 1 shows the proportion of total general revenue proposed to be raised from each funding source in 2012.



### **Distribution of Property Taxes**

Table 2 provides the estimated 2012 distribution of property tax revenue among the property classes.

#### **Objective:**

- Maintain the City's business to residential tax ratio in the middle in comparison to other municipalities. This will ensure that the City will remain competitive with other municipalities in attracting and retaining businesses.

#### **Policies:**

- Regularly review and compare the City's tax ratio between residential property owners and business property owners relative to other municipalities in Metro Vancouver.
- Continue economic development initiatives to attract businesses to the City of Richmond.

Table 2: (based on the 2012 Preliminary Roll figures)

<b>Property Class</b>	<b>% of Tax Burden</b>
Residential (1)	52.1%
Business (6)	38.4%
Light Industry (5)	7.8%
Others (2,4,8 & 9)	1.7%
Total	100.0%

### **Permissive Tax Exemptions**

#### **Objective:**

- Council passes the annual permissive exemption bylaw to exempt certain properties from property tax in accordance with guidelines set out by Council Policy and the Community Charter. There is no legal obligation to grant exemptions.
- Permissive exemptions are evaluated with consideration to minimizing the tax burden to be shifted to the general taxpayer.

#### **Policy:**

- Exemptions are reviewed on an annual basis and are granted to those organizations meeting the requirements as set out under Council Policy 3561 and Sections 220 and 224 of the Community Charter.