



To: Finance and Audit Committee **Date:** May 1, 2026
From: Jerry Chong **File:** 03-0970-09-01/2025-
General Manager, Finance and Corporate Vol 01
Services
Re: **Financial Information - 1st Quarter March 31, 2026**

Staff Recommendation

That the report titled Financial Information – 1st Quarter March 31, 2026, from the General Manager, Finance and Corporate Services, dated May 1, 2026, be received for information.

Executive Summary

The report provides an update on the economic environment and key indicators, noting continued uncertainty arising from global growth pressures, inflation, and geopolitical and trade-related risks and indicates Richmond’s economy remains relatively resilient. Development and housing activity is currently trending down.

The City’s year-to-date operating results are favourable compared to the approved 2026 Financial Plan. Net operating activity has a favourable variance of \$4.6 million, or 8.4% and Utilities also reported a favourable variance of \$1.4 million, or 5.1%. These variances are primarily attributable to staffing vacancies, timing differences in expenditures, and lower-than-budgeted policing contract costs.

The City’s cash and investment position remains strong, totalling \$1.75 billion, with an overall quarterly yield of 3.77%. All investment activity was conducted in compliance with Investment Policy 3703, and the City’s fixed income portfolio maintained an independent ESG rating of “AA.” Gaming revenue totalled \$2.6 million, representing 24.8% of the annual budget. In addition, 35 contracts greater than \$75,000 were awarded during the first quarter, totalling over \$25.9 million.

Staff Report

Origin

Pre-audited financial information for the first quarter (ended March 31, 2026) is being provided to the Finance and Audit Committee for review. The report provides details on the economic environment, financial results and other key indicator information. The financial information provides Council with an overview of the City of Richmond's (the City's) financial results throughout the year and before the annual audited financial statements are presented.

This report supports Council's Strategic Plan 2022-2026 Focus Area #4 Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

Economic Overview

Global economic conditions have become more uncertain in early 2026, with growth expectations changing amid ongoing geopolitical tensions, trade disruptions, and shifting policy priorities. War-related disruptions and energy market volatility are having strong impacts, and ongoing conflicts are contributing to instability in global supply chains. Fluctuations in oil prices linked to geopolitical instability are also increasing inflation and raising transport and production costs.

The International Monetary Fund (IMF) now projects global growth at 3.1% in 2026 and 3.2% in 2027, below the recent pace of around 3.4% in 2025. Global inflation is projected to rise to 4.4% in 2026 before easing to 3.7% in 2027, reflecting upward revisions in both years.¹

Canada's economic outlook remains stable but subdued, with low growth expected to continue in the near term before slightly improving in 2027. External risks remain present, especially from higher oil prices, which are expected to increase overall inflation, though the broader based, systemic inflation seen a few years ago is not anticipated.²

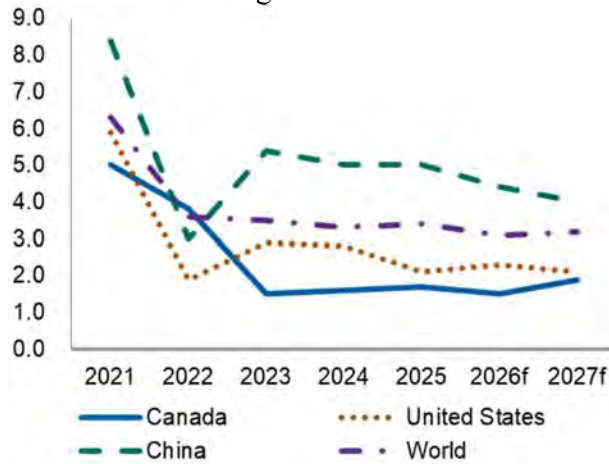
Richmond's economy remains relatively resilient, supported by its diverse economic base and strategic location. Local businesses continue to face challenges, including trade-related uncertainty, elevated input prices, and labour availability constraints. Office vacancy rates have shown gradual improvement and continue to remain below the regional average. Industrial market conditions remain tight despite slight increases in vacancy rates, and demand for industrial space continues to be strong.

¹ International Monetary Fund, World Economic Outlook, April 2026.

² RBC Monthly Forecast Update, April 2026.

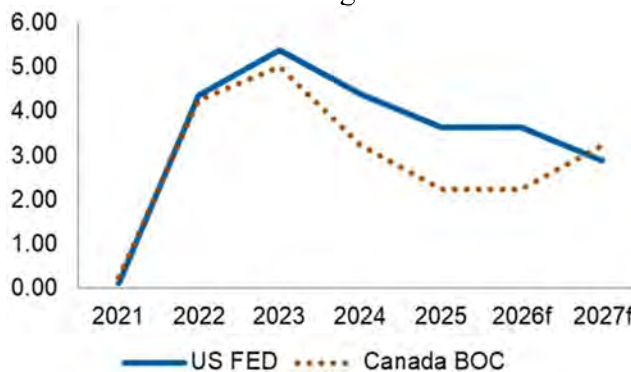
Macroeconomic Indicators & Forecast

1) Global Growth – Real GDP % Change¹



- The IMF projects global Gross Domestic Product (GDP) to decrease from the 2025 rate of 3.4% to 3.1% in 2026, before increasing to 3.2% in 2027.
- In 2026, Canadian GDP is forecasted to be 1.5%, with U.S. and China GDP growth forecasts of 2.3% and 4.4%, respectively.
- 2025 growth was slightly higher than previously anticipated, both in Canada and globally. Slightly lower growth is expected in 2026 as compared to 2025, with the exception of the U.S.

2) Interest Rates – U.S. and Canadian Overnight Central Bank Rate % at Year-End²



- At the end of Q1 2026, the Bank of Canada (BOC) maintained its overnight lending rate at 2.25%, unchanged from the end of 2025.
- The U.S. Federal Reserve similarly maintained its policy rate at 3.50%-3.75% through Q1 2026, in line with its Q4 2025 level.
- Policymakers are expected to monitor inflation expectations amid elevated oil prices, with both the BOC and the U.S. Federal Reserve currently expected to hold interest rates through year-end.

¹ International Monetary Fund, World Economic Outlook, April 2026.

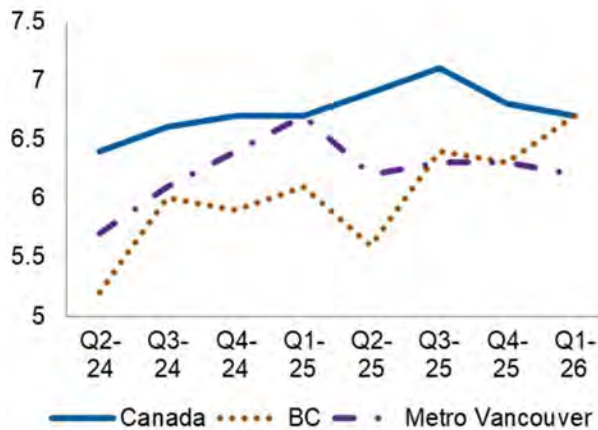
² RBC Monthly Forecast Update, April 2026.

3) Exchanges Rates – CAD/USD at Year-End²



- The Canadian dollar is expected to strengthen against the USD, with the year-over-year outlook at \$1.34 CAD/ \$1 USD in 2026 and at \$1.30 CAD/ \$1 USD in 2027.
- Higher oil prices are usually expected to strengthen the Canadian dollar, though uncertainty remains, with continual fluctuations anticipated.

4) Unemployment³

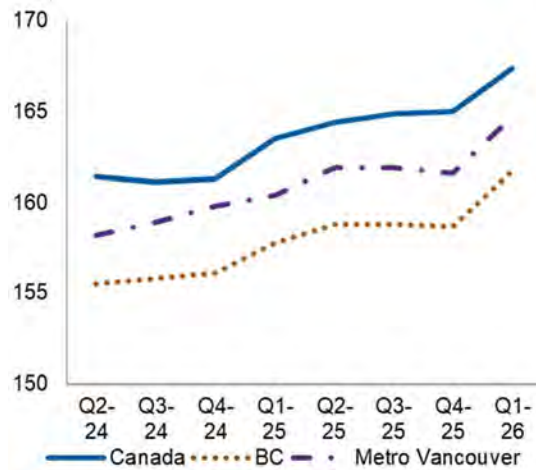


- At the end of Q1 2026, the Canadian, BC, and Metro Vancouver unemployment rates were 6.7%, 6.7%, and 6.2%, respectively.
- While the March unemployment rate in British Columbia matched the national average, it was the highest level for the province since February 2016, aside from the pandemic years of 2020 and 2021.
- At the provincial level, employment declines were driven by service-producing industries, including wholesale and retail trade, due to economic uncertainty and lower consumer spending.

² RBC Monthly Forecast Update, April 2026.

³ Statistics Canada Labour Force Survey (March 2026); Government of Canada Job Bank (March 2026).

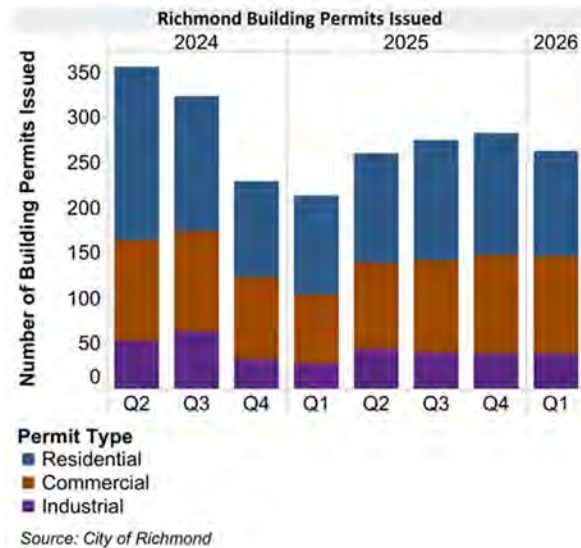
5) Consumer Price Index (CPI – 2002=100)⁴



- The Consumer Price Index (CPI) for Canada, BC and Metro Vancouver increased by 2.4%, 2.5% and 2.7% respectively year-over-year in March 2026, indicating continued though moderate inflationary pressures.
- Rising energy costs, particularly gasoline, which saw sharp month-over-month price increases, were the primary contributor to the acceleration in CPI, reflecting supply disruptions linked to the Middle East conflict.

Regional & Local Economic Activity Indicators

6) Building Permits – Richmond⁵



- During the first quarter of 2026, there were 117 residential, 107 commercial, and 39 industrial building permits issued in Richmond.

⁴ Statistics Canada, Consumer Price Index; also Consumer Price Index (March 2026).

⁵ City of Richmond Building Permits

- This represents a 22.9% increase in total building permits issued over the same period in 2025, with the highest increase in commercial building permits at 40.8% as compared to industrial at 39.3% and residential at 6.4%.
- 45 new units were authorized by permit in Q1 2026, which represents a 76.8% decrease relative to the same period in 2025. Although substantial fluctuations between quarters of sequential years can be expected, the overall trend suggests lower residential development year over year.

7) Construction Value⁵



- Approximately \$86.1 million in construction value was registered in Q1 2026, a decrease of 32.5% from the same period last year.
- Although substantial quarter-over-quarter fluctuations in construction value can be expected, the overall trend indicates lower construction value year over year.

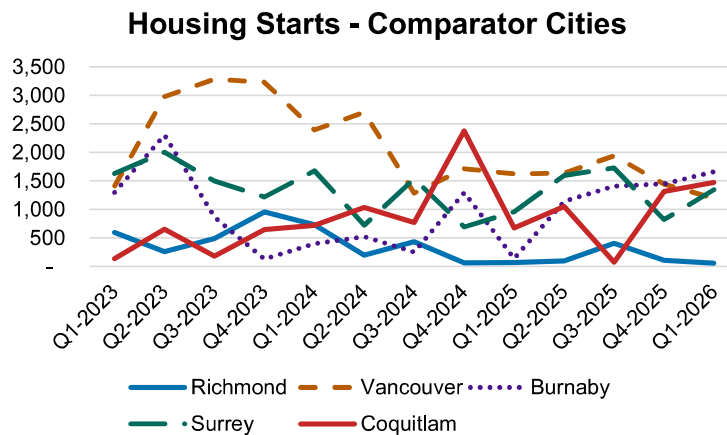
8) Housing Starts⁶



⁵ City of Richmond Building Permits

⁶ Canada Mortgage and Housing Corporation; CMHC Housing Market Outlook 2026.

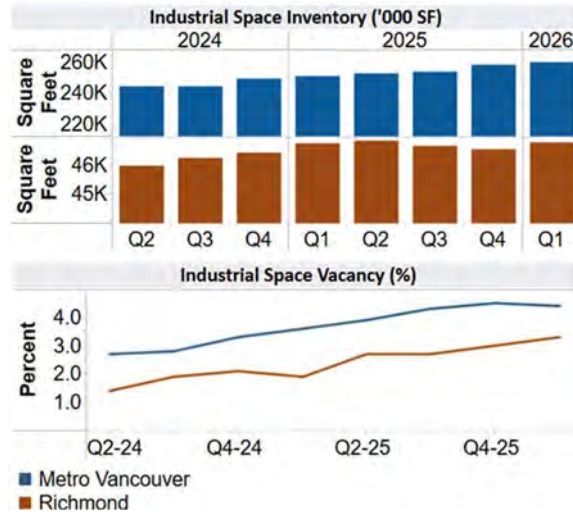
- In Q1 2026, there were 60 housing starts in Richmond and 6,706 in Metro Vancouver, as measured by the Canada Mortgage and Housing Corporation (CMHC) and based on verification that construction work has commenced.⁷
- Year-to-date housing starts decreased by 13.0% in Richmond and increased by 38.7% in Metro Vancouver, compared to the same period in 2025. While quarter-to-quarter comparisons across sequential years can show significant volatility, the broader trend suggests that housing starts are declining on a year-over-year basis.
- Although the economic factors for residential development affect communities throughout the region, Richmond is particularly impacted by the high concrete construction costs due to its geology, high development property costs, and the inability to build beyond 15 stories in accordance with airport and Transport Canada regulations. The height limitation, not affecting other communities, makes it challenging for developers to spread costs across enough units to support project viability.
- CMHC forecasts indicate that housing starts in Metro Vancouver and British Columbia are expected to remain below historical averages over the 2026–2028 period, reflecting elevated construction costs, softer demand, and higher inventories of unsold units, particularly in the condominium segment.



- The Metro Vancouver housing starts statistics are broken down further including select comparator cities in the chart above.

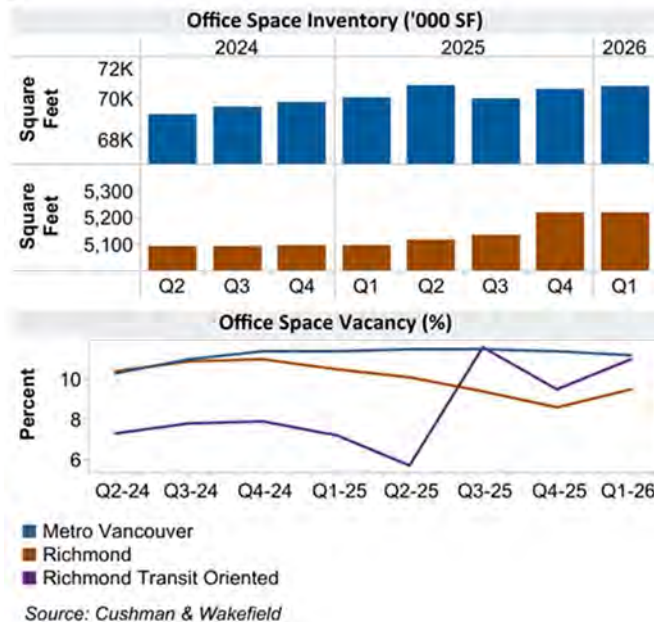
⁷ Housing Start is defined as the beginning of construction work on a building, generally when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

9) Commercial Space⁸
 a) Industrial Space



- Metro Vancouver’s industrial vacancy rate was 4.4% for Q1 2026, up 22.2% from the same period last year. After increasing for 12 consecutive quarters, vacancy rates declined slightly from Q4 2025, suggesting the regional market is beginning to rebalance.
- Demand remains stronger for premium Class A space and larger industrial properties.
- In Richmond, the industrial vacancy rate remains lower than Metro Vancouver at 3.3% in Q1 2026.
- Richmond continues to have the largest inventory of industrial built space in Metro Vancouver at 46.8M sq ft.

b) Office Space

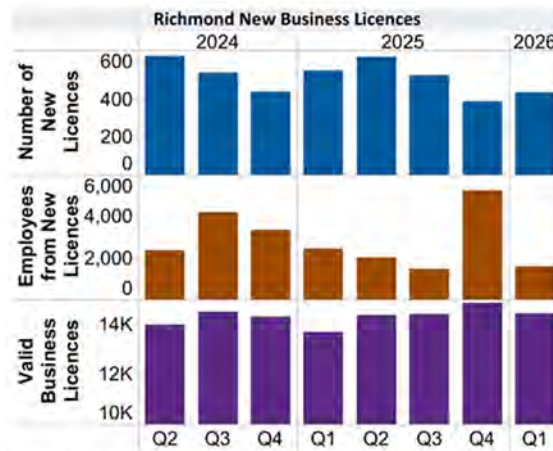


⁸ Cushman & Wakefield Office and Industrial Market Beat Reports (Q1 2026).

- At the end of Q1 2026, Metro Vancouver's office vacancy rate was 11.2%, reflecting continued stability, with no new major construction deliveries expected in the near-term.
- In Richmond, the Q1 office vacancy rate was 9.5%, down from 10.5% in Q1 2025. Transit-oriented vacancy increased to 11.0%, up from 9.5% in Q4 2025. On-SkyTrain vacancy continues to be driven in part by recent new office developments which still include some available space.
- Average asking rents in Richmond continue to be the lowest in the Metro Vancouver region.

10) Business Growth – Richmond⁹

a) New Business Licences – Number and Employees

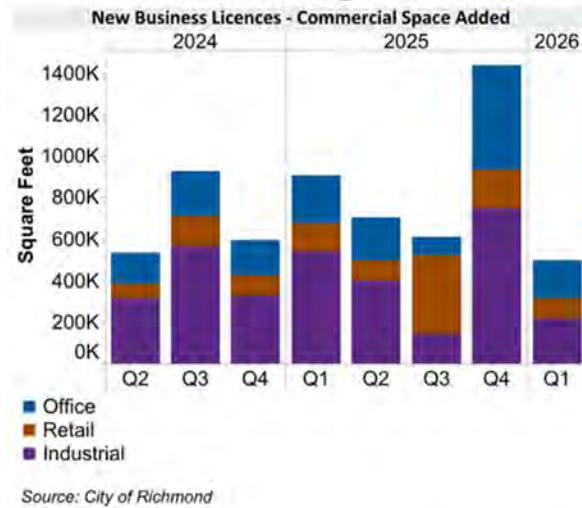


Source: City of Richmond

- Business licence activity moderated in Q1 2026, with 437 new business licences issued, representing 1,606 jobs. This reflects a 21.4% decrease in new licences and a 35.0% decrease in associated jobs compared with the same period last year.
- Richmond continues to maintain a large business base, with 14,451 total valid business licences at the end of Q1. Changes in total valid licences are expected over the course of the year as businesses renew annually and update their licence information as needed.

⁹ City of Richmond Business Licencing data.

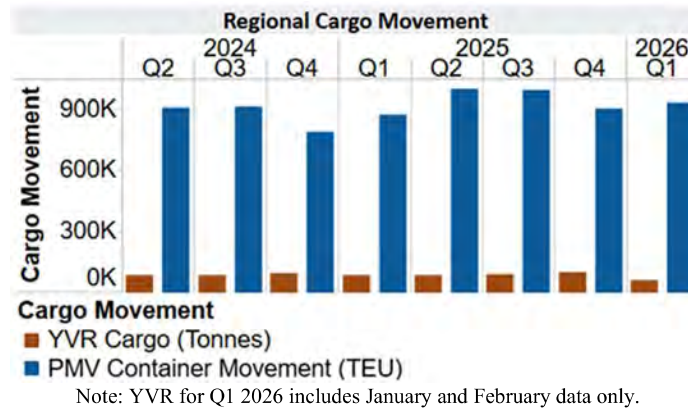
b) New Business Licences – Commercial Space



- Commercial space absorption associated with new business activity totalled 497,005 square feet in Q1 2026, a 45.2% decrease compared with the same period last year.
- Industrial space accounted for the largest share at 220,365 square feet, followed by office at 179,855 square feet and retail at 96,785 square feet.
- As with business licensing activity, commercial space absorption can fluctuate from quarter to quarter depending on the scale and space needs of businesses opening or expanding during the period.

11) Goods and People Movement

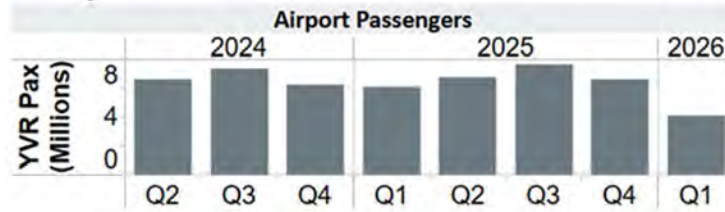
a) Regional Cargo Movement¹⁰



- In Q1 2026, cargo volumes handled by the Port of Vancouver, as measured by Twenty Foot Equivalents (TEUs), increased by 6.6% to 935,077 TEUs, as compared to the same period last year at 877,587 TEUs.
- In the first two months of 2026, 58,788 tonnes of air cargo passed through Vancouver International Airport, representing a 7.4% increase from 54,712 tonnes during the same period in 2025.

¹⁰ Port of Vancouver Monthly Cargo Statistics; YVR Monthly Statistics.

b) Airport Passengers¹¹



Note: YVR for Q1 2026 includes January and February data only.

- Passenger traffic through Vancouver International Airport remained strong, increasing 4.1% in the first two months of 2026 to 4.1 million travellers, compared to 3.9 million during the same period in the previous year.
- Similar to their global peers, Canadian airlines are responding to higher jet fuel costs driven by global supply disruptions and geopolitical instability by raising fares and adding fuel surcharges, with continued upward pressure on ticket prices expected.

c) Hotel Revenue¹²



The chart for Richmond Hotel Room Revenue for Q1 2026 includes January data only, where Q1 2025 includes the full three months.

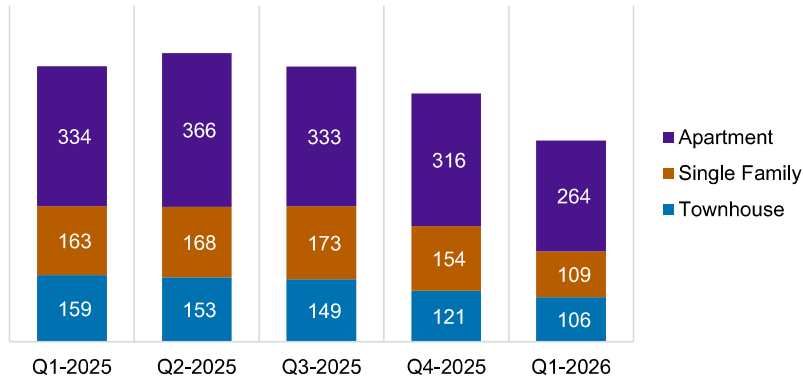
- Hotel room revenue in Richmond for the first month of Q1 was \$19.8M, which is 14.5% higher than the same period last year.
- March 2026 ended on a strong note, with occupancy reaching 86.1%, up from 74.3% in March 2025. Year-to-date, occupancy continues to outperform last year, with each week exceeding the same period in 2025.

Residential Real Estate¹³

Richmond’s residential real estate market remained in Buyer’s Market conditions in Q1 2026, with a Sales-to-Active Listings Ratio of 11%. Overall sales declined 27% year-over-year, with activity falling across all property types. Homes took longer to sell, with average days on market rising to 60 for single family detached homes, 59 for townhouses, and 45 for apartments, reflecting softer demand and ample supply.

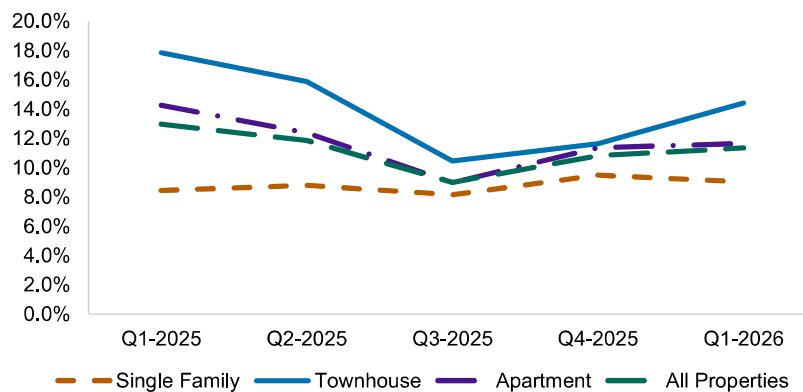
¹¹ YVR Monthly Statistics; Canadian Travel News (March 2026).
¹² City of Richmond Hotel Tax Ledger; STR Global (March 2026).
¹³ Real Estate Board of Greater Vancouver.

Richmond - Residential Sales

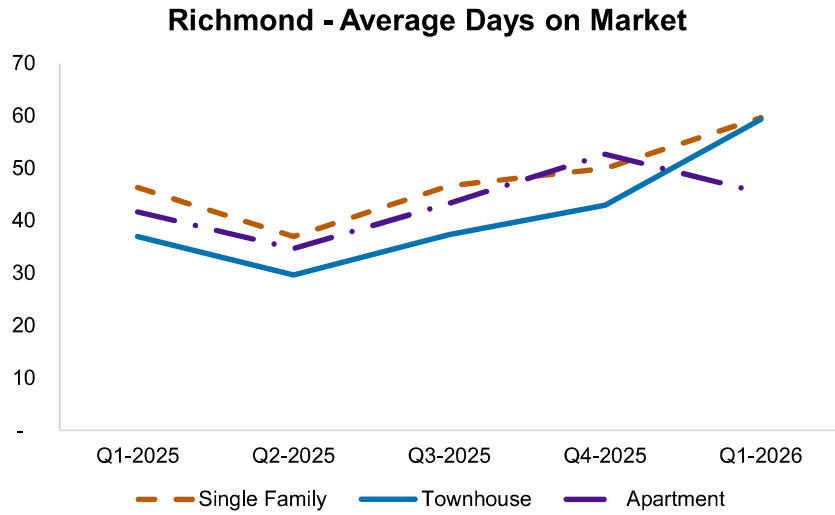


- Single family detached (SFD) home sales decreased by 33.1% compared to Q1 2025.
- Townhouse sales have decreased by 33.3% and apartment sales have decreased by 21.0% compared to Q1 2025.
- Townhouse sales comprise 22.0% of the residential home sales in Richmond. SFD and apartment sales account for 23.0% and 55.0%, respectively, of home sales in Richmond.
- There were 479 residential home sales in Richmond in Q1 2026, a 27.0% decrease compared to the same period last year.

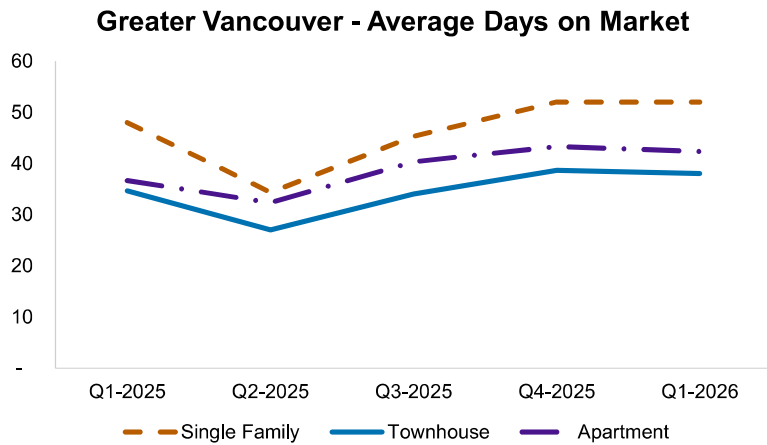
Richmond - Residential Sales-to-Active Listings



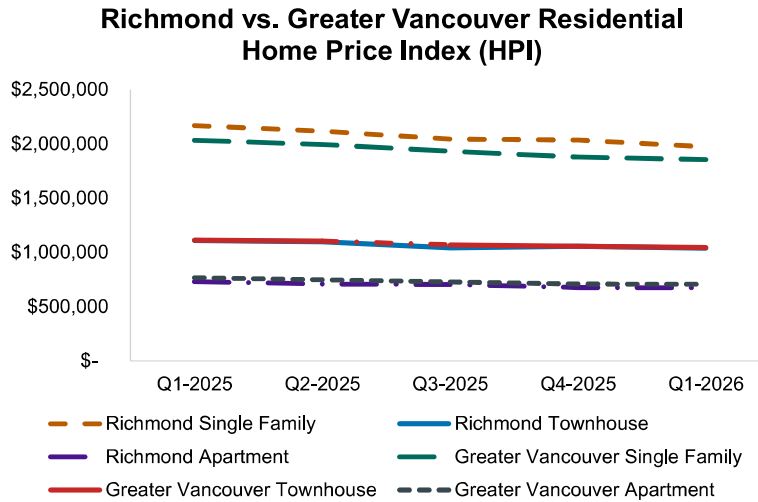
- Richmond residential properties had a sales-to-active listings ratio of 11.3% as at March 31, 2026.
- Analysis of historical data suggests downward pressure on home prices occurs when the ratio dips below 12% for a sustained period, while home prices often experience upward pressure when it surpasses 20% over several months.



- At Q1 2026, SFD properties in Richmond had an average of 60 days on the market, a 30.4% increase compared to Q1 2025.
- Townhouses and apartments in Richmond had an average of 59 and 45 days on the market, respectively, representing a 59.5% and 7.1% increase, respectively, over the same period last year.



- At Q1 2026, SFD properties in GVRD had an average of 52 days on the market, which represents an increase of 8.3% compared to Q1 2025.
- Townhouses and apartments in GVRD had an average of 38 and 42 days on the market, respectively, representing an 8.6% and 13.5% increase, respectively, over the same period last year.

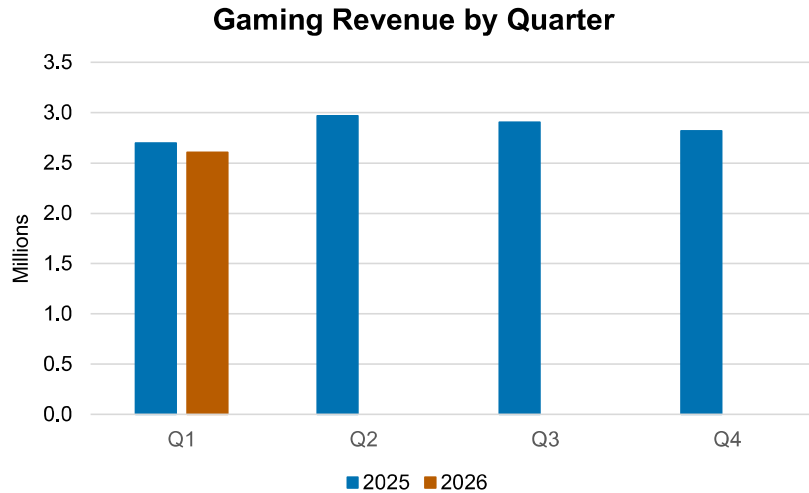


- The Home Price Index (HPI)¹⁴ for SFD properties in Richmond at Q1 2026 was \$1,974,200, a 9.0% decrease compared to Q1 2025. The GVRD housing market has decreased with SFD properties priced at \$1,854,800, which represents a 8.8% decrease compared to the same quarter last year.
- At Q1 2026, the HPI for townhouse properties in Richmond was \$1,037,500, a decrease of 6.3% compared to Q1 2025. The HPI for townhouse properties in GVRD was \$1,047,100, which represents a 5.9% decrease compared to the same quarter last year.
- The HPI for apartments in Richmond was \$674,700, a decrease of 7.8% compared to Q1 2025. The HPI for apartments in GVRD was \$706,700, which represents a 7.8% decrease compared to the same period last year.

Gaming Revenue

In accordance with the Host Financial Assistance Agreement with the Province of BC (Province), the Province pays 10% of net gaming income to the City. Net gaming revenue is calculated as net win from casino games less (i) fees payable by BC Lottery Corporation (BCLC) to the service provider, and (ii) BCLC’s administrative and operating costs. Distributions are subject to volatility due to fluctuations in net win from casino games, operating costs and accounting adjustments.

¹⁴ Home Price Index is a tool to measure home prices trends in Metro Vancouver and other major markets in the country. It is an alternative measure of real estate prices that provides the market trends over traditional tools such as mean or median average prices.



- The gaming revenue for Q1 2026 was \$2,604,775, a decrease of 3.4% compared to the same quarter last year when \$2,697,340 was received.
- The 2026 budget for gaming revenue is \$10,500,000. Actual revenue received year to date is 24.8% of the total budget.

Gaming revenue is dependent on the operations of the River Rock Casino, and as such, these amounts vary due to consumer behaviours, changes in regulations and competition. At the January 26, 2026 Council meeting, the 2026 Budget was approved which included the gaming revenue allocation for 2026. The distribution of these funds is detailed in Table 1 with any surplus revenue or shortfall to be transferred to the capital reserve.

Table 1: Distribution of the 2026 gaming revenue allocation

	Distribution	2026 Budget
Capital Reserves	Remainder	\$1.0M
Grants	Policy	2.9M
Council Community Initiatives Account	2%	0.2M
Debt Servicing	Fixed	6.4M
Total		\$10.5M

Operating Activity

Table 2 compares budget to unaudited actual activity up to March 31, 2026. The net figure represents combined revenue and expense amounts. Actuals include estimates for revenues earned and expenses incurred to date where invoices may not yet be issued or received.

Table 2: Net Operational Activity for the period January 1, 2026 to March 31, 2026 (in \$000s)

Division/Department ¹	Q1 YTD Net Budget ²	Q1 YTD Actuals and Commitments ³	Q1 YTD Variance (\$)	Q1 YTD Variance (%)
Corporate Administration	\$2,984	\$2,692	\$292	10.8%
Engineering and Public Works	22,359	22,284	75	0.3%
Finance and Corporate Services	8,755	8,363	392	4.7%
Fire-Rescue	15,608	15,045	563	3.7%
Law and Community Safety ⁴	(105)	(379)	274	72.3%
Library	3,787	3,467	320	9.2%
Parks, Recreation and Culture	14,801	14,287	514	3.6%
Planning and Development	2,310	2,032	278	13.7%
Policing	21,686	20,072	1,614	8.0%
Fiscal	(32,949)	(33,231)	282	0.8%
Total	\$59,236	\$54,632	\$4,604	8.4%
Flood Protection Utility	\$13,812	\$13,781	\$31	0.2%
Sanitary Sewer Utility	7,340	6,913	427	6.2%
Sanitation and Recycling Utility	1,999	1,512	487	32.2%
Water Utility	6,850	6,352	498	7.8%
Utilities Total	\$30,001	\$28,558	\$1,443	5.1%

¹Net Operational Activity does not include amounts related to capital such as: contributed assets, developer contributions, amortization, etc. It does not represent Generally Accepted Accounting Principles but is presented on a modified cash basis.

²The Net Budget is based on the operating budget approved by Council on January 26, 2026.

³Includes budgeted equity transactions such as transfer to reserves, transfer to provision, transfers from provision, etc.

⁴Includes Law and Community Safety Administration, Animal Protection Services, Business Licences, Community Bylaws, Emergency Programs and Legal Services.

The following section provides an explanation on a Divisional/Departmental basis of year to date variances in relation to the 2026 Financial Plan:

- Corporate Administration's favourable variance is mainly due to vacancies that are in the process of being filled.
- Engineering and Public Works is on budget.
- Finance and Corporate Services' favourable variance is mainly due to vacancies and timing of IT maintenance and subscription contract renewals.
- Fire-Rescue's favourable variance is mainly driven by Firefighter vacancies, retirements and leaves offset by higher overtime usage.
- Law and Community Safety (excluding fire-rescue and policing) has a favourable variance due to vacant positions, positions under review, timing on operational expenses and higher parking and business license revenues.

- Library's favourable surplus is mainly due to vacant positions and timing of operational spending. Any surplus at year-end will be appropriated for future use within Library operations.
- Parks, Recreation and Culture's favourable variance is mainly due to vacant positions in Recreation.
- Planning and Development's favourable variance is mainly due to unfilled positions.
- Policing's favourable variance can be attributed to lower-than-budgeted expenditures on the policing contract, primarily driven by vacancies within the RCMP officer complement.
- Fiscal is on budget.
- Flood Protection Utility is on budget. Any surplus at year end will be transferred to the Flood Protection Provision.
- Sanitary Sewer Utility's variance is due to favourable utility revenue and timing of operating spending. Any surplus at year end will be transferred to the Sewer Levy Provision.
- Sanitation and Recycling Utility's favourable variance is due to vacant positions and favourable utility fees. Any surplus at year end will be transferred to the General Solid Waste and Recycling Provision.
- Water Utility's favourable variance is mainly due to lower operational expenses relative to budget. Any surplus at year end will be transferred to the Water Levy Stabilization Provision.

The presentation of the figures for the Financial Statement, Statement of Operations is different from the Net Budget presentation above. The above presentation combines revenues and expenses, and presents the net amount inclusive of transfers. The Statement of Operations presents the revenues and expenses separately and prior to any appropriations and transfer to reserves. The Statement of Operations for the Three Month Period Ended March 31, 2026, with comparative figures for 2025, is included in Attachment 3.

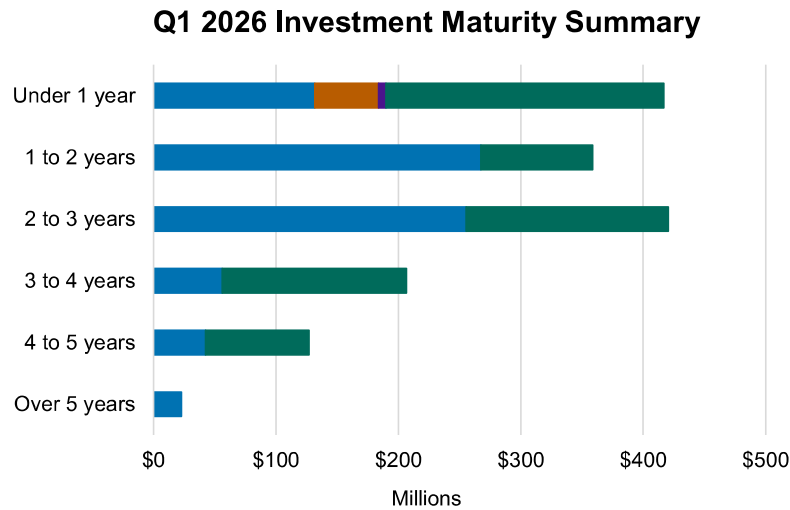
Cash and Investment Portfolio

As of March 31, 2026, the City's total cash and investment balance was \$1.75 billion, which represented the City's working capital for ongoing operational obligations, as well as funds held in reserves and liability accounts for future and restricted uses. The City's total cash and investment balance was comprised of \$1.55 billion in investments and \$194 million in high interest savings cash accounts, with an overall investment yield of 3.77% for the quarter.

At the most recent April 29, 2026 interest rate announcement, the BOC held the policy interest rate unchanged at 2.25%. This marks the fourth consecutive decision by the BOC to hold the interest rate steady since the last reduction in late 2025. The evolving conflict in the Middle East is causing heightened volatility and U.S. trade policy continues to reshape global trade patterns. Both are ongoing sources of uncertainty. The BOC is data-dependent in its policy decisions, using headline inflation, economic and GDP outlooks, and evolving impact of broader geopolitical conditions in interest rate decisions.

The City’s overall credit risk exposure remains stable as the City continues to maintain a diversified and high credit quality investment portfolio, where 48% is invested in chartered bank deposits and bonds, 46% in provincial government securities, 4% in credit union deposits and approximately 2% in MFA bond and pooled investment funds.

The chart below shows the investment maturity summary by term to maturity. The City’s cash and investment portfolio has been strategically positioned to allow the City to sustain favourable investment yields in the long-run, while balancing the needs of near-term cash flow requirements to support operations and approved capital plans.



Staff continue to monitor the interest rate environment and will position cash and investments to ensure that, amongst investment policy objectives, capital preservation and liquidity continue to be the most critical considerations for municipal investment decisions.

All investment activities have been conducted in compliance with the City’s Investment Policy 3703. Based on independent ESG rating of the City’s fixed income portfolio, the City continues to receive a high ESG Rating of “AA” as of Q1 2026.

Contract Awards

In accordance with Procurement Policy 3104, this report provides information on new contract awards and aggregate contract extensions greater than \$75,000. During the first quarter, 35 contracts greater than \$75,000 were awarded totalling over \$26.0 million (Attachment 4).

Budgetary Implications

None.

Conclusion

The March 31, 2026 financial information report provides details on the economic environment, financial results and other key indicator information to the Finance and Audit Committee for information.

Respectfully submitted,

Mike Ching, Director, Finance

Report Contributors

This report was prepared by Cindy Gilfillan, Manager, Financial Reporting and reviewed by: Arts, Culture and Heritage Services; Building Approvals; Climate & Environment; Community Bylaws; Community Safety Administration; Community Social Development; Development Applications; Economic Development; Engineering; Facilities and Project Development; Fire-Rescue; Housing Office; Information Technology; Library Services; Parks Services; Policy Planning; PRC, Planning & Strategic Initiatives; Public Works; RCMP; Real Estate Services; Recreation and Sport Services; Transportation.

Endorsed by Serena Lusk, CAO

- Att. 1: Economic Indicators
- 2: Financial Key Indicators
- 3: Unaudited Statement of Operations
- 4: Contract Awards Greater than \$75,000

Economic Indicators**March 31, 2026****Macroeconomic Indicators & Forecast**

1) Real GDP (% at YE)	2026f	2027f			
Canada	1.5	1.9			
United States	2.3	2.1			
China	4.4	4.0			
World	3.1	3.2			
2) Interest Rates (at YE)	2026f	2027f			
Bank of Canada	2.25	3.25			
US FED	3.63	2.88			
3) Exchange Rate (at YE)	2026f	2027f			
CAD per \$1 USD	1.34	1.30			
4) Unemployment (% at QE)	Q1-2026	Q4-2025	Change	Q1-2025	Change
Canada	6.7	6.8	(1.5%)	6.7	0.0%
BC	6.7	6.3	6.3%	6.1	9.8%
Metro Vancouver	6.2	6.3	(1.6%)	6.7	(7.5%)
5) CPI (2002=100) (at QE)	Q1-2026	Q4-2025	Change	Q1-2025	Change
Canada	167.4	165.0	1.5%	163.5	2.4%
BC	161.7	158.7	1.9%	157.8	2.5%
Metro Vancouver	164.7	161.6	1.9%	160.4	2.7%

Regional and Local Market Indicators

6) Richmond Building Permits	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
Residential – New Construction	33	30	10.0%	33	30	10.0%
Residential – Alterations	84	80	5.0%	84	80	5.0%
Residential Total	117	110	6.4%	117	110	6.4%
Number of units from new residential construction	45	194	(76.8%)	45	194	(76.8%)
Residential	117	110	6.4%	117	110	6.4%
Commercial	107	76	40.8%	107	76	40.8%
Industrial	39	28	39.3%	39	28	39.3%
Building Permits Total	263	214	22.9%	263	214	22.9%
Construction Value (\$ million)	86.1	127.5	(32.5%)	86.1	127.5	(32.5%)
7) Housing Starts CMHC (Units)	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
Starts - Richmond	60	69	(13.0%)	60	69	(13.0%)
Starts - Metro Vancouver	6,706	4,834	38.7%	6,706	4,834	38.7%
8) Richmond Residential Sales Activity	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
Sales - Detached	109	163	(33.1%)	109	163	(33.1%)
Sales - Townhouse	106	159	(33.3%)	106	159	(33.3%)
Sales - Apartment	264	334	(21.0%)	264	334	(21.0%)
Sales - Total	479	656	(27.0%)	479	656	(27.0%)

Economic Indicators**March 31, 2026****Regional and Local Market Indicators (continued)**

9) Richmond Sales to Active Listings						
Ratio (% at QE)	Q1-2026	Q1-2025	Change			
Single Family Detached	9.0%	8.4%	7.1%			
Townhouse	14.4%	17.8%	(19.1%)			
Apartment	11.6%	14.3%	(18.9%)			
Total	11.3%	13.0%	(13.1%)			
10) Average Days on Market						
		Richmond		Metro Vancouver		
Property Type	Q1-2026	Q1-2025	Change	Q1-2026	Q1-2025	Change
Single Family Detached	60	46	30.4%	52	48	8.3%
Townhouse	59	37	59.5%	38	35	8.6%
Apartment	45	42	7.1%	42	37	13.5%
11) Home Price Index (\$000 at QE)						
		Richmond		Metro Vancouver		
Property Type	Q1-2026	Q1-2025	Change	Q1-2026	Q1-2025	Change
Single Family Detached	1,974	2,169	(9.0%)	1,855	2,034	(8.8%)
Townhouse	1,038	1,108	(6.3%)	1,047	1,113	(5.9%)
Apartment	675	732	(7.8%)	707	767	(7.8%)
12) Commercial Space (at QE)						
		Richmond		Metro Vancouver		
	Q1-2026	Q1-2025	Change	Q1-2026	Q1-2025	Change
Office Vacancy (%)	9.5	10.5	(9.5%)	11.2	11.4	(1.8%)
Transit Oriented Office Vacancy (%)	11.0	7.2	52.8%	N/A	N/A	N/A
Office Inventory (000 sf)	5,216	5,094	2.4%	70,553	70,040	0.7%
Industrial Vacancy (%)	3.3	1.9	73.7%	4.4	3.6	22.2%
Industrial Inventory (000 sf)	46,790	46,762	0.1%	254,170	247,870	2.5%
13) Richmond Business Growth						
Total Valid Business Licences	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
(at QE)	14,451	13,708	5.4%	14,451	13,708	5.4%
New Licences - Number Issued	437	556	(21.4%)	437	556	(21.4%)
New Licences - Employees	1,606	2,471	(35.0%)	1,606	2,471	(35.0%)
New Licences - Office Added (sf)	179,855	229,822	(21.7%)	179,855	229,822	(21.7%)
New Licences - Retail Added (sf)	96,785	135,734	(28.7%)	96,785	135,734	(28.7%)
New Licences - Industrial Added (sf)	220,365	541,816	(59.3%)	220,365	541,816	(59.3%)
Total Space Added (sf)/Avg. Change	497,005	907,372	(45.2%)	497,005	907,372	(45.2%)

Economic Indicators**March 31, 2026****Regional and Local Market Indicators (continued)**

14) Goods & People Movement	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
YVR Air Cargo (tonnes)*	58,788	54,712	7.4%	58,788	54,712	7.4%
PMV Container Movement (TEUs)	935,077	877,587	6.6%	935,077	877,587	6.6%
YVR Passengers (million)*	4.10	3.94	4.1%	4.10	3.94	4.1%
Richmond Hotel Revenue (\$ million)**	19.8	17.3	14.5%	19.8	17.3	14.5%

Notes:

- a) QE indicates quarter-end; YE indicates year-end.
b) f - Forecast to year-end.

*YVR data for Q1 2026 includes January and February only. YTD includes data for January and February for both years.

**Richmond Hotel Room Revenue for Q1 2026 includes January only. YTD includes data for January for both years.

List of Sources:

- 1) International Monetary Fund, World Economic Outlook (April 2026).
- 2) RBC Financial Markets Monthly (April 2026)
- 3) Statistics Canada Labour Force Survey (March 2026); Government of Canada Job Bank (March 2026).
- 4) Statistics Canada, Consumer Price Index; also Consumer Price Index (March 2026).
- 5) City of Richmond Building Permits.
- 6) Canada Mortgage and Housing Corporation; CMHC Housing Market Outlook 2026.
- 7) Cushman & Wakefield Office and Industrial Market Beat Reports, Q1 2026.
- 8) City of Richmond Business Licencing data.
- 9) Port of Vancouver Monthly Cargo Statistics; YVR Monthly Statistics.
- 10) YVR Monthly Statistics; Canadian Travel News (March 2026).
- 11) City of Richmond Hotel Tax Ledger; STR Global (March 2026).

Financial and Key Indicators**March 31, 2026**

(All dollar amounts in \$000s)

	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
1) Development Cost Charges Contributions						
Roads, Water, Sewer DCCs Received	\$2,054	\$9,791	(79.0%)	\$2,054	\$9,791	(79.0%)
Parks DCCs Received	\$201	\$2,703	(92.6%)	\$201	\$2,703	(92.6%)
Total DCC Fees Received	\$2,255	\$12,494	(82.0%)	\$2,255	\$12,494	(82.0%)
DCC Reserves – Uncommitted Balance at QE	\$171,846	\$166,254	3.4%	N/A	N/A	N/A
2) Uncommitted Reserves (at QE)	Q1-2026	Q1-2025	Change			
Capital Funding Reserves	\$242,055	\$283,710	(14.7%)			
Utility Reserves	\$89,431	\$92,193	(3.0%)			
Affordable Housing Reserves	\$17,123	\$10,918	56.8%			
Other Reserves	\$93,049	\$102,199	(9.0%)			
Total Uncommitted Reserves	\$441,658	\$489,020	(9.7%)			
3) Taxes to date	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
Taxes Collected	\$19,690	\$22,094	(10.9%)	\$19,690	\$22,094	(10.9%)
City Portion of Taxes Collected	\$10,042	\$11,268	(10.9%)	\$10,042	\$11,268	(10.9%)
Unpaid Taxes - Delinquent & Arrears (at QE)	\$25,717	\$19,421	32.4%	\$25,717	\$19,421	32.4%
No. of Participants on Pre-authorized Withdrawal (at QE)	6,465	6,412	0.8%	6,465	6,412	0.8%
Pre-authorized Withdrawals Payments	\$14,395	\$14,521	(0.9%)	\$14,395	\$14,521	(0.9%)
Interest Rate % Paid	2.45%	3.45%	(29.0%)	2.45%	3.45%	(29.0%)
Sources: All data is from City of Richmond records						
4) Cash and Investments	Q1-2026	Q1-2025	Change			
Investments	\$1,552,215	\$1,539,031	0.9%			
Cash (Includes High Interest Savings Accounts)	\$193,826	\$181,811	6.6%			
Total Cash and Investments	\$1,746,041	\$1,720,845	1.5%			
Average City Rate of Return on Investments %	3.77%	4.02%	(6.2%)			
5) Planning and Development	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
Building Permit Fees Collected	\$1,403	\$2,130	(34.1%)	\$1,403	\$2,130	(34.1%)
Development Applications Received	35	31	12.9%	35	31	12.9%
Development Applications Fees	\$417	\$204	104.4%	\$417	\$204	104.4%

Financial and Key Indicators**March 31, 2026**

(All dollar amounts in \$000s)

Financial and Key Indicators (continued)

6) Business Licences	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
Revenue Received for Current Year Licences	\$2,221	\$1,848	20.2%	\$2,221	\$1,848	20.2%
7) Other Revenues	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
Parking Program Revenue	\$817	\$734	11.3%	\$817	\$734	11.3%
Gaming Revenue	\$2,605	\$2,697	(3.4%)	\$2,605	\$2,697	(3.4%)
Traffic Fine Revenue	\$0	\$0	0%	\$0	\$0	0%
8) Employees	Q1-2026	Q1-2025	Change			
Full Time Equivalent (FTE) Employees (at QE) (City and Library)	1,768	1,752	0.9%			
FTE includes Regular Full Time, Temporary and Auxiliary status employees. The calculation is based on actual results.						
9) Operating Indicators	Q1-2026	Q1-2025	Change	YTD-2026	YTD-2025	Change
RCMP - Calls for Service Handled	16,790	16,449	2.1%	16,790	16,449	2.1%
Community Bylaws	1,695	1,584	7.0%	1,695	1,584	7.0%
Fire-Rescue Incidents	3,076	3,270	(5.9%)	3,076	3,270	(5.9%)
Public Works Calls for Service	3,156	3,096	1.9%	3,156	3,096	1.9%
10) Richmond Population Estimate Year End	2026f	2025f				
	238,664	239,584				

Population figures from BC Stats

Notes:

- a) All figures presented above are unaudited.
- b) f - Forecast to year-end.

Unaudited Statement of Operations¹

For the three month period ended March 31, 2026, with comparative figures for 2025.

(in \$000s)

	Budget March 31, 2026	Actuals March 31, 2026	Actuals March 31, 2025
Revenue:			
Taxation and levies	\$83,922	\$82,365	\$82,655
Utility fees	43,308	43,556	40,771
Sales of services	13,143	12,888	10,667
Payments-in-lieu of taxes	3,900	3,900	3,450
Provincial and federal contributions	2,238	1,323	1,031
Development cost charges	2,757	1,791	1,788
Other capital funding sources	18,746	11,801	7,042
Other revenue:			
Investment income	12,179	13,918	14,769
Gaming revenue	2,625	2,605	2,697
Licences and permits	4,637	3,859	4,949
Other	4,615	4,188	4,885
Equity income in LIEC	725	821	650
	\$192,795	\$183,115	\$175,354
Expenses:			
Law and community safety	\$44,293	\$41,888	\$40,052
Utilities ²	41,824	36,927	33,257
General government	23,244	21,596	22,724
Parks, recreation and culture	19,568	18,429	17,154
Engineering, transportation, public works and project development	19,988	17,598	16,480
Planning and development	7,214	6,081	5,160
Richmond Public Library	3,477	3,182	2,992
	\$159,608	\$145,701	\$137,819
YTD surplus (annual surplus) ³	\$33,187	\$37,414	\$37,535
Accumulated surplus, beginning of year	3,915,713	3,915,713	3,866,374
Accumulated surplus, end of March 31 ⁴	\$3,948,900	\$3,953,127	\$3,903,909

¹Statement of Operations for City and Library after intercompany eliminations includes investment in Lulu Island Energy Company but excludes Oval results.

²Utilities includes flood, sanitation, sewer and water.

³Annual surplus is the difference between revenues and expenses and reflects the change in the accumulated surplus on the Statement of Financial Position. Annual surplus is prior to transfer to reserves and surplus appropriations. The revenues include capital contributions, development cost charges and other items that impact the investment in tangible capital assets within the accumulated surplus. The expenses include amortization, which impacts the investment in tangible capital assets in accumulated surplus.

⁴Accumulated surplus is equivalent to the net worth of an organization and is comprised of investment in tangible capital assets, reserves, appropriated surplus, general surplus and other equity.

Contract Awards Greater than \$75,000

January 1st to March 31st, 2026

Item	Description	Awarded Vendor	Awarded Amount	Department
1	Supply and Delivery of One (1) Telescopic Aerial Bucket Extended AWD Van	Metro Motors Ltd.	\$162,980	Engineering and Public Works
2	Supply and Delivery of One (1) Stump Grinder	Brandt Tractor Ltd.	84,000	Engineering and Public Works
3	Steveston Martial Arts - Roof Beam Remediation and Roof Replacement	Edifice Construction Inc.	1,116,634	Project Development
4	Communication and Education Consulting Services supporting Environmental Programs, Public Works and Water Services awareness/community education (maximum 5-year term)	Lockrey Communications	442,910	Engineering and Public Works
		Initial term	94,500	
		Additional terms	348,410	
5	Multi-Use Covered Sports Court - Site Selection and Concept Design Options	Carscadden Stokes McDonald Architects Inc.	103,100	Project Development
6	Supply and Delivery of Multiple 50KW and 100KW Generators	Finning (Canada)	201,433	Engineering and Public Works
7	Cycling Skills Education Program - 2026	Hub Cycling	122,040	Engineering and Public Works
8	Supply and Delivery of Electronic Key Cabinets and Key Management System	Ecos Systems Inc.	99,364	Facility Services
9	Steveston Salmon Festival Programming and Production Team	Anigraph Productions Limited	136,325	Parks, Recreation and Culture
10	Cab and Chassis Model 567 (One Tandem Axel) Truck for Outfitting on Units #2315	Peterbilt Pacific Inc.	262,140	Engineering and Public Works
11	Supply and Delivery of One (1) Dump Body Unit and Outfitting on a City Provided Tandem Cab and Chassis	Viking-Cives, Ltd.	234,419	Engineering and Public Works
12	Microsoft Subscriptions and Licensing with Teams (3-year term)	Econix Infotech Ltd.	2,605,699	Finance and Corporate Services
		Initial term	881,401	
		Additional terms	1,724,298	
13	Ships to Shore Kaiwo Maru 2026 Production Team and Richmond Celebrates Soccer 2026	Anigraph Productions Limited	200,043	Parks, Recreation and Culture

Contract Awards Greater than \$75,000 (continued)January 1st to March 31st, 2026

Item	Description	Awarded Vendor	Awarded Amount	Department
14	Japanese Canadian Boat Builders Exhibits at Britannia Shipyards	Kei Space Design Ltd.	284,950	Parks, Recreation and Culture
15	Supply and Delivery of Computer Equipment and Related Services	MicroServe, V8205	2,572,107	Finance and Corporate Services
16	Supply and Delivery of PVC Pipe and PVC Fittings	Andrew Sheret Ltd.	925,667	Engineering and Public Works
17	Provision of Aggregate Crushing Services (2-year term)	BC Earth Exchange Inc.	377,100	Engineering and Public Works
		Initial term	185,850	
		Additional terms	191,250	
18	Shipping Agent Services - 2026 Kaiwo Maru visit to Richmond	Ben Line Agencies (Canada) Ltd.	177,605	Parks, Recreation and Culture
19	Supply and Delivery of Fertilizer, Seed and Lime (4-year term)	Okanagan Fertilizer Ltd.	386,287	Parks, Recreation and Culture
		Initial term	92,333	
		Additional terms	293,954	
20	Firefighter Candidate Assessment Services	BL Associates Corporate Psychologists	80,800	Law and Community Safety
21	First Nations Building - Pre-Construction and Design Services	Holaco Construction Ltd.	312,140	Project Development
22	Generator Equipment Support Services (3-year term)	Hydro-Proof Solutions Inc. and Miller-Tech Electric Ltd.	270,000	Facility Services
		Initial term	90,000	
		Additional terms	180,000	
23	Steveston and South Arm Outdoor Pool Renewals - Phase 1 Construction Services	PCL Constructors Westcoast Inc.	875,159	Project Development
24	BC Hydro Manhole Adjustments	BC Hydro	100,715	Engineering and Public Works
25	Minoru Centre for Active Living Mechanical System Modifications - Phase 2	Heatherbrae Builders Co. Ltd.	2,210,073	Project Development

Contract Awards Greater than \$75,000 (continued)January 1st to March 31st, 2026

Item	Description	Awarded Vendor	Awarded Amount	Department
26	Provision of Civil Engineering Consulting Services for the 2026 to 2030 Laneway Drainage and Asphalt Upgrades Designs (5-year term)	R F Binnie and Associates Ltd.	681,540	Engineering and Public Works
		Initial term	121,180	
		Additional terms	560,360	
27	South Arm Community Park Pickleball - Design-Build Services	Tomko Sports Systems Inc.	290,581	Parks, Recreation and Culture
28	Garden City Community Park Gathering Space - Construction Services	Canadian Landscape and Civil Services	177,939	Parks, Recreation and Culture
29	Relocation of Dock to and from Garry Point for Ships to Shore Event	Mad Props Marine Ltd.	104,700	Parks, Recreation and Culture
30	Seedlings Early Childhood Development Hub Access Control Replacement	Unified Systems Inc.	101,977	Facility Services
31	Gilley Road and Westminster Highway Canal, Utility and Roadwork Improvements - Electrical, Streetlight and Concrete Improvements	Crown Contracting Limited	293,905	Engineering and Public Works
32	HVAC System Cleaning Services Contractor	Reddog Enterprises Ltd. dba National Air Technologies and Air Care Systems Inc.	300,000	Facility Services
33	Co-Op - Supply and Delivery of Fuel for City of Richmond (5-year term)	4Refuel Canada LP	9,000,000	Engineering and Public Works
		Initial term	1,800,000	
		Additional terms	7,200,000	
34	Forgerock Software, Support and Maintenance Renewal (3-year term)	Ping Identity Corporation	414,572	Information Technology
		Initial term	138,191	
		Additional terms	276,381	
35	Supply and Delivery of Municipal Castings	Westview Sales Ltd.	266,787	Engineering and Public Works