

2020 Draft Budget Highlights



Sarnia: The Place You Want to be!

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BUDGET

The budget is our plan to manage your money and other funding we receive to deliver the services important to you, your family and our community.

5 FISCAL FITNESS PILLARS



Reduce Debt



Increase Reserves and Reserve Funds



Maintain Affordable Service Levels



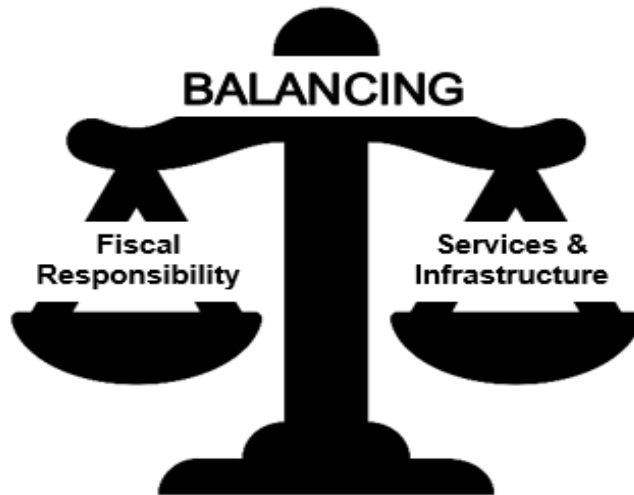
Infrastructure Renewal



Maintain Reasonable Tax Rates

RESPONSIBLE FINANCIAL MANAGEMENT

Align City services and capital investment with citizen expectations and ability to pay.



BUDGET PROCESS

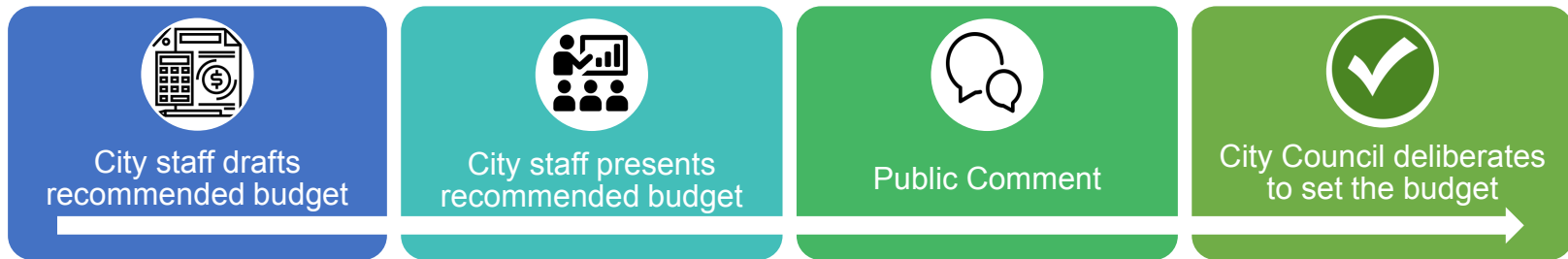
Sarnia’s budget is first proposed by City staff to deliver the services and programs that our community values.

Once a recommended budget has been set by City staff, it is made public and presented to Council. Council and the community then have time to review and comment.

To help guide Council regarding the budget, City Council will hold a Public Input and Grants Session on Monday, November 18, 2019 in the Council Chambers of Sarnia City Hall at 5:00 pm. Any citizen, group, or organization who wishes to make a presentation on the 2020 Budget is requested to notify the City Clerk’s office on or before noon, Wednesday, November 13, 2019.

Those wishing to address Council at the Public Input and Grants Session Meeting in regards to the proposed draft budget, and who have not previously registered with the Clerk, will be given an opportunity to register with staff up to 15 minutes prior to the start of the meeting and will be limited to a maximum of 5 minutes.

On December 3, 2019, Council will consider all aspects of the budget and aim to approve a budget that takes into account the City’s *5 Fiscal Fitness Pillars*.



Email Questions or Comments to finance@sarnia.ca



SARNIA

THINGS WE DO

live work play

 4,411 followers
628,000 impressions

 6,856 likes
4,074,979 impressions

 1,572 followers



1.39M Passengers
54 Bus Shelters (8 Solar)
563 Bus Stops
22 Conventional Buses
16 Conventional Routes
29,008 Care-A-Van Passengers
7 Care-A-Vans



5 Fire Stations
2,929 Responses
2 Haz-Mat Responses
11 Marine Responses (5 Training)
1,329 Tiered Response
473 Fire Prevention Inspections
199 Motor Vehicle Collisions
8,937 Public Education Interactions



2 Public Works Centres
2 Wastewater Treatment Facilities
436 km of Roads
31 Bridges
92 Traffic Lights
7,792 Street Lights
34,793 Single & Multi-Family Households for Waste Pickup
4,523 Tonnes of Compostable Material Collected

40,166 Tax Bills Issued
1,781 Tax Certificates
36 Tenders
37 Proposals
34 Quotations



2,557 Arrests
24,694 Calls for Service
27,655 Calls to 911
4,695 R.I.D.E Vehicle Checks
48 Impaired Driving Charges
1,554 Motor Vehicle Accidents
2,672 Provincial Offences



Population 72,125



75 Documents Registered
123 Property Searches
147 Notaries

\$92M+ Development Applications Reviewed & Approved
180 Zoning & Compliance Certificates
22 Home Occupations Permits
131 Planning Applications
44 Pre-Application Meetings
542 Building Permits
6,870 By-Law Complaints
9,601 Parking Violations



344 Business Licenses
135 Lottery Licenses
445 Marriage Licenses
70 Marriage Ceremonies
1,208 Burial Permits
74 Media Releases
17 MFIPPA Requests
20 Council Meetings
18 Live Web Streamed Council Meetings
15 Council Meeting Highlights
Municipal Elections
Corporate Records Management



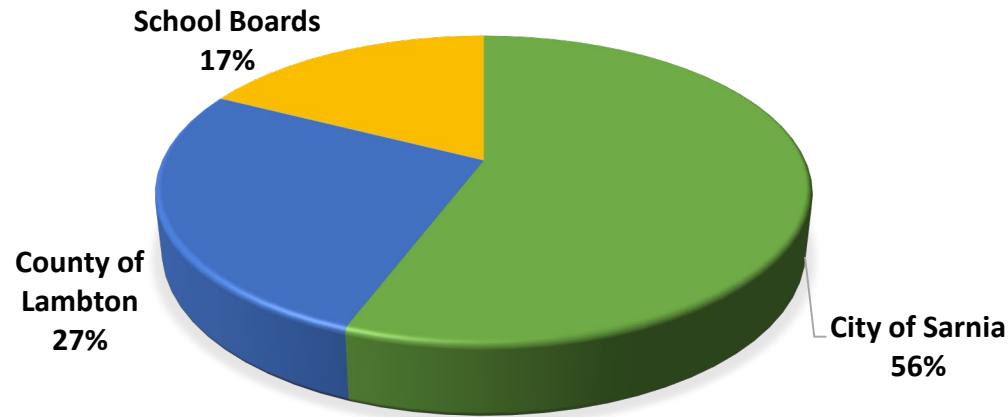
500 km of Watermains
351 km of Sanitary Sewer
321 km of Storm Sewer
51 km of Forcemains
78 Watermain Breaks
130 Service Repairs
5,843 Service Locates
375 Water On/Off



8 Community Events - Hosted
80+ Community Events - Assisted
15 Hectares of Beach/Waterfront
50 km of Trails and Pathways
1,200 acres of Parkland
200+ Recreational Programs
4 Community Centres
17 Tennis Courts, 7 Locations
6 Pickleball Courts, 1 Location
3 Arenas, 5 Ice Surfaces
16 Ball Diamonds
32 Soccer Fields
2 Football/Rugby Fields
30 Shelters/Gazebos
2 Greenhouses
90,000 Municipal Trees
800 Trees Planted
33,000 sq. m of Gardens

PROPERTY TAXATION – WHERE DOES IT GO?

The City of Sarnia is part of a two-tier municipality, where our residents receive one tax bill to cover the total cost of services provided by the City, County and School Boards. The County of Lambton is the “upper tier” and the City of Sarnia is the “lower tier”. Here is how your tax bill is split:



SUMMARY OF PUBLIC SERVICES AND WHO PROVIDES THEM...

- Parks & Trails, Arenas & Sports Fields
 - Recreation Centres, Programs & Events
 - Solid Waste Collection, Recycling & Compost
 - Maintaining Local Roads/Bridges
 - Building Permitting, Land Use Planning
 - Fire & Rescue Services
 - Police & Emergency Management Services
 - Public Transit
 - Tax Collection
 - Business & Marriage Licencing
 - Water Distribution & Wastewater Elimination
 - Stormwater Management & Drainage
- City of Sarnia**

- Emergency Medical Services
 - Housing Services
 - Public Health
 - Social & Family Services
 - Maintaining County Roads/Bridges
 - Long Term Care
 - Child Care & Children Services
 - Provincial Offences Administration
 - Libraries, Museums & Cultural Services
 - Septic & Plumbing Permits
 - Solid Waste Management
 - Economic Development & Tourism through SLEP/Tourism Sarnia Lambton
- County of Lambton**

- Elementary Education
 - Secondary Education
- School Boards**

HOW IS THE CITY'S BUDGET STRUCTURED?

There are various components of the budget that Council reviews and approves.

1. **OPERATING BUDGET:** Includes all of the day-to-day activities of the City needed to provide services.

The operating budget is broken down into 5 main categories:

- a. General Levy - Includes all City department budgets except Conventional Transit, Water and Sewer.
 - b. Police Budget - Included in the General Levy, but follows a different approval process regulated by the Police Services Act. The Police Services Board reviews and approves the detailed budget; City Council does not have the authority to approve/disapprove specific estimates. City Council establishes the overall budget allocated to Police Services.
 - c. Transit Levy - The Conventional bus system has a separate budget. Only property owners within 450m of the transit routes pay these costs.
 - d. Water Rates - Costs associated with providing municipal water services, including the Lambton Area Water Supply System, are separated to determine how to set water rates. These are broken into a monthly fee based on water meter size and a variable fee based on the water used.
 - e. Sewer Rates - Costs associated with providing municipal storm and sanitary sewer services are separated to determine how to set the sewer percentage added to water bills.
2. **CAPITAL BUDGET:** A 10-year Capital Plan has been developed and includes costs for new assets, major rehabilitation, or replacement of the City's infrastructure, such as road and underground service rehabilitation, storm/sanitary sewer separation, building upgrades, shoreline protection, vehicle replacements, etc.
 3. **RESERVES BUDGET:** Reserves frame the financial foundation for long-term financial planning, so there is money to replace infrastructure now, and in the future. Reserves assist in minimizing tax fluctuations by smoothing demand over a longer period of time. The Reserves Budget includes expected inflows from various sources and outflows for spending from reserves. The current level of reserves does not provide the City with adequate financial flexibility to respond to unexpected demands or address all of our infrastructure needs.

4. **FEES FOR SERVICES:** Includes the fees to be paid for by only those that use a service. Some examples are marriage or business licenses, bus passes, water meter removal, notary services, fire inspections, special event bookings, sports fields rentals, ice rentals, parking, site plan agreements, building permits, dog licences, garbage tags, replacement blue boxes, marriage ceremonies, and recreation program fees.

PROPOSED 2020-2021 BUDGETS – EXPENDITURES

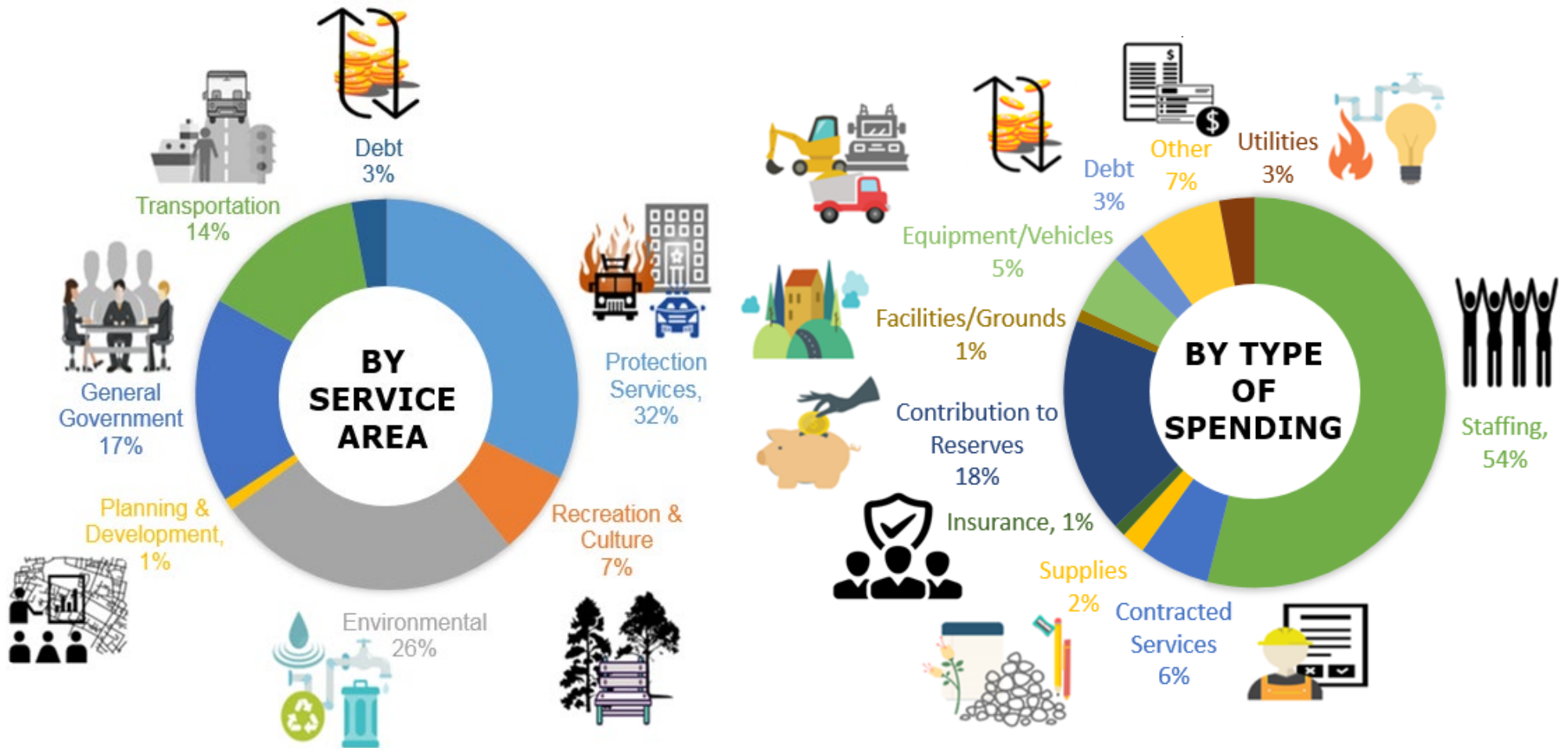
First, we will look at the City’s total expenditures; this is everything the City spends money on. Expenditures are higher than what is collected through property taxes. Other projected revenues make up the difference to determine what is required in property tax to create a balanced budget.



Budget Expenditures	2019 Approved Expenditures	2020 Draft Expenditures	Change \$	% Change	2021 Draft Expenditures	Change \$	% Change
General Operating	77,177,588	83,503,679	6,326,091	8.20%	86,686,517	3,182,838	3.81%
Police Services	26,254,896	27,802,707	1,547,811	5.90%	28,642,794	840,087	3.02%
Transit Area	6,508,932	6,822,410	313,478	4.82%	7,000,794	178,384	2.61%
Water	16,682,128	17,465,178	783,050	4.69%	17,715,363	250,185	1.43%
Sewer	18,452,353	19,095,822	643,469	3.49%	19,289,784	193,962	1.02%
Total Expenditures	\$145,075,897	\$154,689,796	\$9,613,899	6.63%	\$159,335,252	\$4,645,456	3.00%

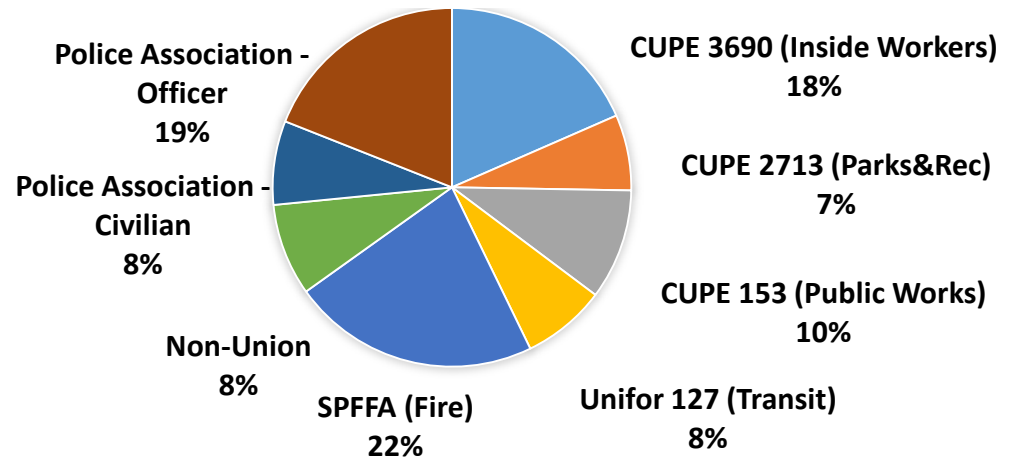
2020 DRAFT EXPENDITURES

Let's break the City's expenditure dollars out two different ways to help explain how this money is spent.



2020 DRAFT STAFF SUMMARY

A large part of how the City provides services and manages its assets is through the people who work here. Staff costs include wages and benefits. City staff are represented by the following unions and associations: CUPE 3690, CUPE 2713, CUPE 153, Unifor 127, Sarnia Professional Firefighters Association, and Sarnia Police Association.



* Pie chart based on Full Time Active Employees

Expressed in Full Time Equivalents (FTE)	Full Time Draft Changes	Part Time Draft Changes	Student Draft Changes	Draft 2020 Full Time	Draft 2020 Part Time	Draft 2020 Student
Corporate Services	-0.50 ³			14.00		1.41
Legal/Property/Risk	0.50 ³			9.00		0.33
Finance (Asset Management)	1.00 ¹			32.00		1.99
Fire				127.00	0.80	
Emergency				1.25		
Engineering	2.00 ^{1,4}			17.00	2.00	1.83
Public Works	-1.00 ³		-0.33 ³	96.00	4.80	7.66
Transit	1.00 ²	1.00 ²		55.00	4.58	1.00
Parks & Rec		2.26 ³	-0.56 ³	53.00	15.38	18.04
Develp'mt & Standards	1.00 ^{1,3,4}			24.00	1.50	1.00
Total without Police	4.00	3.26	-0.89	428.25	29.06	33.26
Police	4.00 ³			159.00	9.93	
Total with Police	8.00	3.26	-0.89	587.25	38.99	33.26

¹ Funded with grants and/or asset management funds

² Funded by transit levy

³ Funded by general levy

⁴ Temporary positions under grants to manage specific projects

* FTE depends on the total hours worked in a year, for example 3 students working 4 months each is equivalent to one FTE

TOTAL AMOUNT TO BE COLLECTED THROUGH TAXATION AND RATES

Property taxes and water/sewer rates are the City's largest source of revenue. Property tax is the number that "balances" the budget. The City only collects sufficient taxes to provide services, maintain assets and invest in infrastructure. An increase to the City's total property assessment value does not automatically result in the City collecting more tax.

TAXATION	2019 Approved Budget	2020 Draft Budget	Difference	Change %	2021 Draft Budget	Difference	Change %
General Operating	50,433,668	51,872,949	1,439,281	2.85%	56,234,168	4,361,219	8.41%
Police Services	23,853,954	25,347,351	1,493,397	6.26%	26,113,777	766,426	3.02%
General Taxation	\$74,287,622	\$77,220,300	\$2,932,678	3.95%	\$82,347,945	\$5,127,645	6.64%
Transit Area	4,005,330	4,205,597	200,267	5.00%	4,370,981	165,384	3.93%
Total Taxation	\$78,292,952	\$81,425,897	\$3,132,945	4.00%	\$86,718,926	\$5,293,029	6.50%
Growth Impact Taxation	-	500,000	500,000	-	500,000	-	0.00%
Special Levy *	-	1,000,000	1,000,000	-	1,020,000	20,000	2.00%
Total Taxation Revenue	\$78,292,952	\$82,925,897	\$4,632,945	5.92%	\$88,238,926	\$5,313,029	6.41%

*Petro-Chemical Area

RATES	2019 Approved Budget	2020 Draft Budget	Difference	Change %	2021 Draft Budget	Difference	Change %
Water	16,476,009	16,894,176	418,167	2.54%	17,142,080	247,904	1.47%
Sewer	18,229,353	18,525,170	295,817	1.62%	19,071,784	546,614	2.95%
Total Rates	\$34,705,362	\$35,419,346	\$713,984	2.06%	\$36,213,864	\$794,518	2.24%

WHAT DOES THIS PROPOSED PROPERTY TAX INCREASE MEAN TO SARNIA'S RESIDENTIAL PROPERTY OWNERS?

The amount of property tax revenue approved by City Council is spread between property owners based on assessment value. Assessment is the amount for which you should be able to sell your property.

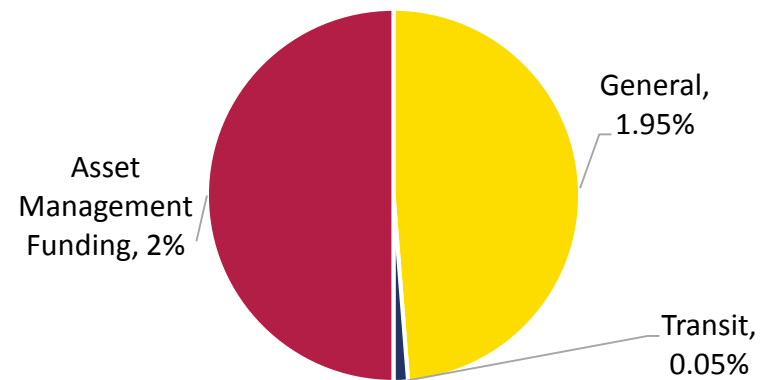
Based on these residential values, the proposed increase is broken down between the general tax, which applies to everyone, and the conventional transit tax, which is charged only to those within the conventional transit service area.

City Portion of Property Tax	Average Value	2019 City Tax	Increase (General Tax)	Increase (Transit Tax)	2020 Estimated City Tax
Residence valued at \$100K		\$920	\$34	\$3	\$957
Single Family Detached	\$219,737	\$1,779	\$75	\$6	\$1,860
Link Home	\$183,515	\$1,549	\$63	\$5	\$1,616
Freehold Rowhouse	\$167,017	\$907	\$57	\$5	\$968
Semi-Detached	\$137,008	\$1,155	\$47	\$4	\$1,206
Single Family (Lakefront)	\$986,292	\$7,992	\$337	\$27	\$8,356
Condominium	\$148,778	\$1,128	\$51	\$4	\$1,182
Proposed Increase - CITY Portion Only					4.00%

Based on 2020 City of Sarnia Average Phase-In Values

PROPERTY TAX INCREASE

Property taxes are impacted by various increases including transit levy, general levy and dedicated asset management funding.

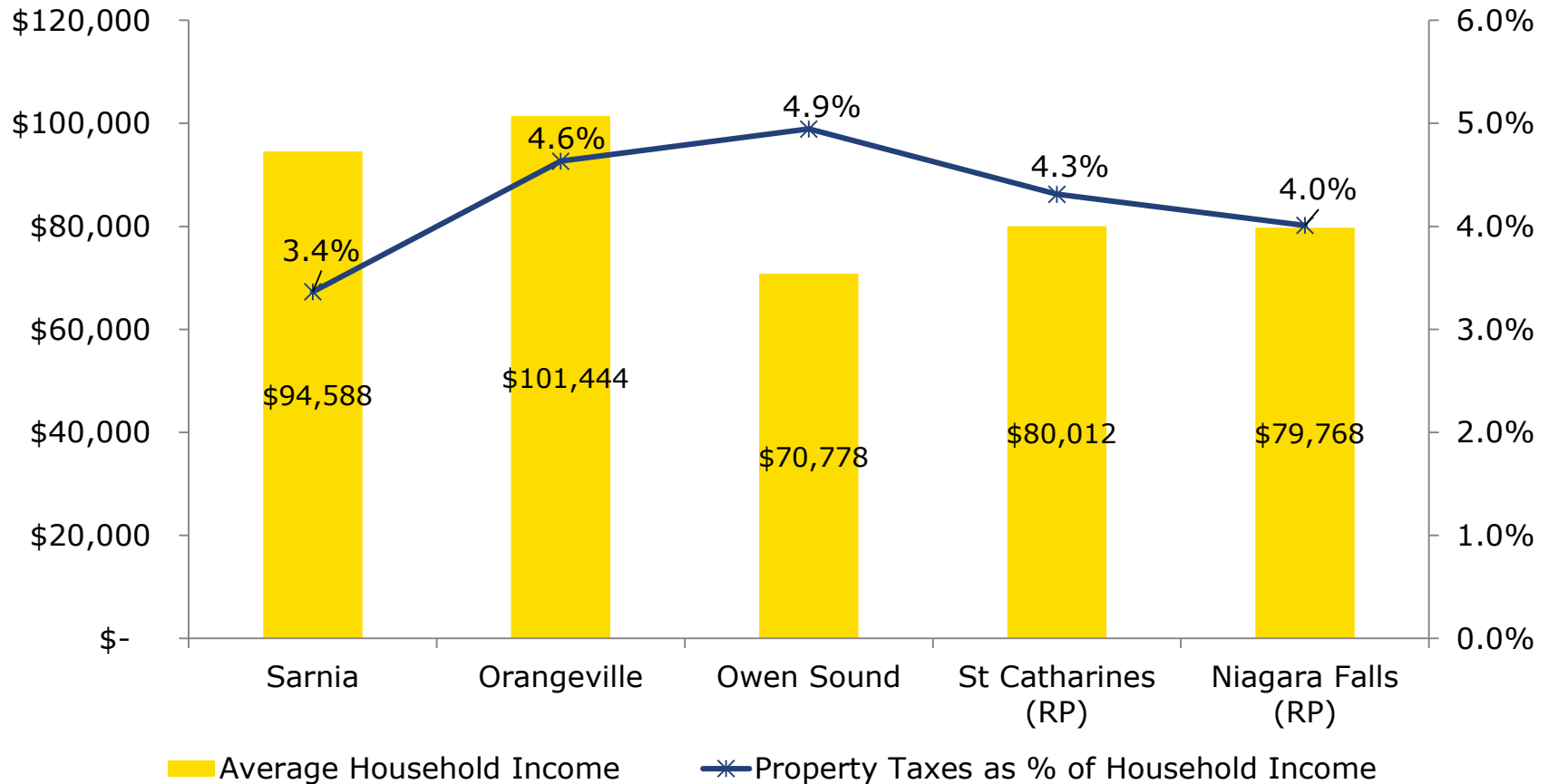


PROPERTY TAX COMPARISON

The following chart demonstrates the affordability of property taxes in Sarnia. The average household income in the City of Sarnia and the average property taxes as a percentage of this income are compared to our comparator municipalities.

Property Taxes As % Of Household Income

(Source: 2018 BMA Municipal Study)



WHAT ARE THE KEY THINGS CAUSING THE PROPOSED INCREASE TO PROPERTY TAXES/RATES?

The chart below shows the key areas of increased spending or reduced revenue anticipated for 2020.

Staffing Costs - Wages & Benefit contractual increases and changes to staffing	1,537,942	2.07%
Staffing Increases offset by grants/asset management contribution	(476,349)	-0.64%
Police Budget - as approved by Police Service Board	1,493,397	2.01%
Penalties & Interest on Taxes	275,000	0.37%
Growth Impact	(500,000)	-0.67%
OMPF Increase	(580,795)	-0.78%
Service Delivery Review Savings	(600,000)	-0.81%
Contribution to Reserves – Dedicated Asset Management Funding	1,485,752	2.00%
Streetlights Hydro	(140,000)	-0.19%
Garbage & Recycling & Compost	437,036	0.59%
Other Changes	695	0.00%
Proposed Increase - General Taxation	\$2,932,678	3.95%
Staffing Costs - Wages & Benefit contractual increases and changes to staffing	366,885	9.16%
Provincial Gas Tax Funding	(113,211)	-2.83%
Contracted Service for bus stop snow removal & cleaning	(53,000)	-1.32%
Other Changes	(407)	-0.01%
Proposed Increase - Transit Taxation	\$200,267	5.00%
Staffing Costs - Wages & Benefit contractual increases and changes to staffing	273,262	0.79%
Contribution to Reserves	694,107	2.00%
Water Meter Reading & Billing, and Maintenance & Installation Contracts	97,352	0.28%
LAWSS - City's Share of LAWSS Administration, Operating, and Capital Budget	(233,980)	-0.67%
Vehicle Expense	(166,466)	-0.48%
Electricity	(80,000)	-0.23%
Other Changes	129,709	0.37%
Proposed Increase to Water & Sewer User Rates	\$713,984	2.06%

A positive change represents an increase to levy/rates.

A negative change represents a decrease to levy/rates.

WHAT DOES THE CITY'S PROPOSED INCREASE MEAN FOR MY TOTAL TAX BILL?

As a part of a two-tier municipality, property taxes are collected by the City of Sarnia for the County of Lambton and the Ministry of Education. For the residential homeowner located in the transit area, this chart shows the estimated change to your total tax bill. It is estimated using the most recent median residential assessment values. The County of Lambton and the School Boards have a separate budgeting process from the City, and their changes will not be finalized until early 2020. This chart is shown for an estimate only and will change based on the approved budgets and any real assessment growth.

Total Property Tax Estimate	2019 Total Tax Bill	Draft Increase City	Estimated Increase Lambton County and School Boards	2020 Estimated Total Tax Bill
Residence valued at \$100K	\$1,518	\$37	\$13	\$1,568
Single Family Detached	\$2,934	\$81	\$29	\$3,044
Link Home	\$2,554	\$68	\$24	\$2,646
Freehold Rowhouse	\$1,495	\$62	\$22	\$1,579
Semi-Detached	\$1,905	\$51	\$18	\$1,974
Single Family (Lakefront)	\$13,182	\$364	\$129	\$13,675
Condominium	\$1,860	\$55	\$19	\$1,934
Estimated Increase on Total Property Tax Bill				3.29%

County and Education changes will not be known until Spring 2020, estimated increase only

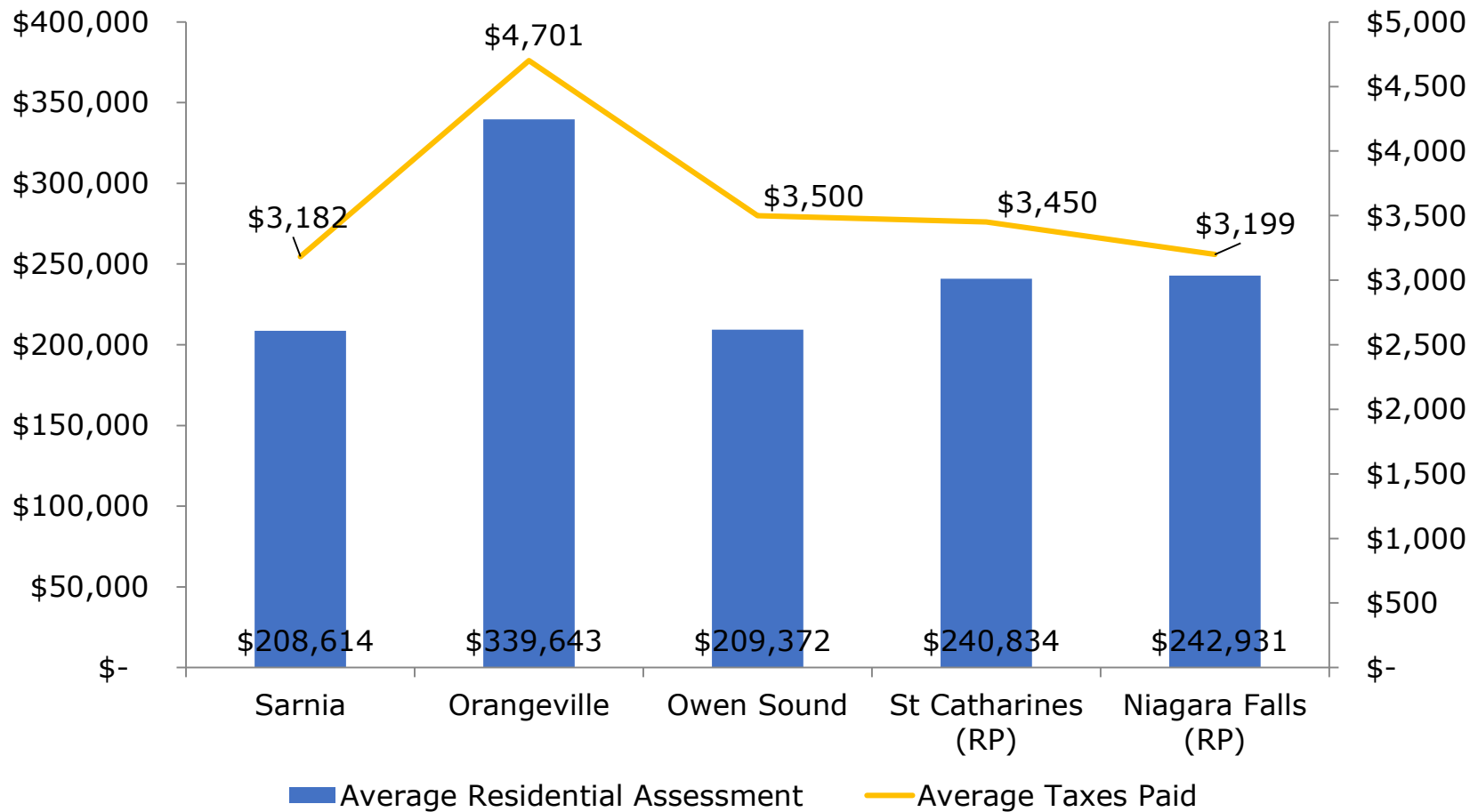
Residential information has been shown, but property taxes are shared by all property owners; this includes all property classes, such as residential, multi-residential, farm, commercial, and industrial. Heavily regulated by the Province, the County of Lambton sets policy to determine what portion of taxes each property class throughout the County pays. As the total tax collected is based on the approved budget, any change to this policy shifts tax liability from one property class to another, but the total amount collected stays the same.

HOW DO CITY OF SARNIA TAXES COMPARE?

The following chart shows how the Sarnia's taxes compare to similar sized municipalities in Ontario. The bar graph indicates the average residential assessment value of a home, whereas the line graph indicator above shows the average property taxes paid.

Assessment Value / Taxes Paid

(Source: 2018 BMA Municipal Study)



ASSET MANAGEMENT - CAPITAL BUDGET

Maintaining municipal infrastructure is vital to achieving our vision “Sarnia – the place you want to be!” Our Asset Management Plan (AMP) is used to optimize our assets and help prioritize infrastructure needs. The City’s revenues are not sufficient to meet the outstanding infrastructure needs or address the infrastructure backlog. The prioritization for infrastructure rehabilitation and replacement focuses on urgency, available resources, readiness to proceed, and affordability.

To address issues identified through the AMP as well as to promote a culture of pro-active lifecycle management, the budget includes a dedicated 2% asset management funding to supplement the dollars available to invest in municipal assets. If approved, this dedicated asset management funding will be directed to pro-active maintenance of assets (i.e. rehabilitating them before they deteriorate into a poor condition).

In addition, the City owns and manages capital assets and infrastructure to specifically support our petro-chemical industrial sector. A special area levy for this sector is proposed for the next ten years to enable the City to replace and/or rehabilitate these critical assets.

The City has been very successful in obtaining substantial Federal and Provincial grants for transit, roads, sewer upgrades, and water main replacements. The City must provide financial resources in partnership with the grant programs, ranging from 33% to 60% of total project costs. To meet this demand, as well as to promote a sustainable capital program, the City has drafted a 10-year capital plan that invests in the community’s infrastructure.

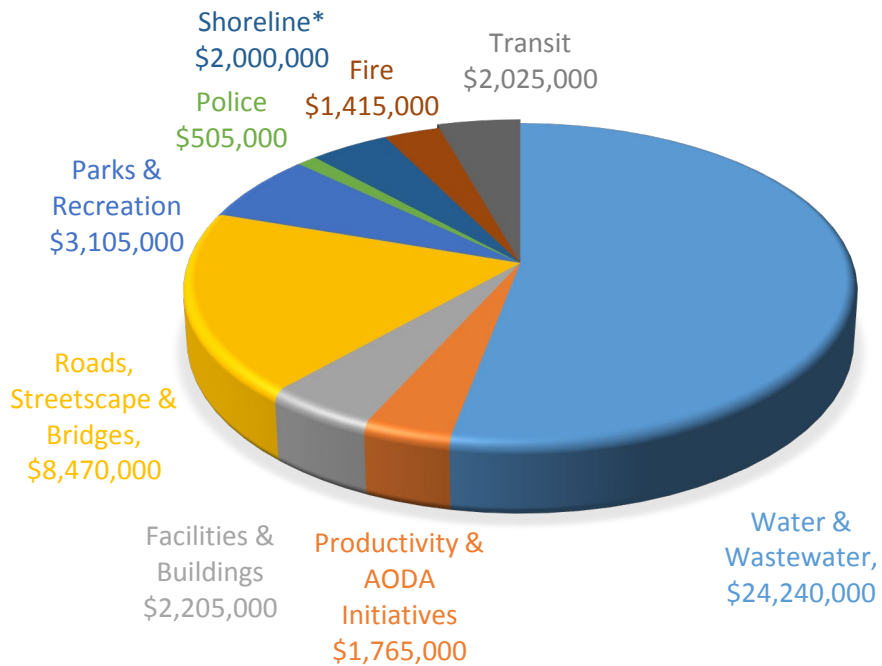
The City is maintaining its “Pay As You Go” philosophy, redirecting the dollars previously used to pay principal and interest on retired debt, into other capital investments.



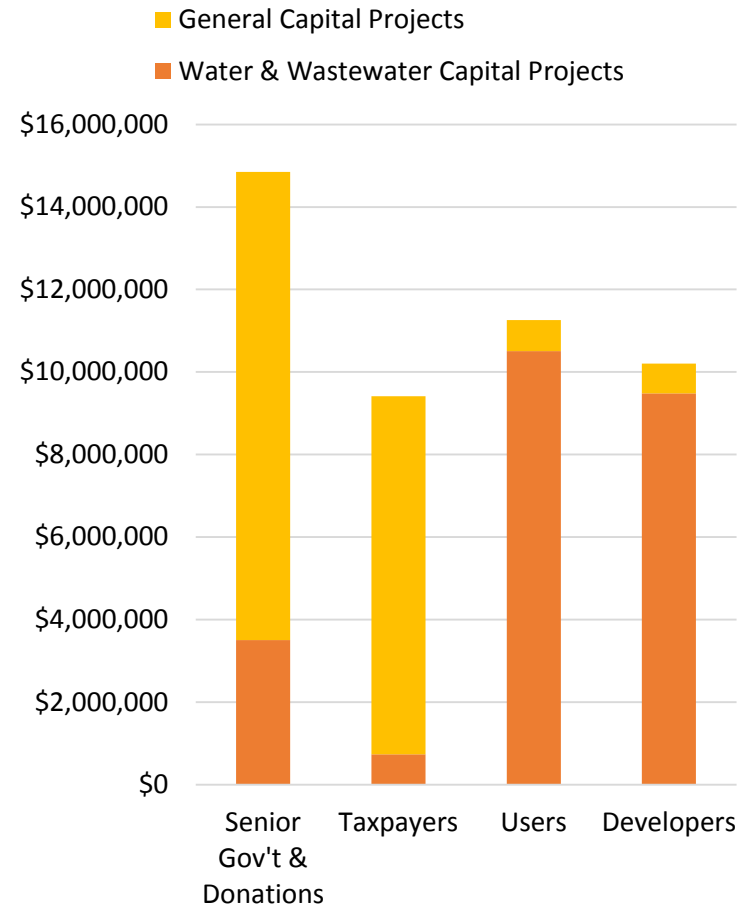
2020 DRAFT CAPITAL BUDGET

The following pie chart illustrates where the 2020 capital budget dollars are allocated, while the bar graph shows where the money comes from.

2020 DRAFT CAPITAL BUDGET
\$46 MILLION



2020 - Where the \$ Comes From



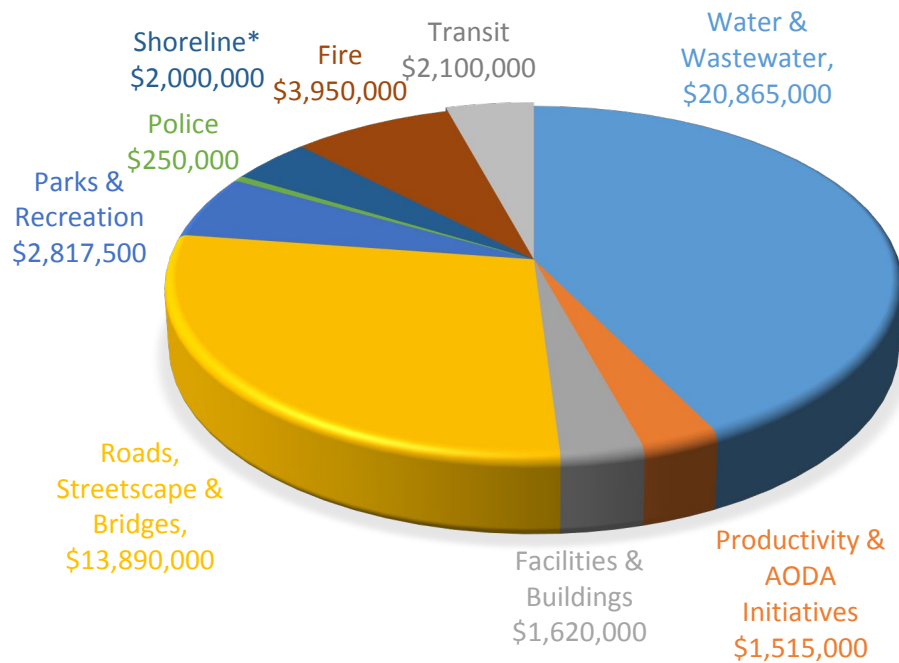
Notes:

*City's share to leverage grant funding of \$1.3M through St. Clair Conservation Authority

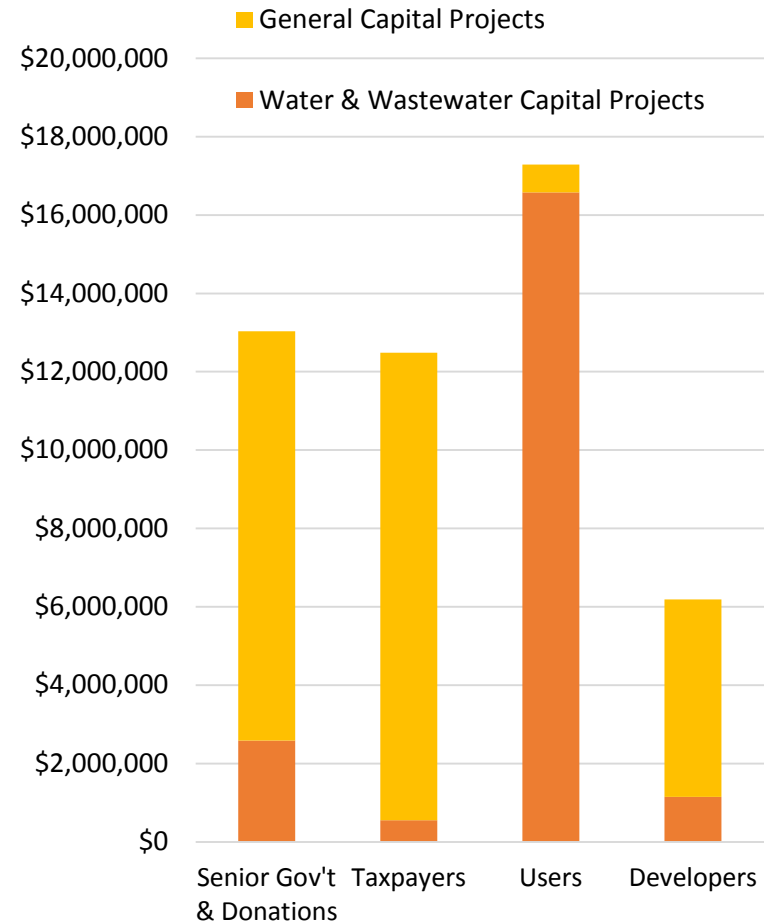
2021 DRAFT CAPITAL BUDGET

The following pie chart illustrates where the 2021 capital budget dollars are allocated, while the bar graph shows where the money comes from.

**2021 DRAFT CAPITAL BUDGET
\$49 MILLION**



2021 - Where the \$ Comes From



Notes:

*City's share to leverage grant funding of \$1.3M through St. Clair Conservation Authority

BUDGET HIGHLIGHTS

This highlight document provides a high-level overview of the budget process, aspects of the budget, and the proposed changes for 2020. Additional summary reports are included in the Appendices to provide citizens information for review in advance of the Public Input Session. The Public Input and Grants Session will be held on Monday, November 18, 2019 in the Council Chambers, Sarnia City Hall, at 5:00 p.m. Any citizen, group or organization who wishes to make a presentation on the 2020 Budget is requested to notify the City Clerk's office on, or before, noon on Wednesday, November 13, 2019.

You can watch video (live or recordings) of special Council meetings leading up to the Council Budget Deliberations scheduled for December 3, 2019 at 9:00 a.m. at <https://sarnia.civicweb.net/portal/>.

In preparation for the Budget process there are a number of presentations to Council; they are available on our website for your review. If you would like a more detailed look at all the numbers and background data that goes into the development of the proposed budgets, there are a number of detailed documents that will be available on our website after November 4, 2019 at <https://www.sarnia.ca/city-government/budgets-and-finance/2020-budgets/>. These documents include:

2020 Draft Operating Budget	<ul style="list-style-type: none">•Summary of Taxation, Rates, Expenditures and Revenues•Summary by Department•Total Full Time Equivalent Staff Summary•Detailed Operating Budget (line by line) including explanations of changes
2020 Draft Capital & Reserves Budget	<ul style="list-style-type: none">•Capital Budget Funding Sources•10 Year Capital Plan•Detailed Project Descriptions•Reserve & Reserve Fund Revenues & Expenditures, & Projected Fund Balances
2020 Draft Fees for Services	<ul style="list-style-type: none">•Fees by Department (including description of user fees)
2020 Draft Supplementary Budget Information	<ul style="list-style-type: none">•Budget Reports•Municipal Grant Policy•Municipal Grant Summary and Submitted Applications

APPENDICIES

1. 2020 – 2021 Draft Operating Budget Pages 22-23
2. 2020 – 2021 Proposed Capital Budgets Pages 24-25
3. Reserves and Reserve Funds Page 26
4. Proposed Water and Sewer Rates Page 27

APPENDIX 1: 2020 - 2021 DRAFT OPERATING BUDGET SUMMARY

Budget Area	2020 Draft Revenues	2020 Draft Expenses	2020 Net Expenses/ (Revenue)	2020 Draft Change	2021 Draft Revenues	2021 Draft Expenses	2021 Net Expenses/ (Revenue)	2021 Draft Change
General								
Taxation	(79,949,441)	2,636,524	(77,312,917)	(3,370,615)	(85,097,086)	2,573,191	(82,523,895)	(5,210,978)
Non Departmental Revenue	(8,192,958)	1,959,063	(6,233,895)	(374,824)	(8,142,958)	2,838,082	(5,304,876)	929,019
Mayor & Council	-	388,718	388,718	6,360	-	393,003	393,003	4,285
CAO & General Municipal	-	10,682,862	10,682,862	834,463	-	12,218,709	12,218,709	1,535,847
Economic Development	-	170,412	170,412	(10,920)	-	177,265	177,265	6,853
Legal	(95,800)	613,098	517,298	(63,700)	(82,800)	632,771	549,971	32,673
Human Resources	(201,670)	1,174,996	973,326	46,040	(172,870)	1,152,705	979,835	6,509
Finance	(1,252,907)	4,573,303	3,320,396	128,991	(1,116,345)	4,709,527	3,593,182	272,786
City Clerk	(353,845)	800,470	446,625	3,879	(353,845)	823,887	470,042	23,417
Harbour	(1,187,538)	1,085,538	(102,000)	(2,000)	(1,193,138)	1,090,138	(103,000)	(1,000)
Properties	(46,100)	1,225,275	1,179,175	113,319	(46,100)	1,215,506	1,169,406	(9,769)
Emergency & Other	-	220,109	220,109	4,287	-	183,085	183,085	(37,024)
Fire	(350,540)	20,699,307	20,348,767	683,450	(197,206)	20,952,664	20,755,458	406,691
Engineering	(2,314,392)	4,593,443	2,279,051	(135,322)	(2,296,088)	4,637,339	2,341,251	62,200
Public Works	(5,514,653)	9,897,842	4,383,189	51,024	(5,373,704)	10,135,166	4,761,462	378,273
Waste Management	(1,328,324)	4,425,851	3,097,527	275,758	(1,325,457)	4,753,440	3,427,983	330,456
Specialized Transit	(239,199)	1,134,739	895,540	31,981	(239,199)	1,146,981	907,782	12,242
Parks & Sports Fields	(898,475)	4,830,649	3,932,174	155,063	(734,100)	5,109,755	4,375,655	443,481
Recreation Programs	(524,025)	1,196,467	672,442	68,739	(525,104)	1,219,931	694,827	22,385
Arenas	(2,475,285)	3,694,452	1,219,167	243,615	(2,452,785)	3,743,167	1,290,382	71,215
Pools	(74,300)	242,635	168,335	(5,130)	(74,300)	242,635	168,335	-
Parks & Rec Admin	(21,000)	421,929	400,929	5,101	(31,000)	437,004	406,004	5,075
Planning	(1,118,021)	1,080,050	(37,971)	(26,095)	(1,118,021)	1,108,964	(9,057)	28,914
Building	(721,000)	721,000	-	-	(721,000)	721,000	-	-

Budget Area	2020 Draft Revenues	2020 Draft Expenses	2020 Net Expenses/ (Revenue)	2020 Draft Change	2021 Draft Revenues	2021 Draft Expenses	2021 Net Expenses/ (Revenue)	2021 Draft Change
By-Law Enforcement	(677,650)	1,302,159	624,509	59,262	(674,600)	1,334,519	659,919	35,410
Debt	(1,313,907)	2,708,590	1,394,683	(117,758)	(832,588)	2,198,538	1,365,950	(28,733)
Boards, Commissions	-	408,717	408,717	24,234	-	428,595	428,595	19,878
Other	-	615,481	615,481	(122,599)	-	508,950	508,950	(106,531)
Police Services	(2,455,356)	27,802,707	25,347,351	1,493,397	(2,529,017)	28,642,794	26,113,777	766,426
Total General Operating	(111,306,386)	111,306,386	-	-	(115,329,311)	115,329,311	-	-
Transit								
Taxation	(4,205,597)	72,100	(4,133,497)	(198,467)	(4,370,981)	158,476	(4,212,505)	(79,008)
Operations	(2,616,813)	6,750,310	4,133,497	198,467	(2,629,813)	6,842,318	4,212,505	79,008
Total Conventional Transit	(6,822,410)	6,822,410	-	-	(7,000,794)	7,000,794	-	-
Water & Sewer								
Water Administration	(16,979,655)	7,375,064	(9,604,591)	(632,953)	(17,227,559)	7,507,844	(9,719,715)	(115,124)
Water Distribution	-	9,604,591	9,604,591	632,953	-	9,719,715	9,719,715	115,124
Lead Reduction	(485,523)	485,523	-	-	(487,804)	487,804	-	-
Sewer Administration	(17,848,442)	2,251,239	(15,597,203)	(674,362)	(18,385,782)	2,311,074	(16,074,708)	(477,505)
Sanitary Sewers	(150,000)	7,269,236	7,119,236	560,234	-	7,306,896	7,306,896	187,660
Pump Stations	(100,000)	1,916,243	1,816,243	170,254	-	1,951,455	1,951,455	135,212
Sewage Treatment	(277,652)	6,939,376	6,661,724	(56,126)	(175,000)	6,991,357	6,816,357	154,633
Storm Sewer Maintenance	(719,728)	719,728	-	-	(729,002)	729,002	-	-
Total Water & Sewer	(36,561,000)	36,561,000	-	-	(37,005,147)	37,005,147	-	-

APPENDIX 2: 2020 - 2021 PROPOSED CAPITAL PROJECTS

General Capital Projects	2020 Proposed	2021 Proposed
Capital Project Management & Tangible Capital Asset Software	120,000	0
Energy Efficiency Projects	325,000	320,000
AODA & Intersection Improvements	375,000	375,000
City Hall AODA Improvements	0	100,000
Lawrence House AODA Improvements	240,000	0
IT Hardware Asset Lifecycle	165,000	165,000
Arena Improvements	1,000,000	1,600,000
Park Infrastructure	915,000	267,500
Sport & Recreation	1,190,000	950,000
Corporate Customer Relationship Management System	50,000	250,000
120 Seaway Road Improvements	84,000	80,000
City Hall Improvements	395,000	250,000
Ferry Dock Hill Demolition	300,000	0
Library Improvements	230,000	250,000
Lochiel Kiwanis Centre Improvements	81,000	120,000
Active Transportation Infrastructure - Confederation Trail	1,170,000	0
Bridges & Culverts	1,900,000	1,500,000
Oversize Load Corridor	900,000	2,915,000
Parking Lot Reconstruction	325,000	0
Public Works Facilities Improvements	550,000	500,000
Rapids Parkway Extension	300,000	5,500,000
Road Rehabilitation	3,000,000	3,100,000
Shoreline Protection	2,000,000	2,000,000
Software - Computerized Maintenance Management System	900,000	0
Soil Management Site	100,000	0
Streetlights	100,000	100,000
Traffic Signals	100,000	100,000
Transportation Master Plan & Streetscapes Improvements	300,000	300,000
Showmobile	150,000	0
Electronic Documents & Records Management System	130,000	100,000
Special Area Levy Projects	150,000	1,000,000

Fire Capital Projects	2020 Proposed	2021 Proposed
Emergency Fire Apparatus	900,000	1,500,000
Fire Station 3 - Design, Demolition, Construction	100,000	1,090,000
Fire Station 4 Rehabilitation	185,000	0
Firefighter Personal Protective Equipment	0	710,000
Radio System & User Gear	100,000	650,000
Fire Station 1 AODA Improvements	130,000	0
Transit		
Bus Fleet Upgrades	0	350,000
Facility Renovations	400,000	0
Maintenance Equipment Upgrades/Replacements	15,000	300,000
Transit Bus Stop Improvements	150,000	150,000
Vehicle Replacements - Care-A-Van	160,000	0
Vehicle Replacements - Conventional Transit	1,300,000	1,300,000
Water & Sewer		
Biosolids Processing Upgrades	1,600,000	2,300,000
Combined Sewer Separation	2,200,000	1,600,000
Corrosion Protection Plan	0	600,000
Plank Road Reconstruction	400,000	3,465,000
Pumping Station Improvements	1,200,000	500,000
Sarnia Sewer Upgrade Project	10,500,000	6,000,000
Stormwater Management Facilities Rehabilitation	200,000	100,000
Water Pollution Control Centre Improvements	500,000	500,000
Watermain, Sanitary & Storm Sewer Replacements	7,640,000	5,800,000
Police Services		
911 Communications	405,000	150,000
Building Improvements	100,000	100,000
Total Approved Capital Project Funding	\$45,730,000	\$49,007,500

APPENDIX 3: RESERVES AND RESERVE FUNDS

The City holds Reserves and Reserve Funds that are similar to your savings account; they ensure the City has funding for specific purposes or capital projects when needed. Some examples of different types are:

1. "Reserves" are set up by Council and cushion the impact that major expenditures have on property taxes. For example, Tax Stabilization Reserve or Operating Contingency Reserve.
2. "Reserve Funds" earn interest and have external restrictions for collection and use.
 - a. Obligatory (Restricted) – required for legislated or legal reasons. For example, Development Charges are collected from developers and can only be spent for very specific purposes.
 - b. Discretionary – created by Council By-Law, often based on an agreement or donation, for example Bluewater Gymnastics Reserve Fund, or YMCA Reserve Fund.

Below is a high-level summary of the expected opening balances, revenue and spending, and forecasted ending balances for the City's Reserves and Reserve Funds, and types of Inflows (contributions) and Outflows (commitments).

Reserves Budget	Project Type	2020	2021
Opening Balances	Opening Balance	53,121,011	44,735,670
Opening Balances Total		53,121,011	44,735,670
Reserve Inflows	From Operating Budget	27,262,577	30,116,414
	Retired Debt	5,614,616	6,124,668
	Senior Government Grants	9,562,079	8,288,398
	Development Charges	1,000,000	1,000,000
	Other	1,520,598	1,498,745
	Reserve transfer	8,688,456	5,119,698
	Potential Senior Government Grant	3,794,198	3,797,987
	Potential Donations	145,000	75,000
	Potential Loan		600,000
Reserve Inflows Total		57,587,524	56,620,910
Reserve Outflows	Equipment/Fleet Replacement	(1,657,500)	(1,567,000)
	Direct from Reserve Requests	(4,276,900)	(3,871,311)
	To Operating Budget	(4,890,008)	(3,806,307)
	Capital Projects	(46,460,000)	(48,215,715)
	Reserve transfer	(8,688,456)	(5,119,698)
Reserve Outflows Total		(65,972,864)	(62,580,031)
Ending Balance		44,735,671	38,776,549

APPENDIX 4: PROPOSED WATER AND SEWER RATES

Year	2020			2021		
Size of Meter	Water Distribution Charge (\$/month)	Water Consumption Charge (\$/m3)	Sewer Surcharge (%) *	Water Distribution Charge (\$/month)	Water Consumption Charge (\$/m3)	Sewer Surcharge (%) *
5/8"	\$32.32	\$0.3841	115.93%	\$32.64	\$0.3879	117.54%
3/4"	\$45.64	\$0.3841	115.93%	\$46.10	\$0.3879	117.54%
1"	\$104.84	\$0.3841	115.93%	\$108.16	\$0.3879	117.54%
1 1/2"	\$209.70	\$0.3841	115.93%	\$216.33	\$0.3879	117.54%
2"	\$387.50	\$0.3841	115.93%	\$399.75	\$0.3879	117.54%
3"	\$745.77	\$0.3841	115.93%	\$769.35	\$0.3879	117.54%
4"	\$1,165.31	\$0.3841	115.93%	\$1,202.15	\$0.3879	117.54%
6"	\$2,422.34	\$0.3841	115.93%	\$2,498.92	\$0.3879	117.54%
8"	\$4,660.46	\$0.3841	115.93%	\$4,807.79	\$0.3879	117.54%
10"	\$7,720.18	\$0.3841	115.93%	\$7,964.24	\$0.3879	117.54%

* Sewer Surcharge (% of Water Distribution + Consumption Charge)

Average Residential Water & Sewer Cost/Year (Based on 200 m3/Year Consumption)				
Year	2020		2021	
Water Meter Size	5/8"	3/4"	5/8"	3/4"
Distribution Charge (\$/month)	\$32.32	\$45.64	\$32.64	\$46.10
Water Consumption (\$/m3)	\$6.40	\$6.40	\$6.47	\$6.47
Distribution + Consumption	\$38.72	\$52.04	\$39.11	\$52.57
Sewer Surcharge	\$44.89	\$60.33	\$45.96	\$61.78
Average Cost /Month	\$83.61	\$112.38	\$85.07	\$114.35
Average Cost/Year	\$1,003.38	\$1,348.52	\$1,020.83	\$1,372.20
Average % Change	(0.59%)	(0.99%)	1.74%	1.76%



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