

**THE CORPORATION
OF THE
CITY OF SARNIA**



**DRAFT
SUPPLEMENTARY
BUDGET INFORMATION
2020**

**THE CORPORATION OF THE
CITY OF SARNIA**

**2020 SUPPLEMENTARY BUDGET
INFORMATION**

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THE CORPORATION OF THE CITY OF SARNIA
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FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: Suzanna Dieleman, Director of Finance
DATE: December 3, 2019
SUBJECT: 2020 Capital Budget

Recommendation:

It is recommended:

That Sarnia City Council adopt the 2020 and 2021 Capital Budgets and 10-Year Capital Plan as presented, at the Budget Deliberation Council meeting on December 3, 2019.

Background:

The 2020 Draft Capital Budget is presented for Council's consideration.

The Capital Budget provides for the purchase or rehabilitation of Capital Assets that exceed the threshold limit of \$75,000. Assets have a useful life that exceed one year, and a Capital Expenditure is a significant expenditure incurred to acquire, improve, rehabilitate or reconstruct land, buildings, machinery/equipment and linear assets (roads, sewers, water mains, bridges, etc.).

On June 17, 2019, Council approved the City's Capital Budget and Finance Policy ("Policy"). The Policy supports a disciplined approach that reflects the City's strategic plan of reducing its debt servicing costs. The capital budget is a multi-year financial plan, forecasted over a 10-year timeline. The capital budget provides for the planning of future financial resources required to finance capital expenditures. The capital budget should also identify the future financial resources required from the operating budget to use and maintain new capital assets. The first two years of the multi-year capital plan are considered the City's firm intention, pending Council approval. The remaining years are capital activities the City is seeking approval in principle to be able to start planning for the City's strategic priorities. The 10-Year Capital Plan will be brought back to Council each year for confirmation of Council's approval

or approval of any significant changes and updates.

The 2020 Draft Capital Budget, determined by prioritized needs and affordability, proposes no external debt. All capital projects are funded from current revenue sources, Reserves and Reserve Funds, and other external funding sources, including senior government funding. The capital work required to build out Development Areas 1 and 2 is being funded from development charges; the development charges will be received over time whereas the development outlay will occur over the next two years. As a result, Staff is proposing that the Development Charge Reserve be funded with internal borrowings from total reserve balances, which are adequate to fund the borrowings. The borrowings have been reflected in the 2020 Reserves and Reserve Fund Budget.

The Reserves and Reserve Funds are growing over the 10-year forecast, but not on pace to align with long-term infrastructure needs, address the infrastructure backlog, or to be available for matching funds if additional senior government grants are announced. In addition, as noted above, a portion of the reserves will be utilized to fund the upfront development work required in Development Areas 1 and 2. At the current pace, the condition of the City's assets and the level of service they provide to citizens will continue to deteriorate.

Based on the June 25, 2018 Asset Management Update presentation to Council, the infrastructure backlog (asset needs that are not addressed within the year they are due) is \$424 million for 2020. The plan continues to be a work-in-progress, and the assets include roads, major bridges & culverts, water mains, sanitary sewers, storm sewers, shoreline protection and facilities. There are also needs such as rolling stock, parks, technology, etc., that are not included in the numbers above. Once all city assets are included in the Asset Management Plan over the next few years, backlog and annual rehabilitation/replacement needs can be fully quantified.

The following table summarizes the Approved Capital Budgets for 2018 and 2019, and the 2020, 2021 and 2022 Draft Capital Budgets with associated funding sources. Currently, the main source of external funding is senior government funding; Provincial and Federal Gas Taxes, and Ontario Community Infrastructure Fund (OCIF) are received annually. Additionally, the 2020 Draft Capital Budget includes an approved application-based grant from the Small Community Fund (SCF) of \$2,000,000, potential grants for Investing in Canada Infrastructure (ICIP) of \$3,319,198, Disaster Mitigation Adaptation Fund grant of \$800,000, and a National Trade Corridor Fund grant of \$1,000,000 and a sponsorship of \$150,000 towards the over-sized load corridor.

Budget Year	Total Budget	External Debt Financing	External Funding Sources	Own Source Funding
2018	27,066,201	0	9,683,992	17,382,209
2019	29,789,300	0	11,397,620	18,391,680
2020 Draft	45,730,000	0	14,850,057	30,879,943
2021 Draft	49,007,500	0	13,036,442	35,971,058
2022 Draft	38,668,500	0	14,247,442	24,421,058

Comments:

The contents of the 2020 Draft Capital Budget included in the Draft Capital and Reserves Budgets 2020 book is described by section, below:

2020 Draft Capital Budget – Funding Sources

The total value of the capital project requests is \$45,730,000 for 2020. This is an unprecedented level of capital investment for the City and reflects the significant needs of aging infrastructure, new development requirements and opportunities to leverage ICIP grants.

The capital projects are financed through the City’s Reserve and Reserve Funds. In total, \$30,879,943 is funded from the City’s operating budget including retired debt and transfers to Reserve Funds. To further increase the level of funding for capital projects, an additional increase to the general tax levy and water and sewer rates of 2.00% as Dedicated Asset Management Funding has been included in the 2020 draft operating budget. This Dedicated Asset Management Funding has largely been allocated back to the operating budget to fund necessary asset maintenance and life cycle costs.

There is a distinction between senior government funding that is approved and therefore certain, versus the funding that is uncertain at the time of the budget preparation. For 2020, the ICIP grants are identified as potential at this time. If potential grants do not materialize, the City will scale back or eliminate the associated capital projects, with Council approval.

Details for each of the Capital Projects, including multi-year project requirements and funding needs, are included in Project Summary sheets as noted below.

2020 Draft 10-Year Capital Plan

The 10-Year Capital Plan reflects the capital projects that are anticipated over the next 10 years. The first two years of the multi-year capital plan are considered the City’s firm intention, pending Council approval. The remaining years are capital activities the City is seeking approval in principle to be able to start planning for the City’s strategic priorities. The 10-Year Capital Plan

will be brought back to Council each year for confirmation of Council's approval or approval of any significant changes and updates. Ultimately, the 10-year Capital Plan will tie to the Corporate Asset Management Plan (AMP). The AMP is a living document that will continue to be updated to include all the City's assets and assessments to guide the effective management, rehabilitation and replacement of our assets.

The 10-Year Capital Plan in conjunction with the 10-year Reserve Budget, outlines the known funding sources for the capital projects. One exception is the Fire-related capital projects in years 2021 through 2029 that have resulted in Fire reserves being in a deficit position for years 2021 through 2029 and will be addressed once the outcome and recommendations from the Fire Master Plan, which is currently being prepared, are known. The infrastructure backlog is not yet included in the 10-Year Capital Plan. The 10-year Capital Plan will continue to be enhanced as the AMP is extended to all City assets and funding strategies are determined to meet the City's long-term capital needs.

2020 Capital Project Details – Department Requests

This section of the book includes a summary of the individual 2020 capital projects. The project detail includes a description, justification, and impact of deferral as well as risk and criticality assessment. Significant review with staff was completed to validate capital requests and identify funding priorities.

Costs over a 5-year period are included, in alignment with the 10-Year Capital Plan. Funding is identified for the entire project.

Consultation:

The proposed capital projects were submitted by the Directors and consultation occurred with the departments, Finance and the Chief Administrative Officer (CAO) in order to determine recommended funding. Police Services capital projects were submitted to Finance by the Police Services Director of Financial Services, and are currently draft, pending approval by the Police Services Board.

Financial Implications:

Discussed throughout this report.

Reviewed by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

This report was prepared by Holly Reynolds, Accounting and Budgeting Manager.

Attachment(s): (See Capital & Reserves Budgets book)

- 2020 Draft Capital Budget – Funding Sources
- 2020 Draft 10-Year Capital Plan
- 2020 Capital Project Detail – Department Requests

THE CORPORATION OF THE CITY OF SARNIA
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FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: Suzanna Dieleman, Director of Finance
DATE: December 3, 2019
SUBJECT: 2020 Reserve and Reserve Fund Budget

Recommendation:

It is recommended:

1. That Sarnia City Council adopt the 2020 Reserve and Reserve Fund Budget as presented, at the Budget Deliberation Council meeting on December 3, 2019; and
2. That Sarnia City Council approve the opening of #6055 ICIP – Investing in Canada Infrastructure reserve to track the potential ICIP grants and associated spending; and
3. That Sarnia City Council approve the opening of #6060 Disaster Mitigation Fund reserve to track the funding and associated spending; and
4. That Sarnia City Council approve the opening of #6625 Petro-Chemical Area Levy reserve to track the special levy and associated spending; and
5. That Sarnia City Council approve the opening of #6900 Internal Borrowing reserve to track the internal borrowing against the City's Reserve and Discretionary Reserve Funds balances in total.

Executive Summary:

2020 Dedicated Reserve and Reserve Fund Revenue and Expenditures

Most Reserve and Reserve Fund amounts flow through the Operating and Capital Budgets and are approved by Council as part of the budget deliberation process. This report outlines amounts that flow directly to or from reserves and

would not be identified in the Operating and Capital Budgets. These amounts are approved when Council approves the Reserve and Reserve Fund Budget.

Revenues totaling \$16,021,874 flow directly to Reserves and Reserve Funds. Expenditures totaling \$5,934,400 flow directly from Reserves and Reserve Funds.

In 2020, it is forecasted that the Reserves and Reserve Funds balance will decline from \$53,121,011 to \$44,735,670 based on planned inflows and outflows. Of this total, \$13,437,885 is in restricted Obligatory Reserve Funds, and the balance of \$31,297,785 is the amount for various capital and operational purposes. The total value of the capital project requests is \$45,730,000.

2021 Draft Reserve and Reserve Fund Budget

As part of the City's 10-Year Capital Plan and pilot of a multi-year operating budget, staff have prepared a 2021 Draft Reserve and Reserve Fund Budget consistent with the preparation of the 2020 Reserve and Reserve Fund Budget.

In 2021, it is forecasted that the Reserves and Reserve Funds balance will decline from \$44,735,670 to \$38,776,550 based on planned inflows and outflows. Of this total, \$11,318,254 is in restricted Obligatory Reserve Funds, and the balance of \$27,458,296 is the amount for various capital and operational purposes. The total value of the capital project requests is \$49,007,500.

Background:

The 2020 Draft Reserve and Reserve Fund Budget is presented for Council's consideration.

The maintenance and growth of Reserves and Reserve Funds is a key component of the City's Long-Term Financial Plan as adopted by Council in 2005. In the 2020 Draft Capital Budget, the City is presenting an unprecedented level of capital investment that reflects the significant needs of aging infrastructure, new development requirements and opportunities to leverage ICIP grants. This will result in the short-term decline in Reserve and Reserve Fund balances.

The Reserves and Reserve Funds Policy, approved by Council on September 10, 2018, with amendments approved on September 9, 2019, identifies that it is the policy of the City of Sarnia to:

- *Maintain Reserves and Reserve Funds for:*
 - *planned future capital rehabilitation/replacement*

- *unexpected/unpredicted expenditures which would otherwise cause fluctuations in the operating or capital budgets*
- *irregular or occasional expenses*
- *segregation of funds for a specific purpose or agreement*
- *obligations payable in the future*
- *Manage Reserves, Reserve Funds in a responsible manner*
- *Prohibit the spending of any Reserve or Reserve Fund below zero*
- *Use Reserves, Reserve Funds solely for the intended purpose*

This report satisfies requirements of the policy including:

- Council approval of the creation, consolidation and closure of Reserves or Reserve Funds
- Council direction of funds to and from Reserves and Reserve Funds through the budget process
- Annual reporting of adequacy to meet future needs

Reserves and Reserve Funds receive revenue through the following sources:

- Contributions from the City's Operating, Water, Sewer and Transit Budgets. These amounts are approved by Council as part of the Operating Budget approvals.
- Contributions from senior levels of government, such as Federal and Provincial Gas Tax, and Ontario Community Infrastructure Fund (OCIF).
- Fees earned from City programs and services that have been approved for direction to reserves.
- Contributions from other outside stakeholders that have specific designated purposes, such as donations, development charges and rebates.

Reserves and Reserve Funds can be expended in the following ways:

- Funding of capital projects found in the City's annual Capital Budget. These amounts are approved by Council as part of the Capital Budget approval.
- Contributions to the City's Operating, Water, Sewer and Transit budgets. These amounts are approved by Council as part of the Operating Budget approvals.
- Expenditures that occur directly from the Reserves and Reserve Funds as part of the Reserve Budget (see Dedicated Reserve and Reserve Fund Revenue and Expenditures). These amounts are approved by Council as part of the Reserve and Reserve Fund Budget approval.
- Funding allocated during the year as a result of Council resolution on a case-by-case basis as approved during Council meetings.

Comments:

There are additional reserves that are being recommended for Council approval. The new reserves will assist in the administration and efficient management of specific Reserves and Reserve Funds.

The Reserves and Reserve Funds section of the Draft Capital and Reserves Budgets 2020 book are described by section, below:

Reserve and Reserve Funds Summary

This summary includes a listing of Reserve and Reserve Funds detailed by Obligatory (*externally restricted Reserve Funds*) and Non-Obligatory (*includes both interest-bearing Discretionary Reserve Funds and non-interest bearing Reserves*).

As the Reserve and Reserve Fund Budget and forecast reports included in the budget book are sorted by number, this list includes the number and is sorted by name. The purpose of each Reserve and Reserve Fund is included for reference.

2020 Dedicated Reserve and Reserve Fund Revenue and Expenditures

Most Reserve and Reserve Fund amounts flow through the Operating and Capital Budgets and are approved by Council as part of the budget deliberation process. This summary outlines amounts that flow directly to or from reserves and would not be identified in the Operating and Capital Budgets. These amounts are approved when Council approves the Reserve and Reserve Fund Budget as per this report's resolution.

Revenues totaling \$16,021,874 flow directly to Reserves and Reserve Funds. The largest direct revenues are from senior government funding: Provincial Gas Tax \$1,010,828, Federal Gas Tax \$2,171,892, and OCIF \$2,949,359. Also included is the Small Communities Fund (SCF) grant funding of \$2,000,000. New for 2020 are potential ICIP – Investing in Canada Infrastructure Program - grant of \$3,319,198, potential Canadian Experiences Fund Grant of \$475,000 and Disaster Mitigation Adaptation Fund grant of \$800,000. The City is also expecting to receive sponsorship funds of \$1,000,000 in each of 2020 and 2021 (in addition to \$2,000,000 received in 2019) for the sponsorship of the Over-Sized Load Corridor and a National Transportation Corridor Fund grant also related to the Over-Sized Load Corridor.

Expenditures totaling \$5,934,400 flow directly from Reserves and Reserve Funds. Anticipated WSIB and insurance claims for 2020 total \$1,845,600. City Fleet/Equipment vehicle replacement totals \$1,657,500 (Proposed Equipment Replacement List is \$1,206,500, Fire replacement vehicles are \$85,000 and Police vehicle replacement is \$366,000). Tax assessment appeals are included

at \$630,000 and will be used if the operating budget for tax write-offs is fully utilized. Also included are project expenditures, which are supported by department request memorandums included in this budget book, and re-occurring annual requests for estimated expenditures.

2020 Draft Reserve and Reserve Fund Budget

This summary, sorted by fund number, identifies the forecasted opening balance, anticipated inflows and outflows for 2020 and a forecasted ending balance. It includes revenues, expenditures and allocations to and from other City budgets. No Reserve or Reserve Fund can have a negative balance, with the exception of the Internal Borrowing Reserve, which is by its nature a negative balance.

The following points should be noted when reviewing the 2020 Draft Reserve and Reserve Fund Budget:

- The uncommitted balance as at December 31, 2019 was taken from the Forecasted Reserve and Reserve Fund Balances, December 31, 2019 schedule.
- Some of the items are estimates only, such as the claims payments for self-insurance, WSIB and tax assessment appeals.
- No provision for interest earned on Reserve Funds has been provided except where Reserve Funds have been invested externally.
- The forecasted balance as at December 31, 2020 are estimates as to what the Reserves and Reserve Funds balance may be at the end of 2020.

In 2020, it is forecasted that the Reserves and Reserve Funds balance will decline from \$53,121,011 to \$44,735,670 based on planned inflows and outflows. Of this total, \$13,437,885 is in restricted Obligatory Reserve Funds, and the balance of \$31,297,785 is the amount for various capital and operational purposes. The total value of the capital project requests is \$45,730,000 for 2020 and is the primary reason for the decline in the Reserves and Reserve Funds balance. This is an unprecedented level of capital investment for the City and reflects the significant needs of aging infrastructure, new development requirements and opportunities to leverage ICIP grants.

The capital work required to build out Development Areas 1 and 2 is being funded from development charges; the development charges will be received over time whereas the development outlay will occur over the next two years. As a result, Staff is proposing that the Development Charge Reserve (6015) be funded with internal borrowings from total reserve and discretionary reserve fund balances, which are adequate to fund the borrowings, and these

borrowings have been reflected in the 2020 Draft Reserve and Reserve Fund Budget.

2021 Draft Reserve and Reserve Fund Budget

As part of the City's 10-Year Capital Plan and pilot of a multi-year operating budget, staff have prepared a 2021 Draft Reserve and Reserve Fund Budget consistent with the preparation of the 2020 Reserve and Reserve Fund Budget above. One exception is the Fire-related capital projects in years 2021 through 2029, which have resulted in Fire reserves being in a deficit position for years 2021 through 2029. The deficit will be addressed once the outcome and recommendations from the Fire Master Plan, which is currently being prepared, are known.

In 2021, it is forecasted that the Reserves and Reserve Funds balance will decline from \$44,735,670 to \$38,776,550 based on planned inflows and outflows. Of this total, \$11,318,254 is in restricted Obligatory Reserve Funds, and the balance of \$27,458,296 is the amount for various capital and operational purposes. The total value of the capital project requests is \$49,007,500 for 2021 and is the primary reason for the decline in the Reserves and Reserve Funds balance. This high level of capital investment continues to reflect the significant needs of aging infrastructure, new development requirements and opportunities to leverage senior government grants.

2020 Reserve and Reserve Fund Expenditures – Department Requests

Directors request to utilize Reserve or Reserve Funds for expenditures that do not meet the criteria of a capital project and are generally beyond regular operational activities. These requests are submitted by memorandum which provides justification for these expenditures and identifies the funding source.

There must be sufficient funds available within the applicable Reserve in order to bring the requests forward to Council.

2020 Proposed Equipment Replacement List

The Fleet Manager, in conjunction with the various department managers, identifies \$1,206,500 for general fleet replacements to be funded from the Works Equipment Reserve (6525) and \$85,000 for Fire light vehicles to be funded from the Fire Equipment Reserve (6510). Fire apparatus, buses, and Care-A-Vans are not included here, but rather as a capital project. Departments include a vehicle expense in their operating budget that funds the Works Equipment Reserve (6525), which in turn funds the equipment replacements and the operations of the garage. Police vehicles are included in a separate Dedicated Reserve Request of \$366,000.

Forecasted Reserve and Reserve Fund Balances – December 31, 2019

The forecasted Reserve and Reserve Fund balances as at December 31, 2019 have been provided for Council's review. Anticipated inflows and outflows for 2019 have been forecasted in order to estimate the year-end balances. These estimates will change based on actual results for the remainder of 2019.

The 2019 forecasted Reserve and Reserve Fund balances report shows a forecasted December 31, 2019 uncommitted balance of \$53,121,011. The obligatory (restricted) balance is forecasted at \$16,497,123, with the unrestricted balance forecasted at \$36,623,888.

Reserve and Reserve Fund Adequacy

As per the policy, Reserves and Reserve Funds levels will be monitored and reported on a regular basis. When inadequate balances occur, staff are to make recommendations to Council regarding strategies to work toward the target. Adequacy will be assessed by reviewing actual balances versus specific targets and reviewing various ratios. The general ratios/targets are included in the table. There are not yet any specific targets identified for individual Reserves or Reserve Funds, however these will be added to the table as reserve management evolves through the asset management planning process development. As noted, the City is proposing unprecedented levels of capital investment, which is causing a short-term decline in Reserve and Reserve Fund balances. The 10-year Reserve and Reserve Fund Plan indicates that Reserve and Reserve Fund balances will increase over time before factoring in asset management planning. Both 2019 and 2020 calculations are included based on forecasted uncommitted balances to identify if the draft budget is moving to improve the adequacy or not.

The data included in the table generally identifies that Reserve and Reserve Fund adequacy is not sufficient. The Debt to Reserves ratio indicates financial prudence. However the remainder of the ratios identify that balances are far below what is expected of a financially stable municipality. When Reserve and Reserve Fund balances are low, this does not provide Council with flexibility in funding capital rehabilitation/replacements, having the ability to match funding for grant programs as they are announced, addressing infrastructure backlog, or dealing with unexpected expenditures.

However, there is a need to manage both Reserve Fund growth and affordability.

Although the balances are not adequate overall, no specific recommendation is being made by staff within this report, due to the on-going asset management planning activities. The need for a financing strategy to address the infrastructure backlog has been a topic of Council discussion over a

number of years, and most recently detailed in the June 17, 2019 Corporate Asset Management Update. (refer to June 17, 2019 [Council Report – Strategic Corporate Asset Management Policy](#))

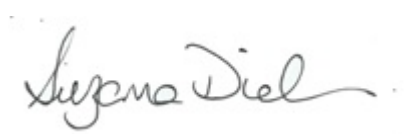
Consultation:

The proposed Reserves and Reserve Fund expenditures were submitted by the Directors and consultation occurred with the departments, Finance and the Chief Administrative Officer (CAO) in order to determine recommended funding. Police Services reserve contributions and expenditures were submitted to Finance by the Police Services Director of Financial Services, and are currently draft, pending approved by the Police Services Board.

Financial Implications:

Discussed throughout this report.

Approved by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

This report was prepared by Holly Reynolds, Accounting and Budgeting Manager

Attachment(s): (Refer to Capital & Reserves Budgets book)

- Reserve and Reserve Fund Summary
- 2020 10-Year Reserves Plan
- 2020 Dedicated Reserve and Reserve Fund Revenue and Expenditures
- 2020 Draft Reserve and Reserve Fund Budget
- 2021 Draft Reserve and Reserve Fund Budget
- 2020 Reserve and Reserve Fund Expenditures - Department Requests
- 2020 Draft Equipment Replacement List
- Forecasted Reserve and Reserve Fund Balances - December 31, 2019
- Reserve and Reserve Fund Adequacy Indicators

THE CORPORATION OF THE CITY OF SARNIA
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ENGINEERING DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: David Jackson, Director of Engineering
DATE: December 3, 2019
SUBJECT: Sarnia Sewer Upgrade Project Funding

Recommendation:

It is recommended:

That Sarnia City Council approves the plan to internally finance the Development Charge related cost of the Sarnia Sewer Upgrade Project at the Budget Deliberation Council meeting.

Background:

In 2014, the City was successful in its application under the New Building Canada - Small Community Fund for a grant contribution of \$30 million towards the Sarnia Sewer Upgrade Project. The grant includes upgrades to the Bright's Grove Sewage Lagoons, which have been completed, and the Bedford Pumping Station Project.

The Bedford Pumping Station project includes replacing two pumping stations with one new pumping station. This pumping station services almost half the City, mainly the area east of Murphy Road. The project also includes a new forcemain to the Water Pollution Control Centre and a new large diameter gravity sewer. The current infrastructure is well beyond its useful life and has experienced breaks. The capacity is insufficient to handle major wet weather events leading to risk of upstream basement flooding and overflow into the adjacent creek. Development areas one and two are upstream of this pumping station and an increase in capacity is required to accommodate future growth.

To date the City's financial portion of the project has mainly been funded by the sewer reserve and a small contribution from Development Charges.

Comments:

The 2020 capital budget includes a request for the final phase of the project, which is the new Bedford Pumping Station. This request is seeking to utilize \$8,242,500 from the Development Charges Reserve as identified in the Development Charges Background Study. The reserve currently has an uncommitted balance of approximately \$11 million. There are many Development Charge related projects planned for the next 5 years including The Rapids Parkway extension, Development Area 2 trunk infrastructure, and Parks related projects. If the Development Charge reserve were to be fully depleted to fund the Bedford Pumping Station project, there would be no funds available for these other important growth related projects. A delay in those projects could delay development growth.

As the Bedford Pumping station project is being constructed now with capacity to accommodate future growth for the next 30-50 years, staff are proposing that the Development Charge portion be financed internally from other reserves and then paid off over a longer period of time as Development Charges are collected from future growth. If the Development Charges Reserve is depleted, either no growth related projects could occur for the next 2-3 years or debt would be required for each of the individual smaller projects planned to be financed through Development Charges.

Consultation:

The Director of Finance was consulted in the preparation of this report.

Financial Implications:

Sufficient funding currently exists in other internal reserves to cover the \$8,242,500 required for the Development Charges portion of the Sarnia Sewer Upgrade Project. Depending on the level of growth over the next few years and demand on the other reserves, the funding source may need to be revisited in the future.

Prepared by:



David Jackson
Director of Engineering

Approved by:



Chris Carter
Chief Administrative Officer

Attachment(s): None

THE CORPORATION OF THE CITY OF SARNIA
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FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: Suzanna Dieleman, Director of Finance
DATE: December 3, 2019
SUBJECT: Dedicated Asset Management Funding

Recommendation:

It is recommended:

That Sarnia City Council approve, at the Budget Deliberation Council meeting, the inclusion of 2% on the tax levy each year for the next three (3) fiscal years for the purposes of supporting asset management activities and investment in capital infrastructure.

Background:

Historically, the City of Sarnia has under-invested in its capital infrastructure, resulting in reactive management of its services and related assets. This is easily recognized by the number of emergency water line repairs annually, numerous potholes on City streets, and the need to demolish buildings because they have deteriorated beyond repair.

Additionally, projects have not been well planned with appropriate, dedicated oversight, resulting in cost over-runs and time delays. This, too, has contributed to a culture of reactive responses, rather than proactive management.

With the incredible success in receiving substantial grant funding for a variety of projects came concerns about the City's ability to provide its' share of financial resources to the grant-funded projects without jeopardizing other capital projects and initiatives.

Comments:

Further to discussions around asset management and financing the critical needs within the City, staff are recommending a dedicated 2% increase to the

tax levy for each of the next three (3) fiscal years (2020 – 2022) to increase the City’s financial capacity to address asset management. This is intended to be a cumulative increase (i.e. 2% in 2020, 2% from 2020 PLUS 2% in 2021) to bolster the City’s financial sustainability and improve its ability to address failing infrastructure. This will be revisited at the beginning of the next term of council, as our 10-year capital plan improves and matures.

To move the City towards a culture of proactive management of its’ assets, it is recommended the funds initially be directed to lifecycle maintenance (such as road resurfacing and building upgrades, for example), asset management software, and a dedicated asset manager with project management skills and experience. Over time, the level of operational support will be reduced, redirecting the funds back into capital rehabilitation and replacement.

Consultation:

The Senior Management Team was consulted in the preparation of this report.

Financial Implications:

The inclusion of 2% on the tax levy, dedicated to asset management, will bolster the City’s financial ability to manage and replace critical assets.

Prepared by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrator Officer

Attachment(s): None.

THE CORPORATION OF THE CITY OF SARNIA
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FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council

FROM: Suzanna Dieleman, Director of Finance

DATE: December 3, 2019

SUBJECT: Special Area Levy

Recommendation:

It is recommended:

That Sarnia City Council approve, at the Budget Deliberation Council meeting, the inclusion of a special area levy in the 2020 budget in the amount of \$1,000,000, to be levied as outlined in this report. Such special area levy will be in effect through 2029, at which time it will be re-evaluated in advance of the 2030 budget cycle.

Background:

Staff have identified a number of services and assets that the City provides or owns that are specific to supporting the petro-chemical industry in Sarnia. These services and assets include, but are not limited to, warning sirens, hazardous material training and certifications, Donohue Bridge, mobile command centre, gas monitors, and the emergency control centre. Several other services and assets also provide support to the petro-chemical industry either indirectly or in addition to the remainder of the City.

These specified assets amount to more than \$16,000,000, at cost, and have varying lifespans. Annual reserve allocations are projected at approximately \$750,000. Regular preventative maintenance and rehabilitation (lifecycle costs), plus the services provided, bring the annual requirements to almost \$1,000,000 (Attachment D).

Comments:

Special area levies are a common mechanism for municipalities to levy tax dollars for asset and services that are provided to bounded geographic areas. The Transit Levy the City employs is an example of a special levy. In

researching the potential for a special area levy, staff determined that St Clair Township employs the same mechanism for the petro-chemical industry in their geographic area (Attachment A).

The petro-chemical industry in the City can be bounded most logically by following the response area mapped for Sarnia Fire - Station 2 (Attachment B). All properties in the residential and farm (non-business) tax classes are to be excluded from the special area levy. The estimated tax impact per \$100,000 of assessment (based on 2019 values) is listed in Attachment C. It is recommended that the annual levy be established at \$1,000,000 for 2020 and indexed according to the June Composite Building Construction Price Index for non-residential buildings annually for a term of ten years.

Consultation:

The Accounting and Budgeting Manager and the Tax Analyst were consulted in the preparation of this report.

Financial Implications:

The inclusion of a special area levy will bolster the City's financial ability to manage and replace these critical assets that support a specific segment of the City's properties.

Prepared by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrator Officer

Attachment(s):

- A. St Clair Township By-Law 28-15
- B. Station 2 Response Area
- C. Tax Impact
- D. Costing Calculations

TOWNSHIP OF ST. CLAIR

BY-LAW 28 OF 2015

Being a by-law to generate an industrial levy in the amount of \$3,502,000, between the years of 2015 – 2025 to be used to purchase specific firefighting and rescue equipment to service a specific area where general equipment may not be adequate or suitable.

WHEREAS the Township of St. Clair Council deems it necessary to acquire aerial fire trucks, a thermal air drone, and a commander vehicle to exclusively service industrial properties within the Township;

AND WHEREAS Council deems it desirable to provide this as a special service to industrial properties pursuant to section 326 of the Municipal Act;

AND WHEREAS this special service is not being provided or undertaken generally throughout the Township;

AND WHEREAS the special service for properties subject to this by-law includes aerial fire trucks, a drone equipped with a thermal heat tracking camera, a commander vehicle for its operation, and proper storage of such equipment being necessities made necessary by property within the special service area;

AND WHEREAS subsection 326 (4) of the Municipal Act, 2001 as amended authorizes the council of a local municipality, in authorizing the establishment of special services, to levy a special local municipality levy under section 312 on the rateable property in the area designated in clause 1 (c) of Section 326 to raise the costs as determined in clause 1 (e) of Section 326 thereby imposing a special fire protection rate upon owners or occupants of land who derive or will or may derive benefit there from sufficient to pay all or such portion of the capital costs, implementation, and maintenance of the works as the by-law may specify;

NOW THEREFORE the Council of the Township of St. Clair enacts as follows:

1. THAT the special services defined by this by-law are limited to the geographic areas identified by Schedule "A" attached hereto and forming part of this by-law;
2. THAT all properties identified by Schedule "B" will be subject to an annual levy calculated by dividing the overall cost of the specific equipment and the cost of its maintenance and continued life cycle costing by every property located in the special service area as shown by Schedule "A";
3. THAT the Special Fire Protection Rate, attached as Schedule B, be in accordance with the assessment values thereon of all applicable assessable properties as shown on the last revised assessment roll for the Corporation of the Township of St. Clair for the years 2015 – 2025 being the years for which this by-law is in effect;
4. THAT the Special Industrial Fire Protection Rate shall be included with the final tax billing in the first year of the by-law, and subsequently by the quarterly tax billing and collected at the time and in the same manner as general tax charges, where applicable;
5. THAT the Treasurer or designate for the Township shall be responsible to carry out the financial provisions of this by-law and to administer this by-law;

6. THAT the new owners of any property that is included in Schedule "B" is transferred at any point during while this by-law is in force are subject to the terms of this by-law;
7. THAT the term of this by-law be from the date of its passing, extending across ten years to the same date in 2025, where a new By-law will be introduced to produce a fund for the continued operation of the equipment purchased by this by-law, its maintenance, and its life cycle replacement costing;
8. THAT Council retains the ability to amend Schedule A and Schedule B to this by-law at any point to recognize a new development and resulting increased assessment, any other increase in assessment for any property subject to this by-law, an expansion or reduction in size of any industrial area subject to this by-law, or severance resulting in new lots within any area subject to this by-law;
9. THAT this by-law comes into effect on the date of final passage of the by-law.

Read a First and Second time, Third time and Finally passed this 19th day of May, 2015.

Mayor Steve Arnold

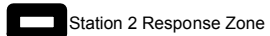
Clerk Jeff Baranek

City of Sarnia Scott Road Fire Station 2 Response Zone

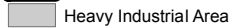
Legend



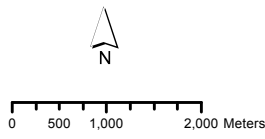
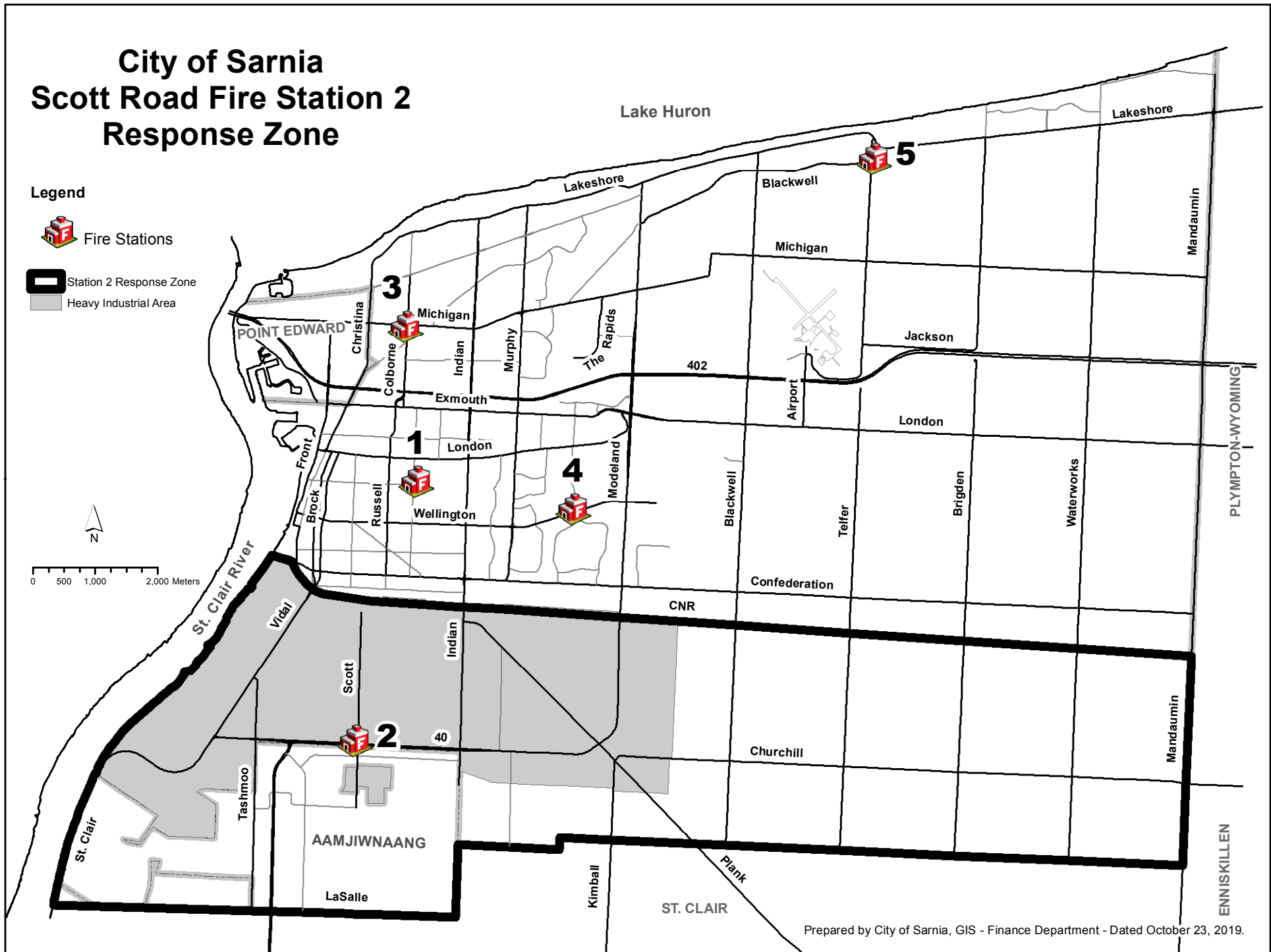
Fire Stations



Station 2 Response Zone



Heavy Industrial Area



Prepared by City of Sarnia, GIS - Finance Department - Dated October 23, 2019.

		PER \$100,000 OF ASSESSMENT
Property Class	Tax Class/ Qualifier	Station 2 Area
Residential	RT	
Residential (Education only)	RD	
Taxable Farmland I	R1	
Commercial - Farmland 1	C1	
Industrial - Farmland I	I1	53
Multi-Residential	MT	
New Multi-Residential	NT	
Commercial - Occupied	CT	244
Commercial - Excess Land	CU	171
Commercial - Vacant Lands	CX	164
Commercial on Farm	C7	
New Commercial	XT	244
New Commercial Excess	XU	
Parking Lots & Vacant Land	GT	
Office Building-Occupied	DT	230
Office Building-Excess Land	DU	
New Office Building	YT	
Shopping Centres-Occupied	ST	313
Shopping Centres-Excess Land	SU	
New Shopping Centres	ZT	
New Shopping Centres - Excess	ZU	
Industrial - Occupied	IT	307
Industrial - Excess Land	IU	200
Industrial - Vacant Lands	IX	200
Industrial on Farm	I7	
New Industrial	JT	
New Industrial - Excess Land	JU	
New Industrial - Vacant Lands	JX	
Large Industrial-Occupied	LT	451
Large Industrial-Excess Land	LU	293
New Large Industrial Occupied	KT	451
New Large Industrial-Excess Land	KU	293
Landfill	HT	
Pipelines	PT	201
Farm	FT	
Managed Forests	TT	

Special Area Levy

Assets	Notes	Total Cost	Annualized
Donahue Bridge	planned replacement in 2033 spread one-half of cost over 15 years lifecycle maintenance (1.5% per year)	\$ 15,000,000	\$ 500,000
			\$ 225,000
Mobile Command Centre	planned replacement in or 2021 spread one- half of cost over 15 years lifecycle maintenance (1% per year)	\$ 750,000	\$ 25,000
			\$ 7,500
Warning Sirens	8 total at \$30,000 each lifespan of 15 years lifecycle maintenance (1% per year)	\$ 240,000	\$ 16,000
			\$ 2,400
Emergency Operations Centre	expansion/renewal at police station develop secondary alternate location lifespan of 20 years lifecycle maintenance (1% per year)	\$ 1,000,000	\$ 50,000
			\$ 10,000
Fire Equipment and Training	radios, gas monitors hazardous materials training and certification		\$ 150,000
TOTAL		\$ 16,990,000	\$ 985,900

THE CORPORATION OF THE CITY OF SARNIA
People Serving People

FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: Suzanna Dieleman, Director of Finance
DATE: December 3, 2019
SUBJECT: 2020 Draft Operating Budget

Recommendation:

It is recommended:

That Sarnia City Council approve the 2020 Draft Operating Budget as presented, at the Budget Deliberation Council meeting on December 3, 2019.

Executive Summary:

Property tax is collected through the general levy and the transit special area levy. The water and sewer system is supported through user rates based on meter size and usage. The approved budget is utilized, along with information on assessment and tax policy set by the County to set tax rates for the coming year.

The 2020 Draft Budget includes a 4.00% or \$3.133 million increase to total taxation, including:

- 2.85% or \$1.439 million for general operating
- 6.26% or \$1.493 million for police
- 5.00% or \$0.200 million for transit

The 2020 Draft Budget includes 2.06% or \$0.714 million increase to user rates, including:

- 2.54% or \$0.418 million for water
- 1.62% or \$0.296 million for sewer

This report summarizes the key budget change drivers for each of these areas of taxation/rates.

The proposed 2020 water consumption rate is \$0.3841 per cubic meter, an increase from \$0.3524 per cubic meter in 2019, as well as a sewer surcharge of 115.93%, a decrease from 116.93% in 2019. The report also details the proposed changes to fixed water distribution rates by meter size.

The 2020 Draft Operating Budget includes \$154.690 million in expenditures to operate the City. This represents a year-over-year increase of 6.21%.

Also attached are the details of the proposed staff plan with an increase of 8.00 full time, 2.27 part-time, and an increase of 0.10 students for a total full-time equivalent (FTE) of 659.50 (587.25 FT, 38.99 PT, and 33.26 STU, including Police).

The detail budget sheets for each cost centre within the City are included; each sheet includes 2019 Approved Budget, 2019 Forecasted Results (as of June 30, 2019), and 2020 proposed changes culminating in the 2020 Draft Budget. A percentage change between the Draft Budget and prior year approved budget is included. Also presented, for information only, is the 2021 Draft Budget and the percentage change between the 2021 Draft Budget and the 2020 Draft Budget.

The City's approach to preparing the 2020 Draft Budget was to try to generate additional funds for asset management initiatives, slowly reduce the reliance on unstable or uncertain funding sources, and use additional investment income to help fund capital reserves while keeping the increase in the general levy to an acceptable level. Dedicated Asset Management Funding of 2.00% of the 2019 Approved Operating budget is included in the Operating Budget to start to proactively address necessary infrastructure maintenance. This charge was transferred to the capital reserve, with amounts brought back into specific operating departments to fund proactive maintenance activities.

The 2021 Draft Budget continues this approach with a further Dedicated Asset Management Funding of 2.00%, bringing the total charge in 2021 to 4.00% of the 2019 Approved Operating Budget.

Background:

The Operating Budget represents the cost to operate and maintain municipal services. It includes the day-to-day expenditures for items such as wages, benefits, utilities, materials and supplies. It also includes contributions to reserves as a part of planning for infrastructure needs. Such costs are recovered through taxation and user charges. The Operating Budget consists of the following budgets:

- General Municipal
- Police Services

- Transit
- Water Rates
- Sewer Rates

Comments:

Documents included in the 2020 Draft Operating Budget Book include:

1. 2020 Draft Operating Budget Summary: Taxation, Rates, Expenditures & Revenues, including a summary of Water & Sewer Rates
2. 2020 Draft Operating Budget Summary – By Department
3. Total Full-Time Equivalent (FTE) Summary
4. 2020 Draft Operating Budget Detail

For the 2020 budget cycle, the City has implemented some additional budget practices. The City has implemented a 10-year funded capital plan, a 10-year reserve budget and a two-year operating budget. The 2020 Draft Operating Budget is being presented to Council for approval at the Budget Deliberation Council meeting. The 2021 Draft Budget has been included in the documents presented with this report for Council’s information only, no approval is being requested. Staff hope to learn from the process undertaken this year with the goal of bringing forward a multi-year budgeting process in the future for Council approval.

1. 2020 Draft Operating Budget Summary: Taxation, Rates, Expenditures & Revenues

The following is a summary of the amounts to be raised through taxation and water and sewer rates in the 2020 Operating Budgets:

Taxation

Taxation Budget	2020 Draft Budget (\$000)	2019 Approved Budget (\$000)	Difference (\$000)	% Change
Current Operating	51,873	50,434	1,439	2.85%
Police Services	25,347	23,854	1,493	6.26%
General Taxation	77,220	74,288	2,933	3.95%
Transit	4,206	4,005	200	5.00%
Total Taxation	\$81,426	\$78,293	\$3,133	4.00%
Growth Impact	500		500	
Special Levy – Petro-Chemical Area	1,000		1,000	
Total Taxation Revenue	\$82,926	\$78,293	4,633	5.92%

Water and Sewer Rates

Water/Sewer Rates Budget	2020 Draft Budget (\$000)	2019 Approved Budget (\$000)	Difference (\$000)	% Change
Water Rates	16,894	16,476	418	2.54%
Sewer Rates	18,525	18,229	296	1.62%
Total Rates	\$35,419	\$34,705	\$714	2.06%

The City is proposing to implement a special levy on properties in a defined area in order to generate the funds to undertake projects specific to the petrochemical industrial area, such as siren and bridge replacement.

The growth impact amount reflects anticipated assessment growth, which in prior years was not reflected in the operating budget but was included in the final determination of tax rates.

The % Change column represents the percentage increase in the taxation and user rates to be raised in order to fund the 2020 Operating, Police, Transit, Water Rates and Sewer Rates Budgets. Percentage changes for tax and user rates are impacted by other factors that influence the rate calculation. For taxation, these factors include changes in the assessment base and tax policy implementation issues adopted by the County, such as the setting of tax ratios for the various tax classes. For user rates, these factors include estimated water consumption and the number of meters in the billing system.

Key General Levy Change Drivers

The 2020 Draft Operating Budget, including Police Services, requires an additional \$2,933 million or 3.95% to be raised through taxation. Each percentage increase in the 2020 General Tax Levy represents approximately \$742,876 when compared to the Approved 2019 General Tax Levy.

Key Year-over-Year Changes (General Levy)	Amount (\$)	% Change
Staffing Costs - Wages & Benefits contractual increases & changes to staffing (i)	1,537,942	2.07%
Staffing increases offset by grants or Dedicated Asset Management Funding (i)	(476,349)	(0.64%)
Police Budget (ii)	1,493,397	2.01%
Penalties and interest on taxes	275,000	0.37%
Growth Impact	(500,000)	(0.67%)
OMPF Increase	(580,795)	(0.78%)
Expected savings to be generated from the Service Delivery Review (iii)	(600,000)	(0.81%)
Increased Contribution to Reserves – Dedicated Asset Management Funding	1,485,752	2.00%
Electricity for Streetlights	(140,000)	(0.19%)
Garbage, Recycling & Compost - Full year of new 2019 contracts	437,036	0.59%
All other changes combined	695	0.00%
Total Draft General Levy Increase	\$2,932,678	3.95%

- i. *This increase is based on estimated/known contractual increases, increased budget for overtime, progression through wage grids based on tenure within a position, benefit cost increases, enhanced CPP, and changes to staffing complement (refer to the FTE Staff Summary). The cost for certain additional FTEs are being recovered from grants or the Dedicated Asset Management Funding.*
- ii. *The Sarnia Police Services budget is not final at the time of drafting this report. Based on the Draft budget presented and discussions between Sarnia Police Services and the Police Board, the City has incorporated the Police budget with a 6.26% increase versus 2019. This represents a 2.01% increase in the general levy.*
- iii. *The City is undertaking a Service Delivery Review as part of the Ontario Provincial Government's efficiency initiatives. The City expects that recommendations coming out of the Service Delivery Review should deliver cost savings by automating or simplifying current processes.*

Transit Change Drivers

The Transit Budget provides for the cost to operate and maintain the conventional Transit System (excluding the Care-A-Van System, which is part of the General Operating Budget). Only property owners within the Designated Transit Area are levied taxes to support this budget.

The 2020 Draft Transit Budget requires an additional \$0.200 million to be levied in 2020 over the 2019 Transit Area Levy or a 5.00% increase. Each percentage increase in the 2020 Draft Transit Area Budget represents approximately \$40,053 when compared to the Approved 2019 Transit Tax Levy.

Key Year-over-Year Changes (Transit)	Amount (\$)	% Change
Staffing Costs – Wages & Benefits contractual increases and changes to staffing (i)	366,885	9.16%
Provincial Gas Tax transfer increase (iv)	(113,211)	(2.83%)
Elimination of contracted bus stop snow removal and cleaning (v)	(53,000)	(1.32%)
All other changes combined	(407)	(0.01%)
Total Draft Transit Tax Increase	\$200,267	5.00%

- iv. The provincial gas tax transfer to the Transit operating budget has been increased to offset increases in expenses. The transfer is within the City’s acceptable range of 8% to 10% of operations.*
- v. The snow removal and cleaning contract was up for renewal in 2019 with the resulting bids being significantly higher than the previous contract. Transit has budgeted to hire 2 part-time casual employees to perform the required work therefore the contract cost has been removed.*

Key Water & Sewer Change Drivers

The Water Rates Budget provides funding for the City to operate and maintain the water distribution system to allow the water acquired through the Lambton Area Water Supply System (LAWSS) to be provided to municipal ratepayers.

The 2020 Draft Water Rates Budget provides for \$16.894 million to be recovered through user rates. This represents an increase in the amount to be raised through water billings by \$0.418 million or 2.54% when compared to the Approved 2019 Water Rates.

The Sewer Rates Budget provides funding for the City to operate and maintain the municipal sanitary sewage system, including the Sewage Treatment Plant, Bright’s Grove Sewage Lagoons, and Storm Sewers. These costs are recovered by charging a Sewer Surcharge on water users that have access to the municipality’s sanitary and storm sewer systems.

The 2020 Draft Sewer Area Budget provides for \$18.525 million to be recovered through user rates. This represents an increase in the amount to be raised through sewer billings by \$0.293 million or 1.61% when compared

to the Approved 2019 Sewer Rates.

Key Year-over-Year Changes (Water/Sewer)	Amount (\$)	% Change
Staffing Costs – Wages & Benefits contractual increases (i)	273,262	0.79%
Contribution to Reserves – Dedicated Asset Management Funding	694,107	2.00%
Contract Expense for billing, meter reading/maintenance/installation	97,352	0.28%
LAWSS (Lambton Area Water Supply System) - City of Sarnia Share (vi)	(233,980)	(0.67%)
Vehicle Expense (vii)	(166,466)	(0.48%)
Electricity	(80,000)	(0.23%)
All other changes combined	129,709	0.37%
Total Draft Water & Sewer Rate Increase	\$713,984	2.06%

vi. *The LAWSS budget is draft pending approval by the LAWSS Board of Directors. The City of Sarnia’s portion of LAWSS costs are based on the City’s water flow percentage of the entire LAWSS system. The City’s share of LAWSS costs have been included assuming a 1.5% increase in the LAWSS budget and a 3.84% decrease in the City’s flows.*

vii. *A full review of departmental contributions toward fleet costs was performed as part of the 2020 budget preparation. This resulted in various re-allocations between departments.*

Water & Sewer Rates

In order to balance the Water Budget, revenue of \$16,894,176 is required. In order to balance the Sewer Budget (sanitary & storm), revenue of \$18,525,170 is required. Proposed rates are based on the 5-year average water usage (recommended by BMA) and the estimated meters of each size. In 2010, a new methodology for rate setting approved by Council identified the high fixed cost portion of operating the water and sewer systems. The rates recommended below align with the rate structure, at 80.06% fixed and 19.94% variable. Based on the City’s comparative costs identified in the BMA Municipal Study, a shift between small and larger meters continues to be recommended. This shift still results in the larger size meters being near the lowest of those compared in the BMA Study, particularly when the water consumption rate is considered.

The following rates are recommended:

Meter Size	Meter Count Estimate	2019 Actual Monthly Distribution Charge	2020 Proposed Monthly Distribution Charge	Change
5/8"	23,587	\$32.90	\$32.32	(\$0.58)
3/4"	1,523	\$46.45	\$45.64	(\$0.81)
1"	337	\$96.80	\$104.84	\$8.04
1 1/2"	205	\$193.62	\$209.70	\$16.08
2"	232	\$357.79	\$387.50	\$29.71
3"	34	\$688.60	\$745.77	\$57.17
4"	14	\$1,075.97	\$1,165.31	\$89.34
6"	9	\$2,236.63	\$2,422.34	\$185.71
8"	1	\$4,303.16	\$4,660.46	\$357.30
10"	7	\$7,128.31	\$7,720.18	\$591.87

The draft 2020 water consumption rate is \$0.3841 per cubic meter, the approved 2019 water consumption rate was \$0.3524 per cubic meter.

The draft 2020 sewer surcharge is 115.93%, the 2019 approved surcharge was 116.93%.

Rates will be updated as of January 1, 2020.

Total Budgeted Expenditures

The City's total expenditures include everything used to operate the City, including all operating expenses and contributions to reserves for projects. Expenditures are higher than what is collected through property taxes and water/sewer rates. Other revenues make up the difference, and they include such items as user fees, grants, costs recovered and investment income.

The attachment titled "2020 Draft Operating Budget Summary: Taxation, Rates, Expenditures & Revenues" reflects total budgeted expenditures of \$154.690 million or 6.21% increase year-over-year.

The following is a summary of the 2020 Draft Budget Expenditures for all City budgets including the Operating, Police Services, Transit, Water and Sewer budgets:

Budget Expenditures	2020 Draft Budget Expenditures (\$000)	2019 Approved Budget Expenditures (\$000)	Difference (\$000)	Change %
Current Operating	83,504	77,178	6,326	8.20%
Police Services	27,803	26,255	1,548	5.90%
Transit	6,822	6,509	313	4.82%
Taxation Subtotal	118,129	109,942	8,187	7.45%
Water	17,465	16,682	783	4.69%
Sewer	19,096	18,452	644	3.49%
User Rate Subtotal	36,561	35,134	1,427	4.06%
Total	\$154,690	\$145,076	\$9,614	6.63%

2. Draft Operating Budget Summary – By Department

This report includes the same information as 1 above, however it combines revenue and expenditures for each department. If there is a net cost to the City, the budget is represented with a positive number, and if there is a net revenue to the City, the budget is represented with a negative number.

3. Total Full-Time Equivalent (FTE) Summary

The Full-Time Equivalent (FTE) report includes the 2019 Approved Budget and 2020 Draft Budget staffing broken down by FT (Full Time), PT (Part-Time, including non-permanent, part-time, seasonal and temporary labourer positions), and STU (Students). The year-over-year change is included, and notes explain the changes and reallocations by department.

The 2019 Approved Budget included a total of 649.13 FTEs, and the 2020 Draft includes 659.50 FTEs. This represents an increase of 8.00 FT, 2.27 PT, and 0.10 STU, for a total of 587.25 FT, 38.99 PT, and 33.26 STU, including Police.

Of the 8.00 FT FTE increase, 3.80 FTEs are being funded by grant or capital dollars with no net impact on the general levy.

4. 2020 Draft Operating Budget Detail

The 2020 Draft Operating Budget Detail is included in the budget book for each revenue/cost centre. The report format includes:

- 2019 Budget – budget approved by Council
- 2019 Forecast – calculated by utilizing actual results to the end of June 2019, plus a forecast of the results for the remainder of the year. Care

should be taken in interpreting the 2019 Forecast as the Final 2019 results will differ from those forecasted.

- 2020 Draft Budget is a sum of the following components:
 - 2020 Base Budget which consists of the final 2019 Budget less one-time items in that budget
 - 2020 One-Time items
 - 2020 Adjustments to Budget, which include inflationary and rate increases in the delivery of the various municipal services
- Variance 2020 to 2019 Budget expressed as a percentage
- 2021 Draft Budget – developed in the same manner as the 2020 Draft Budget
- Variance 2021 to 2020 Draft Budget expressed as a percentage

Consultation:

The Draft Budgets have been submitted by the Directors with changes or edits made during collaborative reviews with the Directors, CAO and Finance. It is important to note that service level changes are the responsibility of Council and have not been recommended or reflected within the various budget submissions.

Financial Implications:

Financial implications are discussed within this report.

Reviewed by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

This report was prepared by Holly Reynolds, Accounting and Budgeting Manager.

Attachment(s): (please see Operating Budget book)

- 2020 Draft Operating Budget Summary: Taxation, Rates, Expenditures & Revenue
- 2020 Draft Operating Budget Summary: By Department
- Total Full-Time Equivalent (FTE) Staff Summary
- 2020 Draft Operating Budget

THE CORPORATION OF THE CITY OF SARNIA
People Serving People

FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: Suzanna Dieleman, Director of Finance
DATE: December 3, 2019
SUBJECT: Physician Recruitment

Recommendation:

It is recommended:

That Sarnia City Council retain the Physician Recruitment grant in 2020 at the Budget Deliberation Council meeting and re-evaluate the funding as part of the 2021 budget deliberations, pending the outcome of the Economic Development Strategy for the City.

Background:

During the 2019 budget deliberations, the following motion was put forward by Councilor Stark for staff to investigate the possibility of bringing the physician recruiter position/activity in-house:

That grant requested by the Physician Recruitment Taskforce for 2019 be approved with the understanding that staff investigate the option of bringing the Physician Recruiter under the umbrella of the City of Sarnia or County of Lambton for oversight purposes

Comments:

For the past number of years, the City has provided a grant to the Physician Recruitment Task Force. With the funds, the task force employs an individual on a part time basis to attend tourism, economic development and physician recruitment conferences and trade shows.

The original intent was for each lower tier to provide \$1 per population count towards the marketing endeavours of recruiting new physicians to the Sarnia-Lambton area. The Sarnia General Hospital has, historically, also contributed

to this initiative. Overtime, most of the lower tier municipalities, with the exception of Sarnia and Point Edward, have withdrawn their support. Sarnia continues to contribute in excess of \$72,000 annually, based on our population count.

As a first step, the CAO reached out to the County of Lambton to determine the level of interest in bringing this under the County umbrella. The County declined the opportunity and the CAO reached out to the Sarnia-Lambton Economic Partnership. They, too, declined.

The funding for grants, including this initiative, remains in the 2020 budget, pending Council direction. A number of scenarios were discussed by staff and the following are proposed as potential options for Council to consider.

1. Bring the position in-house and incorporate it into the economic development activities of the City.
2. Repurpose the funds to a broader economic development initiative that markets Sarnia, including physician recruitment.
3. Cut the grant entirely from the budget.

Within the 2020 budget, staff have proposed undertaking an Economic Development Strategy. This Strategy could incorporate the physician recruitment strategies and provide suitable recommendations for future efforts. With this in mind, staff recommend that the grant remain in place for 2020, pending the outcome of the study. The funds in future years can be directed towards implementing the appropriate recommendations.

Consultation:

The CAO was consulted in the preparation of this report.

Financial Implications:

No impact for 2020.

Prepared by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

Attachment(s): None

THE CORPORATION OF THE CITY OF SARNIA
People Serving People

FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council

FROM: Suzanna Dieleman, Director of Finance

DATE: December 3, 2019

SUBJECT: 2020 Municipal Grant Allocation

Recommendation:

It is recommended:

That Sarnia City Council awards 2020 municipal grants totaling a maximum amount of \$72,566 amongst the applicants:

Applicant	2020 Grant
Sarnia Lambton Taskforce on Healthcare Worker Recruitment	
Sarnia Historical Society	
The Pregnancy Options & Support Centre	
Canadian Cancer Society	
Habitat for Humanity	
Sarnia GreekFest	
Fusion Jeunesse/ Youth Fusion	
Total	\$72,566

Background:

On May 28, 2018 Sarnia City Council approved the Municipal Grant Policy. The policy provides criteria to establish eligibility, and encourages community organizations to create long-term funding sustainability plans suitable to their initiative.

On June 17, 2019, Council approved the Grant submission deadline of August 30, 2019 for 2020 Municipal Grants. Public notice of the grant process was included on the City's website and advertisements through Civic Corner.

Comments:

\$72,566 has been included in the 2020 Draft Operating budget for Municipal

Grants. On Budget Deliberation Day, Council is asked to allocate this value amongst the applicants. As per the policy, increases to this budget will only be made through an approved motion of Council on Budget Deliberation Day.

To assist Council in the allocation process, staff have reviewed and summarized the applications received by the grant submission deadline. The chart titled 'Municipal Grants – Eligibility/Ineligibility Criteria' identifies the eligibility and ineligibility of the organizations and projects based on the Council-approved policy.

On May 28, 2018 Council allowed three recipients of 2018 Municipal Grants to apply for consideration of future grants even though the nature of their previous grant requests did not meet the eligibility criteria of the newly approved policy. The Physicians Recruitment Taskforce, Lambton Farm Safety and Sarnia Historical Society requests were for operating funds rather than a capital project as required in the new policy. Therefore, even though their requests do not meet all eligibility requirements of the approved policy, the applications are included in the summary charts for Council's consideration. We are also looking for further direction from the Council to proceed with their future grant requirements.

Consultation:

The Financial Analyst, Manager of Accounting and Budgeting and the CAO were consulted in the preparation of this report.

Financial Implications:

It is understood that there are limited funds that Council allocates to municipal grants, and not every worthwhile project can be funded. If the approved municipal grant funding exceeds \$72,566 there will be an increase to the 2020 operating budget and resultant general tax levy.

Reviewed by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

This report was prepared by Jane Qi, CPA, CGA, Financial Analyst

Attachment(s): 2020 Municipal Grants – Eligibility/Ineligibility Criteria

2020 Municipal Grants - Eligibility/Ineligibility Criteria

Summary:

Organization	Sarnia Lambton Taskforce on Healthcare Worker Recruitment	Sarnia Historical Society	The Pregnancy Options & Support Centre	Canadian Cancer Society	Habitat for Humanity	Sarnia GreekFest	Fusion Jeunesse/ Youth Fusion
Project Name	Implementing a Succession Plan for Sarnia's Family Physicians	Keeping the Peace: 160 Years of Policing the Imperial City	The Ride for Refuge	Wheels of Hope	Davis/ College St. Build	Sarnia GreekFest 2020	Youth-led programming at St. Matthew Catholic School to foster revitalization and growth
Project about	Physician recruitment	Research the entire history of policing in Sarnia	RIDE will be carried out on Oct. 3, 2020	Rides to cancer treatment	Construct a link home for 2 families	Cultural entertainment in Summer	Undertake an environment design project
Grant Amount Requested	\$ 72,366.00	\$ 5,000.00	\$ 1,200.00	\$ 5,000.00	\$ 23,728.00	\$ 10,000.00	\$ 5,000.00
Previous Grant Recipient	Yes	No	No	No	No	No	No
Eligible Organization	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Funding Ineligibility	Yes	No	No	No	No	No	No
Project Eligibility	Yes	Yes	No	No	No	No	No
Notes	<ul style="list-style-type: none"> "Grandfathered" committee-May 28,2018 council meeting \$20,000 grants or awards to others 	<ul style="list-style-type: none"> "Grandfathered" committee-May 28,2018 council meeting Didn't apply in 2018 	<ul style="list-style-type: none"> Annual fundraising event 	<ul style="list-style-type: none"> This transportation service has been in existence for over 25 years 	<ul style="list-style-type: none"> Extended services are for 2 families Project budgets are unknown 	<ul style="list-style-type: none"> Annual fundraising event Donates part of the proceeds to other local charities 	<ul style="list-style-type: none"> Accessible to 60 students from St. Matthew Catholic School

Details:

Organization	Policy *	Sarnia Lambton Taskforce on Healthcare Worker Recruitment	Sarnia Historical Society	The Pregnancy Options & Support Centre	Canadian Cancer Society	Habitat for Humanity	Sarnia GreekFest	Fusion Jeunesse/ Youth Fusion
Eligible Organization								
A not-for-profit incorporated organization?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CRA Registration No.		85480 5207 RR 0001	11913 9442 RR 0001	13567 6872 RR 0001	11882 9803 RR 0001	13936 1638 RR 0001	0481861-39-17	84585 0858 RR 0001
Governed by a community-based volunteer Board of Directors?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Extend services to the general public of the City of Sarnia?	Yes	Yes, and into Lambton County	Yes	Yes	Yes	2 families	Yes	60 students from St. Matthew Catholic School
Funding Ineligibility								
Other levels of government?	No	No	No	No	No	No	No	No
Organizations with political affiliations?	No	No	No	No	No	No	No	No
Organizations that provide grants to others?	No	Yes	No	No	No	No	No	No
Organizations whose activities or outcomes are inconsistent with the City of Sarnia's values or goals?	No	No	No	No	No	No	No	No

Organization	Policy *	Sarnia Lambton Taskforce on Healthcare Worker Recruitment	Sarnia Historical Society	The Pregnancy Options & Support Centre	Canadian Cancer Society	Habitat for Humanity	Sarnia GreekFest	Fusion Jeunesse/ Youth Fusion
Project Eligibility								
Be accessible to everyone	Yes	"Grandfathered" committee	"Grandfathered" committee	Yes	Yes	2 families	Yes	60 students from St. Matthew Catholic School
Have a budget separate from the organization's operating budget	Yes			No project budget	No project budget	Yes	No project budget	No project budget
Benefit the citizens of the City of Sarnia	Yes			Yes	Yes	Yes	Yes	Yes
Include significant volunteer involvement	Yes			Yes	Yes	Yes	Yes	Yes
Have a specific benefit and outcome that pro-actively contributes to the priorities identified in the City of Sarnia's Strategic Plan	Yes			Yes	Yes	Yes	Yes	Yes
Be sustainable beyond the support of the municipal grant	Yes			Annual fundraising event	Yes	Yes	Annual fundraising event	Yes
More than 50% of the budget of the project	No			-	-	No	-	-

*Expected response as per the Municipal Grant Policy approved by Council on May 28, 2018

THE CORPORATION OF THE CITY OF SARNIA
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FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: Suzanna Dieleman, Director of Finance
DATE: December 3, 2019
SUBJECT: 2020 Fees for Services

Recommendations:

It is recommended:

That Sarnia City Council adopt the 2019 Fees for Services as presented.

Background:

The 2020 Proposed Fees for Services are presented for Council's consideration.

Comments:

Many of the 2020 Proposed Fees for Services remain unchanged, and a few fees have been added. Please refer to the Fees for Services document for complete information. Explanations of Fees for Services that have changed significantly are summarized below.

Corporate

All services fees remain unchanged.

City Clerk

Most fees remain unchanged.

Adult Live Entertainment Parlours \$350 (+15%) has been increased as the City's charge is the lowest median compared to other cities in southwestern Ontario.

Legal Services

All services fees remain unchanged.

Finance

Basic Bid - Hard copy, pick-up at City Hall is removed as we no longer provide paper copies.

Fire

Most fees have been increased, on average 2-4% in relation to the cost of providing the service.

A minimum of service hours has been introduced under Fire Safety Inspections & Enforcement. They include First & Second - Residential up to 4 units (Sec. 9 Retrofit) \$105 (-45%), First & Second - Residential 5 units & above (Sec. 9 Retrofit) \$105 (2%), Third & each subsequent (re)inspection \$105 (2%), After Hours Inspection/Fire Code Enforcement \$157.50 (2%) and Liquor Licensing Board of Ontario \$105 (-63%).

Rural Open Burn Permit (BL 2001/91 Part II Section 2.1) fee of \$52.50 (17%) has been increased based on hourly rate.

A new service, Special Events - Stand-by Fire Apparatus (minimum four-person crew) - Vehicle Minimum, up to 1 hour \$477 has been added.

Engineering

Most fees have been increased, on average 2% in relation to the cost of providing the service, while the rest remain unchanged.

Public Works

Fees have generally been increased, on average, 1-3% to adjust for cost of living.

An additional fee for weekend overtime labour costs \$150.00 for Cone and Barricade drop off/pick up has been added to recover costs associated with events.

The fee for Clean-out Installation (restoration not included) \$1,667 (100%) has been increased significantly. Council applied a three-year step to the Fee for the Clean-out installation during budget deliberations on January 15, 2019.

Fees for Recycle Containers have been increased to recover costs and handling. Replacement Blue Boxes \$12 (71%) and Garbage/Recycle carts \$90 (13%).

Some Compost Material service charges have changed to reflect their market prices. Compost Material \$10 (25%), All Prices Adjusted to Cubic Yard Rate (yd³) \$18 (13%) and Mulch \$18 (13%).

The fee for Drop-off Compostables - Other Municipalities 0.20 per tonne (33%) has been increased significantly to recover actual overhead costs.

Transit

No Cash Fares and Ticket increases have been recommended for 2020. See attached Transit Fare Adjustment Summary.

Bus Passes for both Conventional and Care-A-Van have been increased slightly. Standard \$75 (1.4%), Semester-Elementary/Secondary \$161 (1.3%), Semester-College \$176 (1.1%), Summer Savings Pass \$114 (1.8%) and CNIB Pass \$30 (3.4%).

Some fees for Maintenance Department Servicing have been increased, on average 1.5–2.8% in relation to the cost of providing the service, while others remain unchanged.

Semester Pass Replacements previously provided for a fee of \$60 has been eliminated due to fraudulent claims.

Parks & Recreation

Some service fees have increased on average, 2-3% in relation to the cost of providing the service.

There are a couple of changes for arena ice rentals. Off Season - Prime Time ice rental fee \$235.75 (+7%) and Off Season - Non-Prime Time ice rental fee \$141.45 (+7%).

A subsidy for Non-Profit and Charitable Groups has been increased to 50% (+100%) for Parks & Facility User Fees as Council authorized an increase to the Major Events Assistance fund at the June 17, 2019 regular meeting.

A subsidy for Youth Groups has been established at 25% and has been applied to three community centres' meeting room rentals, Clearwater Community Lower, Sarnia Arena Kiwanis Room, and Progressive Auto Sales Arena – Lower Hall as this was approved by the Sarnia Arena Advisory Committee.

New fees have been added, including Camp Saredaca Picnic Shelter \$35.00, Canatara Park - Area 2, 3 & 4 (uncovered sections) \$32.00, Mike Weir - Cricket Club Shelter \$33.00 and Kenwick Park Wedding (pavillion & gazebo) \$75.00.

Planning

Fees have generally been increased by 2% to reflect the rise in the consumer price index.

Zoning and Permitted Use Letter fee \$110 (+116%) has been merged with

Planning Requests for a newly combined charge.

A new fee for Photocopies (5 or more) of \$0.50 per page has been added to recover costs associated with this service.

Building

Only the Pre Application Consultation Fee of \$287.00 (+15%) has been increased to align with Planning Pre Application Consultation fees.

Harbour

All services fees remain unchanged.

By-Law Enforcement

The fee for Site Review for an Individual Portable Sign Location is removed as it has never been used.

The fee for Removal of Property (signs) and the fee for Towing \$35.00 (15%) have been increased respectively due to staff time spent and involvement with removal of signage and vehicles.

Reference

The general power of municipalities to impose fees and charges derives from Sections 9, 10 and 11 of the *Municipal Act*. Specific authority to establish most of the fees and charges levied by the City is contained in Parts XII and IV of the *Act*. Under Part XII of the *Act* municipalities can establish wide ranging user fees for services provided, or services provided on behalf of municipalities. Part IV of the legislation gives municipalities the authority to impose licensing fees.

Section 391(1) of the *Municipal Act* stipulates that a municipality or local board may impose a fee or charge on persons: for services or activities provided or done by or on its behalf; for costs payable by it for services or activities provided or done by or on behalf of municipalities or local boards; and for the use of its property including property under its control.

Fees can be used to pay for service administration and enforcement costs as well as the cost of acquiring or replacing capital assets (Section 391(3)). They can also include capital costs associated with a deferred benefit (Section 391(2)). Services for which fees are charged can be either mandatory or discretionary (Section 391(4)). However, Section 394(1) prohibits fees that are based on:

- a) The income of a person, however it is earned or received, except that a municipality or local board may exempt, in whole or in part, and class of persons from all or part of a fee or charge on the basis of inability to

pay;

- b) The use, consumption or purchase by a person of property other than property belonging to or under the control of the municipality or local board that passes the By-Law;
- c) The use, consumption or purchase by a person of a service other than a service provided or performed by or on behalf of or paid for by the municipality or local board that passes the By-Law;
- d) The benefit received by a person from a service other than a service provided or performed by or on behalf of or paid for by the municipality or local board that passes the By-Law; or
- e) The generation, exploitation, extraction, harvesting, processing, renewal or transportation of natural resources.

Consultation:

The 2020 Proposed Fees for Services were submitted by the Directors.

Financial Implications:

Discussed within the report. Approximately 5% of the City's total annual operating expenditures are covered by user fees.

Reviewed by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

This report has been prepared by Jane Qi, Financial Analyst.

Attachment(s): Sarnia Transit Fare Adjustment Summary

SARNIA TRANSIT FARE ADJUSTMENT SUMMARY 2019-2021

YEAR	ONE COMMON FARE						
	CASH	TICKETS	MONTHLY PASS	SUMMER SAVINGS PASS	HIGH SCHOOL/ LAMBTON COLLEGE SEMESTER PASS	FARE INCREASE AMOUNT	PASSES INCREASE AMOUNT
2019	\$3.00	\$2.35	\$74.00	\$112.00	H.S. - \$159.00 L.C. - \$174.00	Cash - \$0.00 Tickets - \$0.00	Month - \$1.00 S.S.P. - \$2.00 H.S. - \$2.00 L.C. - \$2.00
2020	\$3.00	\$2.35	\$75.00	\$114.00	H.S. - \$161.00 L.C. - \$176.00	Cash - \$0.00 Tickets - \$0.00	Month - \$1.00 S.S.P. - \$2.00 H.S. - \$2.00 L.C. - \$2.00
2021	\$3.00	\$2.35	\$76.00	\$116.00	H.S. - \$163.00 L.C. - \$178.00	Cash - \$0.00 Tickets - \$0.00	Month - \$1.00 S.S.P. - \$2.00 H.S. - \$2.00 L.C. - \$2.00

THE CORPORATION OF THE CITY OF SARNIA
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FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: Suzanna Dieleman, Director of Finance
DATE: December 3, 2019
SUBJECT: Debt Analysis 2019

Recommendation:

For Council's Information

Background:

Council has taken various initiatives to reduce the City's outstanding debt such as:

- Approved a Financial Policy Statement in 2005 to guide the City's budget processes, defined reserve usage and established debt management policies.
- Approved a Capital Financing and Debt Management Policy, which was provided to Council at the October 28, 2019 regular Council meeting.
- Optimized provincial/federal grant programs and used non-debt sources for matching funds.
- Created the Capital Infrastructure Renewal Reserve to be used for capital funding of infrastructure. This reserve was introduced in the 2007 budget with an initial \$772,563 contribution. However capital funding generally utilizes all reserve contributions and the balance has not grown to be able to support future capital needs, as the current uncommitted balance is \$895,783.
- Approved Capital Budgets without new debt.
- Utilized a pay-as-you-go approach to funding capital infrastructure rehabilitation/replacement. As debt has retired, the amount previously paid for principal and interest payments has been redirected to reserves to fund capital projects.

Comments:

The following comments, attached reports, and appendices will provide an update on the City's current debt position.

Analysis of Future Debt Repayments of Existing Debt & Projected Future Annual Debt Costs 2020-2035 – APPENDIX A

Analysis of Future Debt Repayments of Existing Debt does not include approved debt that is not yet borrowed. The City will retire \$2.3 million in debt during 2020 (\$2.6 million in 2019). Total debt costs (principal and interest) for 2019 are \$ 3.0 million on existing debt; total debt costs for 2020 for existing debt will be \$2.6 million. The future principal and interest payments as at the end of 2019 are projected to be \$12.9 million.

Projected Future Annual Debt Costs 2020–2029 shows the anticipated annual debt costs that the City will have to pay over the next 10 years. It is anticipated that the City's annual debt costs will fluctuate between \$2.7 million and \$1.1 million over the next 5 years. The estimated borrowing and repayment associated with the Sarnia General Hospital are included based on the estimated timing of borrowing and estimated interest rates.

Long-Term Debt Position – APPENDIX B

This attachment provides an analysis of the long-term debt outstanding and debt approved, but not yet issued. It also projects the City's long-term debt position to the end of 2020, before taking into account any changes that might result from the 2020 budget approval by Council.

On October 2, 2017, Council approved funding the Sarnia General Hospital Purchase and Sale Agreement through external borrowing through the bank loan up to \$5.35 million (excluding non-rebateable HST \$94,160). \$0.2 million was from reserves and \$4.25 million has been issued to date; the remaining balance of \$0.9 million is expected to be issued later in 2019.

This attachment shows that the debt outstanding and approved but not issued is projected to be \$12.4 million at the end of 2019. By the end of 2020, it is projected that the City's debt will be \$10.1 million. This debt figure includes outstanding internal debt issuances with accrued interest.

As debt is retired, the amounts of principal and interest payments previously used to service debt are transferred to reserves to fund future capital projects.

Debt Management – Financial Policy Statement

Based on the City's current Financial Policy Statement of 2005, debt financing should be used as a means of financing capital projects related to increased or new services. Debt financing for lifecycle or infrastructure renewal projects has been eliminated.

Consultation:

No consultation was required during the preparation of this report.

Financial Implications:

Discussed within report.

Reviewed by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

This report was prepared by Jane Qi, CPA, CGA, Financial Analyst.

Attachment(s):

1. APPENDIX A - Analysis of Future Debt Payments of Existing Debt & Projected Future Annual Debt Costs 2020-2035
2. APPENDIX B - Long -Term Debt Position

Existing Debt	Debt Bylaw	Start (year)	Term	Original Principal	2019	2020	2021	2022	2023	2024	2025 to 2029	2030 and onwards	(2020-2035)	
					Annual Payment	Annual Payment	Annual Payment	Annual Payment	Annual Payment	Annual Payment	Annual Payment	Annual Payment	Total	
Bank Loan	189 of 2001 (9.75yrs) 74 of 2010 112 of 2017	2002	9.75	10,300,000	832,588	832,588	832,588	69,384	-	-	-	-	1,734,560	
		2010	10	6,552,000	825,118	481,319	-	-	-	-	-	-	-	481,319
		2017	10	350,000	40,536	40,536	40,536	40,536	40,536	40,536	40,536	121,609	-	324,289
		2018	10	950,000	112,997	112,997	112,997	112,997	112,997	112,997	112,997	414,323	-	979,308
		2018	10	950,000	115,311	115,311	115,311	115,311	115,311	115,311	115,311	451,635	-	1,028,191
		2019	10	1,000,000	99,167	119,001	119,001	119,001	119,001	119,001	119,001	495,836	-	1,090,839
		2019	10	1,000,000	68,111	116,761	116,761	116,761	116,761	116,761	116,761	515,695	-	1,099,501
Subtotal				21,102,000	2,093,828	1,818,513	1,337,194	573,990	504,606	504,606	1,999,098	-	6,738,007	
Internal Debt	78 of 2009 (Int.) Feb. 2013 (Int.) Nov. 2011 (Int.)	2009	10	1,800,000	109,550	-	-	-	-	-	-	-	-	
		2013	10	749,842	87,094	87,094	87,094	87,094	14,516	-	-	-	-	275,798
		2011	10	1,500,000	172,400	172,400	143,667	-	-	-	-	-	-	316,067
Subtotal				4,049,842	369,044	259,494	230,761	87,094	14,516	-	-	-	591,865	
RBC	22 of 2016	2016	15	6,330,720	496,939	496,939	496,939	496,939	496,939	496,939	2,484,696	538,280	5,507,672	
Subtotal				6,330,720	496,939	496,939	496,939	496,939	496,939	496,939	2,484,696	538,280	5,507,672	
Capital Lease	2016	2016	20	34,500	1,725	1,725	1,725	1,725	1,725	1,725	8,625	10,350	27,600	
Subtotal				34,500	1,725	1,725	1,725	1,725	1,725	1,725	8,625	10,350	27,600	
Total				31,517,062	2,961,536	2,576,671	2,066,619	1,159,748	1,017,786	1,003,270	4,492,419	548,630	12,865,144	
Total Payment (in millions of dollars)					\$3.0	\$2.6	\$2.1	\$1.2	\$1.0	\$1.0	\$4.5	\$0.5	\$12.9	

Debt approved but not yet issued - Sarnia General Hospital bank loan

Debt	Debt Bylaw	Start (year)	Term	Original Principals	2019	2020	2021	2022	2023	2024	2025 to 2029	2030 and onwards	Total (2020-2035)
Bank Loan	112 of 2017	2019	10	900,000	9,112	109,344	109,345	109,344	109,345	109,344	537,613	-	1,084,336
Grant Total				32,417,062	2,970,650	2,686,016	2,175,965	1,269,092	1,127,131	1,112,614	5,030,033	548,630	13,949,482
Total projected annual debt costs (in millions of dollars)					\$3.0	\$2.7	\$2.2	\$1.3	\$1.1	\$1.1	\$5.0	\$0.5	\$13.9

(in millions of dollars)

APPENDIX B. LONG-TERM DEBT POSITION						
Year	End of Year	(1) Long-Term Debt Outstanding		(2) Debt Approved But Not Yet Issued		(1) + (2) Total Approved Debt
		Description	Amount	Description	Amount	Balance
	End of 2013	Balance	30.3	Balance	0.0	30.3
2014	End of 2014	Issued	1.7	Issued		
		Retired	(5.6)	Added		
		Balance	26.4	Balance	0.0	26.4
2015	End of 2015	Issued		Issued		
		Retired	(5.0)	Approved		
		Balance	21.4	Balance	0.0	21.4
2016	End of 2016	Issued	0.0	Issued		
		Retired	(4.3)	Approved		
		Balance	17.1	Balance	0.0	17.2
2017	End of 2017	Issued	0.4	Issued	(0.4) ²	
		Retired	(4.6)	Approved	5.4 ¹	
		Balance	12.9	Balance	5.0	17.9
2018	End of 2018	Issued	1.9	Issued	(1.9) ³	
		Retired	(2.7)	Approved		
		Balance	12.1	Balance	3.1	15.2
2019	End of 2019	Issued	2.9	Issued	(2.0) ⁴	
				Reserved	(0.2) ⁵	
				Pending	(0.9) ⁶	
		Retired	(2.6)	Approved		
		Balance	12.4	Balance	0.0	12.4
2020	End of 2020	Issued		Issued		
		Retired	(2.3)	Approved		
		Balance	10.1	Balance	0.0	10.1

1. 2017, \$5,350,000 (excluding non-rebateable HST \$94,160) Sarnia General Hospital Sale Agreement debt financing was approved with a term to 2028;
2. 2017, \$350,000 was issued , with a term to 2027;
3. 2018, \$1,900,000 was issued , with a term to 2028;
4. 2019, \$2,000,000 was issued, with a term to 2029;
5. \$200,000 was from reserves;
6. Remaining balance for \$900,000 is expected to be issued, with a term to 2029.

THE CORPORATION OF THE CITY OF SARNIA
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FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council
FROM: Suzanna Dieleman, Director of Finance
DATE: December 3, 2019
SUBJECT: Debt Limits – October 31, 2019

Recommendation:

For Council's Information

Background:

The annual debt and financial obligation limit for municipalities is to be determined in accordance with O. Reg. 403/02 of the *Municipal Act, 2001*. Municipalities must use this limit to determine whether Ontario Municipal Board approval is required with respect to certain debt or financial obligations.

The debt and financial obligation limit of a municipality is determined from information contained in the municipality's annual Financial Information Return (FIR). The municipal treasurer is responsible to update this limit for any long term debt or financial obligation assumed or discharged since the date for which the limit was calculated.

The municipal treasurer is to calculate an updated limit before Council authorizes any specific work that would require the municipality to incur additional long-term debt or financial obligation. Council previously requested that this calculation be provided on a periodic basis rather than preparing the calculation each time new long-term debt or financial obligation is to be approved.

Comments:

Attached is the calculation of the City's Annual Debt and Financial Obligation Limit as at October 31, 2019. This limit is calculated from information contained in the City's 2018 Financial Information Return (FIR) and is adjusted for any long term debt or financial obligations assumed or discharged since the beginning of the year.

Only long-term debt actually authorized by municipal by-law is included in the attached calculation.

In 2011 and 2013, "internal debt" was approved through a by-law. Borrowing from the Capital Reserve using the Infrastructure Ontario lending rate at that time was set up similar to external debt. These borrowings were to complete all debt issuances from past capital projects that contained a debt financing component. This internal debt has been included in the determination of the municipality's debt position.

To fund unusual or unexpected operational or capital issues that cannot be absorbed through changes to current operations, the City may ask Council to authorize temporary borrowings from Reserve Funds. These temporary borrowings from reserve funds are arranged with specific payback terms through annual contributions from the operating budget. These temporary internal borrowings are not included in the calculation of the outstanding debt capacity.

The City does not currently have any Capital projects with approved debt financing that have not been permanently financed. However, in 2017 Council approved debt financing for the funding of the Sarnia General Hospital Sale Agreement. \$4.25 million has been borrowed to date. The remaining \$0.9 million balance was not taken into account on the debt capacity calculation at this point.

The City's revised Annual Repayment Limit as at October 31, 2019 is determined to be \$32.0 million. When capitalized over 10 years, using the provincially established interest rate of 7.0%, this translates to approximately \$224.5 million of debt capacity currently available to the municipality. This revised Annual Repayment Limit (ARL) has increased from the 2018 ARL as reported by the Ministry of Municipal Affairs - \$25.2 million (approximately \$176.7 million of debt capacity). In comparison to five years ago, the City's debt capacity has increased from \$142.6 million in 2015 to \$224.5 million in 2019.

The City forecasts that debt (principal and interest) repayments will be \$3.0 million for 2019 compared to the revised ARL of \$32.0 million. Debt as at the end of 2019 is forecasted to be \$12.4 million compared to the calculated debt capacity of \$224.5 million for capital projects.

Consultation:

No consultation was required during the preparation of this report.

Financial Implications:

Discussed within report.

Reviewed by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

This report was prepared by Jane Qi, CPA, CGA, Financial Analyst

Attachment(s):

1. Calculation of Annual Debt and Financial Obligation Limit - October 31, 2019
2. Annual Debt Repayment and Capacity Limit (2012 - 2019)
3. Determination of Annual Debt Repayment Limit - 2019
4. Leases Approved by Council - October 31, 2019
5. Financial Obligations Approved But Not Yet Financed – October 31, 2019

CALCULATION OF ANNUAL DEBT AND FINANCIAL OBLIGATION LIMIT	
October 31, 2019	
Annual Repayment Limit, January 1, 2019 (as calculated from data contained in 2018 Financial Information Return)	30,295,084
Less	
Estimated annual payments for financial obligations approved but not yet financed	
SGH loan 900,000 4% @ 10 years 109,345	
2019 leases and agreements	359,918
	469,263
Less	
Add	
Retired debt: January - October 2019	2,140,077
Revised Annual Repayment Limit October 31, 2019	31,965,898
Outstanding Debt Capacity (Capitalized value 10 years @ 7.0%)	224,515,093

(in millions of dollars)

ANNUAL DEBT REPAYMENT AND CAPACITY LIMIT (2012-2019)				
Year	Revised Annual Repayment Limit		Debt Capacity (Capitalized value 10 years @7.0%)	
2012	20.7		145.3	
2013	18.9		132.8	
2014*	17.8		125.3	
2015	20.3		142.6	
2016	23.0		161.7	
2017	24.8		174.4	
2018*	28.8		202.4	
2019*	32.0		224.5	
Comparison	Variance \$	Variance %	Variance \$	Variance %
2019 vs. 2014 (compared to 5 yrs ago)	14.2	79.8%	99.2	79.2%
2019 vs. 2018 (compared to the last year)	3.2	11.1%	22.1	10.9%

**DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT - 2019
(UNDER ONTARIO REGULATION 403/02)**

Debt Charges for the Current Year			
0210	Principal	SLC 74 3099 01	2,286,333
0220	Interest	SLC 74 3099 02	364,595
0299		Subtotal	2,650,928
0610	Payments for Long Term Commitments and Liabilities financed from the consolidated statement of operations	SLC 42 6010 01	
9910		Total Debt Charges	2,650,928
Excluded Debt Charges			
1010	Electricity - Principal	SLC 74 3030 01	0
1020	Electricity - Interest	SLC 74 3030 02	0
1030	Gas - Principal	SLC 74 3040 01	0
1040	Gas - Interest	SLC 74 3040 02	0
1050	Telephone - Principal	SLC 74 3050 01	0
1060	Telephone - Interest	SLC 74 3050 02	0
1099		Subtotal	0
1410	Debt Charges for Tile Drainage/Shoreline Assistance	SLC 74 3015 01 + SLC 74 3015 02	0
1411	Provincial Grant funding for repayment of long term debt	SLC 74 3120 01 + SLC 74 3120 02	0
1412	Lump sum (balloon) repayments of long term debt	SLC 74 3110 01 + SLC 74 3110 02	0
1420		Total Debt Charges to be Excluded	0
9920		Net Debt Charges	2,650,928
1610	Total Revenues (Sale of Hydro Utilities Removed)	SLC 10 9910 01	152,886,948
Excluded Revenue Amounts			
2010	Fees for Tile Drainage/Shoreline Assistance	SLC 12 1850 04	0
2210	Ontario Grants, including Grants for Tangible Capital Assets	SLC 10 0699 01 + SLC 10 0810 01 + SLC 10 0815 01	8,254,464
2220	Canada Grants, including Grants for Tangible Capital Assets	SLC 10 0820 01 + SLC 10 0825 01	1,957,250
2225	Deferred revenue earned (Provincial Gas Tax)	SLC 10 0830 01	654,772
1823	Deferred revenue earned (Canada Gas Tax)	SLC 10 0831 01	1,869,541
2230	Revenue from other municipalities	SLC 10 1098 01+ SLC 10 1099 01	3,686,579
2240	Gain/Loss on sale of land & capital assets	SLC 10 1811 01	5,500
2250	Deferred revenue earned (Development Charges)	SLC 10 1812 01	304,481
2251	Deferred revenue earned (Recreation Land (The Planning Act))	SLC 10 1813 01	325,000
2253	Other Deferred revenue earned	SLC 10 1814 01	0
2252	Donated Tangible Capital Assets	SLC 53 0610 01	356,277
2254	Increase / Decrease in Government Business Enterprise equity	SLC 10 1905 01	3,689,035
2299		Subtotal	21,102,899
2410	Fees and Revenue for Joint Local Boards for Homes for the Aged		0
2610		Net Revenues	131,784,049
2620		25% of Net Revenues	32,946,012
9930		Estimated Annual Repayment Limit	30,295,084

SLC denotes Schedule, Line, Column

FOR ILLUSTRATION PURPOSES ONLY

The additional long-term borrowing which a municipality could undertake over a 5-year, 10-year, 15-year and 20-year period is shown. If the municipality could borrow at 5.0% or 7.0% annually, the annual repayment limits shown above (and excluding the adjustments included on the calculation table) would allow it to undertake long-term borrowing as follows:

5%		5.0% Interest Rate:	
20	(a)	20 years @ 5.0 % p.a.	377,543,709
15	(b)	15 years @ 5.0 % p.a.	314,452,612
10	(c)	10 years @ 5.0 % p.a.	233,930,608
5	(d)	5 years @ 5.0 % p.a.	131,161,859
7%		7.0% Interest Rate:	
20	(a)	20 years @ 7.0 % p.a.	320,946,551
15	(b)	15 years @ 7.0 % p.a.	275,925,020
10	(c)	10 years @ 7.0 % p.a.	212,779,993
5	(d)	5 years @ 7.0 % p.a.	124,215,826

The repayment limit has been calculated based on data contained in the 2018 Financial Information Return, as submitted to the Ontario Ministry of Municipal Affairs. This limit represents the maximum amount which the municipality had available as of December 31, 2018 to commit to payments relating to debt and financial obligation. Prior to the authorization by Council of a long term debt or financial obligation, this limit must be adjusted by the Treasurer in the prescribed manner.

**LEASES APPROVED BY COUNCIL
as at October 31, 2019**

Description	Council Approval Date	P.O.#	RFP #	Department	Annual Cost	Term	Start Date	Expiry Date
Computers lease	2016-10-24	NA	16-113	Corporate Services	53,268	3 Years	2017-01-01	2019-12-31
Back-up site for 911 equipment at Turriss	2013-02-12	NA		Police Services	12,575	7 Years	2013-03-01	2020-02-29
Leasing of bus tires	2015-03-02	5108 /10154	15-103	Sarnia Transit	35,000	5 Years	2015-05-01	2020-04-30
911 dispatch back-up site		NA		Police Services	113	5 Years	2015-07-01	2020-06-01
Postage - Pitney Bowes		NA	640806	Police Services	966	5 Years	2015-09-23	2020-09-22
Transit uniform	2015-06-22	170004	15-105	Transit	20,000	5 Years	2015-10-01	2020-11-26
Lambton Mall Library	2012-08-16	180010		Property Department	67,843	7 Years	2013-01-01	2020-12-31
Radio Communication Equipment for Public Works, Transit and Fire	2013-08-23	170165	07-122	Public Works, Transit and Fire	66,871	7.5 Years	2013-07-14	2021-01-01
Police training centre	2018-07-16	180161		Police Services	67,461	5 Years	2018-09-01	2023-08-31
Police equipment - 2				Police Services	9,266	5 Years	2019-01-01	2023-12-31
Police equipment - 1	2019-03-28			Police Services	11,300	5 Years	2019-04-15	2024-04-15
Bayside Mall Unit# 182A	2016-07-11	NA		Transit	15,255	10 Years	2016-07-01	2026-06-30
Total					\$ 359,918			

FINANCIAL OBLIGATIONS APPROVED BUT NOT YET FINANCED

October 31, 2019

Adopted By-Law Number	Project Name	Approved But Not Yet Financed	Debt Released in Prior Years	Balance Approved Not Yet Financed	Issued in 2019	Remaining Approved Not Yet Financed
112 of 2017	Sarnia General Hospital	5,350,000	2,450,000	2,900,000	2,000,000	900,000
Total		5,350,000	2,450,000	2,900,000	2,000,000	900,000

THE CORPORATION OF THE CITY OF SARNIA
People Serving People

FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor and Members of Council

FROM: Suzanna Dieleman, Director of Finance

DATE: December 3, 2019

SUBJECT: Consumer Price Index 2019

Recommendation:

For Council's Information

Background:

Information with respect to the Consumer Price Index (CPI) is being provided to Council to assist in deliberation of the 2020 Operating Budget. The CPI information is being provided as at July 2019.

Comments:

The CPI is widely used as an indicator of the change in the general level of consumer prices or the rate of inflation. To determine a main "driver" of City's budget in terms of overall costs is recommended. For example, the non-residential construction CPI is more relevant to Engineer.

The following chart is the latest release from the CPI, last released August 21, 2019. The comments are provided to assist in the analysis of CPI.

Month	Total CPI (unadjusted)	Total CPI (seasonally adjusted)	Total CPI % Change over 1 year ago (unadjusted)
July 2019	137.0	136.5	2.0
December 2018	133.4	134.3	2.0
July 2018	134.3	133.7	3.0

"The Consumer Price Index (CPI) rose 2.0% on a year-over-year basis in July, matching the increase in June." The Statistics Canada Non-Res Building Construction Price Index increased 4% for the second quarter of 2019.

Consultation:

The CPI information was obtained from Statistics Canada websites.

Financial Implications:

The CPI is calculated on previous years' figures but the City's budget is relevant to a forward looking analysis. There are no financial implications resulting from this report.

Reviewed by:



Suzanna Dieleman
Director of Finance

Approved by:



Chris Carter
Chief Administrative Officer

This report was prepared by Jane Qi, CPA, CGA, Financial Analyst.

Attachment(s): None



Core Functions

- Provides legal advice and assistance to City Council and City departments relative to the operations of The Corporation of the City of Sarnia.
- Researches, negotiates and prepares by-laws, policies, contracts, leases, license agreements, deeds and other documents related to real estate purchase/sales.
- Represents the City in LPAT and other Tribunal hearings, on insurance and other claims for/against the City, and in Municipal Tax Sales.
- Oversees outside legal counsel involved in litigation and bylaw prosecutions.
- Proactively manages risk to mitigate and prevent loss.
- Provides property services for properties such as City Hall, Sarnia Library, Mall Road Library, Lawrence House, Faithorne Library, and Lochiel Kiwanis Community Centre.
- Oversees Airport Operation Agreement
- Oversees Sarnia Harbour Operations
- Provides printing services within City Hall

Key Stats – 2018

PRINTING SERVICES:

- 1.1 M copies made each year in the printing department

LEGAL SERVICES:

- 147 notarization of documents for members of the public
- 53 tax sales started and 24 tax sales completed
- 75 documents registered
- 123 property searches

RISK MANAGEMENT:

- 60 insurance claims received



Performance Metrics

Will be monitoring over the next 1-5 years

- Number and types of insurance claims received
- Percentage of insurance claims handled in-house
- Number and types of service calls received by Asset Management Division and response times
- Cost of external legal counsel and type of matters handled by external counsel

Asset Management – Top 3 Priorities

1. Maintenance of City Assets - City Hall, Sarnia Library, Faithorne Library, Lawrence House, Lochiel Kiwanis Community Centre, Harbour, Airport
2. Development of activity tracking capacity for Facilities Management and development of performance measures for the division
3. Development of activity tracking capacity for Legal Services and development of performance measures for the division



2019 Top 10 Key Deliverables to Date

1. Library - 6 new HVAC units installed
2. Lawrence House - exterior painting
3. Airport - repaving and signage
4. Lochiel Kiwanis Community Centre - 3 new roof top A/C units installed, cornice work
5. City Hall - LED lighting retrofit and 2nd & 3rd floor replacement of lobby flooring
6. Development and implementation of file management system for Legal Services
7. Development of a Lease Registry for the Corporation
8. Review of list of assets for development of surplus and disposal strategy for recommendation to SMT
9. Review and development of information management system to allow for improved efficiencies within Legal Services
10. Increased collaboration to support the business activities of client departments.

Challenges / Opportunities

- Sarnia Library Renovations – 2nd floor washroom; new accessible entrance
- Concrete work laid – Commencing renovations October 2019 – to be finished by year end

2020 Key Initiatives

Carryover

- Sarnia Library - air handler & cooling tower and related plumbing; 2 new boilers
- City Hall – new roof
- Sarnia Library Renovations – 2nd Floor; new accessible washroom

New Projects

- Lochiel Gym Roof and HVAC unit to install
- City Hall elevators



2020 - What is different that changes the budget significantly?

- WalterFedy inspections have highlighted the need for 10 year capital plans. Additional facilities will need to be addressed through the Asset Management Plan.



Core Functions

Promote a Healthy and Safe Environment

- H&S reporting, programming and services, EAP, Disability and Attendance Support Management, WSIB and Disability Claims Management, Mental Health programming

Recruitment and Resourcing

- Employer of Choice, Workforce Planning and recruitment, selection, on and off boarding

Community

- Age Friendly Plan, Accessibility Coordination

Positive Employee Relations

- Labour Management, collective agreement and bargaining, HR policy and procedure development, job evaluation, complaint investigation (Human Rights, Harassment, Code of Conduct)

Talent Management and Engage Employees

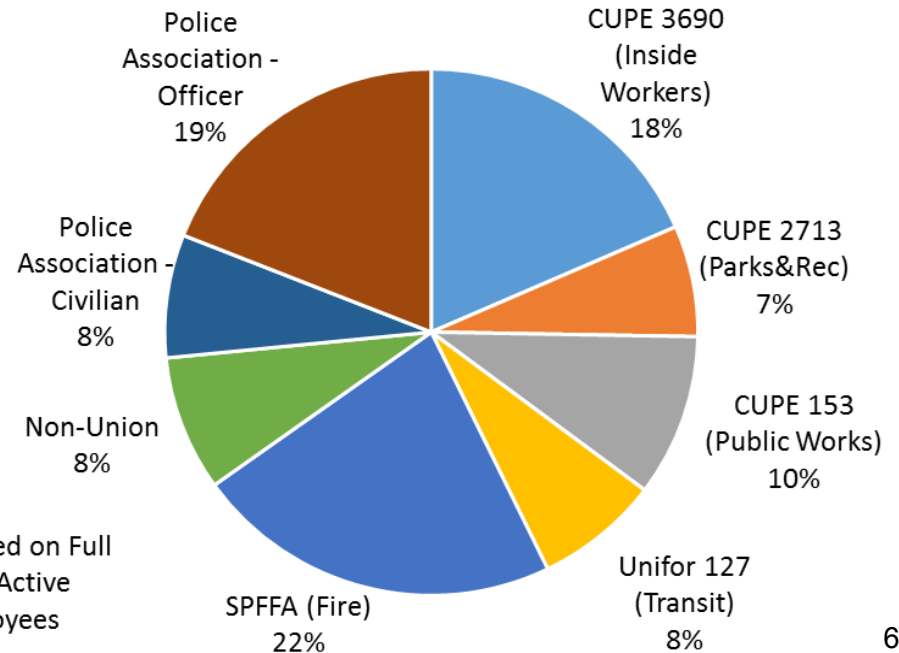
- Train staff, leadership development, performance management, compensation, benefit and pension administration, One Team cultural change, employee recognition, organizational development and design.

live work play

Now Hiring

Corporation of the City of Sarnia
sarnia.ca/careers

Staff Representation



Key Stats – 2018

Recent Training Offerings:

- New Employee Orientation (6 sessions; 142 staff including student, seasonal and regular employees)
- Supervisory and Leadership Development (5 staff completed pilot 4 module program)

Performance Metrics

Developing process to compile the following measures:

- Average short term sick days per employee
- Average length of absence in disability management program
- Grievance rate; # of HR & Harassment complaints
- Accident/incident rates (all injury; accident severity)
- Training Plan Compliance
- Vacancy rate (budget vs actual); length of time from post position to start date

2019 Top Key Deliverables to Date

1. Refined Firefighter recruitment process to streamline hiring.
2. Improved management of CoS absence reporting and Attendance Support and Disability Management programs.
3. Reviewed and revised WSIB Claims Management process.
4. Implemented Substance Use Policy to manage use of impairing drugs within the workplace.
5. Delivered “The Working Mind” mental health training for all staff (4 hrs) and supervisors/managers (1 day)
6. Implemented Employer of Choice recruitment process using social media, on-line applications and on-boarding programming.
7. Implemented Supervisory and Leadership Development program including monthly Management sessions to improve collaboration and skill development.
8. Improved HR Information Management systems to better track training, health and safety and attendance management.

Challenges / Opportunities

- Managing SPFFA Interest Arbitration while preparing for next round of negotiations (contract from arbitration will cover Jan. 1, 2017- Dec 31, 2019).
- Implement a Corporate Employee Engagement and Communication Strategy.

2020 Key Initiatives

Carryover

- Continue to monitor and improve reporting and measuring process and management systems to managing sick leave use.
- Reinforce mission, values and behaviours including tools to assist in managing throughout organization.
- Coordinate Leadership training program and support tools (performance review, coaching/mentoring etc.) to achieve success.
- Coordination of Talent Management process to include staffing and demographic analysis, succession planning and training management system (position profiles, course inventory, information system, training plans etc.).
- Continue with implementation of a health and safety management system to provide consistent managed approach to measuring, monitoring (incident reporting) and delivering H&S programs that address significant risks across Corporation.
- Continue to implement an Integrated Mental Health Strategy.

New Projects

- Move to web based interactive employee self serve system to allow staff to access/manage their own and Corporate information on a variety of mediums (cell phone, tablet etc.).
- Review organization and implement recommendations regarding the Management structure including job descriptions, compensation and benefits model and performance evaluation.

2020 - What is different that changes the budget significantly?

- No significant changes. Continue to realign resources to create E-Learning opportunities to deliver training more cost effectively and efficiently (i.e. New Employee Orientation, Asbestos Awareness etc.)



Core Functions by Division

Accounting & Budgeting - Administration of financial activities in accordance with legislation/regulation. Responsible for general ledger, accounts payable, accounts receivable, payroll, cash management, capital recording/reporting, budgeting and financial reporting, investments, and reserve management.

Purchasing - Responsible for procurement of goods and services for the municipality.

Customer Service - Management of Customer Service Centre on 1st Floor of City Hall, assisting citizens with a range of municipal services including payments (tax, dog tag, bus pass, blue box etc.), business/marriage/lottery licenses, and operation of City's phone system.

Key Stats – 2018

- Accounts Payable Invoices processed/week = 340
- Number of Payments per year:
 - EFT - 15,456
 - Cheque - 1,516
- Tax Bills issued - 40,166
- Tax Certificates issued - 1,781
- # Bid Documents prepared:
 - 36 Tenders, 34 Quotations, 37 Proposals
- Procurement Awarded Values:
 - Construction \$20.2 million
 - Services \$23 million
 - Goods \$1.5 million

Property Tax - Issue tax billings, collect and allocate funds for the County of Lambton and school boards.

Information Technology - Acts as a communication conduit for business projects; selects, leads and defines the core technical infrastructure while providing day-to-day operational support for City staff, software and architecture.



- IT Systems Uptime:
 - 2018 KPI Target 98% was met
 - 2019 KPI Target currently being met at 99.8%
- Help Desk Support Calls average 301/month
- Demonstrated Recovery time for Core Systems at 18 Hours during Disaster Recovery Scenario,
- exceeding 2020 target by 4 hours

Performance Metrics –Source 2018 Municipal Study - BMA

	Sarnia	BMA Average	BMA Median
Financial Position Per Capita (2017)	\$652	\$435	\$651
Tax Discretionary Reserves (less WWW) as % of Taxation (2017)	43%	73%	68%
Tax Reserves Per Capita	\$427	\$684	\$645
Total Debt Outstanding Per Capita (2017)	\$98	\$507	\$379
Taxes Receivable as % of Total Tax Levied (2017)	1.6%	5.3%	4.9%

Asset Management – Top 3 Priorities

1. Support and advise City Staff regarding IT considerations for implementation of Asset Management System.
2. Prioritize and replace identified IT assets based on Risk, Cost, Benefit and Organizational Goals.
3. Asset Management - Supporting team with financial data.

2019 Top 10 Key Deliverables to Date

1. Upgraded www.Sarnia.ca to a modern, secure and flexible platform
2. Corporate Asset Management Policy approved
3. Reserve & Reserve Fund Policy updated
4. Capital Budget and Finance Policy approved
5. Capital Financing and Debt Management Policy approved
6. Procurement of Goods and Services Policy updated
7. Facilitated 3rd Annual Corporate Wide Customer Service Week
8. Water Long Range Financial Plan approved
9. CityView Workspace Upgrade From 2016 Version to 2019 Version
10. Upgraded Core Server Network from 1 Gbps to 10 Gbps Fault Tolerant Backbone



Challenges / Opportunities

- Technology modernization
- Proactively managing/measuring/reporting
- Financing in face of infrastructure condition and cost of backlog versus affordability for citizens
- Continue transition to longer-term planning focus for infrastructure management
- Movement toward all processes being consistent, predictable and efficient

2020 Key Initiatives

Carryover

- Continue to introduce methods to enhance customer service through on-line information and processing
- Tangible Capital Asset system update to assist in Asset Management Planning Process
- Information Technology – Asset Management Maintenance and work order tracking system and process
- CityView Portal Deployment
- InfoHR Employment Application Tracker
- Internet Connectivity Upgrade at Sarnia Fire Stations using Sarnia Police Services Radio Tower

New Projects

- Dog Tag Program Enhancements
- Customer Service Strategic Plan Implementation
- Deployment planning, product selection assistance and Integration support for:
 - Asset Management Platform (Engineering Department)
 - Customer Relationship Management System (Customer Service)
 - Document Management System (Clerks, Finance)
- Geographic Information System (GIS) Upgrade and Rebuild
- Asset Lifecycle Maintenance 2020 (End User Device, Network and Firewall)

2020 - What is different that changes the budget significantly?

- 1 FTE Asset/Project Manager – funded by dedicated asset management funds; improving reporting tools



Core Functions

- Statutory duties as outlined in the Ontario Municipal Act
- Prepares Council agendas and minutes
- Administers and maintains by-laws and agreements
- Provides strategic oversight for corporate communications, including social media and Council web streaming
- Administers the appointment process and provides support for boards and committees
- Prepares for and conducts municipal elections
- Processes Municipal Freedom of Information and Protection of Privacy Act requests
- Updates and administers the Records Retention By-Law
- Provides administrative support for Council
- Issues marriage licenses and provides civil ceremony services
- Performs duties of Commissioner of Oaths
- Performs duties of a division registrar under the Vital Statistics Act

Key Stats - 2018

- 344 business licenses
- 135 lottery licenses
- 445 marriage licenses
- 70 marriage ceremonies
- 1,208 burial permits
- 17 MFIPPA requests received
- 20 Council meetings supported
- 18 Council meetings with live web streaming
- 15 Council meeting highlights shared with Council, staff and media
- 74 media releases



Performance Metrics - 2018

- 6,856 Facebook followers
- 4,074,979 Facebook impressions
- 4,411 Twitter followers
- 628,000 Twitter impressions
- 1,572 Instagram followers
- 2 New Committee Terms of Reference drafted
- 87% Freedom of Information requests completed in less than 30 days
- 100% Freedom of Information requests completed in less than 60 days

Top 3 Priorities

1. Electronic Documents and Records Management (EDRM) solution
2. Policy Development and Standardization
3. Online Engagement – Corporate-wide implementation

2019 Top 10 Key Deliverables to Date

1. Gap Analysis and Transition Plan for Corporate Documents Records Management (CDRM)
2. Third-party online engagement platform pilot implemented (Cannabis retail online engagement)
3. Bang the Table online engagement software – 918 new site registrations
4. Provided inter-departmental social media training - 41 current staff members
5. Facilitated a Strategic Planning session for the UNDRIP Working Group - *Draft* Territorial Acknowledgment
6. Compiled Corporate and Council policies into a tracking spreadsheet with customizable alerts
7. Business Licencing By-Law amended - Scrap Metal New Business Licence process
8. Grant Coordinator Pilot
9. Provided support to Council during Procedure By-Law Review process
10. Identified policy group for update in 2020
11. Inactive records relocated off site in environmentally controlled space

Challenges / Opportunities

- Records and process management is currently a combination of electronic and paper – there are multiple copies of corporate records, making retention difficult
- Short-term rental business licencing models

2020 Key Initiatives

Carryover

- Pilot – Corporate Documents Records Management system
- Policy tracker

New Projects

- Third-party records management implementation



2020 - What is different that changes the budget significantly?

- Professional recommendation of records management improvements
- Bang the Table online engagement software to be used across departments, subject to outcome of pilot
- Council direction to include electronic functionality into Council meetings, subject to budget approval



Core Functions

- Committed to keeping our community safe and protected with an all-hazards approach to public safety.
- Provide leadership strength through collaborative efforts and communications with other city departments, agencies, groups and community partners.
- Prevent fires and the loss of life through mandated public education to identified risk groups.
- Ensure buildings within municipality are compliant to the Ontario Fire Code through inspections and enforcement.
- Comply with the provincial legislation and Directives from the Fire Marshal.

Key Stats – 2019

- Civilian injuries YTD: 8 (2018: 3)
- Firefighter injuries YTD: 8 (2018: 12)
- Sarnia Fire Deaths YTD: 0 (2018: 1, 2017: 0)
- Ontario Fire Deaths YTD: 52 (2018: 95, 2017: 82)
- Pub Ed - Direct Contacts YTD: 4,906 (2018: 8,937)
- Fire Prevention Inspections YTD: 443 (2018: 473)
- Plans Review YTD: 88 (2018: 117)



Emergency Call Summary	2019 (YTD) Jan.-June 30	2018	2017	2016
Tiered Response	944	1,329	1,138	1,223
Fires (Structural)	33	57	38	39
Fires (Loss Reported)	\$1,774,209	\$3,806,605	\$2,747,450	\$1,447,450
Total Responses	2,132	2,929	2,899	2,727

Performance Metrics –Source 2018 Municipal Study - BMA

	Sarnia	BMA Average	BMA Median
Net Costs Per Capita (Pop. 30,000 - 99,999)	\$255	\$156	\$160

Asset Management – Top 3 Priorities

Buildings	Priority
Station 1 (240 East St)	- Accessible and inclusive washroom facilities
Station 3 (Colborne Rd)	- Design, demolish and construct new facility (pending location study from Master Fire Plan) - Current station maintenance until replaced (urgent items only)
Station 4 (Wellington)	- Building envelope, mechanical systems and concrete repair

2019 Top Key Deliverables to Date

1. Life-cycle replacement and maintenance plan put in place for fixed and rolling assets
2. Completing fire apparatus build and delivery of new aerial platform fire apparatus (2020)
3. Emergency response apparatus have fixed mobile devices for mapping, property pre-incident planning and MTO pre-trip inspection logging
4. Trouble-shooting CADLink project for real-time data exchange with Sarnia Dispatch, auto-populating incident report information
5. Completed Crew Resource Management training (workplace culture)
6. Continued PTSD Awareness and Training Program (R2MR and Mental Health Prevention Program)
7. Completed training on Marine 2 (PWC)

Challenges / Opportunities

- Containing overtime costs with current staffing levels, contractual leave, short and long term absences
- Revenue recovery by Fire Marque is projected to be half of estimated level – affects Reserves by ~ \$20K
- Records Management System requires updating to provide accurate data analytics and reporting
- Anticipated award of contract from Arbitrator in 2019

2019 Key Initiatives

Carryover

- Replacement of Aerial Platform apparatus (Tower 4 – manufactured in 2000)
- Colborne Road Fire Station (Station 3) demolition, design and construction project, pending station location study within Master Fire Plan
- Capital projects to meet fire service needs include Bunker Gear Replacement Program (25 sets), fire hose, air monitoring equipment
- Small vehicles and fire apparatus fleet management plans
- Working with Corporate IT building connectivity and Police Radio system infrastructure needs

New

- Transition from Inspection Reports to Inspection Orders as primary Fire Code enforcement tool
- Review and update Establishing & Regulating by-law, Mutual Aid plan and by-law, Fire Protection Services agreement with Aamjiwnaang First Nation and possible Automatic Aid agreements
- Master Fire Plan process to begin Q4 2019

2020 - What is different that changes the budget significantly?

Operating

- Using multi-year trend to reliably forecast overtime costs while assessing key drivers.
- Bunker gear inspection by third-party authorized service provider now required twice per year, as per NFPA standard. This is a regulated requirement.
- Respiratory protection program requires additional maintenance for aging self-contained breathing apparatus (SCBA). This is a regulated requirement.

Capital

- Voice radio system feasibility study in 2020 & radio equipment replacement in 2021 not previously budgeted. 76



Core Functions

- Coordinate and implement projects, programs, policies and services approved by Council in accordance with Municipal, Provincial and Federal Acts and regulations pertaining to public works
- Administer and coordinate design and construction of municipal infrastructure
- New residential subdivision and site plan development
- Oversee traffic signals, road signs, street lighting and various transportation studies
- Administration of construction projects including sewer separation, asphalt resurfacing, drainage projects, watermain and pump station construction
- Administer the scheduled and emergency repairs of the shoreline
- Road Maintenance - snow plow, asphalt & curb repairs, street sweeping, pothole patch, grass cutting, sidewalk repairs, curb repairs, line painting, signs, roadside drains
- Administer the garbage, recycling and organic waste contracts
- Maintain the fleet of equipment for PW, Police and Parks & Recreation

Key Stats – 2018

- 436 kilometres of roads
- Public Works maintains approximately 560 pieces of equipment for PW, Police, and Parks and Recreation
- 22 Capital Projects
- 34,793 single & multi family households for waste pickup
- 4,523 tonnes of compostable material collected



Performance Metrics - Source 2018 Municipal Study - BMA

	Sarnia	BMA Average	BMA Median
Roadways (Paved) Net Costs Per Capita	\$25	\$70	\$51
Roadways (Paved) Net Costs Per Ln Km	\$2,031	\$4,243	\$2,861
Roadways - Traffic Operations Net Costs Per Capita	\$10	\$46	\$33
Winter Control - Net Costs per Ln Km	\$754	\$1,892	\$1,705
Winter Control - Net Costs per Capita	\$12	\$35	\$29
Waste Collection - Net Costs Per Capita	\$15	\$9	\$8
Waste Diversion - Net Costs Per Capita	\$32	\$20	\$21

Asset Management – Top 3 Priorities

1. Roads - Condition assessment noted many are in poor condition
2. Shoreline – High water levels are causing significant erosion
3. Bridges – Rehabilitation before conditions deteriorate

2019 Top Key Deliverables to Date

- Final Phase of Donohue Bridge Rehabilitation
- Waterworks Road Pumping Station and Sewer
- St. Andrew’s Street Forcemain
- Trail Connection to Lambton College
- Michigan Road Bike Lanes
- Rapids Parkway Environmental Assessment
- Oversized Load Corridor Start Up
- Development Area 2 Servicing Study
- 3 New Pedestrian Crossovers
- Funding for Plank Road, Oversize Load Corridor, Sewer Separation
- Approved 5 subdivisions, creating 108 building lots



Challenges / Opportunities

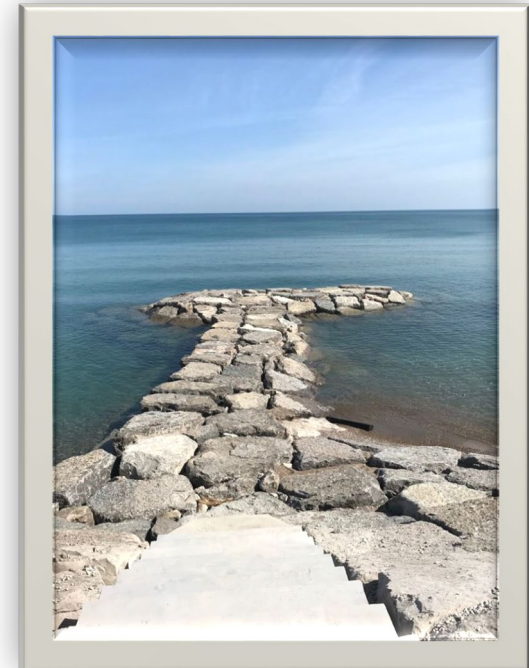
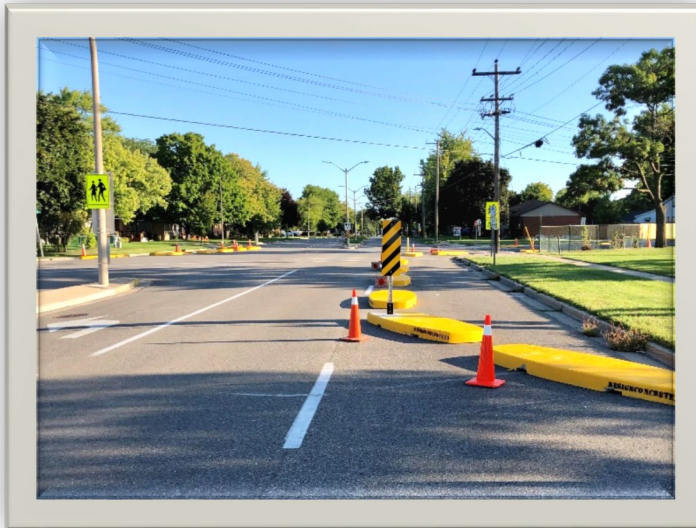
- Staffing Needs to Successfully Manage Increased Capital Program
- High Water Levels Causing Erosion
- Aging Infrastructure
- High Construction Cost

2020 Key Initiatives

- Bedford/Plank Road Pumping Station, Forcemain and Gravity Sewers
- Rapids Parkway Extension Design
- Plank Road Design
- Vidal Street Walkway Bridge Replacement
- Oversized Load Corridor
- Shoreline Protection
- Urban Road Reconstruction

2020 - What is different that changes the budget significantly?

- Waste and Recycling Contracts (First year full year)
- Large Value and Number of Grants
- Shoreline Erosion





Core Functions

- Planning and maintenance of nearly 1,200 acres of parkland, pathways, trails, City facilities, storm water management ponds and boulevards
- Schedules and maintains 3 arenas facilities (with 5 rinks), 12,000+ hours of ice rentals, 3,000 hours of arena community hall use and 5,500 hours of ice maintenance to provide safe efficient ice surfaces
- Recreation programming activities including aquatics, fitness programs and summer camps
- 65+ hours of weekly operation and programming at the Strangway Centre: Aquatics, Fitness and Wellness, Sports & Recreation, Mind & Body, Weekly Activities, Art, Crafts, Music, Languages, Facts & Chats, Hobbies & Interests, Woodworking, Support Groups, Services, and Daytrips (approximately up to 100 different programs with multiple sessions and levels of learning). Strangway offers up to 10 special events each year and we rent our rooms regularly to over 15 community organizations weekly.
- Waterfront programming, community-led events and festival liaison support and direct event and festival programming such as Canada Day
- Operations and maintenance of sports fields
- Responsible for horticulture and arboriculture (urban forestry)
- Community liaison work with a number of related citizen and Council committees

Key Stats – 2019

- 25 Buildings / Field Houses
- Maintaining 1,200 acres of Parkland and Trails
- Maintaining 3 Arenas with 5 Ice Surfaces
- 16 Ball Diamonds
- 32 Soccer Fields, 2 Football and Rugby Fields
- 4 Community Centre's, including Strangway
- 26 Tennis and Pickleball Courts
- 30 Shelters/Gazebos
- 15 Hectares of Beach / Waterfront
- 200+ Recreational Programs
- 2 Greenhouses
- Approx. 90,000 Municipal Trees Maintained,
- 1,000+ Trees Planted
- 50 km of Trails and Pathways
- 33,000 sq. m of Gardens

Performance Metrics—Source 2019 Parks and Recreation Master Plan

Sarnia Parks Recreation and Facilities Contributions	Average Community Contributions	Median Community Contributions
\$94.00	\$142.00	\$129.00

Sarnia Parks and Recreation has been historically underfunded in comparison with other Ontario Communities. Increased funding would ensure expedition of renewal projects for assets determined to be beyond life cycle.

Asset Management – Top 3 Priorities

1. Arena Refrigeration, PASA Roof (phase 1), Parking lot improvements
2. Agora Event Improvements, Park Drainage projects, Trail improvements
3. Germain Greenhouse, Tecumseh pool liner, Soccer field improvements

2019 Top Key Deliverables to Date

- Highly Successful Tall Ships Festival Event
- Replacement of the Sarnia Bay Marina Docks Electrical System
- Completion of Blackwell Park Pickleball Hub
- Park Pavilion construction - Camp Saredaca
- Mike Weir Park Public Pavilion at Sarnia Cricket Club
- Implementation of Adopt a Park program
- HVAC replacement - PASA
- Spectator Heating replacement - Sarnia Arena
- Canatara Rotary Clubs Accessible Playground
- Collaborative Volunteer projects with Lambton College
- Implementation of Commemorative Tree and Bench Program
- Flat roof replacement - Clearwater Arena



Challenges / Opportunities

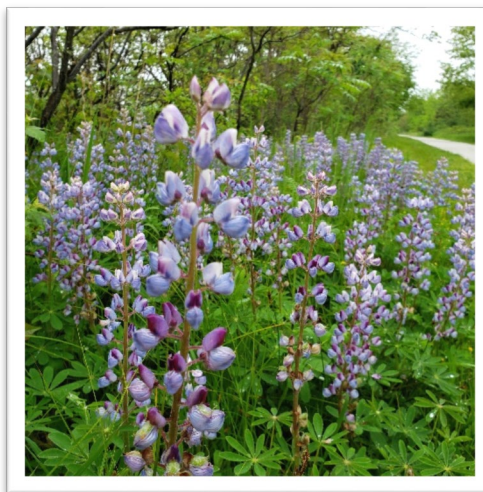
- Continuous repairs on AGING ASSETS requiring high level of Maintenance (often after hours emergencies)
- Increased Special Event support and non park greenspace maintenance stretches Staffing resources and makes it difficult to maintain expected service levels
- Growing season has extended which necessitates extended Seasonal Employee work terms

2020 Key Initiatives

- Harry Turnbull Park Improvements
- PASA Roof Repairs
- Park Drainage Projects
- Pathway Improvements
- Howard Watson Nature Trail – Clearwater Gateway Project
- Ongoing Playground, Parks Signage and bleacher replacement(s)

2020 - What is different that changes the budget significantly?

- Increased contributions to Equipment Reserve
- Extended Work Terms for Seasonal staff
- Insurance costs to Parks and Recreation Department
- Amendments to Sarnia Sting operational agreement





Core Functions by Division

Economic Development Services:

- Retain & expand existing businesses, & attract new investment to the community, in order to bolster employment and diversify our economy.
- We partner with our community agencies to promote our City, inventory our investment offerings, and provide timely & accurate investor information.

Planning & Development Services:

- Provide everyday support to residents, business owners, and investors looking to invest in their homes, businesses or develop land in the City.
- We support a wide variety of planning applications, and recommend new modern community standards & programs to facilitate new development.

Building Services:

- Provide everyday support for property owners looking to renovate, expand, or build new buildings to better their homes and grow their businesses.
- We support the construction of safe buildings and encourage the use of innovative designs and techniques that diversify our built environment.

By-Law Enforcement Services:

- Enforce & modernize a wide variety of community by-laws to support well maintained neighbourhoods and good neighbour relationships.
- We support residents & businesses by enforcing our suite of 'good neighbour by-laws' including those for property maintenance, parking, and animal control.

2018 Key Stats

Economic Development Services:

- Position was re-organized and refocused in 2018
- Work plan and metrics released to guide the service area in 2019 and beyond

Planning & Development Services:

- Processed 131 planning applications and provided ongoing support to 5 Committees of Council
- Supported 44 pre-consultation meetings

Building Services:

- \$92.9 million in construction value for 2018, of which \$37 million was for commercial projects
- 542 building permits issued including 58 new multi-residential units – highest number in 10 years

By-Law Enforcement Services:

- Responded to 1,356 By-law complaints resulting in 680 Orders being issued for compliance
- Issued 9,601 parking violation tickets

Performance Metrics –Source 2018 Municipal Study - BMA

	Sarnia	BMA Average	BMA Median
Planning - Revenues as % of Gross Expenditures	104%	60%	36%
Planning - Net Costs Per Capita	\$0	\$15	\$14
Building - Net Costs Per Capita	\$8	\$21	\$21
Development Charges - Non Residential Commercial per sq. ft.	\$5	\$17	\$12
Development Charges - Non Residential Industrial per sq. ft.	\$5	\$10	\$8
Building Permit Fees - Residential 167m ² property - \$270k value	\$1,662	\$2,270	\$2,196

Asset Management – Top 3 Priorities

1. Replacement of Municipal Parking Lot Pay-And-Display Machine in the Julia Street Lot in 2019 to accommodate credit card transactions
2. Management of the Municipally owned Business Park Lands

2019 Top 10 Key Deliverables to Date

Economic Development Services:

- Marketing & support for land sales in the Sarnia Research & Business Park & the 402 Business Park
- Developed supporting performance metrics for the economic development service

Planning & Development Services:

- Completion of the Development Charges By-Law
- Mitton Village Working Group progress on street furniture and community engagement events
- Received FCM grant for Climate Change Strategy

Building Services:

- Upgrade to CityView software ongoing to allow for on-line service access in 2020
- Reviewing service lines for consistency with community outcomes & efficiencies in delivery

By-Law Services:

- Advancing the upgrade to CityView software to allow for greater efficiencies in service delivery in 2020
- Reviewing service lines for consistency with community outcomes & efficiencies in delivery

2020 Existing and Anticipated Major Developments

- Bayside Mall Re-Development Proposal
- Ainsworth gas plant (TransAlta lands)
- Sarnia General Hospital Re-Development
- Origin Materials Plant (Arlanxeo lands)
- New Apartment buildings on:
 - Front Street (Tricar)
 - Christina Street (Tricar)
 - Water Street

2020 Challenges / Opportunities: Service Modernization

- Streamlining application processes and leveraging CityView technology for workflow management
- Digitizing records to provide transparency and ease of access to information by staff and the public
- Mobile platform will increase efficiency and allow greater customer access to support project management
- Investments in software, hardware, and training to ensure a positive transition in service delivery

2020 Key Initiatives

Projects Carried Forward

- CityView: Online Building & By-Law Services
- Zoning By-Law: modernized community standards
- Animal Control By-Law: updated & approved
- Building By-law: updated & approved
- Climate Change Strategy: underway

New Projects

- A modernized Community Improvement Plan (CIP) for the Downtown and Mitton Street neighbourhoods
- Development of a Community Benefit Charge (CBC) to complement the Development Charges (DCs)
- Implementation of the Service Review outcomes
- Develop business strategies for community assets

2020 - What is different that changes the budget significantly?

By-Law Enforcement Services:

- Request for an additional By-law Enforcement Officer as a recommendation from the Downtown Parking Study.
- Free parking in April and November in the downtown is expected to reduce revenues by \$40,000 yearly.
- Increase of \$15,000 per year in required contract services for nuisance / distempered wildlife.



Core Functions

- Provide safe, reliable and affordable transportation for all residents
- Operate a fully accessible conventional – fixed route service
- Operate a care-a-van service for residents unable to use the conventional service
- Provide transportation for major emergencies and City events
- Maintain all transit vehicles, stops, and terminals
- Support the Transit Advisory Committee (TAC)

Key Stats - 2018

- 1.39 million Conventional Passengers (8.5% increase from 2017)
- 29,000 Care-a-Van Passengers
- 16 Conventional Bus Routes (Weekdays)
- 22 Conventional Buses
- 7 Care-a-Van Buses
- 1,573,108 Revenue Service Kilometres



Performance Metrics—Source 2018 Municipal Study - BMA

	Sarnia	BMA Average	BMA Median
Conventional - Net Costs Per Capita (Pop. 30,000 - 99,000)	\$52	\$48	\$53
Special Service - Net Costs Per Capita (Pop. 30,000 - 99,000)	\$12	\$10	\$8
Conventional - Revenue as % of Operating Costs (Pop. 30,000 - 99,000)	31%	30%	33%
Transit Fares - Cash Fares - Adult	\$3.00	\$2.90	\$3.00
Transit Fares - Monthly Passes - Adult	\$74	\$81	\$80

- Note BMA average is skewed lower by municipalities at the low end of the population range with transit systems that provide a significantly lower level of service

Asset Management – Top 3 Priorities

1. Fleet Replacement (29 vehicles)
2. Terminal Upgrades (Transit Master Plan)
3. Garage/Maintenance Facility & Equipment

2019 Top Key Deliverables to Date

- 1 Care-a-Van
- Maintenance Pit Replacement with Drive on Lift
- East Side Parking Lot Rehabilitation
- Install Airport Solar Shelter
- Install 4 New Solar Shelters

2020 Challenges / Opportunities

- Accommodate increased ridership from Lambton College
- Continue to manage LTD Employees
- Create Additional Bus Route Efficiencies Without Budgetary Implications

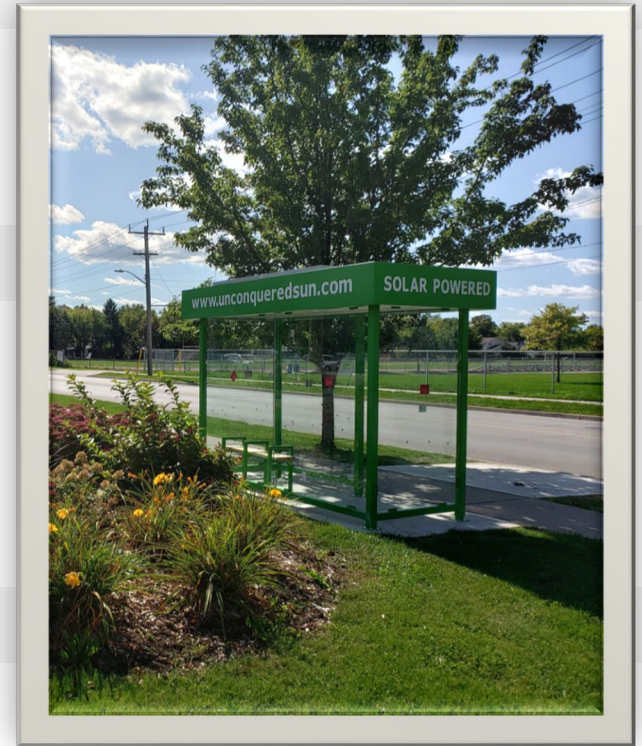
2020 Key Initiatives

New Projects:

- Preliminary plan for relocation of east end bus terminal
- Replace 2 NOVA Conventional Transit Buses and 1 Care-A-Van
- Install 6 Solar Shelters & 6 Concrete Bus Pads

2020 - What is different that changes the budget significantly?

- Investing in Canada Infrastructure Program - Transit Stream grant. If approved this will provide significant support to the capital program but also require increased matching dollars.



Core Functions

WATER

- Committed to supplying safe consistent drinking water to the consumer by maintaining strict adherence to all applicable legislative and regulatory requirements
- Provide regular maintenance and operation to the water supply system
- Provide emergency repairs to the supply system in a manner to ensure all regulations and are met
- Communicate with Council and Senior Staff the commitment to and endorsement of the Quality Management System described in the Operational Plan

SEWER

- Adhere to all applicable legislation and regulation required for the treatment and outletting of sanitary wastewater and stormwater
- Maintain the collection system to the municipal sanitary and storm systems
- Maintain the wastewater treatment of sanitary facilities to ensure acceptable levels are achieved to discharge into the environment
- Maintain the stormwater facilities to ensure acceptable levels are achieved to discharge into the environment

Key Stats - 2018

- Watermain breaks – 109
- Service repairs - approx. 96 per year
- Boil water orders - 0
- Service locates – 6000+
- Water On/Off – 617
- Approximately 28,000 cubic meters of wastewater treated daily



Performance Metrics—Source 2018 Municipal Study - BMA

	Sarnia	BMA Average	BMA Median
Residential Water/WW Fixed Annual Costs (5/8")	\$880	\$462	\$417
Residential Water/WW Fixed Costs as % of Total Annual Costs (5/8")	87%	42%	42%
Water/WW Costs - Residential (200m3) - 5/8"	\$1,006	\$1,074	\$1,038
Water/WW Costs - Commercial (10,000m3) - 2"	\$15,238	\$36,054	\$33,087
Water/WW Costs - Industrial (30,000m3) - 3"	\$36,105	\$102,824	\$96,928
Water/WW Costs - Industrial (100,000m3) - 4"	\$89,898	\$334,031	\$313,040
Water/WW Costs - Industrial (500,000m3) - 6"	\$370,994	\$1,647,471	\$1,541,796

Asset Management – Top 3 Priorities

1. Sewer Separation
2. Watermains Lacking Fire Pressure
3. Water Pollution Control Centre and Pumping Station Facilities & Equipment

2019 Top Key Deliverables to Date

- Lead Reduction Program Operational - Sampled over 1,700 homes of the 8,700 buildings in the lead area
- Eliminated water infiltration into Plank Road sewer from the 2018 Smoke Test
- UV Wastewater Secondary Treatment Replaced



Challenges / Opportunities

- Managing Information (GPS infrastructure, Sewer/Water History)
- Ageing Infrastructure – increased sewer collapse and watermain breaks
- Increased frequency and severity of wet weather events
- Acquiring permission for air home lead sampling
- High water levels not allowing relief to the storm and combined sewer system

2020 Key Initiatives

- Computerized Maintenance Management System
- Water, Sanitary, and Stormwater Rate Studies
- BioSolid Improvements
- Combined Sewer & Storm Sewer Relief Study
- Flow Monitoring for Sewer Separation / CSO

2020 - What is different that changes the budget significantly?

- Impact of wet weather events on pumping stations
- Increased maintenance costs for ageing infrastructure



THE CORPORATION OF THE CITY OF SARNIA
People Serving People

FINANCE DEPARTMENT

OPEN SESSION REPORT

TO: Mayor Bradley and Members of Sarnia City Council

FROM: Lisa Armstrong, Director of Finance

DATE: April 11, 2016

SUBJECT: City-Owned Properties

Recommendation:

For Council's Information

Background:

During the January 18, 2016 Council meeting the following motion was made:

"That staff create a detailed report for Council listing all City owned assets, both that of land and buildings/structures along with its location and size, current use including any current debts and revenues being incurred for each.

That this report be brought back to Council for the April 11 meeting for further determination of value and discussion of options."

Comments:

A multi-disciplined team with representatives from Finance, Economic Development, Legal, Engineering and Parks & Recreation prepared a report of City-Owned Properties.

To allow an organized approach to the more than 300 properties that have tax roll numbers, 8 broad categorizations were utilized, including:

City-Operated: includes buildings/land in use by the City, such as Fire Stations, parking lots, pump stations, water treatment plant, office buildings, etc.

Empty Lot: includes land that is vacant and may have development opportunities.

Non-Buildable Land: includes walkways, small portions of land resulting from sub-division development, buffer land, land utilized for drainage, storm water management, etc.

Other: includes properties not classified elsewhere such as the Airport, Humane Society, Bayside Mall, Mitton Street Hospital, Sarnia Library etc.

Park - Active: Parkland that includes both playground equipment, and sport fields, sport courts and sport diamonds accessible to the public, but does not always require a rental permit.

Park - Complex: Parkland that includes the ability to schedule programming on a rental permit basis for the multiple sport surfaces, facilities and picnic shelters within the complex. Complexes also include Washroom and/or Field house facilities.

Park – Passive: Parkland that may or may not include playground equipment and does not require rental permits to access the space.

Park - Waterfront: Parkland that includes water frontage.

The attached tables are separated by each of the eight broad categories, and are laid out in the following format;

identifies a line number for reference purposes.

Property Location identifies the street address for the property.

Property Name/Use includes the common name of a building or a description of the type of property, and identifies the purpose of the property including categories such as arena, walkway, building, storm water management, etc.

Building/Amenities identifies if buildings or amenities such as play equipment, soccer fields, tennis courts etc. are present.

Other Information identifies specific information regarding income/debt, year in which any debt will be retired, leases, ownership, more specific location information, prior severance information, etc.

2015 Gross Revenue includes the gross earnings from 2015. This does not include associated expenses required in the generation of that revenue.

Associated Debt includes the balance of debt specifically associated with this asset at the end of 2015.

Area includes the size of the property in square feet. For reference purposes, one (1) acre is equal to 43,560 square feet.

Please note that the report excludes roadways and most beaches that are owned by the City as most do not have tax roll numbers assigned.

This report was prepared for Council's information and discussion of options. Should Council wish to look into options that may include sale or re-purposing of property, staff suggests that a cross-functional team develop a set of guidelines to identify properties, or parts thereof, that could be classified as surplus to current and future needs of the City. These guidelines would draw on Council-approved documents like the Official Plan and City Master Plans to develop relevant criteria including development potential, servicing, etc. Evaluation of sites under these guidelines would be brought to Council for consideration along with suggestions for public consultation prior to a final recommendation to Council to dispose of or re-purpose any assets.

Consultation:

Representatives from Finance, Economic Development, Legal, Engineering and Parks & Recreation prepared the attached listing, and their Department Heads as well as the City Manager, were consulted in the preparation of this report.

Financial Implications:

Information provided for informational purposes.

Reviewed by:



Lisa Armstrong
Director of Finance

Approved by:



Margaret Misek-Evans
City Manager

Attachment: Categorized City-Owned Properties, Dated March 23, 2016

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
1	2399 CHURCHILL LINE	Bunyan Cemetery	Cemetery			48,676
2	125 EXMOUTH ST	Sarnia Centennial Care Centre	Centennial Maintenance	Building & Storage		36,369
3	2100 CONFEDERATION LINE	Telfer City Garage	City Garage			66,835
4	255 CHRISTINA ST N	Sarnia City Hall	City Hall Services			55,888
5	708 EDDINGS ST	Empty Lot - Parking Lot and Vacant Building	Empty Lot	Vacant Building		33,979
6	240 EAST ST N	East Street Fire Hall	Fire Station			177,912
7	666 SCOTT RD	Fire Station #2	Fire Station			39,332
8	6360 TELFER RD	Fire Station #5	Fire Station			53,363
9	293 EAST ST S	293 East St S	Future By-Law Enforcement Building			10,452
10	FRONT ST	Mission Park (former CN lands) / CNR Parking Lot	Harbour		Leased to Lafarge (\$58,000) Also Earns Revenue from Berthage / Harbour Usage and Parking Lot	676,945
11	100-120 SEAWAY RD	Sarnia Harbour	Harbour		6 Warehouse Leases (38,000) Revenue from Ship Berthage / Harbour Usage / Warehouse Leasing etc Divested from Federal Government (2014)	1,437,476
12	127 CHRISTINA ST S	Lawrence House	Heritage House; Art Gallery/Community Centre	Lawrence House	Leased to Lawrence House Centre for Arts (\$1.00) Income from Parks & Recreation Programs	10,374
13	2923 LAKESHORE RD	Brights Groves Sewage	Lagoons			4,710,585
14	2923 LAKESHORE RD	Brights Groves Sewage	Lagoons			2,299,861
15	1215 FORT ST	LAWSS	LAWSS		Joint Owners with LAWSS Collective	574,226
16	12 INDIAN RD S	LAWSS Tower	LAWSS		Joint Owners with LAWSS Collective	733,746
17	272 CHRISTINA ST N	Charlotte St. Parking Lot	Parking Lot		Income from Parking Lot Fees	29,702
18	239-249 FRONT ST N	Front St. Parking Lot	Parking Lot		Income from Parking Lot Fees	37,672
19	109-113 JULIA ST	Julia St. Parking Lot	Parking Lot		Income from Parking Lot Fees	15,762
20	135 MITTON ST S	Mitton St. Parking Lot	Parking Lot		Income from Parking Lot Fees	21,945
21	BROCK ST S	Parking Lot - Attached to LKDSB Lot	Parking Lot			19,491
22	157-165 CHRISTINA ST N	Parkway Lot	Parking Lot		Income from Parking Lot Fees	20,771
23	112 FRONT ST N	Vendome Parking Lot	Parking Lot		Agreement with: Public Works Canada 22 Spaces Leased Income from Parking Lot Fees	40,666
24	115 VICTORIA ST N	Victoria St. Parking Lot	Parking Lot		Income from Parking Lot Fees	46,983
25	148 DAVIS ST	Victoria St. Parking Lot	Parking Lot		Small Portion of Victoria St Parking Lot (Same Lot with Different Roll Number)	4,636
26	327 GEORGE ST	George St. Parking lot/ EMS	Parking Lot / EMS base			116,926
27	2 FERRY DOCK HILL	2 Ferry Dock Hill	Parking Lot / GMSB Law Building	GMSB Building / Waterfront	Leased to George Murray Shipley Bell LLP	22,939
28	226 WELLINGTON ST	Sarnia Parking Authority	Parking Services		Condemned Building	5,436
29	555 CHRISTINA ST N	Sarnia Police Station	Police Services			85,459
30	651 DEVINE ST	Public Works Department	Public Works Department			184,801
31	344 ONTARIO ST	Public Works Department	Public Works Department			17,067
32	LAKESHORE RD	Pump Station	Pump Station			13,077
33	860 MICHIGAN AVE	Pump Station	Pump Station		1964 Lease - Grass Area in Front of Pump Station	6,081

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
34	EXMOUTH ST	Pump Station	Pump Station			6,871
35	282 INDIAN RD S	Pump Station	Pump Station			10,358
36	MAYFAIR DR	Pump Station	Pump Station			7,269
37	MURPHY RD	Pump Station	Pump Station			3,198
38	MURPHY RD	Pump Station	Pump Station			6,444
39	MICHIGAN AVE	Pump Station	Pump Station			7,771
40	2020 MARION AVE	Pump Station	Pump Station			10,257
41	HAMILTON ST	Pump Station	Pump Station			5,947
42	161 AUGUSTA BLVD	Pump Station	Pump Station			1,918
43	AIRPORT RD	Pump Station	Pump Station			3,748
44	UBE DR	Pump Station	Pump Station			2,542
45	KAYMAR CRES	Pump Station	Pump Station			664
46	CONFEDERATION ST	Bedford Pump Station	Pump Station	Utility Buildings		47,333
47	1500 LECARON AVE	Pump Station	Pump Station			7,392
48	GIFFEL RD	Pump Station	Pump Station			8,137
49	1012 ROSEDALE AVE	Pump Station	Pump Station			5,997
50	1000 THE RAPIDS PKY	Pump Station	Pump Station			2,998
51	EXMOUTH ST	Pump Station	Pump Station			1,999
52	LONDON LINE	Pump Station	Pump station			3,598
53	BLACKWELL SIDE RD	Pump Station	Pump Station			4,965
54	EAST ST N	Pump Station	Pump Station			4,450
55	JACKSON RD	Welcome to Sarnia Sign	Sarnia Sign			113,455
56	SCOTT RD	Scott Rd Decommissioned Sewage Lagoons	Sewage Lagoons		Decommissioned	1,386,513
57	HARBOUR RD	Storm Sewer Outlet Access	Storm Sewer Outlet			20,930
58	MICHENER RD	Sarnia Transit	Transit Headquarters			163,207
59	333 ST ANDREW ST	WPCC	Waste Water Treatment Plant		Sludge Disposal Income from LAWSS	1,017,928
60	LONDON LINE	Empty lot	Empty Lot		Commerical / Industrial Parcel	500,389
61	2355 LAKESHORE RD	Empty Lot Across from Mike Weir Park	Empty Lot		Leased to D. Jackson (\$850/year) South Side of Lakeshore Road Formerly Huronview Park Same Roll Number as #210 (North of Lakeshore)	1,021,388
62	MODELAND RD	Empty Lot Around UWO Research Park	Empty Lot		Portion Leased to Chuck E Farms	8,833,298
63	CONFEDERATION RD	Empty Lot Beside CN Railway	Empty Lot			870,813
64	JAMES ST	Empty Lot on Corner	Empty Lot			3,463
65	OLD LAKESHORE RD	2876 Old Lakeshore by Cow Creek	Empty Lot - Waterfront			24,629
66	ANDOVER LANE	Empty Lot to the Beach Beside Canatara Park	Empty Lot - Waterfront			18,775

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
67	LONDON LINE REAR	Empty Lot and Drainage	Empty Lot / Drainage			260,634
68	LONDON LINE	Future Road Allowance	Future Road Allowance		Tenant - John's Restaurant Rent - Maintenance of Grounds / Payment of Taxes	102,988
69	1649 LONDON LINE	Future Road Allowance	Future Road Allowance		Condemned Building	13,299
70	BRIGDEN RD	Dennis Rupert Nature Preserve	Nature Preserve		Nature Preserve	1,035,474
71	2053 MARION AVE	Empty Lot	Sanitary and Watermain Loop			5,482
72	2002-2024 LONDON LINE	402 Business Park	Serviced Industrial Land for Sale			3,421,241
73	LONDON LINE REAR	Part of 402 Business Park	Small Strip of land			161,644
74	INDIAN RD S	Vacant Industrial Land	Vacant Industrial Land		86 ROW for Future Road - Scott to Indian Rd	445,781
75	FINCH DR	1 Foot Reserve	1 Foot Reserve			155
76	REMO DR	1 Foot Reserve	1 Foot Reserve			60
77	CASSANDRA BLVD	1 Foot Reserve	1 Foot Reserve			664
78	MAXWELL ST	1 Foot Reserve	1 Foot Reserve			180
79	1556 BLACKWELL RD	1 Foot Reserve	1 Foot Reserve			839
80	BEDFORD CRES	2 Foot Subdivision Oversight	2 Foot Subdivision Oversight			420
81	AIRPORT RD	Broughton Drain	Broughton Drain			14,769
82	HURON LANDING	Cul-de-sac	Cul-de-sac			8,713
83	1500 MODELAND RD	Area One Drain	Drainage			270,824
84		Drain D2C	Drainage			92,573
85	LONDON RD	Drainage	Drainage			54,737
86	486 MC GREGOR SIDE RD	Drainage	Drainage			68,842
87	CAPEL ST	Corner Boulevard of Capel / Maxwell	Empty Lot			15,706
88	CECIL ST	Corner Boulevard of Cecil / Admiral	Empty Lot			2,299
89	RIDGEWOOD DR	Corner Lot of Ridgewood / Denmark	Empty Lot			750
90	COPLAND RD	Empty Corner Lot on Maxwell	Empty Lot			2,736
91	MARION AVE	Empty lot	Empty Lot			4,277
92	SUPERIOR ST	Empty Lot	Empty Lot			7,043
93	BERNARD CRT	Empty Lot behind Pioneer Gas	Empty Lot			3,698
94	1630 MURPHY RD	Empty Lot between 1628 & 1632 Murphy	Empty Lot			5,345
95	1926 CLARENCE ST	Empty Lot on corner	Empty Lot			3,146
96	MICHIGAN AVE	Lands Adj. to 837 Michigan Ave	Empty Lot			8,237
97	LONDON LINE REAR	Strip of Land	Empty Lot			150,599
98	LOUGAR AVE	Empty Lot End of Lougar Ave	Empty Lot			26,106
99	LONDON LINE REAR	Empty Lot and Drainage	Empty Lot / Drainage		Located Over Telfer Drain	631,924
100	TELFER RD REAR	Empty Lot Beside Highway 402 With Drainage	Empty Lot / Drainage		Located Over Telfer Drain	219,421
101	TELFER RD REAR	Empty Lot Beside Highway 402 With Drainage	Empty Lot / Drainage		Located Over Telfer Drain	202,973
102	GLEN ABBEY DR	Gate / Road Allowance - End of Glen Abbey Dr	Gate / Road Allowance			5,678
103	CONFEDERATION ST	Back of Houses on Palmerston	Non-Buildable Land - Walkways/Buffer/SWMP etc.			4,932

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
104	DOMINION CIR	Non-Buildable Land	Non-Buildable Land - Walkways/Buffer/SWMP etc.			-
105	CROCKER LANE	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			1,307
106	SANDPIPER DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			199
107	UPPER CANADA DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			8
108	HERITAGE PARK DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			142
109	HERITAGE PARK DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			34
110	HERITAGE PARK DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			32
111	UPPER CANADA DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			8
112	HERITAGE PARK DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			34
113	HERITAGE PARK DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			32
114	DORCHESTER DR	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			66
115	EASTWOOD ST	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			436
116	WESTWOOD AVE	Non-Buildable Land - Walkways/Buffer/SWMP etc.	Non-Buildable Land - Walkways/Buffer/SWMP etc.			-
117	CHRISVALE BLVD	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			638
118	MEADOWLARK LANE	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			-
119	CHRISVALE BLVD	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			807
120	SANDPIPER DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			65
121	MEADOWLARK LANE	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			-
122	MEADOWLARK LANE	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			-
123	CHRISVALE BLVD	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			168
124	UPPER CANADA DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			79
125	HERITAGE PARK DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			20
126	TUDOR CLOSE E	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			72
127	MEADOWLARK LANE	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			33

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
128	HERITAGE PARK DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			62
129	SANDPIPER DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			65
130	HERITAGE PARK DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			14
131	FINCH DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			129
132	HERITAGE PARK DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			34
133	HERITAGE PARK DR	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			76
134	CHRISVALE BLVD	Part of Temporary Turning Radius	Non-Buildable Land - Walkways/Buffer/SWMP etc.			32
135	LONDON LINE REAR	Small piece of land related to sewer land	Non-Buildable Land - Walkways/Buffer/SWMP etc.			2,998
136	GROVE AVE	Strip of Land Behind Houses 1509 to 1527 Mallah Drive	Non-Buildable Land - Walkways/Buffer/SWMP etc.			3,198
137	KIRBY ST	Strip of Land Between Houses	Non-Buildable Land - Walkways/Buffer/SWMP etc.			200
138	PENHURON DR	Road and Sewer	Road and Sewer			1,905
139	ERROL RD E	1 Foot Reserve	Small Strip of Land			435
140	CAPEL ST	Corner Boulevard of Capel/ Maxwell	Small Strip of Land			7,007
141	UBE DR	Land Dividing Two Lots	Small Strip of Land			3,768
142	HARDICK DR	Park Entrance	Small Strip of Land			26,740
143	LECKIE DR	Small Strip of Land	Small Strip of Land			13,811
144	LAKESHORE RD	Small Strip of Land	Small Strip of Land			50
145	AIRPORT RD	Small Strip of Land	Small Strip of Land			44,613
146	COLBORNE RD	Small Strip of Land	Small Strip of Land			1,397
147	FRONT ST N	Small Strip of Land	Small Strip of Land			8,789
148	CLARENCE ST	Small Strip of Land	Small Strip of Land			613
149	UBE DR	Small Strip of Land	Small Strip of Land			1,307
150	CATHCART BLVD	Strip of Land at the Back of the Properties	Small Strip of Land			28,534
151	LAKESHORE RD	Strip of Land Behind Houses 1565 & 1569 Mallah St.	Small Strip of Land			1,475
152	PALMERSTON ST N	Strip of land on Residential	Small Strip of Land			264
153	EDGEWATER CRT	Small Strip of Land on Lake	Storm Sewer to Lake (Located Near 1030 Edgewater)			2,970
154	BLACKWELL RD	Logan Pond Walkway	Walkway			33,930
155	RAPIDS PKY	Lot Behind St. Francis Xavier and Continued Bike Path from Suncor Nature Way	Walkway			93,341
156	THOMPSON ST	Pathway Between Laurier Cres to St. Laurent	Walkway			2,187
157	ST LAURENT DR	Pathway Between Laurier Cres to St. Laurent	Walkway			2,132

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
158	BROOKRIDGE CRT	Pathway from Brookridge Cres to Meadowview park	Walkway			515
159	SEVERIN DR S	Pathway from Camelot to Severin DR S.	Walkway			1,277
160	CAMELOT CRES	Pathway from Camelot to Severin DR S.	Walkway			923
161	DEVINE ST	Pathway from Devine to Lansdowne School	Walkway			1,057
162	DEVINE ST	Pathway from Devine to Meighen Crest	Walkway			1,099
163	DORIS MCCARTHY CRT	Pathway from Doris McCarthy Crt to #283	Walkway			6,644
164	ECHO RD	Pathway from Echo Rd to Errol rd school	Walkway			1,073
165	ERROL RD E	Pathway from Errol Rd E to Len Park	Walkway			1,495
166	ESSER CRES	Pathway from Esser Rd to Park	Walkway			999
167	GLEN ABBEY DR	Pathway from Glen Abbey Dr to Durco Park	Walkway			3,718
168	MURPHY RD	Pathway from Grey Cres to Murphy Rd	Walkway			1,965
169	GREY CRES	Pathway from Grey Cres to Murphy Rd	Walkway			1,799
170	HIGHBURY PK	Pathway from Highbury pk to King George School	Walkway			999
171	JAMES ST W	Pathway from James st. W BG	Walkway			560
172	MC CAW ST	Pathway from Lakeshore to McCaw	Walkway			1,131
173	LAKESHORE RD	Pathway from Lakeshore to McCaw	Walkway			1,203
174	LAKESHORE RD	Pathway from Lakeshore to Woodrowe Ave	Walkway			2,214
175	TALFOURD ST	Pathway from Leckie Dr. to Talfourd	Walkway			2,025
176	LEE CRT	Pathway from Lee Crt to Agincourt Park	Walkway			721
177	LOCKHART CIR	Pathway from Lockhart to Agincourt Park	Walkway			1,017
178	MEIGHEN CRES	Pathway from Meighen Crest to Devine	Walkway			1,099
179	MAYFAIR DR	Pathway from Minto to Coronation park	Walkway			2,046
180	RIDGEWOOD DR	Pathway from Ridgewood to Rowella way	Walkway			1,986
181	SEVERIN DR N	Pathway from Severin DR N to Agincourt Park	Walkway			756
182	SEVERIN DR S	Pathway from Severin DR S to Severin DR N	Walkway			4,757

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
183	LECKIE DR	Pathway from Talfourd to Leckie Dr	Walkway			2,199
184	TALFOURD ST	Pathway from Talfourd to Park	Walkway			1,097
185	DORIS MCCARTHY CRT	Pathway from Tom Hodgson Crt to #284	Walkway			820
186	TRINITY CRES	Pathway from Trinity to Cathcart School	Walkway			1,099
187	VARSITY CRES	Pathway from Varsity Cres to Manor Park Cres	Walkway			2,041
188	VIMY CRES	Pathway from Vimy cres to Grey Cres	Walkway			7,648
189	WILLA DR	Pathway from Willa Dr to Sarnia Christina field	Walkway			3,248
190	WILLOW GLEN CRT	Pathway from Willow glen to Coventry park	Walkway			4,559
191	MURPHY RD	Pathway from Willowbrook to Murphy	Walkway			1,521
192	WILLOWBROOK CRES	Pathway from Willowbrook to Murphy	Walkway			1,534
193	1500 AIRPORT RD	Sarnia Chris Hadfield Airport	Airport		Tenant - Scottsdale Aviation Lease Expiry - 2027 5 Acres Not Leased	20,010,810
194	131 FRONT ST/ HABOUR RD	Humane Society	Animal Services		City owned land - leased to Humane Society (City does not own building)	234,624
195	150-202 CHRISTINA ST N	Bayside Mall	Bayside Mall		City owned land - leased to Bayside Mall (City does not own building)	381,585
196	LAKESHORE RD	Cow Creek Outlet	Cow Creek Outlet			36,995
197	220 MITTON ST N	Mitton St. Hospital	Hospital / Parking lot	Old Bluewater Health Building & Parking	Court Determining Trust Status	200,592
198	1275 PLANK RD	Roughly 15 500Sq ft of Trijan Industries	Junk yard / Parking			15,632
199	PLANK RD	Parking Lot North of Beehive Gas (Formerly Part of Old Churchill Road)	Road Allowance / Parking Lot of Private Property			5,098
200	124 CHRISTINA ST S	Sarnia Library	Sarnia Library		City owns land and building - library operated by the County	71,438
201	MURPHY RD	Agincourt Park	Park	Soccer Fields / Baseball Diamond / Football Field / Play Equipment		295,932
202	CATHCART BLVD	Cathcart Park	Park			53,527
203	CATHCART BLVD	Cathcart Park	Park	Play Equipment		221,008
204	CATHCART BLVD	Cathcart Park	Park	Tennis Court / Parking Lot		58,443
205	MAYFAIR DR	Coronation Park	Park	Baseball Diamond / Parking Lot		340,070
206	MAXWELL ST	Harry Turnbull Park	Park	Skate Park		69,957

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
207	NAPIER ST	Harry Turnbull Park	Park	Basketball Court		37,754
208	TALFOURD ST	Lansdowne Park	Park	Soccer Fields / Tennis Courts / Play Equipment	Income from Sports Fields Rentals	256,268
209	LANG ST	Linden Park	Park	Tennis Courts / Play Equipment	Income from Tennis Lessons	191,259
210	2354 LAKESHORE RD	Mike Weir Park	Park	Play Equipment / Shelters / Washroom/ Field House	Income from Picnic Rentals	978,397
211	2354 LAKESHORE RD	Mike Weir Park	Park	Part of Mike Weir Park Backing onto Buena Ventura St / Attached to Cricket Field		511,823
212	KIM ST	Oak Acres Park	Park	Baseball Diamond / Play Equipment / Park Shelters		237,167
213	PONTIAC DR	Pontiac Park	Park	Soccer Field / Play Equipment Connected to Sarnia Christian School		87,464
214	PRESTWICK CRES	Sherwood Village Park	Park			267,893
215	FINCH DR	Sherwood Village Park	Park	Play Equipment		342,018
216	AFTON DR	Woodstone Park	Park	Soccer Fields / Play Equipment		192,166
217	134 BROCK ST S	Sarnia Arena	Arena	Arena	Income from Ice / Floor / Hall Rentals	121,763
218	1455 London Road	Sarnia Sports & Entertainment Centre	Arena	Arena	Land Leased from Lambton College (\$1.00/year) Income from Advertising / Ice Rentals / Suite Fees / Sting Revenue Splits (Ticket / Surcharge / Food and Beverage)	-
219	1015 FINCH DR	Clearwater Arena / Fire station #4 / YMCA	Clearwater Arena / Fire station #4 / YMCA / Park	Arena / Baseball Diamonds / Tennis Courts / Play Equipment / Washroom / Field House	Land Leased to YMCA (\$1 / year) Expire: Dec 31, 2046 Income from Ice / Floor Rentals / Hall Rentals / Diamond Rentals	1,432,458
220	COLBORNE RD	Baxter Park	Park	Basketball Court / Play Equipment		216,993
221	656 LAKESHORE RD	Baxter Park / Kinsmen Centre	Park	Kinsmen Centre	Vacant - No Longer Earning Income Due to Condition of Building Income from Recreation Programs	87,311
222	BLACKWELL SIDE RD	Blackwell Park	Park	Baseball Diamond / Soccer Field / Tennis Courts / Washrooms / Field House Play Equipment / Park Shelter	Income from Field / Diamond Rentals	437,156

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
223	2065 BLACKWELL RD	Camp Saredaca	Park	Shelters	Income from Summer Camps	664,677
224	1000 LAKE CHIPICAN DR	Canatara Park	Park			5,052,951
225	1000 LAKE CHIPICAN DR	Canatara Park	Park	Maintenance Garage / Picnic Shelters / Bandshell / Washrooms / Snackbar / Cabin / Wedding Pavilion / Animal Farm / Play Equipment / Beach	Income from Picnic Rentals / Wedding Pavilion	5,177,930
226	CHRISTINA ST N	Canatara Park	Park	Entrance to Park		32,899
227	DEVINE ST	Errol Russel Park	Park	Baseball Diamond / Washroom / Field House	Income from Ball Diamond Rentals	300,018
228	260-264 EAST ST N	Germain Park	Park	Strangway Centre / Jackson Pool / Tennis Courts / Baseball Diamonds / Soccer Fields / Garden Plots / Plane Statue / Washrooms / Snack Bar / Germain Arena	Income from Field / Diamond Rentals / Swimming Lessons / Strangway Programs / Garden Plots	2,505,096
229	999 CATHCART BLVD	Newton Park	Park	Basketball Court / Play Equipment / Park Shelters / Washroom / Field House	Income from Recreation Programs	336,256
230	588 CHRISTINA ST N	Norm Perry Park	Park	Soccer Fields / Football Field / Tennis Courts / Washroom / Field House	Income from Field Rentals	400,476
231	357 PARK AVE	Norm Perry Park	Park			10,604
232	320 RUSSELL ST S	Tecumseh Park / Cox Youth Centre	Park	Pool / Splash Pad / Skate Park / Soccer Fields / Tennis Courts / Play Equipment / Shelter / Washroom / Field House	Income from Swimming Lessons / Field Rentals	480,741
233	1530-1534 LOTTIE NEELY PARK RD	Veteran's Field	Park			298,797
234	LONDON LINE REAR	Veteran's Field	Park			293,570
235	1540 LOTTIE NEELY PARK RD	Veteran's Field	Park	Soccer Fields / Gymnastics Building / Washrooms / Field House	Leased to Bluewater Gymnastics Club Expire: July 31, 2023 Leased to: Sarnia Girls Soccer Club Expire: July 31, 2022 (One Time Rent Payment) Income Earned from Rent & Loan Repayment	1,432,009

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
236	2759 LAKESHORE RD	Kenwick on the Lake	Park - Waterfront	Tennis Courts / Play Equipment / Shelters / Washroom / Field House	Income from Picnic Rentals	189,714
237	AMSTERDAM CRT	Amsterdam Crt Park	Park	Play Equipment		18,148
238	BLACKWELL RD	Art Teasel Wildlife Refuge	Park			393,761
239	1019-1025 ASPEN CRT	Aspen Park	Park	Play Equipment		14,250
240	ASSINIBOINE CRES	Assiniboine Park	Park	Play Equipment		97,653
241	445 AUTUMN BREEZE DR	Autumn Breeze Park	Park	Play Equipment		74,541
242	113-115 EUPHEMIA ST S	Avondale Park	Park			19,496
243	ROSEDALE AVE	Brentwood Park	Park	Play Equipment	Leased to the Samia Tennis Club Licence Agent Only Expire: June 30, 3033	134,623
244	WELLINGTON ST	Cardiff Acres	Park			73,806
245	WELLINGTON ST	Cardiff Acres	Park			30,656
246	FAIRVIEW CRES	Cardiff Acres	Park	Play Equipment		201,124
247	CARR ST	Carr Park	Park	Play Equipment		15,827
248	1640 CENTENNIAL AVE	Centennial Parkette	Park	Play Equipment		22,852
249	CLARENCE ST	Clarence Park East	Park	Play Equipment		15,582
250	CLARENCE ST	Clarence Park West	Park	Play Equipment		12,278
251	MILLS ST	Connaught Park	Park	Play Equipment		68,106
252	COVENTRY CRT	Coventry Park	Park	Play Equipment		24,119
253	SYCAMORE DR	Crescent Park	Park	Play Equipment		25,188
254	LONDON LINE	Durco Park	Park	Storm Water Management Pond / Play Equipment		256,888
255	FAIRLANE AVE	Fairlane Park	Park	Play Equipment		134,016
256	STONEBROOK RD	Farris Park	Park	Play Equipment		141,361
257	125-145 FRONT ST N	Ferry Dock Hill	Park	Driveway to Underground Parking to Seaway Building		20,753
258	GRACE AVE	Grace Ave Park	Park	Play Equipment		53,725
259	WILLOWBROOK CRES	Grace Ave Park	Park			12,567
260	PINEVIEW AVE	Guthrie Park	Park	Play Equipment	Ball Diamond	56,879
261	MITTON ST S	Hanna Park	Park	Play Equipment	Community Garden	32,167
262	MITTON ST S	Hanna Park	Park			6,425
263	891 UPPER CANADA DR	Hertiage Park & Storm Management Pond #1	Park	Storm Water Management Pond / Play Equipment		573,938
264	1633 HERITAGE PARK DR	Hertiage Park & Storm Management Pond #2	Park	Storm Water Management Pond / Play Equipment		271,174
265	775 KEMBER AVE	High Park	Park	Play Equipment		143,270
266	HILLCREST-NISBET	Hillcrest-Nisbet Park	Park			8,465
267	HOLLANDS AVE	Hollands Park	Park	Play Equipment		227,712
268	WOODLAND AVE	Jaycee Park	Park	Play Equipment		76,837
269	EASTWOOD ST	Laurel Lea Park	Park	Play Equipment		36,851
270	LEN AVE	Len Park	Park	Play Equipment		66,794

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271	EMMA ST	Lighthouse Playground / Emma st. Lane	Park	Play Equipment	Leased to: Bluewater Lighthouse Christian Academy Inc. Expire: Dec 31, 2020	8,154
272	CAMERON ST	Lions Park	Park	Play Equipment		40,203
273	BLACKWELL RD REAR	Logan Pond	Park	Pond / Walkway		948,326
274	WELLINGTON ST	Mackenzie Lane Park	Park			13,657
275	MARCIN RD	Marcin Park	Park	Play Equipment		185,347
276	180 COLLEGE AVE N	McGibbon Park / Lochiel Kiwanis Centre	Park	Lochiel Kiwanis Building / Play Equipment	Lochiel Kiwanis	90,826
277	STONEY CREEK RD	Meadowview Park	Park			40,232
278	MORNINGSIDE DR	Meadowview Park	Park			206,374
279	FRONT ST N	Paul Blundy Park / Lochiel St Parking Lot	Park	Gazebo / Municipal Parking Lot	Income from Parking Lot Fees	21,474
280	PULLEN DR	Pullen Park	Park	Play Equipment		32,696
281	234 QUEEN ST	Queen St. Park	Park			10,796
282	241 CHRISTINA ST S	Rainbow Park	Park	Play Equipment / Art Structures		298,095
283	THE RAPIDS PKY	Rapids Pky Park	Park			10,454
284	BURR ST	Retlaw Park	Park	Play Equipment	Ball Diamond	133,980
285	RIOPELLE DR	Riopelle Park	Park			84,942
286	RUTHERGLEN CL	Rutherglen Close	Park	Inner Circle of Grass in Street		32,440
287	BLACKWELL RD	Severin Pits	Park	Former Gravel Pits		88,200
288	BLACKWELL RD	Severin Pits	Park	Former Gravel Pits		65,914
289	BLACKWELL RD	Severin Pits	Park	Former Gravel Pits		21,924
290	THOMAS DR	St. Albans Park	Park	Play Equipment		72,307
291	MODELAND RD	Suncor Nature Way	Park	Entrance / Parking Lot		11,923
292	THE RAPIDS PKY	Suncor Nature Way	Park			169,372
293	1500 MODELAND RD	Suncor Nature Way (East)	Park			1,210,973
294	THE RAPIDS PKY	Suncor Nature Way (West)	Park	Path Connecting to Howard Watson Nature Trail		105,369
295	1129 SYLVAN CRT	Sylvan Park	Park			30,041
296	SYLVAN CRT	Sylvan Park	Park	Play Equipment		22,436
297	284 LONDON RD	Terry Fox Park	Park	Memorial / Gazebo		5,017
298	ERROL RD E	Twin Lakes Park	Park	Play Equipment		216,764
299	MICHIGAN AVE	Twin Lakes Park	Park	Twin Lake Ponds		915,115
300	VICTORIA ST S	Veterans Memorial Park	Park	Veterans Memorial Statue		43,803
301	VYE ST	Vye Park	Park	Play Equipment		144,497
302	CATHCART BLVD	Webster Park	Park	Play Equipment		46,662
303	921 WESTBURY CRT	Westbury Crt Park	Park	Play Equipment		32,403
304	2616 HAMILTON RD	Wildwood Park	Park	Play Equipment / Shelters / Washroom /Field House / School Parking Lot /Beach	Income from Picnic / Parks and Recreation Programs	275,023

New #	Property Location	Property Name	Property Use	Buildings/ Amenities	Other Info	Area (F ²)
305	2618-2618 HAMILTON RD	Wildwood Park	Park	Bright's Grove Library / Faithhorne House / Forest Lot	Library Run by Lambton County Income from Recreation Programs	188,475
306	WILTSHIRE DR	Wiltshire Park	Park	Play Equipment		203,805
307	WILTSHIRE DR	Wiltshire Park	Park			130,705
308	GLEN DOUGLAS DR	Woodland Park	Park	Play Equipment		86,696
309	1133 COLBORNE RD	Fire Station 3 and Sparky Park	Park / Fire Station	Play Equipment		91,666
310	CONFEDERATION ST	Howard Watson Trail	Trail			191,143
311	CONFEDERATION ST	Howard Watson Trail	Trail			269,022
312		Howard Watson Trail	Trail	Near Confederation		34,930
313	CONFEDERATION ST	Howard Watson Trail	Trail			252,947
314		Howard Watson Trail	Trail	Between Blackwell & Modeland		652,160
315		Howard Watson Trail	Trail	Right Before Wellington St		35,675
316		Howard Watson Trail	Trail	Between 402 & Michigan		449,819
317		Howard Watson Trail	Trail	Between Blackwell Rd & Mandaumin		2,404,272
318		Howard Watson Trail	Trail	Between London Rd & Exmouth	843m ² Leased to Home Hardware Expire: Dec 31, 2016	165,680
319	BEACH LANE	Baxter Beach	Beach			11,306
320	LAKESHORE RD	Beach	Beach			44,298
321	OLD LAKESHORE RD	Beach	Beach			16,364
322	LAKESHORE RD	Beach	Beach			1,925
323	LAKESHORE RD	Beach Access	Beach Access			273
324	353 FRONT ST N	Bayshore Park	Park		Mooring Area Licenced to: Duc D'orleans Expire: April, 2020	523,708
325	499 FRONT ST N	Centennial Park	Park			2,090,627
326	GEORGE ST	Centennial Park	Park			34,209
327	LOCHIEL ST	Centennial Park	Park			41,302
328	FRONT ST N	Mackenzie Park	Park			65,674
329	SEAWAY RD	Point Lands	Park			198,685
330	97 SEAWAY RD	Point Lands / Great Lakes Park / Sarnia Bay Marina	Park	Marina	Leased to Bridgeview Marina Expire: Nov 30, 2016	720,800
331	FRONT ST N	Seaway	Park			483,164
332	335 FRONT ST N	Waterfront Boulevard to Bayshore Park	Park			14,755
333	317-329 FRONT ST N	Waterfront Boulevard to Bayshore Park	Park			19,404
334	313 FRONT ST N	Waterfront Boulevard to Bayshore Park	Park			13,976
335	1974 Thelma Ave	Thelma St Lot	Road Allowance / Empty Lot		1972 Thelma Backyard encroachment	5,150
336	EDGEWATER CRT @ MILLS	Mills St Lot	Road Allowance / Empty Lot		Neighbour parking on lot	7,964