SARNIA
ONTARIO

FINANCIAL REPORT

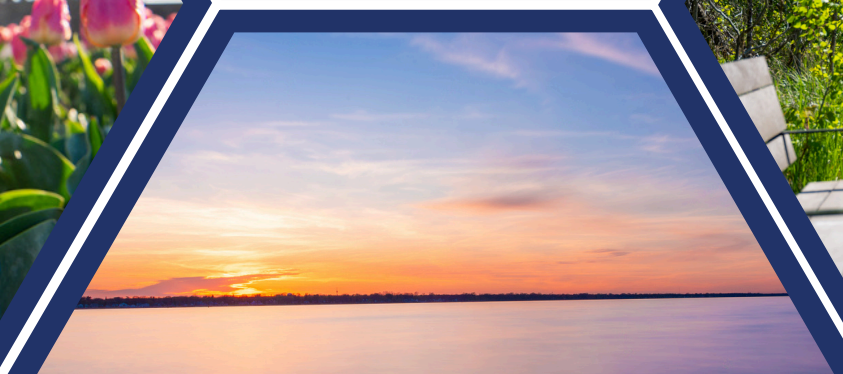
2025











The Corporation of the City of Sarnia
2025 Financial Report

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CONSOLIDATED REVENUE FUND OPERATIONS

Source of Funds ($000's)

In 2025, actual revenue totaled $210.2 million, exceeding both the budgeted $173.8 million and 2024's $195.3 million. Increases were driven by property tax levy increases approved at budget as well as significant grant revenue for capital projects and increases to the share of investment in Sarnia Power Corporation.

	2025 Budget	2025 Actual	2024 Actual
Municipal Property Taxes	96,527	97,129	93,575
User Fees	61,686	66,720	63,309
Grants	5,308	25,393	19,540
Other Revenue	10,327	20,937	18,902
Total	**173,848**	**210,179**	**195,326**

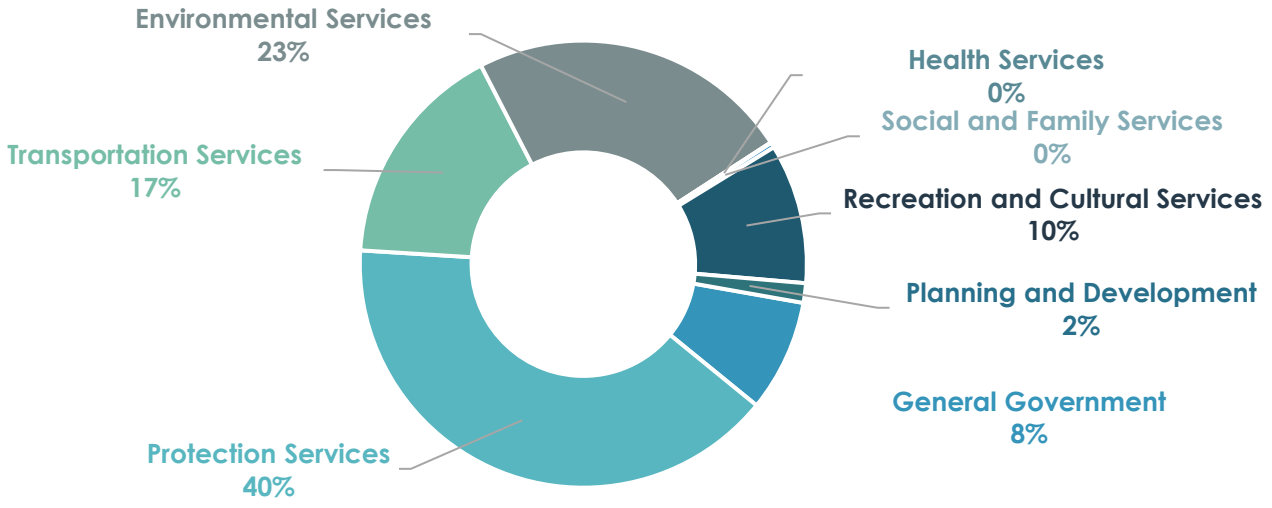
Application of Funds ($000's)

In 2025, actual expenditures totaled $165.9 million, closely matching the $163.6 million budget and up from $153.3 million in 2024.

	2025 Budget	2025 Actual	2024 Actual
General Government Mayor & Council, General Administration	16,609	14,865	15,811
Protection Services Fire, Police, By-law Enforcement	70,984	70,684	64,262
Transportation Services Roads, Transit, Winter Control, Street Lighting	28,022	29,030	27,152
Environmental Services Sewage Systems, Water Distribution, Garbage Collection & Disposal	39,975	41,293	39,920
Social, Family & Health Services Seniors Programming, Health-related Grants	546	716	576
Recreation & Cultural Services Parks, Arenas, Recreational Programs	14,477	17,859	15,187
Planning & Development Land Use Planning	2,217	2,497	3,643
Non-functionalized Unfunded Liability	(692)	(692)	(650)
Total	**172,138**	**176,252**	**165,901**
Annual Surplus	**1,710**	**33,927**	**29,425**

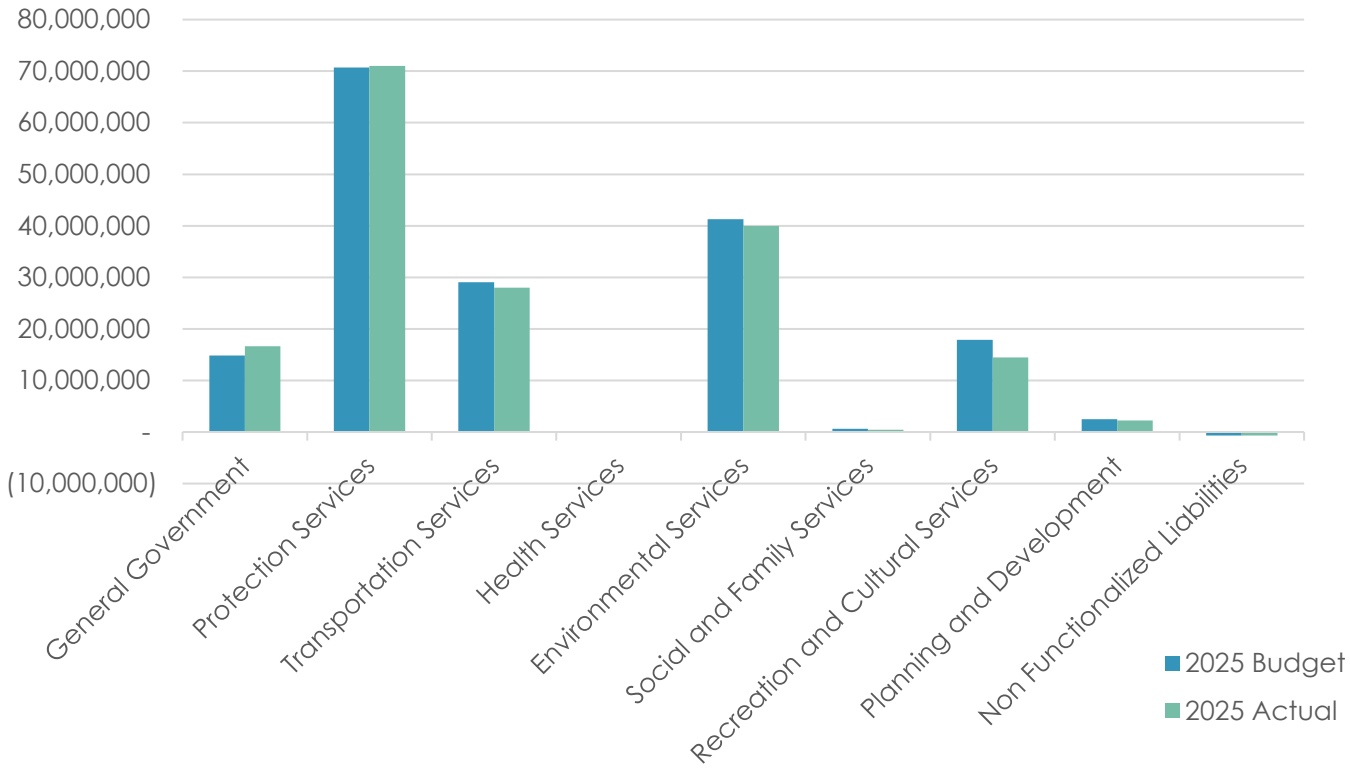
2025 Actual Expenditures by Service Area

This pie chart illustrates the breakdown of actual expenditures for 2025, highlighting the relative distribution of municipal property taxes, user fees, grants, and other revenue towards each service area.



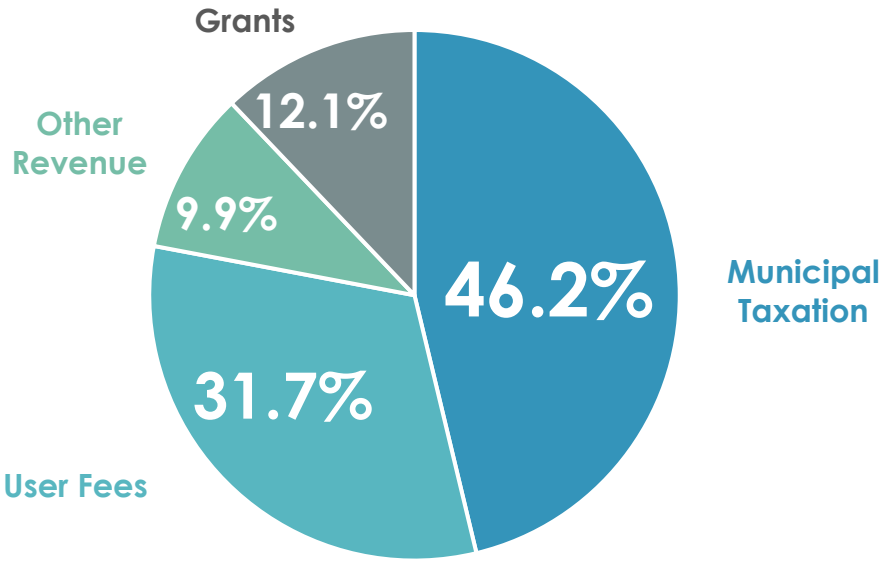
2025 Budget vs. Actual Expenditures by Service Area

This bar graph highlights how 2025 actual spending closely matched budgeted amounts across service areas.



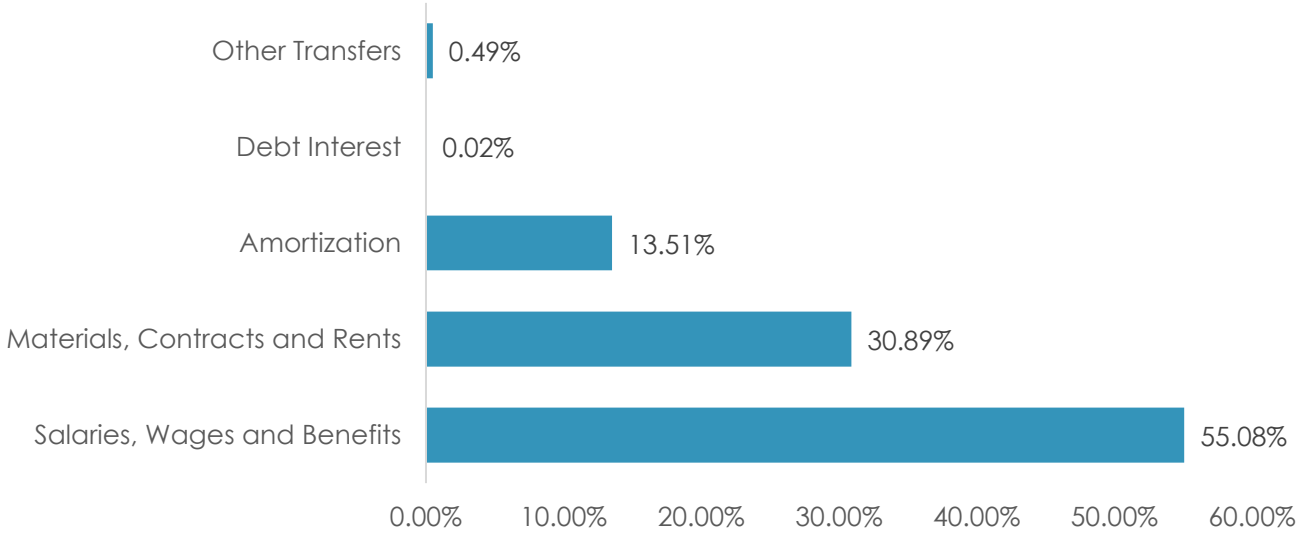
Source of Revenue

This chart presents the composition of 2025 revenue, showcasing strong contributions from property taxes, user fees, grants, and other revenue, which together supported a the financial operations of the City.



Objects of Expenditure

This chart outlines how funds were allocated across service areas in 2025, reflecting a balanced approach to spending that prioritized essential services while enabling strategic investments in community development.



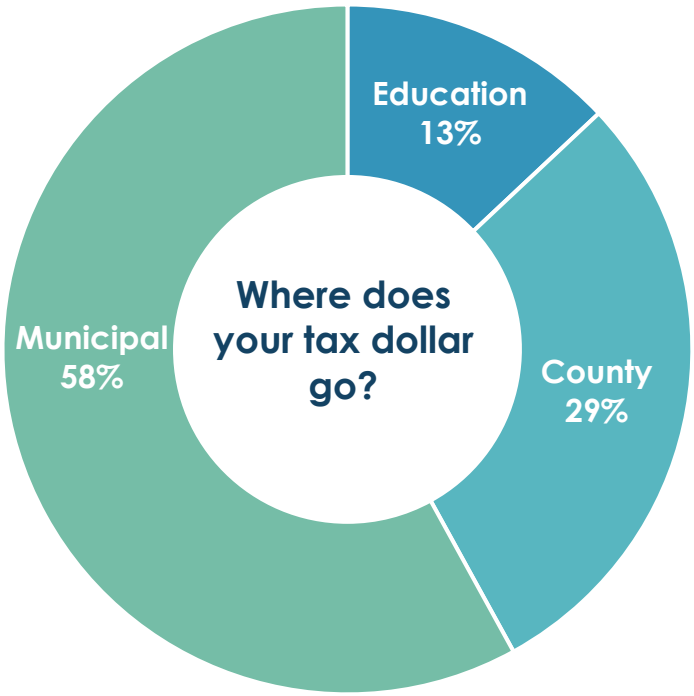
2025 Tax Rates

This table outlines the 2025 tax rates for residential, commercial, and industrial properties. It reflects a balanced approach to funding municipal services, transit, county operations, and education through fair and transparent taxation.

	Residential	Commercial Occupied	Industrial Occupied
General Municipal	0.989722%	1.610377%	2.026526%
Transit Area	0.067078%	0.109143%	0.137348%
County	0.523919%	0.852468%	1.072761%
Education	0.153000%	0.880000%	0.880000%
Total	**1.733719%**	**3.451988%**	**4.116635%**

Distribution of 2025 Tax Levy

This pie chart shows how the total 2025 tax levy was shared among the City, County, and School Boards.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION ($000'S)[1]

	2025 Actual	2024 Actual
Financial Assets[2]		
Cash & Investments	124,103	124,878
Taxes Receivable	4,867	4,125
Accounts Receivable	29,199	30,461
Long-Term Receivables	737	874
Investment in Sarnia Power Corp	84,069	79,285
Total Financial Assets	242,975	239,623
Liabilities[3]		
Current Liabilities	24,406	21,623
Deferred Revenue	38,135	39,239
Long-Term Liabilities	99	1,044
Asset Retirement Obligation	2,562	2,438
Employee Future Benefits	38,126	38,557
Accrued Tax Liabilities	(182)	71
Total Liabilities	103,146	102,972
Net Financial Assets[4]	**139,829**	**136,651**
Non-Financial Assets[5]		
Tangible Capital Assets	686,422	656,462
Inventory	900	934
Prepaid Expenses	1,855	868
Land Held for Sale	4,167	4,331
Total Non-Financial Assets	693,344	662,595
Accumulated Surplus[6]	**833,173**	**799,246**

1. The Consolidated Statement of Financial Position shows the City's financial position, which includes the assets, liabilities, and accumulated surplus, at a specific point in time. It provides information on what the municipality owns and owes to creditors.
2. Financial assets: assets easily accessible in the form of cash, cash deposits, cheques, loans, accounts receivable and marketable securities.
3. Liabilities: amounts owed to creditors.
4. Net financial asset: the difference between financial assets and liabilities.
5. Non-financial assets: assets that are owned and will be utilized for future services, including tangible capital assets, inventory and prepaid expenses. Non-financial assets are not easily convertible to cash.
6. Accumulated surplus: this is an indicator of the City's overall financial health. It is the difference between the assets (financial and non-financial assets) as compared to the liabilities.

CONSOLIDATED RESERVE AND RESERVE FUND OPERATION ($000'S)

As of year-end 2025, the City's total reserves and reserve funds stood at $126 million, a 3.25 per cent decrease from $130 million in 2024. This decrease reflects the strain on reserves to fund the significant amount of asset management required. The overall reserve position remains significantly below recommended levels, highlighting the need for continued focus on long-term financial sustainability and reserve replenishment, with majority of the funds in reserves currently committed.

	2025 Actual	2024 Actual
Obligatory Reserve Funds	25,885	27,882
Discretionary Reserve Funds	17,547	16,609
Reserves	82,610	85,784
Balance, end of year	**126,042**	**130,275**

STATISTICAL DATA

	2025	2024
Population	72,047	72,047
Area in Hectares	16,485	16,485
City Employees (Full Time)	642	629
Taxable Assessment ($000's)	$8,002,615	$7,950,725
Outstanding Debt ($000's)	$99	$1,044
Per Capita	1	14
Debt Service Costs - Future Interest Payments ($000's)	$0	$33
Per Capita	-	-
Year End Trust Fund Balance Administered by City ($000's)	$15	$14
Total Reserves ($000's)	126,042	130,275
Per Capita	1,749	1,808

TANGIBLE CAPITAL ASSETS ($000'S)

Tangible capital assets are recorded at their original cost, including all expenses directly related to acquisition, construction, improvement, or enhancement. These assets are then amortized over their estimated useful life, reflecting the portion of value consumed each year and their expected residual value at the end of that period.

	2025 Actual	2024 Actual
Cost		
Balance, beginning of year	1,132,384	1,093,539
Additions	61,701	63,995
Disposals	(11,568)	(25,195)
Other	(1,116)	45
	1,184,401	1,132,384
Accumulated Amortization		
Balance, beginning of year	475,922	455,921
Amortization	23,819	23,850
Accumulated amortization on disposals	(4,419)	(3,866)
Other	(343)	17
	494,979	475,922
Net Book Value of Tangible Capital Assets	**686,422**	**656,462**



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