

2015 BUDGET SPEECH

In my capacity as the Chair of the Administration and Finance committee, I am proud to present the 2015 Budget for the Town of Portugal Cove – St. Philips. The total projected revenue for 2015 is \$12,874,587 which includes transfers from the province relating to infrastructure funding and cost shared debt. If we exclude the Provinces' share the total projected budget is \$9,975,977.

With Council's first full year behind us we have refocused the vision and priorities for the Town. Three key pillars have arisen as key strategic components moving forward: Financial sustainability, public input and smart long-term planning.

With this budget we are taking a giant leap towards creating financial sustainability in Portugal Cove – St. Philip's. This is being done primarily through the creation of a new infrastructure reserve that will give the Town a great deal of flexibility moving forward. As infrastructure ages and new demands arise within our community a reserve to draw upon will lessen the impact of such projects on the mil rate in the future. In addition, we are evaluating services and programs that the Town provides and are adjusting the costs more appropriately to those who benefit. This philosophy is the reason why the water and sewer fee is going up from \$380 to \$600, to move closer to the true cost of providing the service to those residents. A priority of council is to maintain a healthy debt ratio and more consistent mil rate from year to year.

Public Input has been a major focus with this Council, throughout 2014 residents and other community stakeholders were involved in a number of surveys and projects, including PlaceBuilder, which is helping prioritize projects as they relate to economic growth within the community. This focus continued into the budget consultation session with 3 public meetings including presentations to and from Council. What we heard was summarized in the Draft Budget details sent to all residents. In summary Council made financial investments in each of the areas identified including:

- New trails and recreation amenities and maintenance of existing ones
- More enforcement and security
- Increased pedestrian safety
- Improved environmental protection
- Focus on debt management
- Smart long term infrastructure and financial planning
- Concerns of rising regional water costs
- Improved fire and emergency services

Finally, Council will use 2015 to identify long term needs to better inform planning and future budgets through a series of important reports including the Asset Management Plan, completion of PlaceBuilder, an Advanced Road Network Plan and the Flood Plain Risk Assessment.

BUDGET HIGHLIGHTS

1. The Residential property tax mil rate set at 7.9 mils in 2015. This increase is a result in both addressing numerous needs identified in the public consultation process and better positioning the town for future infrastructure needs with the infrastructure reserve fund.

2. The town is pleased to continue to offer Residents a 5% discount off their property tax bill if the invoice is paid by March 31, 2015.

3. We are also pleased to continue the 20% discount to the property owners in the Town who are in receipt of the Guaranteed Income Supplement. This discount coupled with the early payment discount previously noted could provide a total compounded discount of 27%.

4. The Town of Portugal Cove – St. Philip’s will once again be making considerable Investment in capital projects to ensure the town provides up to date services with modern equipment. Our overall Capital Program for 2015 amounts to \$5,160,400 with \$1,948,600 coming from Federal and Provincial Governments. Below is a summary of some of the Capital spend by area:

Protective Services: \$566,500

Public Works: \$1,635,000

Recreation: \$530,900

Multi-Year Capital Works: \$900,000

Property Acquisitions/Renovations,
and Development Studies: \$1,150,000

Signage, and Misc.: \$378,000

We appreciate the support of our residents, especially all those who gave input during the public budget consultations as we strive to become a sustainable community and a model for the region and province. We continue to encourage you all to give input in the future.

Detailed information on revenues and expenditures as well as the complete budget speech will be provided on the Town’s web site for the information of residents.

Respectfully submitted,

Gavin Will

Chair, Finance Committee