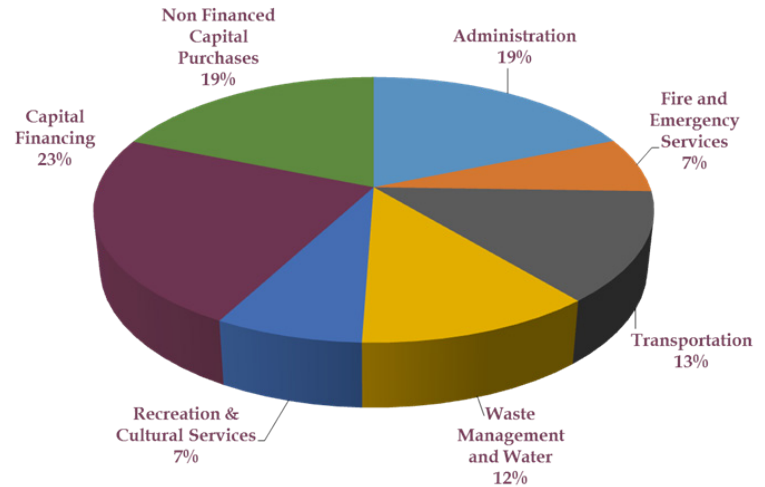


DRAFT 2015 BUDGET SUMMARY

Town Council would like to thank all those who have helped shape the 2015 draft budget through the input received from residents, businesses and community groups. 2015 will be a landmark year for the Town of Portugal Cove - St. Philip's as we improve services, manage debt and create necessary infrastructure. Balancing community needs and wants with long term financial sustainability is the goal of this council and this budget will reflect that.

2015 EXPENSES BREAKDOWN



WHAT WE HEARD Public Input Considerations

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 planning

CONCERNS of rising regional water costs

IMPROVED fire and emergency services

Required New Expenses

Fire and Emergency Services **\$372,485**

- Council will explore the option of creating a composite Fire Department with a mix of volunteer and full-time staff
- New Municipal Enforcement
- Increased resources to Pedestrian Safety and Environmental Protection

Transportation **\$223,117**

- Replenish Salt and Sand Reserves
- Additional Snow Clearing Expenses

Waste Management and Water **\$199,676**

- Regional Water Supply Increases
- Additional Human Resources for Waste Water Treatment Plants

Recreation **\$343,210**

- Additional Maintenance and Administration of facilities, parks and trails
- Additional Security of Town facilities, parks and trails

Capital Financing **\$274,973**

- Financing for:
 - New Equipment and Machinery
 - New Fire Truck
 - Capital Work Projects
 - New Trails
 - Town Hall Renovations
 - Town Gateway Signs
 - Property Acquisitions

FINANCIAL SUSTAINABILITY FOR 2015 AND BEYOND

Debt Management

Infrastructure Reserve Fund

\$416,026

The creation of this fund will allow flexibility for the town to borrow less on future infrastructure needs as well as reduce long term debt.

Debt Ratio Reduction from 0.24 to 0.19 in 2015

Municipal Affairs considers 0.30 the maximum debt for a community to carry.

Major Expenditure Decreases

Capital Expenditure Reduction

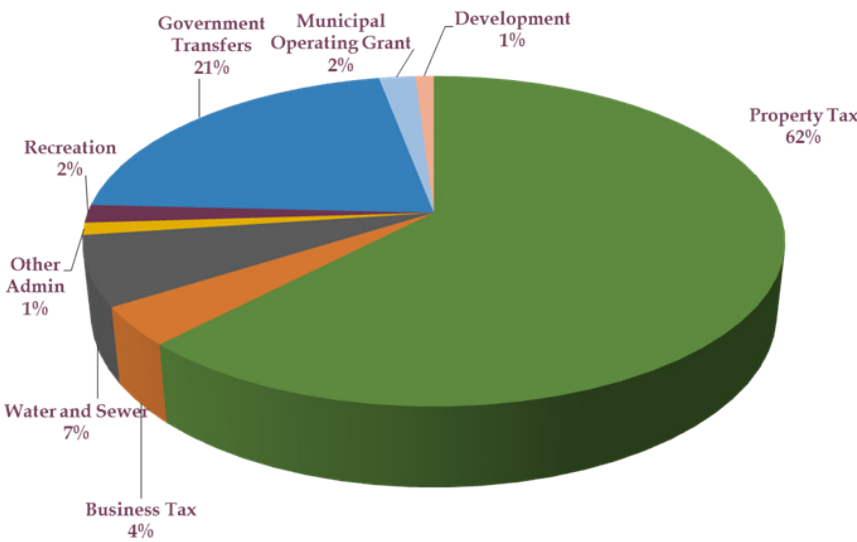
\$261,800

Reduction of the capital costs of projects in 2015 gives the Town more flexibility to focus on increasing operational needs

Asset Management Planning

In 2015 the Town will be analyzing infrastructure assets in the community to better plan for future investments.

2015 REVENUE BREAKDOWN



Required New Revenue Increases

- Mil Rate increase of 0.9 to 7.9 \$1,166,676
- Water and Sewer Fee increase to \$600 from \$380 \$358,215

DRAFT BUDGET 2015 PUBLIC MEETING

Monday, November 24

Beachy Cove Elementary School

7:00 pm

Full details of the 2015 Budget will be discussed.
Give your input on where the Town is headed.

DID YOU KNOW?

Here is an idea what individual services or investments cost the town per household in 2015 based on draft budget

Road Maintenance	\$185
Capital Financing for Projects or Equipment	\$483
Non Financed Capital for Projects or Equipment	\$130
General Administration	\$375
Snow Removal	\$152
Garbage and Recycling	\$148
Recreation Facilities and Programming	\$281
Fire and Emergency Services	\$265
Economic Development, Marketing, Communications	\$114
Water and Sewer *	\$870

Note: Water and sewer cost is associated with per household cost to only those who receive the services

SUMMARY

Additional revenues of \$1,524,921 are needed to offset new major expenditures of \$1,829,491. In addition to the need for new revenue there will be a significant reduction in capital spending by \$274,973 from 2014.

The Water and Sewer Fee increase to \$600 moves the fee closer to the cost of the service based on increases to the cost of water we purchase. Currently, the cost of a household who receives water and sewer is approx \$870, based on the 2015 budget, yet the 2014 fee was \$380.

Council has increased resources to all key areas that were highlighted by the public during the consultation process, while lowering the debt ratio for the town and moving towards financial sustainability with the creation of an infrastructure reserve fund.

The 7.9 mil rate is expected to be maintained for 3 years, based on current service.