



**INFORMATION REPORT**  
TOWN OF NEWMARKET  
395 Mulock Drive  
P.O. Box 328  
Newmarket, ON L3Y 4X7

www.newmarket.ca  
mmayes@newmarket.ca  
905.953-5300 ext. 2102

May 10, 2016

## **CORPORATE SERVICES INFORMATION REPORT–FINANCIAL SERVICES 2016-19**

TO: Mayor Tony Van Bynen and Members of Council

SUBJECT: Development Charges

ORIGIN: Senior Financial Analyst

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***In accordance with the Procedure By-law, any Member of Council may make a request to the Town Clerk that this Information Report be placed on an upcoming Committee of the Whole agenda for discussion.***

### **COMMENTS**


In 2014, By-law 2014-42 was enacted for town-wide development charges, and By-law 2014-41 was enacted for area-specific development charges in Newmarket. A financial statement regarding development charges and related reserve funds is required every year under section 43 of the Development Charges Act, 1997.

The development charges collected in 2015 totaled \$9,985,108. An amount of \$251,110 was earned in interest on the Development Charge Reserve Funds. Combined revenues were 113% higher than projected due to higher than anticipated development activity. Funding of capital and general projects was 40% lower than the budgeted amount of \$9,027,593, with the remainder included in capital carryovers. All capital projects and expenditures funded by development charges were included in the Council-approved 2009 Development Charges Background Study.

Attached is the Statement of Development Charge Reserve Fund Transactions for the year 2015. The Statement will be posted on the Town's website for public information purposes. A copy of the Statement will be forwarded to the Minister of Municipal Affairs and Housing within 60 days after Council receives the Statement, as per section 43 of the Development Charges Act, 1997.

### **BUSINESS PLAN AND STRATEGIC PLAN LINKAGES**

This report links to Newmarket's key strategic direction in being Well Managed through fiscal responsibility.



## CONSULTATION

No consultation is required for this report.

## HUMAN RESOURCES CONSIDERATIONS

Not applicable to this report.

## BUDGET IMPACT

The development charges are based on the anticipated growth-related capital programs over a 10-year period. As such, the development charges collected and interest earned in 2015, improve cash flow but do not directly benefit the capital budget. They will be applied in the future to projects that are included in the Council-approved growth-related capital program.

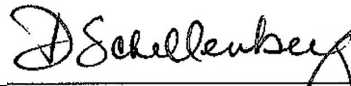
## CONTACT

For more information on this report, please contact Frank Wu at 905-953-5300, ext. 2105 or [fwu@newmarket.ca](mailto:fwu@newmarket.ca)



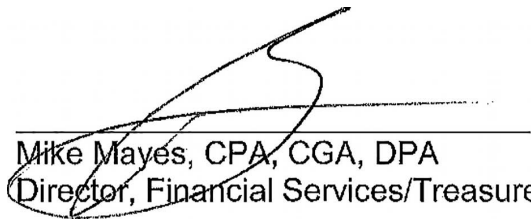
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Frank Wu, MBA  
Senior Financial Analyst



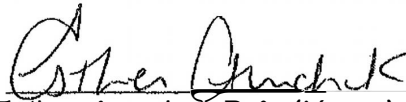
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Dawn Schellenberg, CPA, CA  
Manager, Finance & Accounting



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Mike Mayes, CPA, CGA, DPA  
Director, Financial Services/Treasurer



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Esther Armchuk B.A. (Hons.), LL.B., DPA  
Commissioner, Corporate Services

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Attachment: Development Charge Reserve Funds Transactions (1 pg.)

TOWN OF NEWMARKET  
 Development Charge Reserve Funds Transactions  
 For the Year Ended December 31, 2015

Development charges are levies against new developments. These charges aim to fund growth-related capital facilities and infrastructure. Development charges help protect existing taxpayers by having growth pay for growth.

Area	Balance January 1, 2015	Collections Contribution/(Refund)	Interest Revenue/(Expense)	(Expenditures)	Balance December 31, 2015
1. General Government	\$ 328,372	\$ 241,330	\$ 4,443	\$ (49,500)	\$ 524,645
2. Library	1,906,972	613,373	22,569	(126,497)	2,416,417
3. Fire	354,527	331,823	5,257	-	691,607
4. Recreation Facilities	6,456,893	3,569,602	72,973	(3,827,805)	6,271,663
5. Outdoor Recreation	6,962,705	2,767,986	86,805	(142,061)	9,675,435
6. Yards & Fleet	552,160	543,071	5,303	(450,996)	649,538
7. Town-Wide Engineering	3,622,987	1,202,960	35,930	(776,256)	4,085,621
8. Parking	734,907	714,963	9,846	(36,624)	1,423,092
9. Area Specific DCs	748,639	-	7,984	-	756,623
<b>Total</b>	<b>\$ 21,668,362</b>	<b>\$ 9,985,108</b>	<b>\$ 251,110</b>	<b>\$ (5,409,739)</b>	<b>\$ 26,494,841</b>

The expenditures by area were funded as follows:

Area/Expenditure	Development Charges	Other Sources of Funding	Total Project Actual
<b>1. General Government</b> <i>The General Government reserve fund includes services for Growth Studies, Newmarket Urban Forest Cover Study</i>	\$ 49,500	\$ 5,500	\$ 55,000
<b>2. Library</b> <i>The Library fund account includes services for Library Buildings, Library Land, Library Materials and Library Furniture and Fixtures.</i>			
Public counters & furniture	1,497	1,442	2,939
Library materials	125,000		125,000
<b>3. Fire</b> <i>The Fire reserve account includes services for Fire Buildings, Land for Fire, Fire Vehicles, and Firefighter Equipment.</i>			
<b>4. Recreation Facilities</b> <i>The Recreation Facilities reserve fund includes services for Major Facilities, Land for Major Facilities, and Recreation Facilities Equipment.</i>			
Debt financing - Magna Center	915,000		915,000
Debt financing - Youth Center	22,140		22,140
Old Town Hall Restoration	2,874,845		
Magna Centre furniture	15,820		
<b>5. Outdoor Recreation</b> <i>The Outdoor Recreation reserve fund includes services for Parkland Development, Park Trails, Play Fields and Play Equipment, and Parks Maintenance Equipment.</i>			
Debt financing - Operation Centre	122,991		122,991
Trail & Bike Route Design	15,000	55,814	70,814
Fairgrounds Pathway	4,070		
<b>6. Yards &amp; Fleet</b> <i>The Yards and Fleet reserve fund includes Buildings, Land, and Operations Fleet and Maintenance Equipment.</i>			
Debt financing - Operation Centre	409,970		
New Vehicle (Roads Operator)	41,026		
<b>7. Town-Wide Engineering</b> <i>The Town-Wide Engineering reserve fund includes services for Roads, Signalization, Sidewalks, Sanitary Sewers and Storm Water Management.</i>			
Bayview Avenue Pumping Station	483,170		483,170
Leslie St. sidewalk	11,123		11,123
Debt financing - HWPY extension	8,000		8,000
Viva Next Davis Dr. Infrastructure	71,913	820,264	892,177
Additional Sidewalk Tractor	116,441	12,700	
Urban Corridor Projects	14,774		
Central Irrigation Controller	9,515		9,515
SnowStorageFacility-Design&ID	61,320		
<b>8. Parking</b> <i>The Parking reserve fund includes municipal parking facilities.</i>			
Downtown Parking Task Force Study	14,530		14,530
Comprehensive Parking Review	22,094	5,000	
<b>9. Area Specific DCs</b> <i>Area Specific DC funds include services for Rotundo, Rawluk Farm, Block 9, Walker Farm and Goldstein/Trinison Development Areas.</i>			
<b>Total</b>	<b>\$ 5,409,739</b>	<b>\$ 900,720</b>	<b>\$ 2,732,398</b>