



INFORMATION REPORT
TOWN OF NEWMARKET
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May 18, 2017

CORPORATE SERVICES INFORMATION REPORT–FINANCIAL SERVICES 2017-24

TO: Mayor Tony Van Bynen and Members of Council

SUBJECT: Development Charges

ORIGIN: Director, Financial Services/Treasurer

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 2016 totaled \$2,824,676. An amount of \$252,747 was earned in interest on the Development Charge Reserve Funds. Funding of capital and general projects was 26% lower than the budgeted amount of \$16,269,157, with the remainder included in capital carryovers. All capital projects and expenditures funded by development charges were included in the Council-approved 2014 Development Charges Background Study.

Attached is the Statement of Development Charge Reserve Fund Transactions for the year 2016. 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

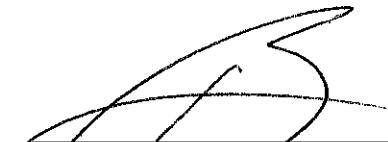
Not applicable to this report.

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 2016 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, contact: Mike Mayes at 905-953-5300, ext. 2102 or via e-mail at mmayes@newmarket.ca



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



Esther Armchuk, LL.B.
Commissioner, Corporate Services

AG/ne

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

TOWN OF NEWMARKET
Development Charge Reserve Funds Transactions
For the Year Ended December 31, 2016

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, 2016	Collections Contribution/(Refund)	Interest Revenue/(Expense)	(Expenditures)	Balance December 31, 2016
1. General Government	\$ 524,645	\$ 45,097	\$ 5,491	\$ (55,171)	\$ 520,061
2. Library	2,416,417	90,244	24,972	(125,000)	2,406,633
3. Fire	691,607	65,364	(6,197)	(2,279,719)	(1,528,944)
4. Recreation Facilities	6,282,428	657,344	53,301	(2,184,331)	4,808,743
5. Outdoor Recreation	9,664,671	490,679	103,204	(355,569)	9,902,984
6. Yards & Fleet	649,538	121,890	7,836	(433,616)	345,647
7. Town-Wide Engineering	4,085,620	1,315,716	41,398	(763,042)	4,679,691
8. Parking	1,423,092	38,342	14,852	(46,228)	1,430,058
9. Area Specific DCs	756,823	-	7,891	-	764,714
Total	\$ 26,494,841	\$ 2,824,676	\$ 252,747	\$ (6,242,676)	\$ 23,329,588

The expenditures by area were funded as follows:

Area/Expenditure	Development Charges	Other Sources of Funding	Total Project Actual
1. General Government <i>The General Government reserve fund includes services for Growth Studies.</i> Zoning Bylaw Update	\$ 55,171		\$ 55,171
2. Library <i>The Library fund account includes services for Library Buildings, Library Land, Library Materials and Library Furniture and Fixtures.</i> Library materials	125,000		125,000
3. Fire <i>The Fire reserve account includes services for Fire Buildings, Land for Fire, Fire Vehicles, and Firefighter Equipment.</i> Station 4-5 Land Acquisition	2,279,719		2,279,719
4. Recreation Facilities <i>The Recreation Facilities reserve fund includes services for Major Facilities, Land for Major Facilities, and Recreation Facilities Equipment.</i> Debt Financing - Youth Centre Debt Financing - Magna Centre Magna Furniture Magna Fitness Centre Old Town Hall Restoration	22,140 1,285,000 1,426 166,080 709,685	13,240 1,214,487	35,380 2,499,487 1,426 166,080 709,685
5. Outdoor Recreation <i>The Outdoor Recreation reserve fund includes services for Parkland Development, Park Trails, Play Fields and Play Equipment, and Parks Maintenance Equipment.</i> Copper Hills Community Park Debt financing - Operation Centre	225,485 130,084		225,485 130,084
6. Yards & Fleet <i>The Yards and Fleet reserve fund includes Buildings, Land, and Operations Fleet and Maintenance Equipment.</i> Debt financing - Operation Centre	433,616		433,616
7. Town-Wide Engineering <i>The Town-Wide Engineering reserve fund includes services for Roads, Signalization, Sidewalks, Sanitary Sewers and Storm Water Management.</i> Debt financing - Harry Walker Pkwy extension SnowStorageFacility-Design Davis Drive Streetscaping Leslie Street Sidewalk Bike Lanes in Existing Roads Wayne/Waratah SWM Pond	8,000 115 300,342 382,871 42,616 29,097		8,000 115 300,342 382,871 42,616 29,097
8. Parking <i>The Parking reserve fund includes municipal parking facilities.</i> Downtown Parking Task Force Study Comprehensive Parking Review	33,096 13,132		33,096 13,132
9. Area Specific DCs <i>Area Specific DC funds include services for Rotundo, Rawluk Farm, Block 9, Walker Farm and Goldstein/Trinison Development Areas.</i>			
Total	\$ 6,242,676	\$ 1,227,727	\$ 7,470,403