



Town of Newmarket
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Development Charge Reserve Fund Information Report

Report Number: 2019-15

Department(s): Financial Services

Author(s): Annie Agoncillo, Financial Analyst

Date: April 4, 2019

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

Purpose

The purpose of this report is to provide information related to the Development Charge Reserve Fund Transactions for the year 2018.

Background

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.

Discussion

The development charges collected in 2018 totaled \$5,283,646. An amount of \$249,124 was earned in interest on the Development Charge Reserve Funds. Funding of capital and general projects was 8% of the budgeted amount of \$22,148,405, with the remainder included in capital carryovers. All capital projects and expenditures funded by development charges are within the parameters of the 2014 Development Charges Background Study. Council has approved the development charge funding as part of the annual budget process. Attached is the Statement of Development Charge Reserve Fund Transactions for the year 2018.

Conclusion

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 directions in being Well Managed through fiscal responsibility.

Consultation

No consultation is required for this report.

Human Resource 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 2018 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.

Attachments

Development Charge Reserve Funds Transactions

Contact

For more information on this report, contact: Mike Mayes at 905-963-5300, ext. 2102 or via e-mail at mmayes@newmarket.ca

Approval

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

A handwritten signature in black ink, appearing to read "Esther Armchuk". The signature is written in a cursive, flowing style.

Esther Armchuk, LL.B
Commissioner, Corporate Services

TOWN OF NEWMARKET
Development Charge Reserve Funds Transactions
For the Year Ended December 31, 2018

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, 2018	Collections Contribution/(Refund)	Interest Revenue/(Expense)	(Expenditures)	Balance December 31, 2018
1. General Government	\$ 642,019	\$ 123,720	\$ 5,677	\$ (322,490)	\$ 448,926
2. Library	2,674,133	226,238	24,275	(125,000)	2,799,646
3. Fire	(1,345,621)	177,207	(11,170)	(158,797)	(1,338,381)
4. Recreation Facilities	5,559,652	1,648,320	52,517	(1,345,645)	5,914,844
5. Outdoor Recreation	9,753,771	1,233,548	83,762	(1,938,750)	9,132,331
6. Yards & Fleet	414,811	318,322	3,014	(583,482)	152,665
7. Town-Wide Engineering	7,044,429	2,224,192	76,438	674,001	10,019,060
8. Parking	1,597,317	108,364	14,611	-	1,720,292
9. Area Specific DCs	776,265	(776,265)	-	-	-
Total	\$ 27,116,777	\$ 5,283,646	\$ 249,124	\$ (3,800,163)	\$ 28,849,384

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>			
Development Charges Study	\$ 33,536		\$ 33,536
Zoning By-law update	136,834		136,834
Detailed Trail Implementation Plan	86,256		86,256
Mulock Go Station Secondary Plan	63,058		63,058
Satellite Building Glenway	2,806		2,806
2. Library <i>The Library fund account includes services for Library Buildings, Library Land, Library Materials and Library Furniture and Fixtures.</i>			
Library Services	125,000	\$ 72,438	197,438
3. Fire <i>The Fire reserve account includes services for Fire Buildings, Land for Fire, Fire Vehicles, and Firefighter Equipment.</i>			
Station 4-5 Design & Construction	50,699	13,012	63,711
New Bunker Gear	1,024		1,024
Station 4-5 Construction	57,450	(6,506)	50,944
New Vehicle for Prevention	28,421		28,421
Equipment and Uniform - New Recruits	21,203		21,203
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	29,916	13,240	43,156
Debt Financing - Magna Centre	1,292,089	857,583	2,149,672
Magna Furniture	23,503		23,503
Magna Fitness Centre	137		137
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>			
George Richardson North Park - Dog Park	24,022		24,022
Artificial Turf Field Conversion	300,043		300,043
Dennis Park Development (including Splash Pad)	974,255		974,255
Haskett Park Redevelopment - Fields	171,997		171,997
Other Parks Development - Mosalk Park Development	56,686		56,686
Recreation Playbook Implementation	274,141		274,141
Operations Center Debt Financing Share	137,606		137,606
6. Yards & Fleet <i>The Yards and Fleet reserve fund includes Buildings, Land, and Operations Fleet and Maintenance Equipment.</i>			
Operations Center Debt Financing Share	458,688		458,688
Truck Solid Waste - ES	39,839		39,839
Mini Excavator	84,955		84,955
7. Town-Wide Engineering <i>The Town-Wide Engineering reserve fund includes services for Roads, Signalization, Sidewalks, Sanitary Sewers and Storm Water Management.</i>			
Water Distribution Master Plan			-
Leslie Street Sidewalk	(351,689)		(351,689)
Leslie Street - Mulock to Gorham	(144,713)		(144,713)
Bike Lanes in Existing Roads	(122,810)	178,750	56,140
Harry Walker Extension - Road	8,000		8,000
Davis and Bathurst Sidewalk	2,300		2,300
Transportation Master Plan	(242,832)	290,660	47,828
VivaNext Yonge Street	79,774		79,774
Davis Drive/Yonge St. Consulting	1,600		1,600
Wayne/Waratah SWM Pond	96,169	27,530	123,699
8. Parking <i>The Parking reserve fund includes municipal parking facilities.</i>			
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	\$ 3,800,163	\$ 1,446,707	\$ 5,246,870