



Town of Newmarket  
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## **Treasurer's Statement of Development Charges and Reserve Funds Information Report**

Report Number: INFO-2025-13

Department(s): Financial Services

Author(s): Michael Longato, Financial Analyst

Distribution Date: August 8, 2025

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 2024.

### **Background**

In 2019, By-laws 2019-46 and 2019-47 were enacted for town-wide development charges, and By-law 2019-48 was enacted for area-specific development charges in Newmarket. On June 6th, 2022 council approved the Town's Development Charges Amendment by-law 2022-34. 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 charge reserve funds started the year with \$34,268,505. The Town collected \$5,797,991 in contributions and earned \$1,366,151 in interest during 2024. Funding of capital and operating was \$31,408,535 and left a balance in the combined reserve funds of \$10,024,112. The majority of the capital funding has been allocated to Mulock Estate Design and Construction.

All capital projects and expenditures funded by development charges are within the parameters of the 2022 Development Charges Background Study. Council has

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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 2024.

Appendix A: Statement of Development Charge Reserve Fund Transactions for the year 2024 provides details of projects funded.

The Province of Ontario passed Bill 23, the More Homes Built Faster Act on November 28, 2022 which included phasing in of development charge rates. As of April 10, 2024 the Ontario government announced the repeal of the five-year phase-in of development charges, allowing for the ability to collect full charges upfront. The year-to-date revenue loss due to Bill-23 phasing in development charge rates on soft services is \$ 1,219,168.

Bill 17, the Protect Ontario by Building Faster and Smarter Act, 2025, introduces changes to Ontario's development framework, with significant implications for municipal cash flows, particularly through its amendments to the Development Charges Act, 1997.

#### 1. Cash Flow Deferral

Development Charges (DCs) for residential developments deferred to earlier of occupancy permit or first occupancy, interest free (amending Section 26.1 of Act), rather than being collected at the building permit stage. This change is expected to delay revenue collection, while the funds will eventually be recovered, the delay affects municipalities' ability to finance and deliver growth-related infrastructure in the short term.

### **Consultation**

No consultation was required for this report.

### **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.

### **Council Priority Association**

This Report aligns with Council's Core Values for Financial Sustainability

### **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

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in 2024 improved cash flow. Development Charges will continue to be applied to future projects that are included in the Council approved growth-related capital program.

## **Attachments**

Appendix A: Development Charge Reserve Fund Transactions.

## **Approval for Distribution**

Andrea Tang, CPA, CA  
Director, Financial Services/Treasurer

Esther Armchuk, LL.B  
Commissioner, Corporate Services

## **Report Contact**

For more information on this report, contact: Andrea Tang at 905-954-5300, ext. 2102 or via e-mail at [atang@newmarket.ca](mailto:atang@newmarket.ca).

TOWN OF NEWMARKET  
Development Charge Reserve Funds Transactions  
For the Year Ended December 31, 2024

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, 2024	Collections Contribution/(Refund)	Interest Revenue/(Expense)	(Expenditures)	Balance December 31, 2024
1. General Government	\$ (18,762)	\$ 80,846	\$ (1,866)	(101,398)	\$ (41,180)
2. Library	4,292,084	34,688	319,143	(18,164)	\$ 4,627,750
3. Fire	(6,591,017)	216,502	(483,144)	(51,926)	\$ (6,909,585)
4. Parks & Recreation	11,389,965	157,124	(591,365)	(30,914,550)	\$ (19,958,827)
5. Waste Diversion	201,525	27,017	16,332	-	\$ 244,875
6. Yards & Fleet	(183,444)	25,376	(17,095)	(68,823)	\$ (243,987)
7. Engineering Services	22,755,941	5,231,062	1,948,424	(153,673)	\$ 29,781,754
8. Municipal Parking	2,422,213	25,376	175,722	(100,000)	\$ 2,523,311
Total	\$ 34,268,505	\$ 5,797,991	\$ 1,366,151	\$ (31,408,535)	\$ 10,024,112

The Expenditures by area were funded as follows:

Area/Expenditure		Development Charges	Other Sources of Funding	Total Project Actual
1. <b><u>General Government</u></b> <i>The General Government reserve fund includes services for Growth Studies.</i>				
<b>Official Plan Review &amp; Update</b>	6821001	87,263		87,263
<b>Mulock Park Parking Lot</b>	1022001	14,134	1,527,808	1,541,942
2. <b><u>Library</u></b> <i>The Library fund account includes services for Library Buildings, Library Land, Library Materials and Library Furniture and Fixtures.</i>				
<b>Alternate Delivery Options</b>	9109104	18,164		18,164
3. <b><u>Fire</u></b> <i>The Fire reserve account includes services for Fire Buildings, Land for Fire, Fire Vehicles, and Firefighter Equipment.</i>				
<b>CYFS Master Fire Plan</b>	2119008	51,926		51,926
4. <b><u>Parks and Recreation</u></b> <i>The Parks and Recreation reserve fund includes services for Major Facilities, Land for Major Facilities, and Recreation Facilities Equipment. It also includes services for Parkland Development, Park Trails, Playfields and Play Equipment and Parks Maintenance Equipment.</i>				
<b>Debt Financing - Youth Centre</b>	17971	31,653		31,653
<b>Debt Financing - Magna Centre</b>	57971/57972	1,929,945		1,929,945
<b>Mulock Estate Design and Construction</b>	1021003	24,462,551	400,000	24,862,551
<b>Hasket Park TL&amp;Breathing Space</b>	5218047	32,575		32,575
<b>Trails &amp; Offroad Active Transportation</b>	5219014	2,520		2,520
<b>Recreation Playbook Implementation</b>	5219021	4,028		4,028
<b>NW Quadrant Trails</b>	5222002	2,396,492		2,396,492
<b>Parkette &amp; Sports Pad</b>	5222003	577,537		577,537
<b>Ken Sturgeon Trail Paving/Amen</b>	5223004	3,000		3,000
<b>Dorothy Fraser Park Design &amp; Construction</b>	5224002	620,875		620,875
<b>Pickleball Courts</b>	5224003	720		720
<b>Shining Hill Tennis</b>	5224004	436,318	813,176	1,249,494
<b>Fairground Lighting Replacement</b>	5224005	386,933		386,933
<b>Operations Centre Requirements</b>	5324001	6,813		6,813
<b>Trail Lighting at Parks</b>	5219043	22,591		22,591
6. <b><u>Yards &amp; Fleet</u></b> <i>The Yards and Fleet reserve fund includes Buildings, Land, and Operations Fleet and Maintenance Equipment.</i>				
<b>Vehicle for Inspector</b>	4422004	68,823		68,823
7. <b><u>Town-Wide Engineering</u></b> <i>The Town-Wide Engineering reserve fund includes services for Roads, Signalization, Sidewalks, Sanitary Sewers and Storm Water Management.</i>				
<b>Harry Walker Extension - Road</b>	32970	17,473		17,473
<b>Stormwater - Engineering</b>	45005	120,000		120,000
<b>Stackhouse Stormwater Mgmt</b>	4023001	540		540
<b>Water &amp; Wastewater Master Plan</b>	4422002	5,160		5,160
<b>Bathurst-Davis MUP&amp;Davis Sidewalk</b>	3224002	10,500		10,500
8. <b><u>Parking</u></b> <i>The Parking reserve fund includes municipal parking facilities.</i>				
<b>Tennis club demo/ new parking</b>	3223008	100,000	282,027	382,027
<b>Total</b>		<b>\$ 31,408,535</b>	<b>\$ 3,023,011</b>	<b>\$ 34,431,546</b>