Newmarket

Town of Newmarket
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Second Quarter 2025 Financial Update

Information Report

Report Number: INFO-2025-20

Department(s): Financial Services

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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 Report be placed on an upcoming Committee of the Whole agenda for discussion.

Purpose

The purpose of the report is to provide a financial status update on the 2025 Budget for the second quarter ending June 30, 2025.

Background

The 2025 budget is $265.9 million which includes Council approved changes to the 2025 capital budget. Breakdown of the 2025 budget is as follows:

Components	**$ in millions**
Tax-supported operating budget	106.9
Rate-supported operating budgets	65.7
Revised Capital Budget	93.3
Total	**265.9**

Discussion

Tax-Supported Operating Budget

At the end of the second quarter of 2025, revenues were higher than budget by $1.3 million, and expenditures were lower than budget by $1.6 million resulting in a net favourable variance of $2.9 million.

Revenues were favourable mainly from higher bank interest income resulting from higher than budgeted interest rates. The Bank of Canada has reduced the interest rate in September which will reduce future bank interest income. Nonetheless, it is anticipated that bank interest income will continue to generate a favourable variance at year-end.

Expenditures were favourable due to wage gapping from temporary staffing vacancies, and timing difference in road maintenance and general repairs and maintenance. General repairs and maintenance work are done throughout the year.

Higher than budgeted expenditures were incurred on special events. In addition to the regular roster of events, the Town presented Ice Lounge and Stanley Cup viewing parties. These events were very successful with strong attendance, excellent community support and positive local economic benefits.

Parks maintenance incurred an unfavourable variance against budget. Efforts continue in 2025 to catch up on the backlog resulted from the pandemic. A draw from the parks operating reserve will be made to fund the incremental expenditures at year-end. Previous years' remaining budgets during the pandemic were transferred to reserve.

Central York Fire Services (CYFS)

CYFS incurred a net favourable variance of $0.1 million mainly due to temporary staff vacancies. Revenues were slightly lower than budget due to the timing of the retainer payments.

A report on the second quarter results was tabled to the Joint Council Committee (JCC) on October 22, 2025.

Any year-end surplus will be transferred to the CYFS Reserve.

Newmarket Public Library

The Library incurred a net unfavourable variance of $0.1 million. The second quarter results were presented to the Library Board on September 17, 2025. It is anticipated that the Library will be on budget by year-end.

Any year-end surplus will be transferred to the Library Operating Reserve.

Rate-Supported Operating Budget

Water and Wastewater

At the end of the second quarter, water and wastewater incurred a net favourable variance of $0.6 million. This was mainly due to temporary staff vacancies, lower expenditures in the CCTV program and general maintenance & repairs due to timing. Expenditures on these programs are anticipated to be incurred throughout the year.

Stormwater

Stormwater incurred a net favourable variance of $0.2 million. This was mainly due to lower expenditures in the CCTV program due to timing. It is anticipated that expenditures in the program will incur throughout the year.

Capital Budget

Capital expenditures of $21.4 million were incurred at the end of the second quarter against the total approved capital program of $93.3 million. Capital expenditures will pick up during construction season over the summer months.

Consultation

Business units were consulted on the financial results.

Conclusion

This report provides a summary of the year-to-date second-quarter financial results on the tax-supported operating budget, rate-supported operating budgets, and capital budget. Staff will continue to monitor the budgets. A report on the third quarter results will be tabled on November 10, 2025, Committee of the Whole meeting (CoW).

Council Priority Association

This report supports the Town's core value of financial sustainability and stewardship.

Human Resource Considerations

Not applicable.

Budget Impact

A report on the third quarter results will be tabled on November 10, 2025, Committee of the Whole meeting (CoW).

Attachments

Appendix 1 – 2025 Second Quarter Operating Results

Appendix 2 – 2025 Second Quarter Water, Wastewater and Stormwater Operating Results

Appendix 3 – 2025 Second Quarter Capital Expenditures

Approval for Distribution

Esther Armchuk, LL. B

Commissioner, Corporate Services

Report Contact

For more information on this report, contact info@newmarket.ca.

2025 Second Quarter

APPENDIX 1 - OPERATING RESULTS

Departments	Year-to-Date to June 30, 2025 ACTUAL $	BUDGET $	VARIANCE $	Full Year Budget $
Members of Council				
Revenues	-	-	-	-
Expenditures	452,338	468,150	15,812	936,295
Net surplus/(deficit)	**(452,338)**	**(468,150)**	**15,812**	**(936,295)**
C.A.O. - Office				
Revenues	106,974	159,294	(52,320)	295,308
Expenditures	2,327,103	2,822,633	495,530	4,219,843
Net surplus/(deficit)	**(2,220,129)**	**(2,663,339)**	**443,210**	**(3,924,535)**
Corporate Services				
Revenues	4,266,731	4,542,407	(275,676)	9,084,803
Expenditures	11,552,461	12,651,465	1,099,004	25,302,924
Net surplus/(deficit)	**(7,285,730)**	**(8,109,058)**	**823,328**	**(16,218,121)**
Fire Services				
Revenues	192,921	197,248	(4,327)	394,503
Expenditures	7,986,349	8,110,164	123,815	17,762,879
Net surplus/(deficit)	**(7,793,428)**	**(7,912,916)**	**119,488**	**(17,368,376)**
Community Services				
Revenues	4,945,747	4,420,734	525,013	10,599,006
Expenditures	17,875,621	16,879,814	(995,807)	35,671,139
Net surplus/(deficit)	**(12,929,873)**	**(12,459,080)**	**(470,793)**	**(25,072,133)**
Development & Infra. Services				
Revenues	3,245,582	3,574,955	(329,373)	7,557,624
Expenditures	9,304,249	10,457,904	1,153,655	22,097,209
Net surplus/(deficit)	**(6,058,667)**	**(6,882,949)**	**824,282**	**(14,539,584)**
Library Services				
Revenues	45,213	44,469	744	162,660
Expenditures	2,042,784	1,970,914	(71,870)	3,941,819
Net surplus/(deficit)	**(1,997,571)**	**(1,926,445)**	**(71,126)**	**(3,779,159)**
General Government				
Revenues	3,162,605	1,768,000	1,394,605	3,536,000
Expenditures	1,848,222	1,653,194	(195,028)	3,306,392
Net surplus/(deficit)	**1,314,383**	**114,806**	**1,199,577**	**229,608**
Debt Servicing				
Revenues	393,044	393,044	-	786,087
Expenditures	1,286,685	1,286,685	-	2,573,367
Net surplus/(deficit)	**(893,641)**	**(893,641)**	**-**	**(1,787,280)**
Property Taxes				
Revenues	79,828,105	79,828,105	-	80,549,477
Expenditures	-	-	-	-
Net surplus/(deficit)	**79,828,105**	**79,828,105**	**-**	**80,549,477**
Allocations				
Revenues	-	-	-	-
Expenditures	(1,423,200)	(1,423,220)	-	(2,846,398)
Net surplus/(deficit)	**1,423,200**	**1,423,220**	**-**	**2,846,398**
GRAND-TOTAL				
Revenues	96,186,922	94,928,256	1,258,666	112,965,469
Expenditures	53,252,611	54,877,704	1,625,092	112,965,469
Net surplus/(deficit)	**42,934,310**	**40,050,553**	**2,883,758**	**-**

Town of Newmarket
2025 Second Quarter
APPENDIX 2 - Water, Wastewater & Stormwater Operating Results

Area	Year-to-date (June 30, 2025)				Full Year Budget
	Actual	Budget	Variance		
	$	$	$	%	$
Water Rate Group					
Revenues	11,424,924	11,343,273	81,651	0.7%	22,908,214
Internal Allocations	678,089	678,089	-	0.0%	1,356,179
Expenditures	9,807,850	10,358,556	550,706	5.3%	21,009,458
Net	**938,985**	**306,628**	**632,357**		**542,577**
Wastewater Rate Group					
Revenues	13,257,264	13,264,151	(6,887)	-0.1%	26,789,555
Internal Allocations	622,996	622,996	-	0.0%	1,246,000
Expenditures	12,000,241	11,968,999	(31,242)	-0.3%	24,192,711
Net	**634,026**	**672,156**	**(38,130)**		**1,350,844**
Storm Water Rate Group					
Revenues	3,650,853	3,650,853	0	0.0%	9,958,880
Internal Allocations	114,680	114,680	-	0.0%	229,368
Expenditures	4,336,901	4,513,594	176,693	3.9%	9,592,711
Net	**(800,728)**	**(977,421)**	**176,693**		**136,801**
GRAND-TOTAL					
Revenues	28,333,041	28,258,277	74,764	0.3%	59,656,649
Expenditures	27,560,757	28,256,914	696,157	2.5%	59,656,649
Net	**772,284**	**1,363**	**770,921**		**-**

Town of Newmarket
2025 Second Quarter
APPENDIX 3 - CAPITAL EXPENDITURES

Commission / Department / Area	Actual 2025 ($)	Revised Annual Budget 2025 ($)	% of Spending
Corporate Services			
Information Technology	394,219	5,070,000	7.8%
Legislative Services	-	-	0.0%
General Government	-	250,000	0.0%
Total	**394,219**	**5,320,000**	**7.4%**
Community Services			
Recreation & Culture Services	-	-	0.0%
Facilities	1,822,757	4,700,000	38.8%
Parks	781,905	4,713,000	16.6%
Total	**2,604,662**	**9,413,000**	**27.7%**
Development & Infrastructure Services			
Planning & Building	96,342	592,000	16.3%
Public Works (Fleet, Roads, Water, Wastewater)	1,996,692	8,564,900	23.3%
Engineering	15,911,955	61,658,606	25.8%
Total	**18,004,989**	**70,815,506**	**25.4%**
Library Services			
	17,947	140,000	12.8%
Total	**17,947**	**140,000**	**12.8%**
Central York Fire Services			
	380,478	7,573,200	5.0%
Total	**380,478**	**7,573,200**	**5.0%**
Capital Provision	-	-	
GRAND TOTAL	**21,402,295**	**93,261,706**	**22.9%**

SUMMARY

Total Standard Program	**8,169,074**	**53,171,100**	**15.4%**
Total Major Projects	**13,233,221**	**40,090,606**	**33.0%**
Total	**21,402,295**	**93,261,706**	**22.9%**