



Media Advisory

The Town of Newmarket is spending beyond its means.

Newmarket, ON, January 6, 2017 – Despite yearly attempts by Town of Newmarket Council to keep property tax increases low, the Director of Finance has articulated that keeping the tax rate artificially low is no longer sustainable. In past years, Town Council has used Assessment Growth Revenues (property taxes from new development) to subsidize the base budget. As growth revenue decreases, and the costs to operate the Town increase (staffing, utilities, federal and provincial taxes, etc.), the Town of Newmarket is facing the prospect of insufficient revenues to maintain the operation of the municipality. “Historically, the expenses related to capital have not been accounted for and the artificial growth ‘surplus’ has been used to subsidize the base budget. **This is not a sustainable practice.**” [JOINT CAO/COMMISSIONERS - CORPORATE SERVICES INFORMATION REPORT- FINANCIAL SERVICES 2016-57, page 3].

“The Town is now in a position of being unable to pay to operate the municipality at the proposed tax rate of 2.8%, without reducing service levels. \$1.6 million in spending has been deferred in this budget due to insufficient funding. If we cannot afford this spending now, how we will afford it in future years? Is our municipality at risk of bankruptcy? This is a fair question.” states Teena Bogner, President of NTAG.

The Town of Newmarket taxpayers are funding a debt load of \$36.9 million for projects from 10 – 15 years ago including the Magna Centre, Operations Centre, and Youth Centre parking, to name a few. [Debt chart attached.]

Other municipalities, such as Ottawa, Brampton and Toronto, have directed staff to find internal cost savings, with significant efficiencies and savings. “Why would Newmarket not do the same? “, asks Bogner.

In June 2016, Toronto Mayor John Tory requested in a letter to the City of Toronto budget committee, “For too long, we have relied on property tax and MLTT revenues without introducing new ways to pay for the city building efforts we support. Alongside the 2017 Budget Process, we must have a serious conversation about new ways to raise revenues, especially to finance longer term capital investments like transit and housing, and we will.” [Link to Mayor Tory’s letter attached.]



“Mayor Tory has stated ‘*We owe it to the public to spend their money wisely, before we ask them to contribute more*’. What a novel idea. If the Town of Newmarket continues to fiscally operate in this fashion, it is at risk of decreasing services, or worse. Taxpayers need to demand better.”

The Newmarket Taxpayers Advocacy Group Inc. (NTAG) is a provincially incorporated non-for-profit ratepayers group in Newmarket, ON. NTAG is a non-political, non-partisan, advocacy organization dedicated to fair taxes, less waste, and transparent and accountable government in all levels of government (town, region, and school boards) in Newmarket, Ontario, Canada.

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