



**Meeting Date:** February 25, 2026

**Submitted by:** Tiffany Farrell, CPA, CA, Chief Administrative Officer

**Report No:** CPS-10-2026

**Subject:** Amended Treasurer Statement 2025 – Cash in Lieu of Parkland Reserve Fund

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**Recommendation:**

THAT Report CPS-10-2026 re: Amended Treasurer Statement 2025 - Cash in Lieu of Parkland Reserve Fund be received for information.

**Purpose:**

To present to Council the Cash in Lieu of parkland reserve fund activity for 2025.

**Background:**

Under Section 42 of the Planning Act, a municipality may require as a condition of development that land be conveyed to the municipality for park or other recreational purposes. Alternatively, a municipality may require payment in lieu of the value of the land otherwise required to be conveyed. Those funds must be held in a special account (reserve fund), be allocated interest, and be spent only for the acquisition of land to be used for park or other recreational purposes, including the erection, improvement or repair of buildings and the acquisition of machinery.

Changes to the Planning Act came into effect on July 1, 2016, from the Smart Growth in Our Communities Act. One of those changes was to create clear reporting requirements for capital projects financed through Section 37 (increased density) and/or Section 42 (parkland dedication) of the Planning Act. As the Municipality of Middlesex Centre has not implemented any new reserve funds related to an increased density by-law at this time, its only reporting requirement is for funds collected under Section 42.

Annually, the Treasurer of the municipality is required to provide Council with a financial statement related to the cash in lieu of parkland reserve fund.

This statement must be made available to the public and may be requested to be forwarded to the Minister of Municipal Affairs and Housing. The statement is available on the municipality's website.

The information that must be included in the Treasurer’s statement is as follows:

- Statement of the opening and closing balances of the special account and of the transactions relating to the account;
- Specific details for any land or machinery acquired or building erected, improved or repaired with funds from this special account;
- The manner in which any capital costs not funded from the special account was or will be funded; and
- Any other information that is prescribed.

In addition, changes to the Planning Act came into effect for 2023 from the More Homes Built Faster Act (Bill 23). This Act introduces municipal housing targets based on population size and growth. There are no changes noted for the annual Treasurer’s Statement on Parkland, however a new subsection 42 (16.1) has been added that requires a municipality to spend or allocate 60 per cent of the monies in the special account required by subsection 42 (15) annually.

The initial report, CPS-04-2026, included a payment that was incorrectly coded as cash in lieu of parkland when it was future roads upgrades; as a result, an amended report has been prepared.

**Analysis:**

Fund Statement

The Municipality of Middlesex Centre has been collecting cash in lieu of parkland for many years and has maintained a dedicated reserve fund to record and track the use of those funds.

<b>Municipality of Middlesex Centre –Cash in Lieu of Parkland Reserve Fund Treasurer’s Statement Under Section 42 of the Planning Act For the Year Ended December 31, 2025</b>		
Opening Balance – January 1, 2025		\$599,429.34
Cash in Lieu Collected During	\$13,000	
Cash in Lieu Spent During	Nil	
Cash in Lieu refunded	(\$1,100)	
Reserve Fund Interest Earned	<u>\$20,926.69</u>	
Closing Balance – December 31, 2025		\$632,256.03

Fund Allocation

The Funding Allocation required for 2026 is set at 60% of the year-end balance (\$632,256.03), resulting in an allocation amount of \$379,353.62.

Within the 2026 budget, four projects are scheduled to be funded from the cash-in-lieu of parkland reserve fund, totaling \$442,500:

- 26-7129 – Weldon Park: Tar and chip road construction from the front parking lot to the tennis courts and back parking lot – \$30,000
- 26-7136 – Komoka Park: Phase 1 Sports Lighting Upgrades – \$250,000
- 27-7112 – Heritage Park: LED Lighting Upgrade – \$64,500
- 28-7101 – Delaware Municipal Park: Replacement of sports field lighting with new LED fixtures – \$98,000

**Financial Implications:**

There are no financial implications associated with receiving this report.

**Strategic Plan:**

This matter aligns with following strategic priorities:

- Responsive Municipal Government

The annual Treasurer Statement is a legislative requirement under the Municipal Act and additionally it responds directly to Objective 5.3– Foster a culture of innovation, continuous improvement, and cost-effective services by sharing information and gathering input, by continuing timely and effective communication to the public.

**Attachments:**

N/A