

**2025 Legislated Reporting Requirements for  
Obligatory Reserve Funds (established under  
the Ontario Building Code Act and Planning Act)**

**Prepared by Finance, Office of the Chief Administrative  
Officer**



## Purpose

To fulfil the reporting obligations under the *Planning Act, 1990*, as amended and the *Building Code Act, 1992*, as amended.

## Ontario Building Code

In accordance with Subsection 7.(4) of the *Building Code Act* (the Act), municipalities shall prepare an annual report on the total building permit fees collected, the direct and indirect costs of delivering services related to the administration and enforcement of the Act and the amount of an established reserve fund.

Tables 1 and 2 summarize the Ontario Building Code revenue collected, direct and indirect costs, the transfer from the Ontario Building Code Stabilization reserve fund (188) and the balance of the reserve fund, including interest, as of December 31, 2025.

Table 1 2025 Building permit revenue, expenditures

<b>Description</b>	<b>Amount (\$)</b>
Total building permit revenue collected	2,275,774
a) Total direct costs of administration and enforcement of the Building Code Act, including the review of permit applications and inspections of construction & demolition	(4,014,988)
b) Total indirect costs of administration and enforcement of the Building Code Act, including support and overhead costs	(577,400)
Total costs of delivering services related to the administration and enforcement of the Building Code Act (a+b)	(4,592,388)
<b>Transfer from the OBC Stabilization Reserve Fund</b>	<b>2,316,614</b>



Table 2 2025 OBC stabilization reserve fund (188) activity

<b>Description</b>	<b>Amount (\$)</b>
Opening balance of OBC Stabilization Reserve Fund (188) as of January 1, 2025	3,839,580
Transfer from the OBC Stabilization Reserve Fund (from Table 1)	(2,316,614)
Interest on the OBC Stabilization Reserve Fund	93,202
Indirect capital costs from the OBC Stabilization Reserve Fund	(154,882)
<b>Total amount of Building Services OBC Stabilization Reserve Fund as of December 31, 2025 (including interest)</b>	<b>1,461,286</b>

Where building permit revenues exceed expenditures, the surplus is transferred to the reserve fund. Where expenditure exceeds building permit revenues, funds are transferred from the reserve fund.

The reserve fund target is set to be within the range of 100 to 150 per cent of the prior year's budgeted operating expenditure. The balance of the reserve fund at the end of 2025 is below this range at 30 per cent, down from 96 per cent in 2024.

## Parkland Dedication

Parkland Dedication (PD) is applicable to subdivision applications pursuant to section 51.1, consent for severance applications pursuant to section 53, and development and redevelopment pursuant to section 42 of the *Planning Act*. The City's PD By-law requires the conveyance of land for park or other public recreational purposes as a condition of the development or redevelopment of land, or the payment of money in lieu of conveyance (PIL). The City maintains two separate reserve funds for PD PIL, one for the Downtown (301) area, in accordance with the Downtown Secondary Plan, and one for the remainder of the City (300).

Section 42 (17) of the *Planning Act* and section 7 (1) of Ontario Regulation (O. Reg.) 509/20: Community Benefits Charges and Parkland, set out the annual reporting requirements for PILs:

- a. A statement of the opening and closing balances of PIL Reserve Funds and any transactions relating to the funds (presented in Table 3).
- b. A statement identifying land and machinery acquired, and buildings erected, improved or repaired during the year with the funds, details of the amounts spent, and the manner in which any capital cost not funded from the PIL reserve funds was or will be funded.



- c. Any amount of money borrowed from the PIL reserve funds, the purpose for which it was borrowed, and the amount of interest accrued on any money borrowed.

In addition, section 42 (16.1) of the *Planning Act* requires a municipality to spend or allocate 60 per cent of the monies in the reserve fund at the beginning of each year. The section below addresses these reporting obligations.

Table 3 2025 PD reserve fund activity

<b>Description</b>	<b>PD reserve fund (300) (\$)</b>	<b>Downtown PD reserve fund (301) (\$)</b>
Opening balance	20,705,066	383,968
Add: PIL collected	2,382,012	0
Less: Capital expenditures	(33,270)	0
Add: Interest earned	783,153	13,744
<b>Closing balance</b>	<b>23,836,961</b>	<b>397,712</b>
Less: Year-end commitments	(1,116,730)	(200,000)
<b>Available balance</b>	<b>22,720,231</b>	<b>197,712</b>

Capital expenditures in 2025 were in GG0280 for the Parkland Dedication By-law Update project. There were no amounts borrowed from the PD reserve funds in 2025.

Through the 2026 Budget Confirmation, the City allocated \$22.7 million to capital project PK0180 Parkland Acquisition in 2031, to be funded from the PD and Downtown PD reserve funds. This amount exceeds the 60 per cent allocation threshold in section 42 (16.1) of the *Planning Act*.

## Community Benefit Charges

Under section 37 of the *Planning Act*, a municipality can impose a community benefits charge (CBC) on new buildings or structures that are a minimum of five stories high and have 10 or more residential units. The City's CBC By-law came into effect on September 18, 2022. Section 7 of Ontario Regulation 509/20: Community Benefits Charges and Parkland, sets out the annual reporting requirements for CBCs:

- a. A statement of the opening and closing balances of the CBC reserve fund and any transactions relating to the fund (Table 8).
- b. A statement identifying facilities, services and matters acquired during the year with the funds, details of the amounts spent, and for each facility, service or matter acquired, the manner in which any capital cost not funded from the CBC was or will be funded.



- c. Any amount of money borrowed from the CBC reserve fund, the purpose for which it was borrowed, and the amount of interest accrued on any money borrowed.

In addition, section 37 (47) of the *Planning Act* requires a municipality to spend or allocate 60 per cent of the monies in the reserve fund at the beginning of each year. The section below addresses these reporting obligations.

Table 4 outlines the reserve fund activity including collections and expenditure in the CBC reserve fund (302) for 2025.

Table 4 2025 Community Benefits Charge reserve fund activity

<b>Description</b>	<b>CBC reserve fund (302) (\$)</b>
Opening balance	994,274
Add: CBCs collected	177,222
Less: Capital expenditures	(25,076)
Add: Interest earned	38,312
<b>Closing balance</b>	<b>1,184,732</b>
Less: Year-end commitments	139,169
<b>Available balance</b>	<b>1,045,563</b>

Table 5 outlines the capital expenditure in 2025 funded from the CBC reserve fund.

Table 5 2025 Community Benefit Charge Capital Expenditures

<b>Project</b>	<b>Total expenditure</b>	<b>CBC funding</b>	<b>Other reserve funding</b>
PL0076 Heritage Initiatives	134,227	1,059	133,167
PL0075 Zoning By-law Review	-	24,016	(24,016)

Through the 2026 Budget Confirmation, the City allocated \$4.9 million in CBC funding to PK0180 Parkland Acquisition in 2031.

This total funding allocated exceeds the 60 per cent allocation threshold in section (16.1) of the *Planning Act* and is contingent of collecting the CBC projected under the CBC Strategy.

