

2026 Budget Process – Reference Guide

The Municipal Act provides authority to head of Council to propose a budget prior to Feb 1st of each year. If the Mayor does not do same, the authority to create the proposed budget reverts to Council for that budget year.

Note: During the period prior to the Mayor’s release of the proposed budget, Council can make recommendations to the Mayor regarding the Draft Staff Budget or Proposed Budget. Council passing motions requesting the Mayor’s consideration on matters does not guarantee the requested action will occur.

Budget Basics Meeting – September 29, 2025

This meeting agenda includes various reports that Council has requested throughout the year to come back for the 2026 budget deliberations. The projects listed in the reports will not be included in the Draft Staff Budget.

How to incorporate projects into the Draft Staff Budget?

If Council would like to see projects incorporated into the Draft Staff Budget, Council can pass a resolution recommending the Mayor issue a directive to staff to include the project in the Draft Staff Budget.

Example:

“That Council recommends the Mayor issue a directive to staff to include {insert project} funded from the {insert source of funding} into the Draft Staff Budget being prepared per Mayoral Directive MDI-02-2025.”

Note: Council can make recommendations to the Mayor regarding items for the Draft Staff Budget. Recommendations made by Council to the Mayor for consideration does not guarantee the requested action will occur.

Draft Staff Budget Meetings – October 27 & November 10, 2025

The Draft Staff Budget will be prepared following practices and processes that generally conform with the budget and business planning processes used in previous years by October 31, 2025, as per Mayoral Directive MDI-02-2025.

Changes to Draft Staff Budget

During the Draft Staff Budget period, should staff receive confirmation on numbers affecting the budget (ie. OPP, grants, etc), the Draft Staff Budget will be updated to reflect same.

Recommendations for Proposed Budget

During the Draft Staff Budget Meetings Council can make recommendations to the Mayor for the proposed budget.

Examples:

“That Council recommends the Mayor include {insert project} funded from {insert source of funding} for the proposed budget.”

or

“That Council recommends the Mayor remove {insert project} for the proposed budget.”

Note: Council can make recommendations to the Mayor regarding items for the proposed budget. Recommendations made by Council to the Mayor for consideration does not guarantee the requested action will occur.

Mayor Proposes the Budget

The Mayor can consider the Draft Staff Budget when creating the proposed budget. The proposed budget may include/exclude items not included in the Draft Staff Budget.

The Mayor will complete forms outlining changes from the draft staff budget for the proposed budget

The proposed budget will be released on November 18th (per current schedule) in accordance with the Act (proposed budget will be circulated to Council and published on website). There will be a memo published with the proposed budget highlighting changes between the draft staff budget and the proposed budget.

Legislative timelines

Council Amendment Period – 30 days from release of the proposed budget (November 18 per current schedule)

- Council has 30 days to pass resolutions making amendments to the proposed budget
- Amendments must be made by Council Resolution
 - Budget Meeting dates set for Council Amendment Period – December 8th and December 18th* (*date may change)
- Amendment Period can be shortened by Council resolution
- The Mayor may vote as a member of Council on amendments
- If no resolutions are passed within the amendment period, the proposed budget shall be deemed adopted by the Municipality following the expiry of the amendment period.
- Council Proposed Amendment Form
 - to be completed by Council members and provided to the CAO and Treasurer in advance of Council Amendment Budget Meetings for inclusion in the Budget Agenda package
 - outline the proposed amendment, including anticipated benefits to South Huron, health and safety impacts or tax levy/financial impacts
- **Important:** this is the only opportunity for changes to the proposed budget released by the Mayor. No new budget items can be brought forward following the expiry of the amendment period.
- **Note:** If staff receive information on numbers (ie. OPP, grants, etc) once the proposed budget has been released, staff will provide a report in a budget agenda package outlining information received and the financial impact on the proposed budget. A Council resolution amending the proposed budget is required to include the change in the proposed budget.

Mayor Veto Period – 10 days after the expiry of Council Amendment Period

- The Mayor has 10 days to veto a Council amendment by Mayoral Decision
- All vetoes will be circulated to Council and published to the website
- This period can be shortened by Mayoral Decision
- If the Mayor vetoes a resolution of Council amending the Budget, the amendment resolution is deemed to not have been made
- If no vetoes are made within the veto period, the proposed budget, with amendments made during the amendment period, shall be deemed adopted by the Municipality following the expiry of the veto period
- **Important:** during this period, the Mayor can only veto amendments that were made to the proposed budget during the Council Amendment Period. No other changes can be made, and no new budget items can be brought forward.

Override Period – 15 days after the expiry of the mayor veto period

- If the Mayor vetoes an amendment of Council, Council has 15 days from the expiry of the veto period to vote to override the veto
 - An override must be made by Council resolution and requires 2/3 of members vote to be successful (requires 5/7 members)
 - The Mayor may vote as a member of Council in a vote to override a veto
 - All override votes would be incorporated into the January 12, 2026 Regular Council Meeting Agenda.
 - After the period for Council to override any Mayor vetoes the proposed budget is deemed adopted, with amendments that were:
 - not vetoed; and/or
 - that were vetoed, and the veto was overridden
 - **Important:** during this period Council can only override Mayor vetoes. No other changes can be made, and no new budget items can be brought forward.

The Budget is deemed adopted 55 days from the Mayor's release of the proposed budget, if not sooner. No By-Law or Resolution of Council is required.