



The Corporation of the Township of Huron-Kinloss

Staff Report

Report Title: New Mayoral Budget Process

Date: Sep. 3, 2025

Report Number: TRE-2025-40

Department: Treasury

File Number: C11 TRE 25

Prepared By: Christine Heinisch, Manager of Financial Services/Treasurer

Attachments: New Mayor Budget Visual

Recommendation:

THAT the Township of Huron-Kinloss Committee of Whole hereby receives report TRE-2025-40 prepared by Christine Heinisch, Treasurer;

AND FURTHER directs Staff to include January 26th, 2026 as the initial budget meeting on the 2026 Council meeting schedule.

Background:

On May 1st, 2025, the Province granted Mayoral Powers under Part VI.1 (Special Powers and Duties of the Head of Council) of the Municipal Act, 2001 to the head of Council for the Township of Huron-Kinloss. These powers change how the budget is prepared and presented to Council.

In accordance with Section 284.16 of the Municipal Act, 2001 and section 7 of the Ontario Regulation 530/22, the Mayor shall, on or before February 1 of each year, prepare a proposed budget for the Township.

Should the Mayor not present the budget by February 1st, then Council shall prepare and adopt the budget.

Within 30 days of receipt of the proposed budget, Council, at a meeting, may pass a resolution to amend the proposed budget. Council may pass a resolution to shorten this 30-day period.

If Council does not make any amendments within the amendment period (or shorter, if set by Council), then the proposed budget is deemed adopted.

Within 10 days after the expiry of the amendment period, the Mayor can veto a Council amendment by providing on the day of the veto to each member of Council and the Clerk a written veto document that includes the veto and the reasons for the veto.

The Mayor can issue a mayoral decision shortening the 10-day veto period.

If the Mayor vetoes a Council amendment, the amendment is deemed not to have been passed.

If the Mayor does not veto a Council amendment, the proposed budget is deemed adopted.

Within 15 days after the expiry of the veto period, Council may override the Mayor's veto if two-thirds of the members of Council vote to override the veto.

Council may pass a resolution to shorten the 15-day override period.

If Council overrides the veto, the Council amendment is deemed to be passed.

A diagram is attached showing the new budget process along with the timelines and amendment periods.

Discussion/Analysis/Overview:

The Mayor has discussed with Staff how they will exercise the assigned powers with respect to proposing and adopting the budget for the 2026 fiscal year.

The Mayor has in accordance with section 284.3 of the Act, directed the CAO and Manager of Financial Services/ Treasurer to:

1. Prepare the budget in accordance with past practices; and
2. Prepare the proposed budget with guidance from the Mayor for distribution by the Mayor to Council prior to the end of day January 19, 2026

This direction allows the budget process to proceed in fundamentally the same way as it has traditionally been prepared in the Township. There will be changes to the timing of when Council first receives the proposed budget, and in how and when Council would make changes or amendments to the proposed budget.

Given the timelines required with the new regulations Staff are proposing the following schedule:

The initial budget meeting is expected to take place on January 26th, 2026, at 9am.

The 30-day amendment period will commence on January 19th, 2026, and end on the regular Council meeting February 18th, 2026.

Any amendments would be brought to the February 18th, 2026, Council meeting and the Mayor veto period would commence.

Staff will provide Council with more information on the required process to be used when a member of Council seeks to propose an amendment to the budget presented by the Mayor.

At the end of the amendment and veto period, the budget proposed by the Mayor as amended is deemed to be passed. Within the new regulations, a Budget By-law is no longer passed by Council.

Staff present this report as information to provide guidance to Council and members of the public of the expected budget timelines for the 2026 budget period under the new regulations.

Financial Impacts:

There are no financial implication associated with this report.

Performance Measurement:

N/A

Strategic Area:

- Embrace a thriving rural lifestyle
- Enhance Municipal Service Delivery
- Prepare for Inclusive Growth
- Ensure Financial Stability

Strategic Goal: Commit to financial health and sustainability

Respectfully Submitted By:

Christine Heinisch, Manager of Financial Services/Treasurer

Report Approved By:

Jodi MacArthur, Chief Administrative Officer