



The Corporation of the Township of Huron-Kinloss

Staff Report

Report Title: 2026 Budget Procedural Guideline

Date: Jan. 26, 2026

Report Number: TRE-2026-07

Department: Treasury

File Number: C11 TRE 26

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

Attachments: Mayor Budget Visual

Recommendation:

THAT the Township of Huron-Kinloss Committee of Whole hereby receives for information report TRE-2026-07 prepared by Christine Heinisch, Treasurer.

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 may 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.

Timelines required with the new regulations:

The Mayor releases the proposed budget in accordance with regulations on January 19, 2026.

The initial budget meeting will take place on January 26th, 2026, at 9am, at which time the budget will be presented and Council may ask questions as necessary.

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

Amendments must be proposed by way of motion, and should include specifics such as:

- the dollar amount to be added or removed,
- where the funds will be requested to come from (the tax rate or a reserve or reserve fund)
- The description of the item to be considered
- Whether it impacts the capital or operating budgets.

The final opportunity for any amendments would be the February 18th, 2026, Council meeting and the Mayor veto period would commence.

The amendment and veto periods can also be shortened or waived by Council resolution, and Mayoral direction if consensus is reached prior to deadlines.

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:

- | | |
|---|--|
| <input type="checkbox"/> Embrace a thriving rural lifestyle | <input type="checkbox"/> Enhance Municipal Service Delivery |
| <input type="checkbox"/> Prepare for Inclusive Growth | <input checked="" type="checkbox"/> 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