MEMORANDUM

TO: **Council**

FROM: **Melanie Steele, MBA CPA CA, City Treasurer**

DATE: **October 10th, 2025**

SUBJECT: **2026 Budget Process and Timelines**

This memorandum aims to provide Council with an overview of the 2026 budget process and timelines. Staff have prepared an outline to identify key steps and highlight changes in the budget process. Staff are working towards bringing forward public engagement results, the hospital funding strategy, a debt strategy, the User Fees and Charges report, and a resource planning report to Council prior to the budget. Additionally, staff are scheduling public drop-in sessions during the budget process to provide council with time to discuss and ask questions on key departmental priorities and projects, as well as seek out any information required for the budget amendment process. Appendix I provides a visual overview of the upcoming budget process.

Background:

Under the provisions of the Strong Mayors, Building Homes Act and Part V1.1. of the Municipal Act, the authority to propose a budget rest solely with the Mayor, which would automatically be adopted after 30 days unless Council amends it. A mayoral direction can be issued for staff to undertake the work required to prepare a draft budget. On October 3rd, 2025, Mayor Campion issued staff a mayoral budget directive, which is attached as Appendix II.

For more details on the legislative responsibilities in the budget process, please reference Appendix III.

2026 Key Dates and Timelines

The 2025 Council & Committee meeting calendar included placeholder meeting dates for the 2026 budget process in November and December. These dates are essential for discussing and reviewing the upcoming budget and ensuring efficiency and consistency in the budgeting process. Below is a summary of the key budget dates and how they will be leveraged.

Date	Location	Purpose
November 4, 2025	N/A	Mayor's Budget Package Published to Council and on Engage Welland
November 10, 2025 **5-7pm**	Community Room	**Council/Staff Drop-in session #1** Ask questions about the proposed budget
November 12, 2025 **5-7 pm**	Council Chambers	**Meeting #1** Department/Board Presentations and Business Cases Presentations
November 17, 2025 **5-7 pm**	Community Room	**Council/Staff Drop-in session #2** Seek any information for amendments
November 21 @ noon	Via email	**Amendment Deadline** All Council amendments submitted
November 28, 2025	N/A	**Amendments Published** Comprehensive List of all Council amendments published to Council and on Engage Welland
December 3, 2025 **5-7pm**	Council Chambers	**Meeting #2** Amendment meeting
December 4, 2025	N/A	**2026 Budget Adopted**

Post-budget/debrief with staff and Council will be scheduled for Q1/Q2 2026.

Key Highlights:

Staff reviewed the 2025 budget process when developing recommendations for the 2026 budget process and timeline. The following list identifies key steps and highlights changes to the budget process.

- **Council Feedback** – A survey seeking feedback from Council members on the budget and priorities was issued on August 13th. The survey period was 2 weeks and closed on August 28th. Staff received two (2) survey submissions, and results have been shared with CLT and the Mayor to help inform the budget.
- **Mayoral Direction** – Staff met with the Mayor in September to share preliminary budget impacts. Staff received the Mayor's direction in Appendix II and are working to finalize a detailed budget that is aligned.
- **Public Engagement Plan** - Finance worked with the Chief Communication & Public Engagement Officer on ways to engage the public in the budget process. Staff built on the engagement efforts from last year with a new interactive budget allocation tool for residents to explore. This new tool allows residents to learn about the services provided by the city and prioritize how to allocate a notional budget. Staff also continued to evolve the annual budget survey and budget materials that are accessed through Engage Welland. This engagement was launched on September 2nd, with results expected to be presented to Council at the October 28th general committee meeting.
- **Hospital Funding –** Niagara Health requested a local hospital contribution commitment from the City before the end of the year. Staff brought forward hospital funding reports to Council on September 2nd and 23rd and received direction to not make any formal commitment at this time and explore the feasibility of a written commitment from Niagara Health for the Welland Hospital prior to considering the City's contribution. This process is expected to take some time, and no hospital commitment will be included in the Mayor's budget, which will be released on November 4th.
- **User Fees Report –** Building off success seen in 2025, staff plan to bring a report on October 14th to approve the 2026 User Fees and Charges in advance

of the budget process. These fees would be incorporated into the proposed budget.

- **Debt Strategy –** Debt is an important funding tool municipalities can leverage when developing budgets. Having a debt strategy that considers how and when debt is used, establishes thresholds for a debt limit that balances the City's needs and ability to pay, and takes a long-term view to sustainably fund services. Staff are currently reviewing the City's self-imposed debt limit and plan to bring back considerations to replace this with a debt strategy in October.
- **Resource planning report (in-camera)** – Staff are currently summarizing the assumptions, estimates, and approach to resource planning that impact the 2026 budget and plan to bring this information to Council on November 4th.
- **Public Council/Staff Drop-in session #1 for review of budget** – Similar to last year, staff plan to host a drop-in session to allow Council and staff to discuss prioritized items in the 2026 budget. The goal of this session is to allow Council to ask any questions they might have to help them understand the proposed budget. This year, the session will occur after all the budget materials have been released to allow for more specific and focused conversations. This session is scheduled for November 10, 2025, from 5 p.m. - 7 p.m.
- **Presentation and business case meeting –** Staff will provide an overview presentation on the budget, the library and museum boards will present their budget, and staff will present business cases for Council's consideration. This meeting is scheduled for November 12th at 5 p.m.
- **Public Council/Staff Drop-in session #2 to seek information required for amendments –** This is a new session being added this year to give Council time to discuss any of their proposed amendments with relevant staff and seek out any additional information they require to complete and submit their amendments. Staff will be available throughout the entire budget 30-day window to answer questions, but this dedicated session is intended to provide focused time where Council will have direct access to staff to obtain any information they may need. This session is scheduled for November 17, 2025, from 5 p.m. - 7 p.m.

- **Council amendment meeting –** As directed through the mayoral directive, we will hold a dedicated meeting to review and debate all Council-proposed budget amendments on December 3rd at 5 p.m. All amendments must be submitted to staff by noon November 21st, and a comprehensive list of all proposed amendments will be shared with Council and the public by November 28th. At the December 3rd amendment meeting, all tax-supported operating and capital budget amendments will first be discussed and voted on in order, based on the date and time they were received by staff. This will be followed by all water and wastewater amendments. All amendments will be debated and voted on only once. More amendment submission details and the prescribed form for budget amendments will be communicated to all Council members via email on November 4th.
- **Budget package –** All budget materials will be provided to members electronically through eScribe in alignment with Council's paperless direction. Members who require a printed copy of the initial budget package to be released on November 4th may request one (1) through the Clerk's Office. This one-time accommodation is provided upon request for the budget matter only and does not change Council's electronic-agenda practice for any other reports or meetings. No medical or other documentation is required. To allow for printing, please submit your request to the Clerk's Office by Monday, November 3rd. One (1) bound copy per Member will be prepared; any late additions or supplemental materials will continue to be provided electronically through eScribe. This approach maintains our paperless standard while supporting full participation and simplifying logistics for the budget.

Attachments:

- Appendix I - 2026 Budget Process and Timeline Placemat
- Appendix II - 2026 Mayoral Budget Directive
- Appendix III - Legislative Responsibilities in the Budget Process

2026 Budget
Process and timeline

CITY OF Welland

JULY TO OCT

Budget planning

- Budget pressures & opportunities identified
- Public engagement
- Council feedback survey

→ Oct 3: Mayoral direction published

SEPT & OCT

Related information to council

- Sept 2 & 23: Hospital funding approach
- Oct 14: User fees & charges
- Oct 28: Debt strategy
- Oct 28: Public engagement results

NOV 4 / NOV / DEC

Thirty-day budget deliberation timeline

- Nov 4: Budget package published (includes key highlights & all materials on Engage Welland)
- Budget review
  - Nov 10: #1 drop-in session
  - Nov 12: Presentations & business cases
  - Nov 17: #2 drop-in session
- Dec 3: Amendment meeting
- Dec 4: Budget adopted

DEC & JAN

Veto period

- Mayor veto (up to 10 days)
- Council override 2/3 super majority (up to 15 days)

2026 Q1/Q2

Post

- Post budget review with staff & council

Appendix I

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Mayoral Direction

Direction Number:	**2025-05A**
Date:	**October 3rd, 2025**
Subject:	**Prepare 2026 Draft Mayors' Budget**

I, Frank Campion, Mayor of the City of Welland, pursuant to Section 284.16 of the *Municipal Act, 2001*, hereby direct staff to prepare a draft 2026 budget for council to review and amend, per the following direction.

- In support of taxpayers' ability to pay, the mayor's budget focus should be on maintaining services as efficiently and effectively as possible, with no new services or new positions.
- A forecasted assessment growth calculation to be highlighted for Council.
- Compensation costs aligned with approved compensation policy (HR-023) including inflationary and collective bargaining considerations.
- An investment income strategy that maximizes funds available to support the operating budget.
- A capital budget for 2026 with a primary focus on Repair and Renewal of existing assets.
- Consider input received from the public engagement opportunities and provide Council a summary of the results in advance of the budget.
- Consider input received from the Council budget feedback survey.
- An efficient budget process with four (4) comprehensive Council engagement opportunities
    1. A public council drop-in session scheduled after the budget package is released where Councillors can ask questions of staff on what is included in the budget.
    2. A meeting to receive staff/board presentations and business cases for Council's consideration including:
        - New position and initiative business cases to be individually presented to Council to support continued service levels and growth.

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- Capital program business cases to be individually presented to Council to support moving towards our asset management plan goals and/or accelerate renewal of key infrastructure projects.

3. A public council drop-in session scheduled after the overall budget and business cases are presented where Councillors can seek information from staff that would be required for their amendment submissions.
4. One amendment meeting to consider all Councillor amendment requests with an amendment submission deadline of five (5) working days prior to the release of the amendment package. Amendments to be listed and debated in order based on the date and time they are received by staff.

Frank Campion
Mayor

Legislative Responsibilities in the Budget Process

By February 1 of each year the mayor must prepare and propose a budget to council for consideration.

- The authority to prepare and propose the budget rests with the mayor.
- This authority cannot be delegated to council or staff.
- Mayor can issue a staff direction for staff to prepare budget.

Once the mayor proposes a budget, council has 30 (calendar) days to meet and pass budget amendments.

- The 30-day window can be shortened by council resolution.
- May require special council meeting to meet 30-day timeline.
- Any amendments are required to be completed on a perscribed Budget Amendment Resolution Form and submitted to staff. The submission details and form for budget amendments will be communicated to all Council members via email on November 4th.

Following the amendment period, the mayor has 10 (calendar) days to veto budget amendments passed by council:

- Mayor vetos must be set out through a Mayoral Decision and include reasons for veto.
- Mayor can shorten veto period through a Mayoral Decision.
- Budget amendments vetoed by mayor are considered not to have been passed by council.
- If veto power is not exercised, budget is deemed to have passed.

Within 15 days of the veto period ending council may meet to attempt to override Mayoral vetos.

- Council override of mayoral veto requires 2/3 super majority to pass.
- 2/3 super majority is all member of council, not only the members present, as per current process.
- After process of amendments, vetos and overrides has passed the budget is deemed to have been adopted.
- Council no longer needs to vote on budget in its entirety.
- Budget is considered to have been passively adopted once the approval process above has finished.

The following graphic outlines the key budget process steps as stipulated in the Act:

Day 1	+30 days	+10 days	+15 days	Approval
Mayor Proposes Budget	Council meets and amends budget	Mayor may veto budget amendments	Council may override Mayor vetos	Budget is deemed to have passed