

Council Memo



To	City Council
Service Area	Office of the Chief Administrative Officer
Date	Wednesday, October 29, 2025
Subject	Mayor's Draft 2026 Budget Update (Council Memo)

The purpose of this report is to table the Mayor's Draft 2026 Budget Update, inclusive of all City departments. City staff have prepared the draft City budget in alignment with the [mayoral direction](#) issued on April 1, 2025.

The City continues to separate the budget adoption process into two phases for the 2026 confirmation: City budget adoption and Local Boards and Shared Services (LBSS) agencies budget approval. The LBSS budget process does not trigger the Strong Mayor timelines given the various governing legislation that states that these budgets are to be presented to Council as a whole for approval. LBSS agencies will present their 2026 budget update to Council for approval in December 2025, after the City's budget is formally adopted.

The full budget can be viewed at www.guelph.ca/budget.

Mayor's Draft 2026 Budget Update

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1. An amended 2026 City operating budget inclusive of the following:
 - a. City service budget requirement, net of the proportionate share of assessment growth, totalling an increased net levy requirement in 2026 of \$11,142,753 or 3.17 per cent over 2025, inclusive of the following:
 - i. Base budget increase of \$8,018,263.
 - ii. Operating impacts from capital of \$3,974,349.
 - iii. A reduction in growth investments of \$703,946.
 - iv. An increase in service enhancements of \$4,109.
 - v. Service reductions totaling \$3,332,378.
 - vi. Mayor budget enhancements totaling \$587,681.
 - vii. Council respectful requests totaling \$450,000.
 - viii. An increase to capital financing transfers of \$4,849,940.
 - ix. The City's proportionate share of assessment growth revenue in the amount of \$2,705,265.
 - b. User rates, fees and charges.
 - c. Total transfers to/from Reserve and Reserve Funds in 2026 in accordance with the Reserve and Reserve Fund summary.

2. The Guelph General Hospital levy in the amount of \$750,000 budgeted for the sixth of six years as approved on December 3, 2019.
3. An updated 2027 operating budget forecast and the 2028 and 2029 inflationary budget forecast to be received as information.
4. An amended 2026 City capital budget with a net reduction of \$33,894,930 from the 2026 adopted budget resulting in the gross 2026 expenditure amount of \$366,440,897 with the associated operating budget required upon completion of these projects totalling \$3,656,775, inclusive of funding transfers from capital reserve funds and other sources including partnerships, grants, and debt financing.
5. A 2027-2035 Capital forecast in the gross amount of \$2,085,328,271.

Budget Adoption Process

Mayor's Draft Budget

October 16, 2025: Mayor's Draft Budget Update Released

October 29, 2025: Mayor's Draft Budget Update Presented to City Council

Mayor's Proposed Budget

November 10 – 13, 2025: Mayor's Proposed Budget Released

November 18, 2025: City Council Meeting for Public Delegations on the Mayor's Proposed Budget

Amendments to the Mayor's Proposed Budget

November 26, 2025: City Council Meeting to consider Council amendments to the Mayor's Proposed Budget.

- Amendments to the Mayor's Proposed Budget can be approved by a simple 50 per cent plus one majority vote of City Council.
- If no amendments to the Mayor's Proposed Budget are approved, then the budget is considered to be adopted.

Veto of Amendments to the Mayor's Proposed Budget

November 26 – December 6, 2025: Mayoral Budget Vetoes

- The Mayor may veto any budget amendment approved by City Council through a Mayoral Decision.
- If no Mayoral vetoes are issued, then the budget is considered to be adopted.
- If the Mayor does not wish to veto any amendments, they may shorten the veto period through a Mayoral decision.

Overriding of Mayoral Vetoes

December 10 or 17, 2025: City Council Meeting to Override Mayoral Vetoes

- City Council can override any Mayoral Veto with a 2/3 super majority vote (nine members in favour, regardless of the number present).
- To add an override motion to a City Council agenda on December 10 or 17, members of City Council must submit a request to the City Clerk supported by seven members of Council.
- If no veto overrides are approved, then the budget is deemed adopted.

Attachments

Attachment-1 2026 Budget Confirmation Presentation

This memo was approved by:

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This memo was recommended by:

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