REPORT
TREASURY DEPARTMENT

TO: Mayor & Members of Council
FROM: Lorne James, Treasurer
DATE: February 5, 2026
REPORT: TR-02/26

SUBJECT: 2027 BUDGET SCHEDULE

BACKGROUND

Section 290(1) of the Municipal Act requires local municipalities in each year to prepare and adopt a budget. The Municipality currently prepares three budgets: Current year Capital Budget, Rate-supported Operating Budget and the 10-Year Capital Plan. This Report presents the proposed meeting dates for Council review and approval of the above-mentioned 2027 Budgets. The purpose of preparing budgets is to allow Council to develop policy in financial terms and to assist in setting priorities and establishing service levels for the upcoming year before expenditures take place.

DISCUSSION

In order to begin developing Bayham's 2027 Operating and Capital Budgets, Council approval of the proposed budget schedule is required. The proposed timelines are similar to many prior years' timelines to allow for tendering and effective procurement months before 2027 purchases. It is anticipated that the budgets will be published for public consumption approximately one month in advance of the October 6, 2026 and January 5, 2027 meetings.

Budget	Proposed 2027 Budget Review Dates For Discussion	Start Time
Budget Public Consultation	February 5, 2026 – September 30, 2026	
2027 and 10-Year Capital Plan	Tuesday, October 6, 2026 (Special Meeting)	6:30 p.m.
2027 Levy Supported Operating Budget	Tuesday, January 5, 2027 (Special Meeting) Thursday, January 21, 2027 (Budget Open House)	6:30 p.m. 6:30 p.m. to 7:00 p.m.

2027 BUDGET CONSULTATIONS

In 2026, staff will continue the practice of posting budget background information explaining the purpose of the Operating Budget and Capital Budget and the difference between Operating and Capital expenses. This information will continue to be posted on the 2027 Budget Consultations page on the Municipal Website.

During the consultation, it will be clear the role of the consultation is to obtain public comment on the budgets and ideas for the upcoming budgets for Council consideration. This consultation is to obtain comments of an advisory nature for Council consideration during budget deliberations. The same comments will be attached to the respective budget reports as an Appendix.

Notice of consultation will be posted on the Municipal website and posted on the Municipal Office and Library notice boards. Notice will also be posted on the winter and summer newsletter in the mail out of February and August tax bills.

POTENTIAL BASE BUDGET IMPACTS

For 2027, the most significant potential base operating budget drivers that may have an impact are as follows:

- annualization of initiatives undertaken in 2026
- tariff impacts and supply chain constraints
- general inflation
- foreign exchange fluctuations
- utility cost increases
- impact of fluctuating fuel costs and costs of petroleum based products
- increased operating charges from approved capital projects
- increased transfers to Reserves and Reserve Funds to fund capital programs based on 10-year capital budget from 2026
- provincial funding level changes
- Asset Management Planning Annual Funding Increase

The actual impacts of these items are unknown at this time and will depend on further information and decisions.

GUIDELINES

Some of the costs identified above can be avoided and others will be directly related to previous decisions or are uncontrollable. In the interim, staff will be directed to prepare the 2027 Budgets following past practices with the goal to maintain costs at their current level wherever possible. These guidelines are an integral part of the budget process to assist staff when reviewing operational needs and service levels.

In order to meet these dates, staff will initiate the 2027 budget process once the 2026 budget has been approved. This will allow staff the time required to present a responsible, complete, comprehensive, and accurate budget for Council review and consideration.

STRATEGIC PLAN

3.2: Quality of Governance > To continually demonstrate financial responsibility to the community.

Initiative(s): Not Applicable.

RECOMMENDATION

1. **THAT** Report TR-02/26 re 2027 Budget Schedule be received for information;

2. **AND THAT** the proposed budget guidelines be approved;

3. **AND THAT** the following dates be established for the 2027 budget process:

   - February 5 – September 30, 2026 – Budget Public Consultation Period
   - Tuesday, October 6, 2026 – 2027-2036 Capital Budget Meeting
   - Tuesday, January 5, 2027 – 2027 Operating Budget Meeting
   - Thursday, January 21, 2027 – Budget Open House

Respectfully submitted:	Reviewed by:
Lorne James, CPA, CA	Thomas Thayer, CMO, AOMC
Treasurer	Chief Administrative Officer