

REPORT

2026 Budget Committee

Meeting Date: June 16, 2025

FROM: Office of the Mayor

DATE: June 3, 2025

SUBJECT: Draft Mayoral Direction to Staff Regarding the Preparation of the 2026 Annual Budget

LOCATION: Town-wide

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RECOMMENDATION:

1. That the Budget Committee endorse or recommend changes to the draft Mayoral Direction to Staff for the preparation of the 2026 annual budget and provide any additional advice.
2. That the Budget Committee endorse Councillors Tom Adams and Jonathan McNeice for appointment by the Mayor as chair and vice-chair, respectively, or recommend others.
3. That the Budget Committee endorse or recommend changes to the draft schedule for preparation of the 2026 Town budget.

KEY FACTS:

The following are key points for consideration with respect to this report:

- The consensus of economic forecasts for 2026 sees falling growth and rising prices.
- The community values and relies upon municipal services provided by the Town.
- In the circumstances, it is considered that Oakville needs a 2026 budget that will keep valued Town services and programs strong and resilient to face the uncertainties ahead, while continuing to increase value through efficiency to be identified through the Performance Based Program Based (PB2) budgeting methodologies.
- Expansions to or adding of new services and programs should wait either future budget years or mid-year considerations.
- Appendix A attached to this report includes a draft Mayoral Direction to staff regarding the preparation of the 2026 Annual Budget and a draft schedule.

BACKGROUND:

The national and provincial uncertainties arising from the statements, actions, and postponements and modifications of announced measures by the President of the United States have galvanized the country and the province to pursue infrastructure construction across National and Provincial levels, including for housing, which may present both challenges and opportunities Oakville.

COMMENT/OPTIONS:

As Town Council, we must ensure that our financial decisions make Oakville a livable and vibrant community, both in the short term and for the years to come. As we look ahead to 2026, there is a degree of uncertainty in Canada's current economic situation. Core inflation measures have risen recently while GDP growth is slowing, both being impacted by ongoing tariff pressures. At the same time, Council must keep a focus on the long-term, to ensure that the town is investing in key strategic focus areas that will sustain and improve the town for future generations. To balance these two factors, the town's increase must be both realistic and stable. As such, staff should be asked to prepare a budget that reflects these principles.

Appendix A attached to this report includes a draft Mayoral Direction to staff regarding the preparation of a balanced 2026 Annual Budget.

CONSIDERATIONS:

(A) PUBLIC

The Budget Committee meeting is open to the public and will be streamed online.

(B) FINANCIAL

The budget establishes the financing of the corporation for the 2026 fiscal year.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

All departments participate in the budget process.

(D) CORPORATE STRATEGIC GOALS

This report addresses the corporate strategic goal(s) to:

- support a transparent and accountable government.

(E) CLIMATE CHANGE/ACTION

Measures addressing climate change are part of Town operations.

APPENDICES:

Appendix A – Draft Mayoral Direction to Staff regarding the preparation of a balanced 2026 Annual Budget.

Submitted by: Mayor Burton