

Council amendments to the proposed budget

Purpose

This memo provides guidance for Members of Council on how to bring forward amendments to the proposed 2026 budget(s). It follows the rules set out in Ontario's *Municipal Act, 2001*, and in the City's Procedural By-law.

Members of Council can introduce budget amendments during a Budget Committee meeting or relevant Council meeting but must comply with both legislative and procedural requirements. The information below explains what to do and what to consider to ensure that any amendment brought forward is clear, compliant and ready for Council's consideration.

Background

Under Ontario's *Municipal Act, 2001*, the Mayor must propose the City budget **by February 1** each year. After that, Council has 30 calendar days to consider it and propose amendments. This gives Council the opportunity to play an important role in shaping the final budget.

To propose a valid budget amendment, Council Members must follow the correct procedure, stay within the limits of Council's legislative authority and clearly show how the amendment will financially impact the budget.

Steps to Amend the Proposed Budget

1. Review the preliminary Budget Documents and the Budget Book.
2. If you want to change something in the budget, you need to draft an amendment to the budget.
3. Reach out to Departmental and Finance staff to confirm the wording of the Motion.
4. When you feel confident that the motion is ready, send to the City Clerk.
5. The Clerk will confirm the motion and advise whether it is in order, or if it needs to follow one of the other procedures outlined below.

Important considerations when introducing a budget amendment:

1. **Follow the rules of the *Municipal Act, 2001*.**
 - Council may change **amounts** or **re-allocate** funds in the proposed budget by making an amendment motion.
 - Amendments must **not** conflict with legislative requirements, such as mandatory services and programs required for the City to deliver and/or priorities and programs directed by the Province.
 - Council cannot replace the entire budget or direct staff to create a new budget.

2. Follow Hamilton's Procedural By-law

- Budget amendment motions **must** be provided in writing to the Clerk. They may be brought forward at the appropriate budget or Council meeting without advance notice.
- If Council seeks to **reconsider** a previous Council decision (such as cancelling a by-law, program or service), **a Notice Motion must be presented at a regular Council meeting**. Council can waive this requirement with a two-thirds majority vote.

3. Ensure the amendment is financially minded, clear and complete

Each amendment must include enough detail for staff and Council to understand its financial impact. Specifically, the motion should include one or more of the following:

- **Exact dollar amount change** – Identify the exact amount to be increased or decreased and specify the **program, service or capital item** the amendment affects.
- **Funding source** – The motion should **identify where funding will come from**, where applicable.
- **Staffing impacts** – If the change would **add, remove or delay** staff positions, explain that clearly in the motion.
- **Duration of change** – State if the change is permanent or just for 2026.
- **Start date or delay** – If the motion delays the start of a program or project, specify **how long** the delay will be (for example, one year, two years, etc.).

When a Budget Amendment May Not Be Allowed

A budget amendment may be ruled **out of order** if it:

- Conflicts with the *Municipal Act, 2001* (for example, municipalities must keep highways and bridges in a state of reasonable repair under the *Municipal Act*).
- Creates an **unbalanced budget** (for example, total spending exceeds revenues).
- Attempts to **change a previous decision** without following the proper steps (reconsideration motions **must** be introduced at a Council meeting.)
- Includes proposed budget amendments that go beyond the 2026 budget year.

Tips for Council Members when introducing budget amendments:

- **Consult finance staff early.** Work with Finance staff in advance to confirm figures and potential impacts. Please allow at least five (5) business days to discuss with staff.

- **Keep it simple and clear.** Use plain language wherever possible and ensure the financial impact is easy to understand.
- **Request information early.** It is best to ask for information early in the process. This can be done during the budget overview meeting or ABC/Departmental presentations.
- **Budget Amendment Motions.** Motions to amend the rate budget can be considered on **November 24, 2025** (and November 28, 2025 if required). Motions to amend the tax budget can be considered on **February 6 and February 9, 2026**.
- **Motions requiring reconsideration.** Motions to reconsider past Council decisions may be introduced at a Regular Council meeting (**February 11**), or the final Special Council (Budget) meeting (**February 13**).

Sample Budget Amendment Template Language

WHEREAS, the General Issues Committee on September 10, 2025, received Report FCS25036 – 2026 Budget and Financing Plan Outlook;

WHEREAS, members of Council may propose amendments to the Proposed 2026 Tax Supported Budget.

THEREFORE, BE IT RESOLVED:

- (a) That the Proposed 2025 Tax Supported Budget be ***amended*** as follows:
 - (i) *(List your amendments here. Be specific and include the project, program or service etc. being impacted; the gross and net amount being increased or decreased; whether it impacts operating or capital budgets (or both); and any staffing implications).*

Sample Motions:

Budget Amendment Motion (Motion to Change the Proposed Budget):

THEREFORE, BE IT RESOLVED:

- (a) That the Proposed 2026 Tax Supported Budget, be amended, as follows:
 - (i) That **Program/Project XX** currently budgeted in 2026 in the amount of \$XXX,XXX be removed and considered in the 2027 Budget.

OR

- (ii) Increase funding by \$XXX,XXX to the Insert Program/Project Name to support X FTEs/purchase of equipment/Consulting services to be funded from the property tax levy/reserve name/alternate revenue source.

OR

- (iii) That Program/Project XX currently proposed to be funded from the Tax Levy in the amount of \$XXX,XXX be funded in 2026 from Reserve Name/Alternative Revenue Source

OR

- (iv) Remove the \$XXX,XXX budgeted for X Full-Time Equivalent (FTE) as part of the Insert Program/Project Name

Reconsideration Motion:

THEREFORE, BE IT RESOLVED:

- (a) That the funding included in the 2025 Tax budget for Program/Project name be reduced by \$XXX,XXX

Note: Since the motion seeks to change funding that was already adopted in the 2025 budget, it requires a reconsideration. Reconsideration motions must be introduced in a Council meeting (please see details about this under the section on Tips for Council).

Budget Information Motion:

THEREFORE, BE IT RESOLVED:

- a) That staff be directed to report back to insert appropriate Committee by insert date with information/recommendations on the impact of reducing/eliminating/changing the funding for program/project XX

Note: This motion would not amend the 2026 Budget.