



# Backgrounder: Richmond Hill's 2026 Budget

December 10, 2025

Richmond Hill's annual budget comprises an Operating Budget that supports the City's day-to-day operations, such as waste collection and recreation programs, and a Capital Budget that supports its foundation, including infrastructure and investments.

## Operating Budget

The total 2026 Operating Budget of \$257.9 million results in a 3.46% property tax rate increase for Richmond Hill taxpayers, reflecting a 1.96% increase for the Operating Budget and a 1.5% increase for the Capital Asset Sustainability Levy. This increase equals \$6.29 per month on the City's portion of the tax bill for the average single-detached residential property in the city, assessed at \$1,146,000. Over 37% of the Operating Budget comes from sources other than the tax dollar, such as user fees and grants.

The Capital Asset Sustainability Levy is a long-term investment in the community, ensuring roads, buildings, and infrastructure remain in good condition for generations to come.

## Capital Budget

Richmond Hill's 2026 Capital Budget will invest \$121.1 million in the community. The annual capital budget does not directly affect the property tax rate.

Richmond Hill's capital planning process is integrated with the City's enterprise asset management system. This helps us choose the right projects at the right time, make smart use of funding, and get the best value for taxpayers. The result is a fiscally responsible budget that balances the delivery of the City's key plans and strategies, including the [Strategic Plan 2024-2027](#).

Capital planning includes both growth-related and state-of-good-repair projects. Growth-related projects are investments in new or existing infrastructure to benefit current and future residents, such as expanding parks. State-of-good-repair projects are investments in existing capital assets to maintain their current function or life span, such as repairs to a pool.

Significant growth-related projects in the 2026 capital budget include:

- resurfacing and reconstructing 27 kilometres of roads;
- upgrading 3.5 kilometres of watermain;
- restoring 14 hectares of natural areas; and
- renovating or repairing 20 city facilities, from community centres to fire stations.

## Rate-Supported Operation Budgets

### Water and Wastewater Budget

Water rates finance the delivery of clean, safe water to households and businesses, including the cost of water, daily testing, watermain maintenance and the staff to perform these functions.

The 2026 Water and Wastewater budget is funded by water billing and does not impact the property tax rate. The rates are guided by the 2024 Water and Wastewater Financial Plan recommendations, which emphasize allocating sufficient funds for future capital renewal needs. Water and wastewater rates will increase by 6.1%, effective April 1, 2026. For households with an average water consumption of 170 cubic metres per year, this is equal to a monthly increase of \$4.90.

### Stormwater Budget

The stormwater fee is paid by residents to help cover the cost of protecting the community from flooding and erosion and improving water quality in streams and rivers. Stormwater comes from rain and melted snow that flows into the storm sewers and stormwater ponds across the city. Stormwater management is a citywide service that protects the community and the environment. Richmond Hill's stormwater management facilities include more than 95 stormwater ponds, 18,000 catch basins, 1,100 culverts/ road crossings and 540 km of storm sewer.

The stormwater rates are guided by the [2024 Stormwater Management Financial Plan](#) recommendations, which emphasize allocating sufficient funds for long-term capital needs. Over the years, funding has not kept pace with the growing need for stormwater management and infrastructure. The 2026 stormwater fee will increase 50% for all property types, effective April 1, 2026. For the average Richmond Hill home on a property around 7,000 square feet, the monthly increase is approximately \$4.46.