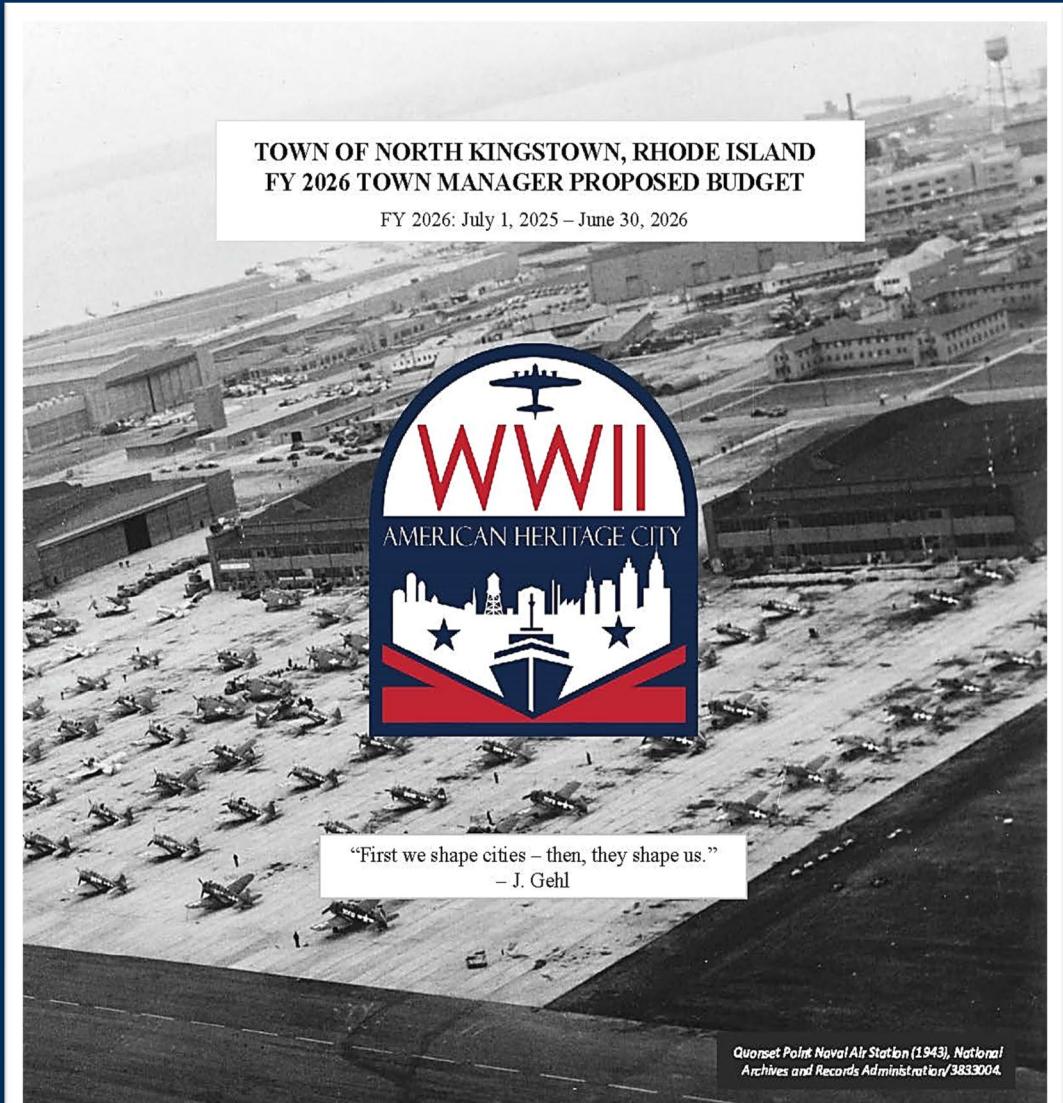


FY2026 TOWN MANAGER PROPOSED BUDGET

MARCH 10, 2025



March 10, 2025

A. Ralph Mollis, Town Manager

Debra J. Bridgham, Finance Director

ACKNOWLEDGEMENTS

Thank you to Kate Glass, Executive Assistant & Director of Communications, and Deb Bridgham, Finance Director, for their hard work and dedication in preparing another award-winning budget format for Fiscal Year 2026.



AS IN PREVIOUS YEARS, OUR BUDGET BOOK WILL BE SUBMITTED FOR CONSIDERATION OF ADDITIONAL GFOA AWARDS AND RECOGNITIONS.

In accordance with the Charter of the Town of North Kingstown,
I hereby submit the proposed Annual Budget for Fiscal Year
ending June 30, 2026.

A handwritten signature in black ink, appearing to read "A. Ralph Mollis".

A. Ralph Mollis,
Town Manager

I want to thank our Department Heads on recognizing these challenges and compiling departmental budgets that continue to provide outstanding services and exciting initiatives while keeping in mind impact on our taxpayers.

This has been one of the most challenging budgets this community has seen due to current economic conditions coupled with:

- the state-mandated statistical property revaluation
- elimination of the motor vehicle tax and personal property tax exemption
- the state deficit
- reduction in state aid to education
- the impacts of an increased minimum wage
- labor negotiations during a period of high inflation with our employees earning less than their peers
- and attempting to finance voter approved school and public safety bond projects with RIDE reimbursements and our debt cliff.



As I propose our FY26 Budget, I would like to look back for a moment on a remarkable year.

We celebrated our town's 350th Anniversary with a year-long celebration of more than 70 individual events; enacted a budget which called for no tax increase; broke ground on the highly-anticipated upgrade and renovation to Yorktown Park; completed renovations and additions to multiple state-of-the-art parks; embarked on climate resiliency projects; and improved communication strategies and information notification for our residents, just to name a few.

North Kingstown is a sought-after destination for visitors, residents, and businesses.





2025-2026 BUDGET OVERVIEW

	FY 2025	FY 2026	% CHANGE
MUNICIPAL EXPENDITURES (ADMINISTRATION, IT, SENIOR CENTER, RECREATION, PLANNING, CIVIC CONTRIBUTIONS, UTILITIES, ETC.)	38,421,695	40,276,780	3.4%
SCHOOL DEPARTMENT (TOWN APPROPRIATION)	61,416,009	63,504,153	3.4%
QUONSET DEVELOPMENT CORPORATION MUNICIPAL SERVICES	691,015	757,347	9.6%
LIBRARY	1,700,791	1,761,141	3.6%
DEBT SERVICE	5,258,039	5,849,317	11.25%
STATE AID TO EDUCATION	13,494,792	13,462,455	0%

SCHOOL APPROPRIATIONS BY MUNICIPALITY



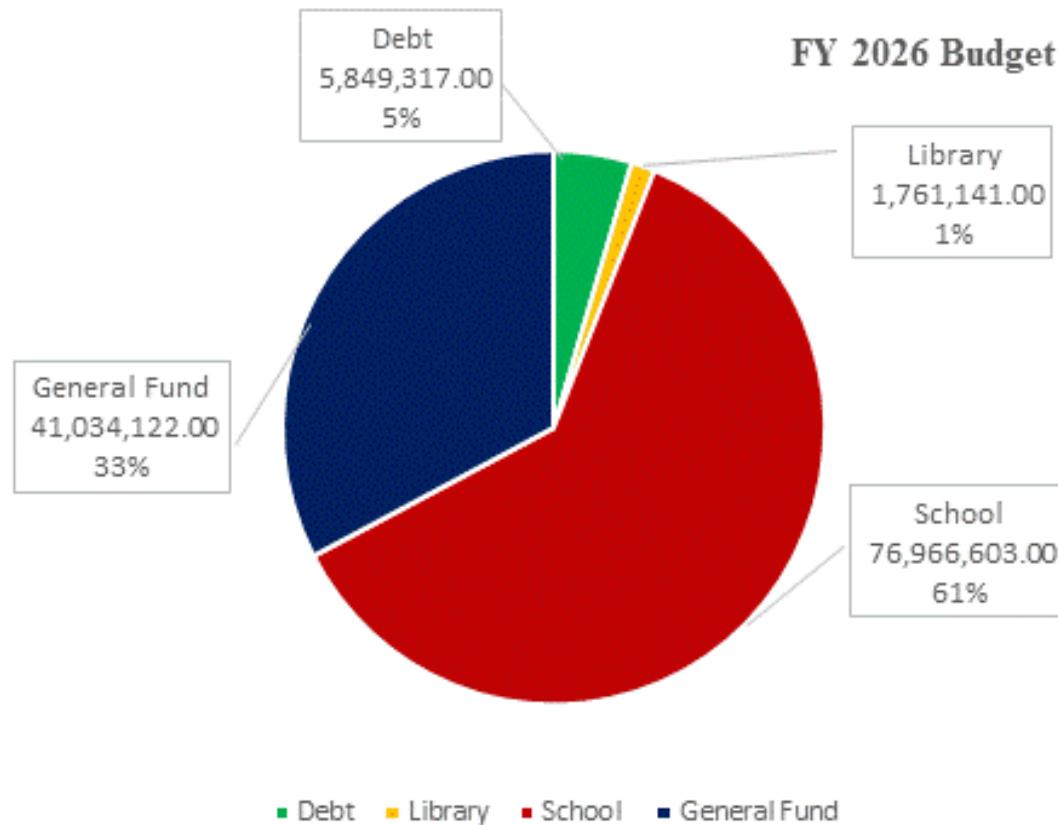
Statistically, North Kingstown has been one of the most generous communities in all of Rhode Island in our annual appropriation to our School Department, averaging 3.3% in annual increases over the past four years.

In comparison, other communities provided an average of a 1.69% during this same time period.

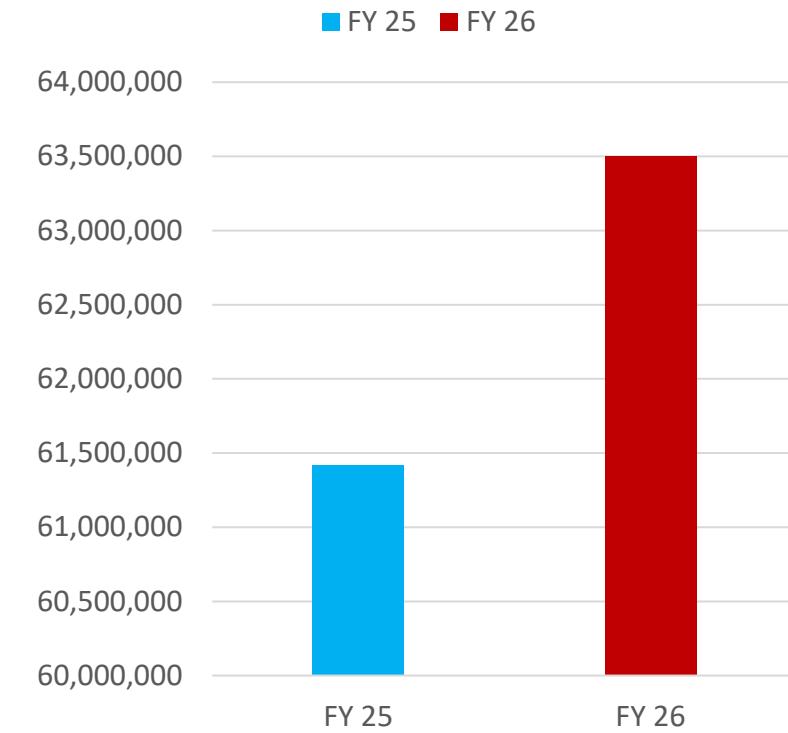
	FY 2022	FY 2023	FY 2024	FY 2025	4-YR AVERAGE
NORTH KINGSTOWN	3.7%	2.5%	3.9%	3.1%	3.3%
EAST PROVIDENCE	1.3%	4.0%	3.7%	2.6%	2.9%
LITTLE COMPTON	2.6%	3.4%	2.3%	3.0%	2.9%
FOSTER	1.0%	5.2%	1.6%	2.8%	2.6%
PORTSMOUTH	2.3%	1.7%	3.4%	2.7%	2.5%
COVENTRY	3.3%	2.9%	1.0%	1.0%	2.0%
NEW SHOREHAM	1.9%	1.9%	3.0%	4.0%	2.7%
SCITUATE	2.8%	2.3%	1.3%	3.0%	2.4%
EAST GREENWICH	1.8%	1.7%	2.5%	4.0%	2.5%
NARRAGANSETT	1.5%	2.0%	1.3%	2.4%	1.8%
LINCOLN	0.3%	1.8%	2.5%	2.9%	1.9%
SMITHFIELD	1.0%	1.0%	2.3%	3.4%	1.9%
BURRILLVILLE	0.0%	2.1%	1.2%	1.9%	1.3%
NEWPORT	1.0%	0.0%	2.0%	3.4%	1.6%
WESTERLY	1.2%	0.0%	0.0%	0.0%	0.3%
WOONSOCKET	0.0%	0.9%	0.0%	0.1%	0.3%
NORTH PROVIDENCE	0.0%	0.0%	0.0%	2.5%	0.6%



FY26: LEADERSHIP IN FUNDING EDUCATION CONTINUES



This Proposed FY26 Budget calls for a 3.4% increase from last year in the town appropriation to our schools.



FY2026 PROPOSED BUDGET: MUNICIPAL HIGHLIGHTS

INFORMATION TECHNOLOGY

11%

Receiving the endorsement of our ITAC Committee, we are funding an increase in the Information Technology budget to continue to protect our IT infrastructure, replace end-of-life equipment, and invest in modern hardware and software to strengthen our defenses for cybersecurity.

ROAD PAVING & MAINTENANCE



Continuation of our commitment to improve over 150 miles of paved roads in our community, with an appropriation of \$750,000.

SENIOR & HUMAN SERVICES



FY26 Proposed Budget includes a 6.5% increase for the Senior & Human Services, reflecting the growth in programming we've seen with participation returning to pre-COVID levels with 56,846 visits in 2024, a 131% increase from 2021.

RECREATION



Programming for all ages continues to be funded, included our highly sought after and affordable Summer Camp.

COMMUNITY POLICING INITIATIVES

UTILITY SAVINGS WITH REMOTE NET METERING

INITIAL FUNDING OF SCHOOL & PUBLIC SAFETY CAPITAL PROJECTS

AND MORE!

ENTERPRISE FUNDS

These are self-supporting funds generating revenue from users and are funded outside of the General Fund. They have no impact on our tax rate.



	FY 25 REVENUES	FY 26 REVENUES	FY 25 EXPENDITURES	FY 26 EXPENDITURES
GOLF COURSE	2,354,300	2,378,250	2,315,110	2,378,250
MUNICIPAL COURT	202,096	301,363	202,096	301,363
SEWER	2,044,993	2,108,504	2,419,412	2,280,198
TRANSFER STATION	1,276,880	1,263,871	1,390,103	1,385,636
WATER	6,900,474	5,924,994	6,900,475	5,924,994
ALLEN HARBOR	476,900	438,805	437,657	450,273

FUNDING OUTSIDE OF OUR MUNICIPAL BUDGET

AS MENTIONED IN OUR NEW, TWICE MONTHLY EMAIL NEWSLETTER

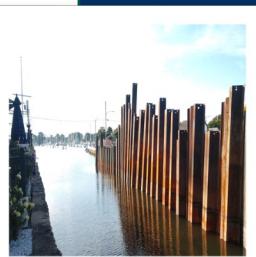


POST ROAD/WEST MAIN ST. SIDEWALKS



\$8M estimated cost, covered by federal loans, grants, and state funds to replace sidewalks in disrepair and install sidewalks, drainage, and ADA accessibility where they don't currently exist along approx. 2.5 miles of a heavily trafficked transportation artery and connection to other communities.

WICKFORD WATERFRONT PROJECT



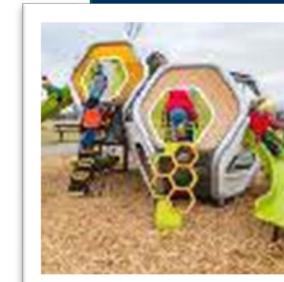
Project to address climate resiliency of our Brown St. Municipal Parking Lot in Wickford Village, to include the reconstruction of an existing seawall inline with RI Historic Preservation Commission guidelines to minimize flooding, regrading of the parking lot, installation of pervious paving, the incorporation of bioswales in upgraded landscaping, lighting and signage

SEA WALL REVETMENT AT TOWN BEACH



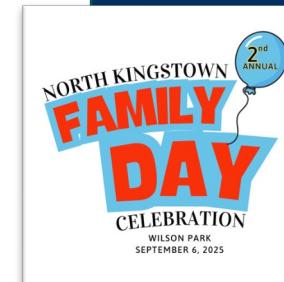
Funded by an OSCAR grant from CRMC, the Town will be able to procure \$300,000 in engineering services to design a project redesigning the existing sea wall which has sustained damage from storms and building on earlier collaborations with Save The Bay and CRMC for technically feasible solutions to enhance long-term resiliency at our Town Beach.

RENOVATIONS TO YORKTOWN PARK



Funded in FY25 with ARPA funds, the significant construction at Yorktown Park includes grading and drainage improvements, walkway repairs, landscaping, new playground equipment, pavilion repairs, improved lighting, upgraded seating, workout and play features, as well as permanent yard game installations.

NORTH KINGSTOWN FAMILY DAY



Community-funded through individual donations and in-kind and business sponsorships, Family Day 2025 will provide a free day of fun to residents and family members of all ages at Wilson Park. It will showcase community organizations, offer fun interactions with our Public Safety departments, and much more to continue the momentum and community spirit that started with our 1st Family Day commemorating our 350th Anniversary last year.

ASSET MANAGEMENT COMMISSION

Recognizing the hard work and efforts of our Asset Management Commission, this FY26 Proposed Budget also addresses many of the priorities they listed in this year's Capital Improvement Plan.

Over the next 15 months, we intend to address studies for the Water Department's Well 3 Replacement and Water Line Infrastructure project along Post Road and Poplar Point; assess our Water Lines; continue road maintenance; begin renovations at the Municipal Office Building; begin HVAC improvements at our Senior Center; work toward Community Center improvements; and many other initiatives to maintain and protect our existing infrastructure.

AMC Recommended Projects by Fund

PROJECT	General Fund	Enterprise Funds	Authorized Bonds	Unauthorized Bonds	Grants/Other	Unallocated
Well 3 Replacement Project	\$0	\$600,998	\$0	\$0	\$0	\$0
Water Main Condition Assessment	\$0	\$150,000	\$0	\$0	\$0	\$0
Poplar Point New Water Main Planning	\$0	\$50,000	\$0	\$0	\$0	\$0
Golf Course Irrigation Pond	\$0	\$76,500	\$0	\$0	\$0	\$0
Road Maintenance	\$1,609,824	\$0	\$0	\$0	\$390,931	\$0
Municipal Office Building	\$40,000	\$0	\$0	\$0	\$1,250,000	\$0
Air Handler / Air Exchanger Replacement	\$0	\$0	\$0	\$0	\$0	\$106,000
HVAC Control System Expansion & Upgrade	\$0	\$0	\$0	\$0	\$0	\$12,700
Beach Wall	\$60,000	\$0	\$0	\$0	\$305,000	\$0
Facility Improvements/ Maintenance	\$800,000	\$0	\$0	\$0	\$0	\$0
Senior Center HVAC Improvements (ongoing)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$7,927,124	\$1,975,898	\$148,000	\$19,120,000	\$2,945,931	\$125,300

Note this does not include the school projects nor 2024 Bond Referendum Projects

CIP Rankings

- Four Funding Sources
 - Enterprise Funds
 - Non-Enterprise Funds
 - School Revolving Fund Projects
 - School Unfunded Projects
- All 8 members submitted priority rankings
 - 1 being lowest priority; 5 being highest priority
 - 40 would be highest possible score
- Projects funded by the recently passed Bond Referendum were excluded from this analysis

In addition to maintaining and preserving physical Town assets in the FY26 Proposed Budget, we are committed to funding our most valuable asset, our employees.

I regularly receive compliments regarding our staff's professionalism, work ethic, and dedication, across departments and job hierarchies; from our DPW plow drivers' going above and beyond to repair minor damage from snow removal, to administrative staff being consistently responsive and attentive to a variety of concerns, and a host of examples in between.

A 2024 municipal salary survey comparing similarly situated communities, revealed our employees are, on average, compensated below their peers.

This FY26 Proposed Budget provides funding improvements via negotiated Collective Bargaining Agreements to close that gap.

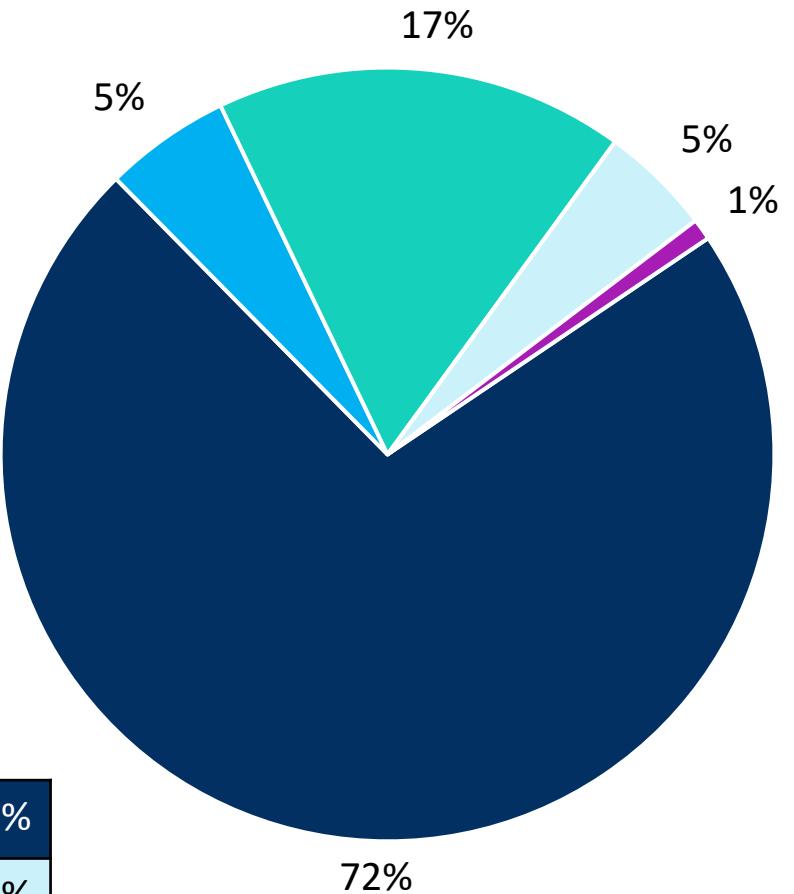


FUNDING THE FY26 PROPOSED BUDGET

Revenue in our budget provides us with funding to attain our goals and sustain our accomplishments.

We are able to propose a budget with tax rates among the lowest in Rhode Island because of our successes with PILOTs at Quonset, interest revenue from our surplus, our Finance Department's efforts to maximize revenues, our successful grant applications, and a strong cash balance.

RESIDENTIAL, COMMERCIAL & TANGIBLE TAXES	90,082,587	72%
QUONSET BUSINESS PARK PILOTS	6,595,027	5%
STATE AID/MOTOR VEHICLE REIMBURSEMENTS	21,403,512	17%
DEPARTMENTAL REVENUES & ALL OTHERS	5,812,434	5%
HOTEL, MEAL & BEVERAGE TAXES	1,112,956	1%



TAX EXEMPTIONS

FY 2024	TAX RATE	#	TOTAL EVALUATION ELIGIBLE
BLIND	6,883	16	480,000
SR. INCOME	231,594	135	16,150,230
DISABLED	5,081	8	354,340
GOLD STAR	473	3	33,000
INCOME	3,080	5	214,775
VETERAN	217,385	1,208	15,159,330
VETERAN DISABLED	12,771	61	890,60
DISABLED H.	5,406	1	377,000
FLAT ELDERLY	959,776	2,231	66,930,000
HOMESTEAD	2,429,274	6,612	169,405,453
TOTAL	3,871,724	10,280	269,994,728

We are also able to maintain significant assistance to generations of residents with over \$3.8M in direct tax relief through tax exemptions in the FY 26 Proposed Budget.

TAX RATES

While it is very preliminary, we understand there is concern about the tax rate resulting from the historic increase in property values from the recent state-mandated statistical revaluation.

	FY 2025 ACTUAL		FY 2026 PROPOSED BUDGET
RESIDENTIAL	14.34	⬇	11.05
COMMERCIAL	16.28	⬇	14.79
TANGIBLE/PERSONAL PROPERTY	17.28		17.85
*HOMESTEAD EXEMPTION RATE (5% REDUCTION)	13.62	⬇	10.50

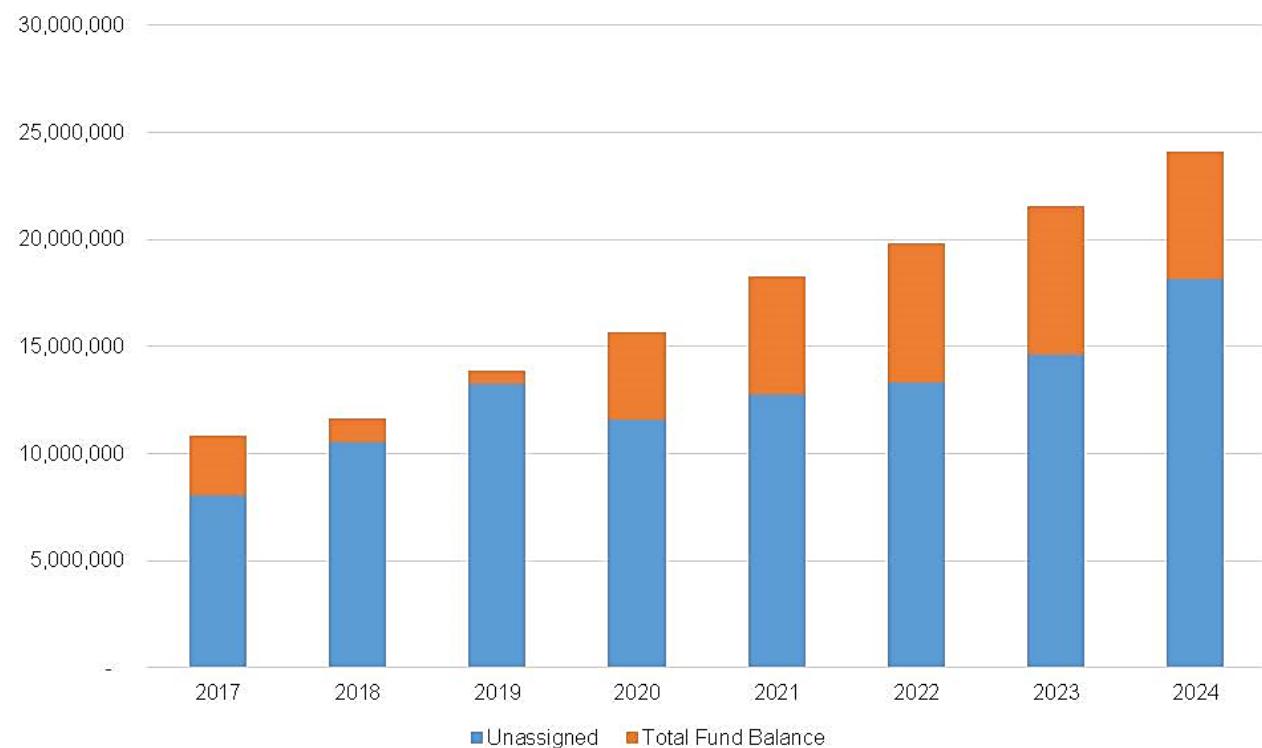
These reductions are possible due to our solid financial foundation, producing continuous balanced budgets and an unrestricted Surplus/Fund Balance growth shown on the next slide.

FUND BALANCE

The Proposed FY26 Tax Rate reductions are possible due to our solid financial foundation, producing continuous balanced budgets and an unrestricted Surplus/Fund Balance growth from \$7.5M in 2017, to \$18.2M in 2024.

This surplus is critical as we endeavor to finance our upcoming voter-approved Bond Projects with maximum reimbursement and our debt cliff.

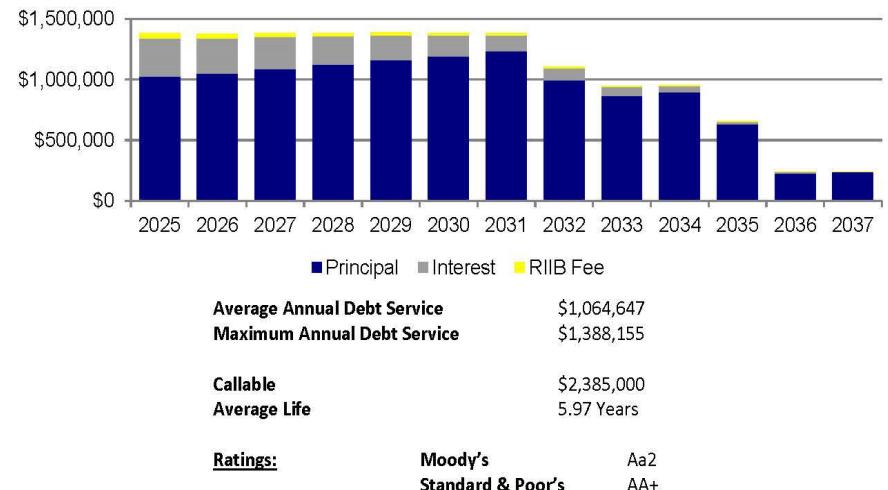
Fund Balance: Last Eight Years



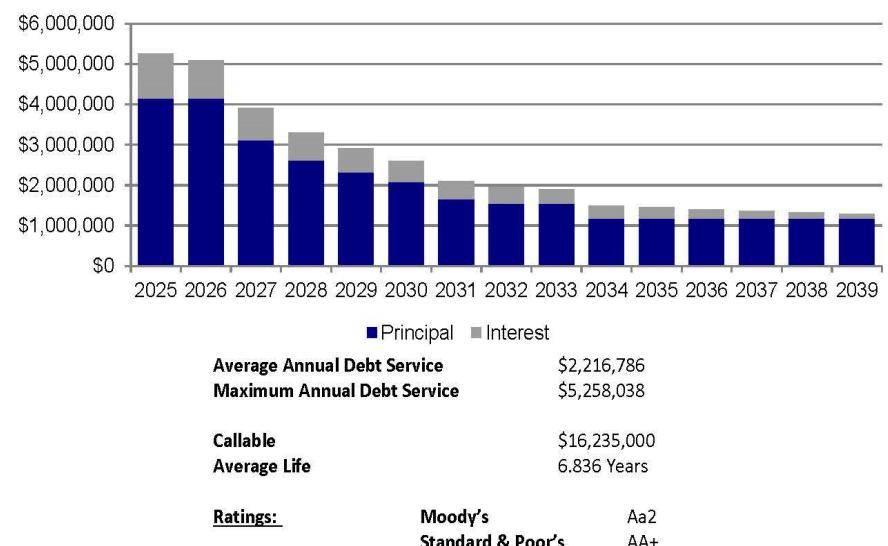
DEBT

As of June 30, 2024 at the close of Fiscal Year 2024, the Town has an outstanding balance of \$47,939,091 on general obligation bonds. This represents 26.63% of the Town's debt limit threshold.

Enterprise Fund Debt
As of June 30, 2024



General Fund Debt
As of June 30, 2024



NORTH KINGSTOWN



RIDE-rated 5-star elementary school in 2024

Leader in State for Levels of Town Appropriation Funding Education

#1 Best Places to Raise a Family/Washington County (Niche)

Among largest collection of historic colonial homes in America

#2 Best Historic Small Town in America/2024 by USA Today Reader's Choice poll

Decreases in student absenteeism in 2024

#1 Best Suburb to Buy a House/Washington County (Niche)

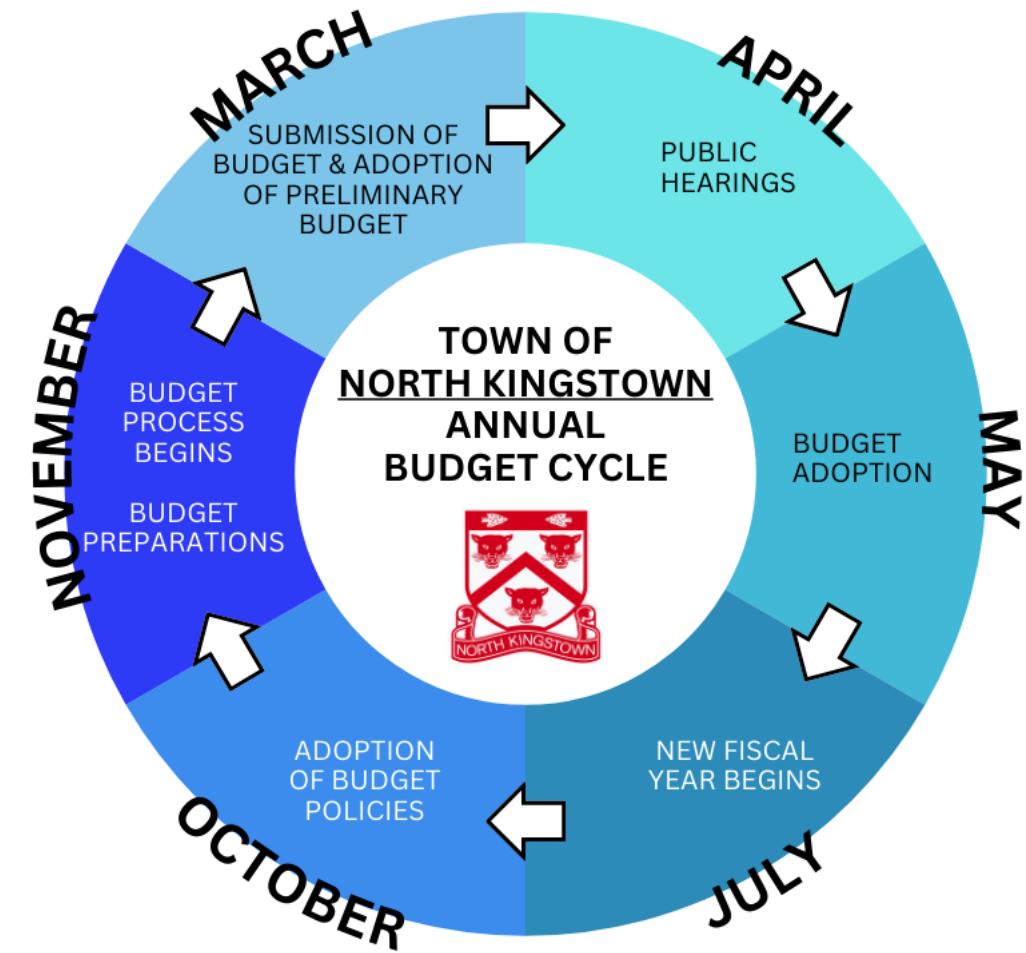
**Multiple North Kingstown businesses recognized in RI Monthly/2024 Annual Awards for South County, including:
Best Latin Restaurant (El Tapatio), Diner (Jigger's South), Coffee Shop (Jitters Café), Vintage Store (Re Antiques & Interiors), Fitness Studio (Wild Flow), Gift Store (Serendipity), Local Event (Wickford Harbor Fire), & Florist (Flowers by Bert & Peg)**

**Multiple North Kingstown
businesses recognized in the RI
Monthly Best Awards Hall of Fame
(Del's Lemonade & Allie's Donuts)**

FY2026 BUDGET PROCESS

The next steps for our FY26 Budget will be Budget Sessions with Town Council and the Administration on March 18th, followed by the planned adoption of the Preliminary Budget, and **Public Hearings on April 21st**.

I encourage residents to join us on April 21st as we strive to adopt a budget which builds on our successes with continued momentum.



Thank you.



A. Ralph Mollis,
Town Manager



March 10, 2025



Photo Credit: Library of Congress