



Town of North Kingstown, Rhode Island

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Budget Message March 13, 2023

In accordance with the Charter of the Town of North Kingstown, I hereby submit to the Honorable Town Council, the Annual Budget proposed for Fiscal Year ending June 30, 2024.

The Fiscal Year 2024 Budget reflects a zero-based budgeting process as required by the Town Council. While some adjustments have been made during this lengthy budget process, these departmental budgets have been compiled by department heads with a goal of continuing to provide the outstanding level of services our residents have come to expect.

This Fiscal Year 2024 Budget also continues the Government Finance Officers Association Distinguished Budget Presentation award winning format we designed and introduced in Fiscal Year 2019. This award recognizes our efforts to present a budget in a format that is informative, transparent, and easy to read for our residents.

I want to thank the dedicated workforce and department heads within our municipal team for their hard work. The employees of our town have developed a reputation of being responsive to the needs of our residents and businesses while also being effective and efficient. Through their efforts, we have introduced new ways to conduct business, provide services and improve services during challenging times. The budget presented this evening reflects that dedication and innovation.

The General Fund portion of the Fiscal Year 2024 Budget reflects a total increase of just over \$3.4 million, or what amounts to a 3% increase in expenditures over Fiscal Year 2023. \$2,072,341 of that increase, or 61%, is the requested and allocated increase being provided to the School Department's Budget. The General Fund portion of our budget provides outstanding services to a growing population of senior citizens, an award-winning student body, outstanding public safety, efficient municipal operations, maintenance of over 150 miles of paved town roads, state-of-the-art parks & playgrounds, recreational services, coastal management, economic development, snow removal and maintenance of over 200,000 square feet of municipal buildings. A detailed summary of expenditures can be found in the budget book with the preceding pages providing details per department.

Sixty two (62%) of the proposed General Fund Budget is allocated to our School Department. 19% of the General Fund Budget expenditures goes towards Public Safety. Over 6% of the Budget expenditures is allocated towards Public Works and Utilities. 4.57% of our General Fund Budget is comprised of debt service for both School Department and Town debt. These groups make up the largest portions of our Fiscal Year 2024 Budget.

While many difficult decisions were made to reduce the General Fund Budget as much as possible, the Fiscal Year 2024 Budget builds on the many exciting projects and improvements we've made over the past year and budgets for important initiatives to take place this upcoming year:

- Funding for plans for our 350th Anniversary Celebration in 2024
- Renovations of our Municipal Office Building
- Renovations at McGinn and Wilson Parks to resurface our basketball courts, tennis courts, provide additional and dedicated pickleball courts, additional seating, and potential relocation of a new volleyball court.
- Upgrades to our Community Center
- New LED lighting at Ryan Park and McGinn Park
- AEDs throughout our town as we embark on becoming a "4 minute city"
- \$700,000 of road paving
- Much needed improvements and repairs to our Senior Center building
- Increased funding of OPEB
- Two additional Police Officers to bring our four shifts to full complement
- Funding of the priorities outlined within the CIP of our Asset Management Commission
- Continued improvements at our premier Municipal Golf Course and Allen Harbor

These initiatives are just some of the plans we have for the remainder of Fiscal Year 2023 and upcoming Fiscal Year 2024 and begins putting our growing Fund Balance to good use thereby reducing the impact of these one-time initiatives on the taxpayer.

The proposed Fiscal Year 2024 Budget is also comprised of vital Enterprise funds which are self-supporting and funded outside of the General Fund. These departments provide valuable services to our residents and are self-sufficient, meaning they are funded by the users of the fund and not the General Fund. The Enterprise Funds consist of our award-winning Water Department, one of the best conditioned and most popular municipal Golf Courses in Rhode Island, a municipally owned and operated Allen Harbor, our Transfer Station, Sewer Department and Municipal Court. Details of these individual budgets can be found on pages towards the back of the budget book.

While most of our budget deliberations will focus on departmental expenditures, it is the revenue portion of our budget that sets the tone for the upcoming year. We have been very successful with our financial accomplishments over these past few years. Our budgetary surpluses, growth of our unassigned Fund Balance to over \$12 million, strong collection percentages, strong controls leading towards expenditures less than budgeted, on time Audits and recognition and awards from GFOA have been just some of the accomplishments that have led to our AA+ rating by S & P Global Ratings. A

detailed and comprehensive list of all revenue sources can be found in the budget book with detailed back-up information in the preceding pages.

North Kingstown is also generous in the exemptions we provide to our residents, led by the Homestead Exemption enacted last year. North Kingstown is projected to provide, within this Fiscal Year 2024 Budget, over \$3.8 million in exemptions to our residents. In addition to the exemptions, we've been able to stabilize our tax rate with no tax increase in Fiscal Year 2021, an average increase of 1.2% over Fiscal Years 2021 & 2022 and a reduction in the rates via the Revaluation in Fiscal Year 2023. While it is too early in the assessment process to determine an exact tax rate, the budget being proposed using the current preliminary assessment figures in order to totally fund the School Department Budget request and the municipal General Fund portion of the budget will call for an increase in the tax rate of 2.2%, leading to a residential rate of \$14.37, commercial rate of \$16.31 and a tangible rate of \$17.89. As we know, the Motor Vehicle Tax was phased out last year.

As stated previously, this budget continues to build on our success over these past few years and we have a lot to be proud of. Our programs and services are complimented from visitors and residents alike. We live in an outstanding community. The Fiscal Year 2024 budget provides a conservative approach to budgeting, maintains flexibility, maintains our strong fund balance, and provides a quality of services our residents deserve.

As we look to next year and our celebration of our 350th anniversary of becoming a Town, we are increasing our social media presence and have redesigned our website to provide information and connection to many generations of North Kingstown residents. I encourage everyone to follow us on our social media platforms and utilize our website for valuable information and easy-to-use online services.

The next steps in the budget process will be a budget session between the Town Council and Department Heads during the day on March 16 and in the evening of March 20. These sessions will be held at our Municipal Office Building at 100 Fairway Drive. This will be followed by the adoption of the Preliminary Budget by the Council during the evening of March 20 and a public hearing to be held at our Town Hall on April 19. I look forward to working with the Town Council in the days ahead as you meet with our Department Heads, receive input from our residents, and adopt a budget that builds on the progress we've made.

Thank you.

Sincerely,



A. Ralph Mollis
Town Manager