

CITY OF KINGSTON

Office of the Mayor

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Steven T. Noble
Mayor

October 17, 2025

Dear President Shaut,

With this letter, I present my 2026 Recommended Budget for the Common Council's review and consideration.

From 2016 to 2024, tax rates steadily declined with no growth to our tax levy. During those eight years, we were able to make major investments in infrastructure, implement forward-thinking sustainability efforts, and pay down existing debt.

The financial stressors and employee benefit increases we experienced in 2025 have not lessened, and unfortunately, sales tax-- a major source of revenue for the City of Kingston-- has flattened. To continue to invest in our critical infrastructure, maintain City services, support staff contract and benefit increases, accommodate exponential rises in insurance premiums and deductibles, and continue operation of the City's new ambulance service, my 2026 Recommended Budget includes a tax rate increase of 9.89%.

A few of the key points of the 2026 Recommended Budget include:

- 0 layoffs of current staff
- Overall Spending increases by 5.7%
- Amount to be raised by taxes is increased by 9.89% to \$21,496,726.
- Homestead rate at \$10.78 (per thousand)
- Non-homestead at \$16.78 (per thousand)
- Low Fiscal Stress Score (6.7 out of 100)
- Funding set aside to settle all three union contracts
- Prior investment in equipment across departments eases Capital Plan costs in 2026
- Sewer Rate set at \$8.19

After weeks of careful calculation and thoughtful deliberation, the 2026 Recommended Budget reflects the financial pressures the City is facing. This budget will continue to provide excellent City services, continue to operate our own ambulance service and EMS care, invest in a new fire station and support the staff who deliver these services, while minimizing costs as much as possible. We will do all we can to prevent overburdening our taxpayers, and so this budget reflects a very restrained spending agenda.

I have also attached our proposed Capital Plan. I appreciate the Council's thoughtful consideration of my Recommended Budget and look forward to working together for our community.

Respectfully Submitted,

Steven T. Noble
Mayor