

TOWN OF BARNSTABLE, MASSACHUSETTS



Sandy Neck Beach

FISCAL YEAR 2026 TOWN MANAGER'S PROPOSED OPERATING BUDGET

**Mark S. Ells
Town Manager**

Table of Contents

SUMMARY OF ALL APPROPRIATED FUNDS.....	2
GENERAL FUND REVENUE SUMMARY	4
GENERAL FUND EXPENDITURE SUMMARY	9
SCHOOL DEPARTMENT – GENERAL FUND	10
CAPE COD GATEWAY AIRPORT ENTERPRISE FUND.....	12
POLICE DEPARTMENT – GENERAL FUND	14
PLANNING & DEVELOPMENT DEPARTMENT – GENERAL FUND.....	15
COMMUNITY SERVICES DEPARTMENT – GENERAL FUND	16
GOLF COURSE ENTERPRISE FUND	17
HYANNIS YOUTH AND COMMUNITY CENTER ENTERPRISE FUND	19
MARINE & ENVIRONMENTAL AFFAIRS DEPARTMENT – GENERAL FUND	21
MARINA ENTERPRISE FUND.....	22
SANDY NECK ENTERPRISE FUND	24
INSPECTIONAL SERVICES DEPARTMENT – GENERAL FUND.....	26
DEPARTMENT OF PUBLIC WORKS – GENERAL FUND	27
SOLID WASTE ENTERPRISE FUND.....	29
WATER POLLUTION CONTROL ENTERPRISE FUND	31
WATER SUPPLY ENTERPRISE FUND.....	33
TOWN COUNCIL DEPARTMENT – GENERAL FUND	35
TOWN MANAGER DEPARTMENT – GENERAL FUND.....	36
PUBLIC, EDUCATIONAL, AND GOVERNMENTAL ACCESS ENTERPRISE FUND.....	37
ADMINISTRATIVE SERVICES DEPARTMENT – GENERAL FUND	39
OTHER REQUIREMENTS – GENERAL FUND	40
COMMUNITY PRESERVATION FUND ADMINISTRATION EXPENSES AND FY 2026 PROGRAM SET-ASIDES.....	42
REVOLVING FUNDS FY 2026 REVOLVING FUND SPENDING LIMITS.....	43
FULLY ALLOCATED BUDGET	44
DIRECT OPERATING EXPENDITURES BY DEPARTMENT	44
ALLOCATION OF EMPLOYEE BENEFITS.....	45
ALLOCATION OF OTHER FIXED COSTS IN THE GENERAL FUND.....	46
FULLY ALLOCATED BUDGET BY DEPARTMENT.....	47
ALLOCATION OF NON-PROPERTY TAX RESOURCES IN THE GENERAL FUND	48
ESTIMATED PROPERTY TAX ALLOCATION BY DEPARTMENT	49
ALLOCATION WORKSHEET – EXPENDITURES / RESOURCES	50

SUMMARY OF ALL APPROPRIATED FUNDS

Fund	Actual FY 2024	Budget FY 2025	Budget FY 2026	Change FY25- 26	Percent Change
General Fund	\$198,531,322	\$213,847,689	\$224,418,860	\$10,571,171	4.94%
Airport Enterprise	9,946,717	11,918,799	12,508,718	589,919	4.95%
Golf Enterprise	3,612,605	3,984,186	3,903,566	(80,620)	-2.02%
HYCC Enterprise	3,434,636	3,926,883	4,045,476	118,593	3.02%
Marina Enterprise	492,672	780,068	803,433	23,365	3.00%
PEG Enterprise	656,838	881,383	981,237	99,854	11.33%
Sandy Neck Enterprise	905,823	1,087,579	1,165,364	77,785	7.15%
Solid Waste Enterprise	3,530,963	4,258,424	4,434,258	175,834	4.13%
Water Pollution Control Enterprise	5,381,540	10,934,823	11,519,290	584,467	5.35%
Water Supply Enterprise	5,710,223	9,109,330	9,553,729	444,399	4.88%
Total All Budgeted Funds	\$232,203,338	\$260,729,164	\$273,333,931	\$12,604,767	4.83%

**Enterprise Funds reflect direct operating costs only. Indirect chargebacks from the General Fund are excluded.*

The Town of Barnstable's total proposed FY 2026 operating budget for all appropriated funds is \$273,333,931. This is an increase over the approved FY 2025 budget of \$260,729,164 or 4.83%. In addition to the General Fund, these figures include the Town's nine Enterprise Fund operations.

The General Fund accounts for revenues and expenditures necessary to provide general government services. By definition, all financial resources that are not required to be accounted for in other funds are accounted for in the General Fund. This fund receives all property tax revenue except for property tax surcharges for the Community Preservation Act. User fees primarily support Enterprise Fund operations when residents access the Enterprise Fund services. The fees charged by the Enterprise Fund operations are set at levels that should allow them to cover all operational and capital costs unless a General Fund subsidy is necessary.

The **General Fund** proposed budget is increasing \$10.5 million, or 4.94% higher. All departments (except Golf Enterprise Fund) see increased budgets over the previous fiscal year. Major factors contributing to these increases are primarily contractual labor obligations and inflationary pressures. Fixed costs including employee benefits are up \$3.6 million or 5.75%, primarily due to the increase in pension assessments and debt service. Spending on local education has increased 4.75% with some budget reductions to curb budget growth. It is anticipated a \$400,000 snow and ice deficit from FY 2025 will be included in the FY 2026 budget.

The **Airport Enterprise Fund's** direct operating expenses are increasing by \$589,919 or 4.95%. This increase is due to contractual labor obligations and inflationary increases in operating costs.

The **Golf Course Enterprise Fund's** FY 2026 budget reflects a decrease of \$80,620, or 2.02%, in direct operating expenses. While personnel costs and funding for fertilizer and Pro Shop supplies have increased, overall expenses are reduced due to a significant decrease in debt service obligations.

The **HYCC Enterprise Fund's** FY 2026 budget shows a \$118,593 (3.02%) increase in direct operating expenses, primarily due to higher costs for maintenance contracts and building upkeep. However, updated electricity estimates have been lowered, offering some offsetting budget relief.

The **Marina Enterprise Fund's** direct operating expenses are increasing by \$23,365, or 3.00% due to contractual obligations.

The **PEG Enterprise Fund's** direct operating expenses are increasing \$99,854 or 11.33% due to contractual obligations and the addition of an Assistant Channel Manager. Minor decrease in operating capital needed (\$50,000) in FY 2026.

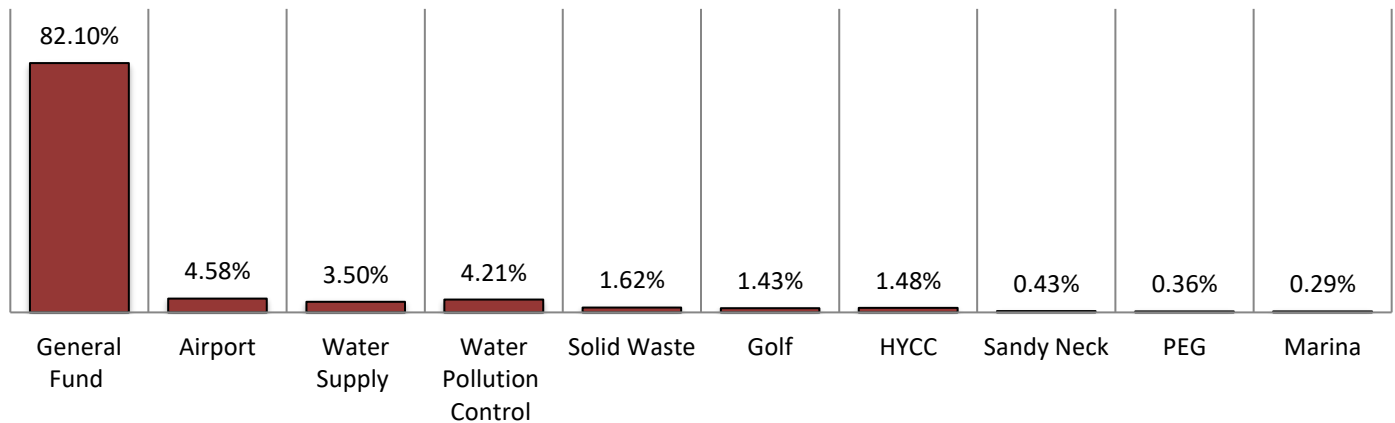
The **Sandy Neck Enterprise Fund's** direct operating expenses are increasing \$77,785, or 7.15%. The budget includes contractual increases. The majority of the increase is for Capital Outlay increasing by \$45,100.

The **Solid Waste Enterprise Fund's** direct operating expenses are increasing \$175,834, or 4.13% as the budget includes additional funds for disposing household waste and recyclables, contractual obligations and overtime.

The **Water Pollution Control / Sewer Enterprise Fund's** direct operating expenses are increasing \$584,467, or 5.35%. This is attributable to contractual obligations and the increase in staff, 4.00 FTE, and operating costs to support the Comprehensive Wastewater Management Plan.

The **Water Supply Enterprise Fund's** direct operating expenses are increasing \$444,399, or 4.88%. This includes additional funding for the management contract of the water system as well as a new loan for water improvements issued in FY 2025.

Distribution of All Appropriated Funds



The General Fund comprises 82% of all spending for the funds requiring annual appropriation. The airport and water supply operations are the two largest enterprise funds in terms of spending.

GENERAL FUND REVENUE SUMMARY

Funding Category	Actual FY 2024	Projected FY 2025	Budget FY 2025	Budget FY 2026	Change FY25- 26	Percent Change
Tax Levy	\$ 143,955,136	\$ 149,441,843	\$ 150,454,000	\$ 156,180,804	\$ 5,726,804	3.81%
Reserved for Abatements and Exemptions	(1,232,692)	(1,270,547)	(1,436,038)	(1,298,577)	137,461	-9.57%
Property Taxes Available for Operations	\$ 142,722,444	\$ 148,171,296	\$ 149,017,962	\$ 154,882,227	\$ 5,864,265	3.94%
Other Taxes:						
Motor Vehicle Excise Tax	\$ 9,837,873	\$ 8,927,621	\$ 8,756,783	\$ 9,012,558	\$ 255,775	2.92%
Boat Excise Tax	120,990	125,808	120,000	125,000	5,000	4.17%
Motel/Hotel Excise Tax	2,136,795	2,119,360	2,100,000	2,125,000	25,000	1.19%
Payments in Lieu of Tax	-	35,000	-	39,000	39,000	0.00%
Total Other Taxes	\$ 12,095,658	\$ 11,207,789	\$ 10,976,783	\$ 11,301,558	\$ 324,775	2.96%
Other Resources:						
Intergovernmental	\$ 29,433,853	\$ 30,921,208	\$ 30,607,900	\$ 30,678,209	\$ 70,309	0.23%
Fines & Penalties	2,627,333	1,742,690	1,575,000	1,584,000	9,000	0.57%
Fees, Licenses, Permits	4,270,932	3,674,431	3,847,600	4,180,000	332,400	8.64%
Charges For Services	2,802,509	2,247,202	2,536,500	2,923,650	387,150	15.26%
Interest and Other	7,973,243	3,401,403	4,215,171	5,281,433	1,066,262	25.30%
Special Revenue Funds	828,150	828,150	828,150	930,000	101,850	12.30%
Enterprise Funds	3,367,265	3,378,599	3,729,155	4,072,097	342,942	9.20%
Trust Funds	190,000	190,000	190,000	180,000	(10,000)	-5.26%
Reserves	8,212,405	-	6,323,469	8,405,687	2,082,218	32.93%
Total Other Resources	\$ 59,705,691	\$ 46,383,683	\$ 53,852,945	\$ 58,235,076	\$ 4,382,131	8.14%
Total General Fund Resources	\$ 214,523,794	\$ 205,762,768	\$ 213,847,690	\$ 224,418,861	\$ 10,571,171	4.94%

Property taxes will provide 70% of the funding for the General Fund budget and are estimated to be \$156 million. The increase in the tax levy includes the statutory 2.5% increase over the prior year's base levy and an estimate of \$1,250,000 in new property tax growth. The tax levy set aside for abatement and exemptions of \$1.3 million results in an increase of \$5.8 million available to fund the operating budget. Intergovernmental Aid is the next largest category and provides about 14% of the funding for the General Fund budget. This is predominantly comprised of Chapter 70 Aid and Circuit Breaker Funding for education and Unrestricted General Government Aid. This is projected to increase \$70,309 in FY 2026 with a minimal change in Chapter 70. Aid anticipated. Other Taxes are projected to increase \$324,775. Motor Vehicle Excise is the largest other local receipt estimated at \$9.0 million in FY 2026. Transfers from special revenue funds, enterprise funds and trust funds are budgeted \$444,792 higher in FY 2026. This is mainly due to an increase in debt service costs in FY 25 which is funded with a transfer from the Capital Trust Fund. The budget is balanced using \$8.4 million of General Fund reserves. Reserve use is proposed at; \$3.7 million School operations. \$1.4 million Municipal operations, \$250,000 Town Council Reserve, \$400,000 Snow and Ice deficit and \$3 million for fixed costs.

It is projected that the General Fund will generate a surplus at the close of FY 2025 that will exceed the amount used to balance the FY 2026 budget.

Property Taxes: are projected to grow consistently with the provisions of Proposition 2½ and the Town Council's budget policy. No property tax overrides are proposed for FY 2026 to balance the operating or capital budgets. The formula used to calculate the projected tax levy for FY 2026 is as follows:

FY2025 Base Levy	\$ 148,914,452
Prop 2½ allowable increase (2.5% of base)	3,722,861
Estimated new property tax growth	1,250,000

Cape Cod Commission environmental tax	709,990
Debt exclusions	1,583,500
Less reserve for abatements & exemptions	(1,298,577)
FY2026 Tax Levy available for operations	\$ 154,882,227

Estimated new property tax growth is derived principally from new building construction. The Town Assessor works closely with the Inspectional Services Department and reviews building activity to arrive at the estimate for the ensuing year.

The tax for the Cape Cod Commission (CCC) is a tax that is added to the levy every year above the Proposition 2½ allowable increase. All Cape Cod communities pay this voter approved additional tax. The CCC assessments can only be increased by 2.5% every year and is allocated to all Cape Cod communities based on the community’s equalized valuation.

Debt exclusions are also voter approved initiatives that are added to the levy above the Proposition 2½ increase. These are equal to the debt service payments and they expire once the debt service expires. The town has one debt exclusion for its share of the debt service on the construction bonds issued to build the new regional technical high school.

Every year a provision for abatements and property tax exemptions must be made as well. For FY 2026 a provision of \$1,298,577 is being set aside, reducing the available property taxes to fund operations by this amount.

Stated in Millions					
	2026P	2027P	2028P	2029P	2030P
Base levy from prior year	\$ 148.91	\$ 153.88	\$ 158.98	\$ 164.20	\$ 169.56
Prop 2.5 increase	3.72	3.85	3.97	4.11	4.24
New growth	1.25	1.25	1.25	1.25	1.25
New base	153.88	158.98	164.20	169.56	175.05
Voter Approved Additions:					
CCC Environmental tax	0.70	0.72	0.74	0.75	0.77
Debt exclusions	1.58	1.57	1.56	1.55	1.54
Maximum allowable levy	156.16	161.27	166.50	171.86	177.36
Less reserve for abatements and exemptions	(1.29)	(1.32)	(1.36)	(1.39)	(1.42)
Property taxes available for operations	\$ 154.87	\$ 159.95	\$ 165.14	\$ 170.47	\$ 175.94

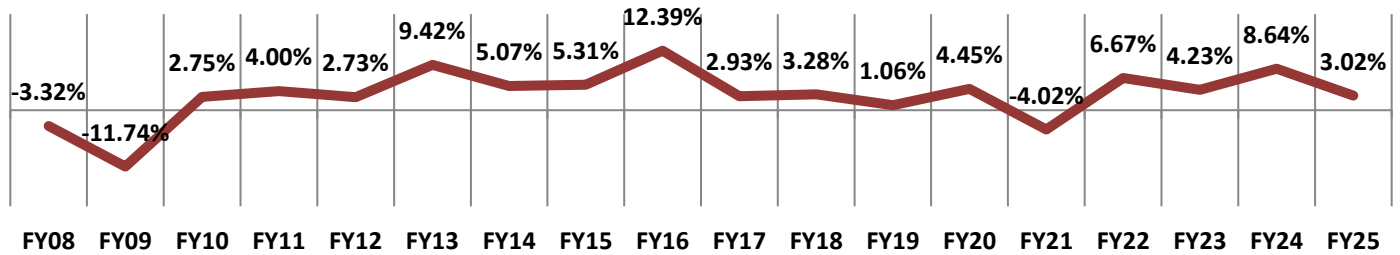
The projected tax levy for the next five years is estimated to grow from \$154 million to \$175 million. This represents about a 3.38 percent increase per year. It is expected that the Town will have to increase the base levy by 2.5 percent every year and a factor for new building growth. New property tax growth is expected to average about \$1,250,000 per year. The Cape Cod Commission assessment is projected to increase 2.5 percent per year. The approved debt exclusion override for the Cape Cod Regional Technical High School, is expected to affect the town’s tax levy for several years.

Motor Vehicle Excise Tax: Motor Vehicle Excise collections are authorized by Massachusetts General Law, Chapter 60A, Section 1. The excise tax is calculated by a formula of \$25 per \$1,000 of valuation. The tax is based on a percentage of the MSRP as follows:

- 90% of MSRP for model year the same as the tax year
- 60% of MSRP for model 1 year old
- 40% of MSRP for model 2 years old
- 25% of MSRP for model 3 years old
- 10% of MSRP for model over 3 years old

This category of revenue is difficult to project because of the many variables involved. These include the timing of the state in mailing commitments, the price changes in new vehicles, the volume of new vehicle purchases and leases, and changes in the economy. The Town receives a tax commitment from the State Department of Motor Vehicles every other month with the first and largest commitment usually issued in the month of January. This commitment is a good indicator of where this revenue category is trending. For the past several years, the January commitment has been as follows:

Motor Vehicle Excise Tax - January Commitment Annual % Change



The auto industry has recovered from the 2008 recessionary year. Locally, many dealerships have made significant investments in their properties; however, this revenue source may have maxed out its potential due to the tremendous growth over the years. The January commitment annual change has remained positive 15 out of 18 fiscal years. Recently, it dipped in FY 2021 during the pandemic but has recovered in the past two years.

Boat Excise Tax: The boat excise tax has always been a relatively small revenue source to the Town and is set at \$10 per \$1,000 of valuation by the state. Boat excise has not experienced the increases that motor vehicle excise has in recent years. The state imposes a maximum taxable value of \$50,000 on vessels. This category is projected to be level based on prior year collections.

Motel/Hotel Excise Tax: The Massachusetts Legislature enacted the Motel/Hotel Tax in 1985 as a local option excise tax on hotels, motels, and lodging houses (“bed and breakfasts”). The Commonwealth administers the tax by collecting the local option portion from business establishments and sending them back to the cities and towns on a quarterly basis. The local option tax is capped at 6%. The Town of Barnstable adopted this cap in July 2010. One-third of this revenue is dedicated for sewer expansion projects and certain qualifying private road improvements. Motel/Hotel tax revenues depend largely on room occupancy from year-to-year, the total number of room stock, as well as the base rates charged to consumers by hotels and motels. In better economic times, more rooms may be occupied during the Town’s tourist season, leading to potentially higher returns on the tax. The closure or conversion of rooms to condominiums reduces the number of room stock susceptible to the tax, potentially leading lower returns on the tax.

Payments in Lieu of Tax (PILOT): The Barnstable Housing Authority, a tax-exempt entity, provides an annual payment to the Town in lieu of taxes. A payment for state owned land is included under Intergovernmental Aid.

Intergovernmental: This category of revenue consists of several state aid classifications. Most notably are Chapter 70 (CH70) aid for education, and unrestricted general government aid. The estimate used for the FY 2025 budget proposal is based on the Governor’s proposed budget. The House and Senate will also propose budgets and then conference to reconcile their differences. Their budget is then sent to the Governor who can veto specific line items or make changes to state aid categories like CH70. The House and Senate can override any vetoes during late June or early July, after the Town has already approved its budget. As this is a political process, the Town has historically used the Governor’s proposal to develop its budget and make budget adjustments subsequent to the state budget passage if necessary.

The Department of Elementary and Secondary Education (DESE) administers the Chapter 70 formula. Before receiving any education aid, all districts are required to submit End-of-Year Pupil and Financial Reports to the Department. The data contained in these reports are used to demonstrate compliance with net school spending requirements. Net school spending is the sum of the required local contribution plus state aid. In most cases, actual net school spending is well above the required amount as calculated under the CH70 formula.

Fines & Penalties: This category is comprised of various charges by the Police Department (false alarms, and non-criminal violations), and the Town Treasurer/Collector (interest and penalties on the late payment of taxes). The revenue projection for FY 2026 is \$9,000 more than the FY 2025 budget.

Fees, Licenses, Permits: This category is comprised of various fees charged by the cemetery operations (burial, administration, and monument fees), Town Clerk (copies of vital statistics), Police Department (alarm registrations), licensing activities (beverage licenses, rental property registration, and rental car surcharges), Inspectional Services Department (building, electrical and plumbing permits) and Town Treasurer/Collector (municipal lien certificates). The revenue projection for FY 2026 is \$332,400 higher than the FY 2025 budget. The largest contributor to these revenue adjustments is strong building permit collections.

Charges for Services: This category is mainly comprised of recreational revenues (beach stickers and beach parking) and police outside detail services. The projected revenue is \$387,150 higher in FY 2026.

Interest and Other: This category is mainly comprised of revenue from renewable energy projects and investment income and special assessments. The renewable energy projects generating revenue include the solar arrays at the transfer station in Marstons Mills and the airport. Interest income depends almost entirely on the timing and amount of revenue collections, expenditure disbursement, interest rates, and the investment vehicles available to the Town. This category increased \$1.0 million in FY 2026, as adjustments are made to reflect the strong investment earnings experienced in recent years and renewable energy projects running at capacity.

Special Revenue Funds: This category of revenue is projected to increase \$101,850 and includes revenue from embarkation fees, parking fees collected at Bismore Park, mooring fees and conservation fees collected under the Wetlands Protection Act. These fees are all required to be accounted for within the Town’s Special Revenue Funds. The Town then transfers a sum annually out of the Special Revenue Funds to balance the General Fund operating budget. Transfer for FY 2026 includes \$450,000 from the Waterways Improvement Fund, \$175,000 from the Embarkation Fee Fund, \$250,000 from the Parking Meter Receipts Fund and \$55,000 from the Wetlands Protection Fund.

	Balance at the end of Fiscal Year:					
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Parking Meter Receipts	\$546,568	\$400,562	\$358,568	\$386,874	\$400,441	\$388,000
Wetland Protection Fund	253,400	273,502	287,567	302,702	305,572	316,617
Embarkation Fee Revenue	330,580	400,278	424,573	511,761	602,765	703,826
Water Ways Improvement Fund	466,647	458,018	513,944	596,489	698,966	775,820

Enterprise Funds: For cost efficiency reasons, administrative orderliness, and the inability to be invoiced separately, several items are budgeted and managed within the Town’s General Fund operations, which subsequently must be allocated to the Enterprise Funds. These costs include items such as pension assessments and property and casualty insurance. In addition, the Enterprise Funds are charged a service fee for the support they receive from certain General Fund operations such as Finance, Human Resources, and Information Technology. The FY 2026 reimbursements from the Enterprise Funds are as follows:

Indirect Cost	
Airport	\$1,021,922
Golf	565,250
Solid Waste	508,081
Water Pollution Control / CWMP	943,357
Water Supply	184,947
Marina	100,325
Sandy Neck	167,265
Hyannis Youth & Community Center	458,381
Public, Educational, Governmental Access Channel	122,570
Total Enterprise Funds Indirect Cost	\$4,072,098

Trust Fund: Transfers from Trust Funds include \$180,000 from the Town’s Pension Reserve, which provides funding to offset the pension assessment received from the County Retirement System, and \$8,242,318 from the Capital Trust Fund, which provides funding to pay the General Fund debt service obligations.

General Fund Reserves: The Town will use \$8,405,687 in General Fund reserves to balance the proposed FY 2026 operating budget and \$2,334,415 for the capital program. This is expected to be partially restored with an estimated projected surplus of over \$10 million to be generated in FY 2025. The Town has historically been able to generate more reserves than what it has used to balance the budget due to conservative revenue estimation and unexpended appropriations. In addition, some of the costs being paid for with surplus are not recurring operating costs. The following is a history of General Fund reserves used and generated.

Certification Date:	Beginning	Used For:		Generated	Ending
	Balance	Operations	Capital		Balance
1-Jul-2015	13,370,039	(4,104,926)	(1,037,689)	5,721,779	13,949,203
1-Jul-2016	13,949,203	(2,726,877)	(4,000,000)	5,908,772	13,131,098
1-Jul-2017	13,131,098	(2,572,316)	(350,000)	5,988,373	16,197,155
1-Jul-2018	16,197,155	(3,587,352)	(4,260,175)	4,293,608	12,643,236
1-Jul-2019	12,643,236	(2,442,899)	(264,000)	4,752,408	14,688,745
1-Jul-2020	14,688,745	(2,870,726)	(233,554)	6,939,912	18,524,377
1-Jul-2021	18,524,377	(2,227,123)	(2,359,460)	10,489,342	24,427,136
1-Jul-2022	24,427,136	(1,050,000)	(4,086,306)	7,478,398	26,769,228
1-Jul-2023	26,769,228	(250,000)	(4,090,251)	10,293,456	32,722,433
1-Jul-2024	32,722,433	(6,688,715)	(9,374,782)	14,242,053	30,900,988
1-Jul-2025	30,900,988	(8,496,068)	(4,971,415)	10,130,000	27,563,505
	Average	(3,365,182)	(3,184,330)	7,839,827	

GENERAL FUND EXPENDITURE SUMMARY

Municipal Operations:	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Police Department	\$ 17,886,488	\$ 18,109,111	\$ 18,774,709	\$ 19,774,938	\$ 1,000,229	5.33%
Public Works Department	10,045,771	10,669,948	11,384,511	12,264,117	879,606	7.73%
Administrative Services Department	7,385,889	7,953,506	8,230,658	8,727,745	497,087	6.04%
Community Services Department	2,521,875	2,774,294	2,887,734	2,933,824	46,090	1.60%
Inspectional Services	2,489,481	2,512,101	2,584,392	2,800,182	215,790	8.35%
Planning & Development	2,234,927	2,180,278	2,394,019	2,416,092	22,073	0.92%
Marine & Environmental Affairs	1,521,103	1,642,389	1,638,527	1,697,514	58,987	3.60%
Town Manager	1,392,243	1,388,749	1,575,299	1,400,109	(175,190)	-11.1%
Town Council	249,721	260,892	264,092	269,870	5,778	2.19%
Total Municipal Operations	\$ 45,727,498	\$ 47,491,267	\$ 49,733,941	\$ 52,284,391	\$ 2,550,450	5.13%

All Education:						
Local School System	\$ 82,181,210	\$ 88,482,022	\$ 89,375,780	\$ 93,622,700	\$ 4,246,920	4.75%
Regional School District	4,749,316	5,106,410	4,792,279	5,384,604	592,325	12.36%
Commonwealth Charter Schools	5,385,616	5,384,510	7,455,244	7,652,592	197,348	2.65%
School Choice	1,538,830	1,410,264	1,634,665	1,846,289	211,624	12.95%
Total All Education	\$ 93,854,972	\$100,383,206	\$103,257,968	\$108,506,185	\$ 5,248,217	5.08%

Other Requirements Costs:						
Employee Benefits	\$ 29,789,235	\$ 28,583,092	\$ 34,344,186	\$ 35,532,471	\$ 1,188,285	3.46%
State & County Assessments	4,240,810	5,125,771	3,144,767	3,248,471	103,704	3.30%
Debt Service	7,227,289	7,249,511	7,249,511	8,242,318	992,807	13.69%
Grants	2,254,904	2,355,650	2,355,650	2,407,101	51,451	2.18%
Property & Liability Insurance	2,430,634	2,300,000	2,800,000	2,800,000	-	0.00%
Snow & Ice Removal Deficit	-	138,473	138,473	400,000	261,527	188.8%
Town Council Reserve Fund	-	-	150,000	250,000	100,000	66.67%
Celebrations, Rent & Other	198,183	237,000	237,000	237,000	-	0.00%
Total Other Requirements	\$ 46,141,055	\$ 45,989,497	\$ 50,419,587	\$ 53,117,361	\$ 2,697,774	5.35%

Total General Fund Before Transfers	\$185,723,525	\$193,863,970	\$203,411,496	\$213,907,937	\$10,496,441	5.16%
--------------------------------------------	----------------------	----------------------	----------------------	----------------------	---------------------	--------------

Transfers to Other Funds	12,807,797	10,436,193	10,436,193	10,510,924	74,731	0.72%
Grand Total General Fund	\$198,531,322	\$204,300,163	\$213,847,689	\$224,418,861	\$10,571,172	4.94%

* The Local School System does not include amounts expended and budgeted from Circuit Breaker and School Choice programs.

The General Fund proposed budget is increasing \$10.5 million, or 4.94 higher. All departments (except Town Manager Department) see increased budgets over the previous fiscal year. Major factors contributing to these increases are primarily contractual labor obligations and inflationary pressures. Fixed costs including employee benefits are up \$2.6 million or 5.35%, primarily due to the increase in pension assessments. Spending on local education has increased 4.75%. It is anticipated a \$400,000 snow and ice deficit from FY 2025 will be included in the FY 2026 budget.

SCHOOL DEPARTMENT – GENERAL FUND

School Department Category	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$ 63,475,014	\$ 60,755,835	\$ 61,650,383	\$ 64,200,741	\$2,550,358	4.14%
Intergovernmental	18,706,196	25,303,877	25,303,877	25,696,127	392,250	1.55%
Fees, Licenses, Permits	-	790	-	-	-	0.00%
School Savings Account	-	2,421,520	2,421,520	3,725,832	1,304,312	53.86%
Total Sources of Funding	\$82,181,210	\$88,482,022	\$89,375,780	\$93,622,700	\$4,246,920	4.75%

Expenditure Category						
Personnel	\$66,475,674	\$71,967,925	\$72,694,874	\$74,940,997	\$2,246,123	3.09%
Operating Expenses	15,455,428	16,514,097	16,680,906	18,681,703	2,000,797	11.99%
Capital Outlay	250,109	-	-	-	-	0.00%
Total Appropriation	\$82,181,210	\$88,482,022	\$89,375,780	\$93,622,700	\$4,246,920	4.75%

APPROPRIATION ORDER 2025-157

School Department (Majority Vote Full Council)

ORDERED:

That the sum of \$93,622,700 be appropriated for the purpose of funding the Town's FY 2026 Barnstable Public School Department budget, and to meet this appropriation that \$89,896,868 be raised from current year revenues and \$3,725,832 be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

FY 2026 School budget proposes a general fund appropriation of \$93,622,700 with growth of 4.75% over the previous year. Additional expenditures totaling \$2,747,778 from school special revenue funds will further support FY 2026 operational needs. Use of the district's allocation of free cash (school savings account) is planned for the fiscal year in the amount of \$3,725,832.

The major changes in the FY 2026 budget include 6.5 new positions. It is important to note that the positions are largely compliance related to ensure that our schools are meeting instructional requirements for English language learners and students with disabilities.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$89,375,780	
Contractual Obligations Net of Staff Turnover	3,531,261			3,531,261	
IDEA Funded Positions to General Fund	479,635			479,635	11
Offsets and Reallocations	-2,222,543	-30,000		-2,252,543	-36.2
FY 2026 Budget Request					
1. Instructional Assistants	157,513			157,513	3
2. Classroom Teachers	171,576			171,576	2
3. Special Education Teacher	85,788			85,788	1
4. ELL Teacher	42,894			42,894	0.5
5. Building Contracted Service		380,000		380,000	
6. Technology Supplies (Laptops)		132,000		132,000	

7. Student Services Contracted Supplies		11,000		11,000	
8. Technology Maintenance		10,000		10,000	
9. SPED Testing & Assessment		10,000		10,000	
10. Assistant Superintendent Contracted Svc.		8,431		8,431	
11. SPED Mileage Reimbursement		2,000		2,000	
12. PK General Supplies		2,000		2,000	
13. SPED Curriculum		191,101		191,101	
14. Technology Lease Increase		172,005		172,005	
15. Districtwide Contract Inflationary Increase		20,948		20,948	
16. Math Curriculum Review		428,000		428,000	
17. Transportation Contract Increase		215,545		215,545	
18. Out of District Tuition Increase		347,659		347,659	
19. Athletic Department Increase		34,075		34,075	
20. Utilities		66,032		66,032	
FY 2026 Proposed Budget	\$2,246,124	\$2,000,796		\$93,622,700	-18.7

CAPE COD GATEWAY AIRPORT ENTERPRISE FUND

Airport Enterprise Fund	Actual	Projected	Approved	Proposed	Change	Percent
Source of Funding	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Intergovernmental Aid	\$1,170,020	\$50,000	\$50,000	50,000.00	\$0	0.00%
Fees, Licenses, Permits	3,525	-	-	-	-	0.00%
Charges for Services	12,203,400	12,198,912	12,078,131	12,681,073	602,942	4.99%
Interest and Other	1,264,030	993,032	711,462	799,567	88,105	12.38%
Total Operating Sources	\$14,640,974	\$13,241,944	\$12,839,593	\$13,530,640	\$691,047	5.38%

Intergovernmental Aid	-	2,500,780	2,500,780	-	-	-100.00%
Borrowing Authorizations	4,366,551	-	-	-	-	0.00%
Total Capital Sources	\$4,366,551	\$2,500,780	\$2,500,780	\$0	(\$2,500,780)	-100.00%

Total Sources of Funding	\$19,007,525	\$15,742,724	\$15,340,373	\$13,530,640	(\$1,809,733)	-11.80%
---------------------------------	---------------------	---------------------	---------------------	---------------------	----------------------	----------------

Direct Operating Expenses						
Personnel	\$2,774,894	\$2,423,582	2,473,043	2,595,281	\$122,238	4.94%
Benefits	178,994	\$264,862	267,537	321,341	53,804	20.11%
Operating Expenses	6,883,260	\$8,184,411	8,615,169	8,835,996	220,827	2.56%
Capital Outlay	51,070	370,000	404,000	576,500	172,500	42.70%
Debt Service	58,500	159,050	159,050	179,600	20,550	12.92%
Total Direct Operating Expenses	\$9,946,717	\$11,401,904	\$11,918,799	\$12,508,718	\$589,919	4.95%

Indirect Operating Costs						
General Fund Staff	\$205,190	\$239,789	\$239,789	\$263,967	24,178	10.08%
Pensions	426,499	420,331	420,331	452,376	32,045	7.62%
Audit & Software Costs	22,445	22,445	22,445	23,634	1,189	5.30%
Property, Casualty, Liability Insurance	213,931	234,051	234,051	242,325	8,274	3.54%
Workers' Compensation Insurance	93	1,295	1,295	10,817	9,522	735.29%
Retirees Health Insurance	33,554	2,883	2,883	28,803	25,920	899.06%
Total Indirect Operating Expenses	\$901,712	\$920,794	\$920,794	\$1,021,922	\$101,128	10.98%

Total Operating Expenses	\$10,848,429	\$12,322,698	\$12,839,593	\$13,530,640	\$691,047	5.38%
---------------------------------	---------------------	---------------------	---------------------	---------------------	------------------	--------------

Capital Improvements Program	5,071,331	4,132,400	4,132,400	-	(4,132,400)	-100.00%
Total Capital Expenses	\$5,071,331	\$4,132,400	\$4,132,400	\$0	(\$4,132,400)	-100.00%

Total Expenses	\$15,919,760	\$16,455,098	16,971,993.00	\$13,530,640	(\$3,441,353)	-20.28%
-----------------------	---------------------	---------------------	----------------------	---------------------	----------------------	----------------

Excess (Deficiency) Cash Basis	\$3,087,766	(\$712,374)	(\$1,631,620)	\$0	\$1,631,620
---------------------------------------	--------------------	--------------------	----------------------	------------	--------------------

Beginning Certified Free Cash	<u>\$ 9,945,134</u>	<u>\$ 13,032,900</u>	<u>\$ 12,320,526</u>
FY 2025 Projected Excess (Deficiency)	<u> </u>	<u>\$ (712,374)</u>	<u> </u>
Ending Projected Certified Free Cash	<u>\$ 13,032,900</u>	<u>\$ 12,320,526</u>	<u>\$ 12,320,526</u>

Note: The appropriation order only includes funding for the direct operating expenses, as the indirect costs are included in the appropriations of the General Fund.

APPROPRIATION ORDER 2025-158

Cape Cod Gateway Airport Enterprise Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$12,508,718** be appropriated for the purpose of funding the Town's FY 2026 Airport Enterprise Fund budget, and to meet such appropriation that **\$12,508,718** be raised from current year revenues by the Airport Enterprise Fund, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

Direct operating expenses for the Airport’s proposed FY 2026 budget are increasing \$589,919 or 4.95% from the approved FY 2025 budget. The increase includes funding for contractual labor agreements, employee benefits, various operating expense line items and chargebacks from the General Fund for airport related items and support services. Capital outlay requests for maintenance for various airport facilities and asset maintenance have increased \$172,500.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$12,839,593	
Contractual Obligations Net of Staff Turnover	176,042	-	-	176,042	-
Change in Indirect Costs	67,487	33,641	-	101,128	-
Adjustments to Operating Expenses		220,827		220,827	-
Debt Service	-	20,550	-	20,550	-
FY 2026 Budget Changes					
1. Operating Capital Improvements			172,500	172,500	
FY 2026 Proposed Budget	\$243,529	\$275,018	172,500	\$13,530,640	-

POLICE DEPARTMENT – GENERAL FUND

Police Department Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$16,976,625	\$17,302,696	\$17,785,813	\$18,562,169	\$776,356	4.37%
Fines, Forfeitures, Penalties	106,723	85,654	81,000	92,000	11,000	13.58%
Fees, Licenses, Permits	231,017	188,703	194,000	218,000	24,000	12.37%
Charges for Services	275,364	270,000	270,000	300,000	30,000	11.11%
Interest and Other	296,759	262,058	301,000	312,000	11,000	3.65%
Special Revenue Funds	-	-	-	50,000	50,000	0.00%
Reserves	-	-	142,896	240,769	97,873	68.49%
Total Sources of Funding	\$17,886,488	\$18,109,111	\$18,774,709	\$19,774,938	\$1,000,229	5.33%

Expenditure Category						
Personnel	\$15,055,378	\$15,649,462	\$16,315,044	\$17,526,723	\$1,211,679	7.43%
Operating Expenses	1,430,434	1,539,112	1,539,128	1,670,908	131,780	8.56%
Capital Outlay	1,400,676	920,537	920,537	577,307	(343,230)	-37.29%
Total Appropriation	\$17,886,488	\$18,109,111	\$18,774,709	\$19,774,938	\$1,000,229	5.33%

APPROPRIATION ORDER 2025-159

Police Department (Majority Vote Full Council)

ORDERED:

That the sum of \$19,774,938 be appropriated for the purpose of funding the Town's FY 2026 Barnstable Police Department budget; and to meet such appropriation that \$19,484,169 be raised from current year revenues, that \$50,000 be provided the Embarkation Fee Special Revenue Fund, and that \$240,769 be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The Police Department's proposed FY 2026 budget is increasing \$1,000,229 or 5.33% over the approved FY 2025 budget. Personnel budget change includes contractual obligations, training overtime increases. Operating budget change includes funding for managed technology upgrades and training materials. Capital outlay will continue the department's annual patrol vehicle replacements.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$18,774,709	
Contractual Obligations Net of Staff Turnover	1,508,880	-	-	1,508,880	-
One-Time Charges		(109,626)		(109,626)	-
Grants Offset 911/COPS Hiring	(406,908)	-	-	(406,908)	
FY 2026 Budget Changes					
1. Training Funds	109,707	127,378	-	237,085	
2. Cell Phones		17,059	-	17,059	
3. Managed IT Costs		24,942	-	24,942	-
4. Vehicle Parts and Supplies		36,438	-	36,438	-
5. Marine Unit		7,589	-	7,589	-
6. Digital Forensics		28,000	-	28,000	-
7. Vehicle & Equipment Replacement			(343,230)	(343,230)	-
FY 2026 Proposed Budget	\$1,211,679	\$131,780	(\$343,230)	\$19,774,938	-

PLANNING & DEVELOPMENT DEPARTMENT – GENERAL FUND

Planning & Development Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$1,686,464	\$1,796,173	\$1,893,219	\$1,657,588	(\$235,631)	-12.45%
Fines, Forfeitures, Penalties	231,591	57,451	150,000	230,000	80,000	53.33%
Fees, Licenses, Permits	112,622	86,800	99,000	113,600	14,600	14.75%
Charges for Services	(22,396)	14,054	25,500	114,450	88,950	348.82%
Interest and Other	845	-	500	500	-	0.00%
Special Revenue Funds	222,300	222,300	222,300	238,660	16,360	7.36%
Enterprise Funds	3,500	3,500	3,500	3,500	-	0.00%
Reserves	-	-	-	57,794	57,794	0.00%
Total Sources	\$2,234,927	\$2,180,278	\$2,394,019	\$2,416,092	\$22,073	0.92%

Expenditure Category						
Personnel	\$1,847,878	\$1,766,804	\$1,935,021	\$1,953,439	\$18,418	0.95%
Operating Expenses	202,987	221,574	267,098	268,178	1,080	0.40%
Capital Outlay	184,061	191,900	191,900	194,475	2,575	1.34%
Total Appropriation	\$2,234,927	\$2,180,278	\$2,394,019	\$2,416,092	\$22,073	0.92%

APPROPRIATION ORDER 2025-160

Planning and Development Department (Majority Vote Full Council)

ORDERED:

That the sum of **\$2,416,092** be appropriated for the purpose of funding the Town's FY 2026 Planning and Development Department budget, and to meet this appropriation that **\$2,119,638** be raised from current year revenues, that **\$55,000** be provided from the Wetlands Protection Special Revenue Fund, that **\$183,660** be provided from the Bismore Park Special Revenue Fund, and **\$57,794** be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The Planning & Development's proposed FY 2026 budget increased by \$22,073, or 0.92% from the approved FY 2025 budget. The personnel budget change is due to contractual obligations and the elimination of the Marketing Manager position. The budget includes an additional Conservation Agent for FY 2026. Capital outlay cost will continue the annual invasive species control and monitoring as well as fanwort removal from town ponds and lakes.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$2,394,019	
Contractual Obligations Net of Staff Turnover	68,552	-	-	68,552	-
FY 2026 Budget Changes					
1. Conservation Agent	53,342			53,342	1.00
2. Marketing Manager	(103,475)			(103,475)	(1.00)
3. SolarBee Maintenance		1,080			-
4. Invasive Weed Management			194,475	194,475	-
FY 2026 Proposed Budget	\$18,419	\$1,080	\$3,654	\$2,416,092	-

COMMUNITY SERVICES DEPARTMENT – GENERAL FUND

Community Services Department Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25 - 26	Percent Change
Taxes	\$0	\$809,024	\$592,234	\$342,931	(\$249,303)	-42.10%
Fees, Licenses, Permits	8,813	298	1,500	5,000	3,500	233.33%
Charges for Services	2,549,504	1,963,112	2,240,000	2,508,200	268,200	11.97%
Interest and Other	-	1,860	-	-	-	0.00%
Reserves	-	-	54,000	77,693	23,693	43.88%
Total Sources of Funding	\$2,558,317	\$2,774,294	\$2,887,734	\$2,933,824	\$46,090	1.60%

Expenditure Category						
Personnel	\$2,185,971	\$2,461,257	\$2,556,834	\$2,590,424	\$33,590	1.31%
Operating Expenses	320,740	293,036	310,900	323,400	12,500	4.02%
Capital Outlay	15,164	20,000	20,000	20,000	-	0.00%
Total Appropriation	\$2,521,875	\$2,774,294	\$2,887,734	\$2,933,824	\$46,090	1.60%

APPROPRIATION ORDER 2025-161

Community Services Department General Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$2,933,824** be appropriated for the purpose of funding the Town's FY 2026 Community Services Department General Fund budget; and to meet such appropriation that **\$2,856,131** be raised from current year revenues, and that **\$77,693** be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The Community Services Department's proposed FY 2026 budget is increasing \$49,090, or 1.60% more than the approved FY 2025 budget. Personnel costs are increasing due to contractual obligations. Operating expenses are increasing 4.02% due to the increase in Police detail and credit card processing fees. Capital outlay continues the annual recreation equipment replacement program.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$2,590,647	
Contractual Obligations Net of Staff Turnover	33,590	-	-	33,590	-
One-Time Charges	-	-	-	-	-
FY 2026 Budget Changes					
1. Police Details	-	10,000	-	10,000	-
2. Credit Card Fees	-	2,500	-	2,500	-
FY 2026 Proposed Budget	\$33,590	\$12,500	\$0	\$2,933,824	-

GOLF COURSE ENTERPRISE FUND

Golf Course Enterprise Fund	Actual	Projected	Approved	Proposed	Change	Percent
Source of Funding	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Charges for Services	4,081,511	3,885,975	3,847,500	4,186,100	338,600	8.80%
Interest and Other	115,721	132,500	82,500	76,000	(6,500)	-7.88%
Special Revenue Funds	288,200	290,160	290,160	-	(290,160)	-100.00%
Total Operating Sources	\$4,485,432	\$4,308,635	\$4,220,160	\$4,262,100	\$41,940	0.99%
Transfers From Closed Projects	9,335	-	-	-	-	0.00%
Borrowing Authorizations	-	2,950,000	2,950,000	-	(2,950,000)	-100.00%
Total Capital Sources	\$9,335	\$2,950,000	\$2,950,000	\$0	(\$2,950,000)	-100.00%
Total Source of Funding	\$4,494,767	\$7,258,635	\$7,170,160	\$4,262,100	(\$2,908,060)	-40.56%
Direct Operating Expenses						
Personnel	\$1,719,967	\$1,816,467	1,853,538.00	1,984,519.00	\$130,981	7.07%
Benefits	173,836	221,795	224,035	256,169	32,134	14.34%
Operating Expenses	1,210,686	1,367,360	1,395,265	1,362,290	(32,975)	-2.36%
Capital Outlay	26,591	50,000	50,000	110,000	60,000	120.00%
Debt Service	481,524	461,348	461,348	190,588	(270,760)	-58.69%
Total Direct Operating Expenses	\$3,612,605	\$3,916,970	\$3,984,186	\$3,903,566	(\$80,620)	-2.02%
Indirect Operating Costs						
General Fund Staff	\$174,378	\$194,228	\$194,228	185,046.00	(\$9,182)	-4.73%
Pensions	288,057	296,132	296,132	319,818	23,686	8.00%
Audit & Software Costs	25,999	25,999	25,999	27,952	1,953	7.51%
Property, Casualty, Liability Insurance	26,729	28,586	28,586	29,864	1,278	4.47%
Workers' Compensation Insurance	-	73	73	292	219	300.00%
Retirees Health Insurance	2,270	2,280	2,280	2,280	-	0.00%
Total Indirect Operating Expenses	\$517,433	\$547,298	\$547,298	\$565,252	\$17,954	3.28%
Total Operating Expenses	\$4,130,038	\$4,464,268	\$4,531,484	\$4,468,818	(\$62,666)	-1.38%
Capital Improvement Program	579,000	2,950,000	2,950,000	-	(2,950,000)	-100.00%
Total Capital Expenses	\$579,000	\$2,950,000	\$2,950,000	\$0	(\$2,950,000)	-100.00%
Total Expenses	\$4,709,038	\$7,414,268	\$7,481,484	\$4,468,818	(\$3,012,666)	-40.27%
Excess (Deficiency) Cash Basis	(\$214,271)	(\$155,633)	(\$311,324)	(\$206,718)	\$104,606	
Beginning Certified Free Cash	<u>\$ 2,547,920</u>		<u>\$ 2,333,649</u>	<u>\$ 2,178,016</u>		
FY 2025 Projected Excess (Deficiency)			<u>\$ (155,633)</u>			
Ending Projected Certified Free Cash	<u>\$ 2,333,649</u>		<u>\$ 2,178,016</u>	<u>\$ 1,971,298</u>		

Note: The appropriation order only includes funding for the direct operating expenses, as the indirect costs are included in the appropriations of the General Fund

APPROPRIATION ORDER 2025-162

Community Services Department Golf Course Enterprise Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$3,903,566** be appropriated for the purpose of funding the Town's FY 2026 Golf Course Enterprise Fund budget; and to meet such appropriation that **\$3,696,848** be raised from Enterprise Fund revenues, and that **\$206,718** be provided from the Golf Course Enterprise Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The direct operating Golf Enterprise Fund’s proposed FY 2026 budget decreased by \$62,666, or 1.38% from the approved FY 2025 budget. The decrease is attributable to the reduction in debt service as payments for the purchase of the Hyannis course concluded. Personnel budget change includes contractual obligations. The operating budget change includes increases for uniforms, Pro Shop and seed and sod supplies. Operating Capital funds have been included to improve buildings and equipment.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$4,531,484	
Contractual Obligations, Staff Turnover & Allocation Changes	163,115	-	-	163,115	-
Change in Indirect Costs	14,723	3,231	-	17,954	
Debt Service Cost	-	(270,760)	-	(270,760)	
Prior Year One-time Expense		(72,025)		(72,025)	
FY 2026 Budget Changes					
1. Uniforms		6,150		6,150	
2. Pro Shop Clothing	-	13,000	-	13,000	-
3. Fertilizer Supplies	-	9,900	-	9,900	-
4. Golf Course Supplies	-	10,000	-	10,000	-
5. Capital Outlay	-	-	60,000	60,000	-
FY 2026 Proposed Budget	\$177,838	(300,504)	\$60,000	\$4,468,818	-

HYANNIS YOUTH AND COMMUNITY CENTER ENTERPRISE FUND

Hyannis Youth & Community Center	Actual	Projected	Approved	Proposed	Change	Percent
Source of Funding	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Taxes (General Fund Support)	\$1,391,458	\$1,406,994	\$1,406,994	\$1,493,639	\$86,645	6.16%
Charges for Services	1,234,613	1,089,490	994,490	1,084,100	89,610	9.01%
Interest and Other	164,092	115,000	75,000		(75,000)	-100.00%
Capital Trust Fund (General Fund Support)	1,234,875	1,350,535	1,350,535	1,403,225	52,690	3.90%
Total Operating Sources	\$4,025,038	\$3,962,019	\$3,827,019	\$3,980,964	\$153,945	4.02%
Borrowing Authorizations	1,752,400	-	-	1,820,000	1,820,000	0.00%
Total Capital Sources	\$1,752,400	\$0	\$0	\$1,820,000	\$1,820,000	0.00%
Total Sources of Funding	\$5,777,438	\$3,962,019	\$3,827,019	\$5,800,964	\$1,973,945	51.58%
Direct Operating Expenses						
Personnel	\$1,074,624	\$1,215,682	1,253,280.00	1,384,027.00	\$130,747	10.43%
Benefits	52,476	\$68,338	71,935	118,981	47,046	65.40%
Operating Expenses	855,945	\$979,443	1,030,993	1,009,243	(21,750)	-2.11%
Capital Outlay	101,056	110,000	110,000	130,000	20,000	18.18%
Debt Service	1,350,535	1,460,675	1,460,675	1,403,225	(57,450)	-3.93%
Total Direct Operating Expenses	\$3,434,636	\$3,834,138	\$3,926,883	\$4,045,476	\$118,593	3.02%
Indirect Operating Costs						
General Fund Staff	\$93,211	\$105,128	\$105,128	\$90,788	(\$14,340)	-13.64%
Pensions	177,517	130,185	130,185	219,010	88,825	68.23%
Audit & Software Costs	9,004	9,004	9,004	9,073	69	0.77%
Property, Casualty, Liability Insurance	126,850	134,987	134,987	139,511	4,524	3.35%
Total Indirect Operating Expenses	\$406,582	\$379,304	\$379,304	\$458,382	\$79,078	20.85%
Total Operating Expenses	\$3,841,218	\$4,213,442	\$4,306,187	\$4,503,858	\$197,671	4.59%
Capital Program	1,752,400	585,059	585,059	1,820,000	1,234,941	211.08%
Total Capital Expenses	\$1,752,400	\$585,059	\$585,059	\$1,820,000	\$1,234,941	211.08%
Total Expenses	\$5,593,618	\$4,798,501	\$4,891,246	\$6,323,858	\$1,432,612	29.29%
Excess (Deficiency) Cash Basis	\$183,820	(\$836,482)	(\$1,064,227)	(\$522,894)	\$541,333	

Beginning Certified Free Cash	\$ 1,510,830	\$ 1,694,650	\$ 858,168
FY 2025 Projected Excess (Deficiency)	\$	\$ (836,482)	\$
Ending Projected Certified Free Cash	\$ 1,694,650	\$ 858,168	\$ 335,274

Note: The appropriation order only includes funding for the direct operating expenses, as the indirect costs are included in the appropriations of the General Fund.

APPROPRIATION ORDER 2025-163

Community Services Department Hyannis Youth and Community Center Enterprise Fund (Two-thirds Vote Full Council)

ORDERED:

That the sum of **\$4,045,476** be appropriated for the purpose of funding the Town's FY 2026 Hyannis Youth and Community Center Enterprise Fund budget; and to meet such appropriation that **\$625,718** be raised from Enterprise Fund revenues, that **\$1,493,639** be raised in the General Fund, that **\$1,403,225** be transferred from the Capital Trust Fund, and that **\$522,894** be provided from the Hyannis Youth and Community Center Enterprise Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The direct operating expenses for the Hyannis Youth & Community Center Enterprise Fund’s FY 2026 budget are increasing \$118,593 or 3.02% over the approved FY 2025 budget. Personnel budget change includes contractual obligations and additional support to temporary/seasonal wages due to proposed seasonal rate increases. Operating budget changes include increased funding for preventative maintenance agreements and adjustments to utility estimates. Capital outlay includes the annual mechanical maintenance program and equipment replacement. Debt service is decreasing \$57,450.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$4,306,187	
Contractual Obligations, Staff Turnover & Allocation Change	177,793		-	177,793	-
Change in Indirect Costs	74,485	4,593	-	79,078	
Debt Service	-	(57,450)	-	(57,450)	-
FY 2026 Budget Changes					
1. Electricity		(34,750)		(34,750)	
2. Maintenance Agreement		10,000		10,000	
3. Credit Card Fees		3,000	-	3,000	-
4. Capital Outlay	-	-	20,000	20,000	-
FY 2026 Proposed Budget	\$252,278	(74,607)	\$20,000	\$4,503,858	-

MARINE & ENVIRONMENTAL AFFAIRS DEPARTMENT – GENERAL FUND

Marine & Environmental Affairs Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$965,282	\$1,132,022	\$1,095,017	\$1,108,978	\$13,961	1.27%
Fees, Licenses, Permits	109,088	61,855	104,000	105,500	1,500	1.44%
Interest and Other	7,223	9,002	-	-	-	0.00%
Special Revenue Funds	439,510	439,510	439,510	450,000	10,490	2.39%
Reserves	-	-	-	33,036	33,036	0.00%
Total Sources of Funding	\$1,521,103	\$1,642,389	\$1,638,527	\$1,697,514	\$58,987	3.60%

Expenditure Category						
Personnel	\$1,108,511	\$1,292,949	\$1,263,962	\$1,303,999	\$40,037	3.17%
Operating Expenses	292,035	240,781	320,365	333,415	13,050	4.07%
Capital Outlay	120,557	108,658	54,200	60,100	5,900	10.89%
Total Appropriation	\$1,521,103	\$1,642,389	\$1,638,527	\$1,697,514	\$58,987	3.60%

APPROPRIATION ORDER 2025-164

Marine & Environmental Affairs Department General Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$1,697,514** be appropriated for the purpose of funding the Town's FY 2026 Marine & Environmental Affairs Department General Fund budget, and to meet such appropriation, that **\$1,214,478** be raised from current year revenue, that **\$450,000** be provided from the Waterways Special Revenue Fund, and that **\$33,036** be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

Summary of Budget Changes

The Marine & Environmental Affairs Department's proposed FY 2026 budget is increasing \$58,987, or 3.60% over the approved FY 2025 budget. Personnel costs are increasing \$13,961 due to contractual obligations. Operating costs include increases in line items to support the Harbormaster operations and the mooring program. Capital outlay includes a Natural Resources vehicle replacement.

Budget Reconciliation	Personnel	Operating	Capital	Totals	FTE
FY 2025 Approved Budget				\$1,459,889	
Contractual Obligations Net of Staff Turnover	40,037	-	-	40,037	
One-Time Charges	-	-	-	-	-
FY 2026 Budget Changes					
1. Harbormaster Supplies		9,050		9,050	-
2. Transient Mooring Gear and Software		4,000	5,900	9,900	-
FY 2026 Proposed Budget	\$40,037	\$13,050	\$5,900	\$1,697,514	-

MARINA ENTERPRISE FUND

Marina Enterprise Fund	Actual	Projected	Approved	Proposed	Change	Percent
Source of Funding	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Taxes (General Fund Support)	\$0	\$0	\$0	\$0	-	0.00%
Fees, Licenses, Permits	\$813,206	\$820,000	\$735,929	\$767,929	32,000	4.35%
Charges for Services	19,775	17,000	16,000	17,000	1,000	6.25%
Interest and Other	82,681	61,000	35,000	27,298	(7,702)	-22.01%
Capital Trust Fund Reserves	38,725	38,725	37,800	36,350	(1,450)	-3.84%
Transfer In	30,000	30,000	30,000	30,000	-	0.00%
Total Operating Sources	\$984,387	\$966,725	\$854,729	\$878,577	\$23,848	2.79%

Transfers From Completed Projects	56,000	-	-	-	-	0.00%
Total Capital Sources	56,000	-	-	-	-	0.00%

Total Source of Funding	\$1,040,387	\$966,725	\$854,729	\$878,577	\$23,848	2.79%
--------------------------------	--------------------	------------------	------------------	------------------	-----------------	--------------

Direct Operating Expenses						
Personnel	\$ 260,461	\$ 290,080	\$ 330,080	\$ 364,854	\$ 34,774	10.54%
Benefits	10,871	18,500	19,583	15,274	\$ (4,309)	-22.00%
Operating Expenses	111,546	139,867	159,867	159,867	-	0.00%
Capital Outlay	57,682	57,000	58,000	58,000	-	0.00%
Debt Service	52,113	212,538	212,538	205,438	(7,100)	-3.34%
Transfers Out	-	-	-	-	-	0.00%
Total Direct Operating Expenses	\$492,672	\$717,985	\$780,068	\$803,433	\$23,365	3.00%

Indirect Operating Costs						
General Fund Staff	53,495	\$60,207	\$60,207	\$54,512	(\$5,695)	-9.46%
Pensions	25,674	24,625	24,625	28,628	4,003	16.26%
Audit & Software Costs	6,393	6,393	6,393	7,092	699	10.93%
Property, Casualty, Liability Insurance	6,149	8,616	8,616	10,093	1,477	17.14%
Total Indirect Operating Expenses	\$91,711	\$99,841	\$99,841	\$100,325	\$484	0.48%

Total Operating Expenses	\$584,383	\$817,826	\$879,909	\$903,758	\$23,849	2.71%
---------------------------------	------------------	------------------	------------------	------------------	-----------------	--------------

Capital Improvement Program	195,000	-	-	200,000	200,000	0.00%
Total Capital Expenses	\$195,000	\$0	\$0	\$200,000	\$200,000	0.00%

Total Expenses	\$779,383	\$817,826	\$879,909	\$1,103,758	\$223,849	25.44%
-----------------------	------------------	------------------	------------------	--------------------	------------------	---------------

Excess (Deficiency) cash basis	\$261,004	\$148,899	(\$25,180)	(\$225,181)	(\$200,001)
---------------------------------------	------------------	------------------	-------------------	--------------------	--------------------

Beginning Certified Free Cash	<u>\$ 1,549,061</u>	<u>\$ 1,810,065</u>	<u>\$ 1,958,964</u>
FY 2025 Projected Excess (Deficiency)	<u>\$ 148,899</u>	<u>\$ 148,899</u>	<u>\$ 148,899</u>
Ending Projected Certified Free Cash	<u>\$ 1,810,065</u>	<u>\$ 1,958,964</u>	<u>\$ 1,733,783</u>

Note: The appropriation order only includes funding for the direct operating expenses, as the indirect costs are included in the appropriations of the General Fund.

APPROPRIATION ORDER 2025-165

Marine & Environmental Affairs Department Marina Enterprise Fund (Two-thirds Vote Full Council)

ORDERED:

That the sum of **803,433** be appropriated for the purpose of funding the Town's FY 2026 Marina Enterprise Fund budget; and to meet such appropriation that **\$711,902** be raised from Enterprise Fund revenues, that **\$36,350** be provided from the Capital Trust Fund, that **\$30,000** be raised in the General Fund, and that **\$25,181** be provided from the Marina Enterprise Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The direct operating expenses for the Marina Enterprise Fund proposed FY 2026 budget are increasing \$23,365 or 3.0% more than the FY 2025 budget. Personnel budget change includes contractual obligations, and salary increases for seasonal positions. Operating expenses are funded at FY 2025 levels. Capital outlay includes the annual dock replacement program and is level funded at \$58,000. FY 2026 the Marina Enterprise fund will utilize \$200,000 for the capital program and \$25,181 for the operating budget from enterprise fund retained earnings.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$879,909	
Contractual Obligations, Staff Turnover & Allocation Changes	30,465	-	-	30,465	
Change in Indirect Costs	4,003	(3,519)	-	484	
Debt Service	-	(7,100)	-	(7,100)	-
FY 2026 Budget Changes					
	-	-	-	-	
FY 2026 Proposed Budget	34,468	(10,619)	-	903,758	-

SANDY NECK ENTERPRISE FUND

Sandy Neck Enterprise Fund	Actual	Projected	Approved	Proposed	Change	Percent
Source of Funding	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Fees, Licenses, Permits	\$869,768	\$795,000	\$750,500	800,500.00	\$50,000	6.66%
Charges for Services	313,190	275,000	285,080	286,457	1,377	0.48%
Interest and Other	153,784	125,000	120,000	120,000	-	0.00%
Total Operating Sources	\$1,336,742	\$1,195,000	\$1,155,580	\$1,206,957	\$51,377	4.45%

Direct Operating Expenses						
Personnel	\$568,508	\$620,529	\$650,529	678,693.00	\$28,164	4.33%
Benefits	35,639	42,000	44,440	45,036	596	1.34%
Operating Expenses	224,632	220,200	250,200	250,200	-	0.00%
Capital Outlay	53,458	64,900	69,900	115,000	45,100	64.52%
Debt Service	23,585	72,510	72,510	76,435	3,925	5.41%
Transfers Out	-	-	-	-	-	0.00%
Total Direct Operating Expenses	\$905,823	\$1,020,139	\$1,087,579	\$1,165,364	\$77,785	7.15%

Indirect Operating Costs						
General Fund Staff	\$74,768	\$84,736	\$84,736	\$71,519	(\$13,217)	-15.60%
Pensions	60,040	\$74,674	74,674	76,763	2,089	2.80%
Audit & Software Costs	7,240	\$7,240	7,240	7,792	552	7.62%
Property, Casualty, Liability Insurance	9,714	\$10,665	10,665	11,192	527	4.94%
Total Indirect Operating Expenses	\$151,762	\$177,315	\$177,315	\$167,266	(\$10,049)	-5.67%

Total Operating Expenses	\$1,057,585	\$1,197,454	\$1,264,894	\$1,332,630	\$67,736	5.36%
---------------------------------	--------------------	--------------------	--------------------	--------------------	-----------------	--------------

Capital Improvement Program	50,000	-	-	-	-	0.00%
Total Capital Expenses	\$50,000	\$0	\$0	\$0	\$0	0.00%

Total Expenses	\$1,107,585	\$1,197,454	\$1,264,894	\$1,332,630	\$67,736	5.36%
-----------------------	--------------------	--------------------	--------------------	--------------------	-----------------	--------------

Excess (Deficiency) cash basis	\$229,157	(\$2,454)	(\$109,314)	(\$125,673)	(\$16,359)
---------------------------------------	------------------	------------------	--------------------	--------------------	-------------------

Beginning Certified Free Cash	<u>\$ 1,259,057</u>	<u>\$ 1,488,214</u>	<u>\$ 1,485,760</u>
FY 2025 Projected Excess (Deficiency)	<u>(2,454)</u>	<u>(2,454)</u>	<u>(2,454)</u>
Ending Projected Certified Free Cash	<u>\$ 1,488,214</u>	<u>\$ 1,485,760</u>	<u>\$ 1,360,087</u>

Note: The appropriation order only includes funding for the direct operating expenses as the indirect costs are included in the appropriations of the General Fund.

APPROPRIATION ORDER 2025-166

Marine & Environmental Affairs Department Sandy Neck Park Enterprise Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$1,165,364** be appropriated for the purpose of funding the Town's FY2026 Sandy Neck Park Enterprise Fund budget; and to meet such appropriation that **\$1,039,691** be raised from Enterprise Fund revenues, and that **\$125,673** be provided from the Sandy Neck Enterprise Fund reserves, as presented to the Town Council by the Town Manager.

Summary of Budget Changes

The direct operating expenses for the Sandy Neck Enterprise Fund’s FY 2026 budget are increasing \$77,785 or 7.15% over the approved FY 2025 budget. Personnel budget change includes contractual obligations along with adjustments for seasonal wages. Operating budgets are level funded for FY 2026. Capital outlay includes an additional \$45,100 for facility and equipment improvements including the replacement of an aging pick-up truck. The use of \$125,673 from the Sandy Neck Enterprise reserves is planned to support the FY 2026 operating budget.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$ 1,264,894	
Contractual Obligations, Staff Turnover & Allocation Changes	28,760	-	-	28,760	-
Change in Indirect Costs	2,089	(12,138)	-	(10,049)	
Debt Service	-	3,925	-	3,925	-
FY 2026 Budget Changes					
1. Capital Outlay - Equipment	-	-	45,100	45,100	-
FY 2026 Proposed Budget	\$ 30,849	\$ (8,213)	\$ 45,100	\$ 1,332,630	-

INSPECTIONAL SERVICES DEPARTMENT – GENERAL FUND

Inspectional Services Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$0	\$154,353	\$142,892	\$20,828	(\$122,064)	-85.42%
Fines, Forfeitures, Penalties	22,230	10,615	10,000	20,000	10,000	100.00%
Fees, Licenses, Permits	2,721,867	2,347,133	2,430,500	2,684,200	253,700	10.44%
Charges for Services	1	-	1,000	1,000	-	0.00%
Reserves	-	-	-	74,154	74,154	0.00%
Total Sources of Funding	\$2,744,098	\$2,512,101	\$2,584,392	\$2,800,182	\$215,790	8.35%

Expenditure Category						
Personnel	\$2,214,970	\$2,299,010	\$2,339,396	\$2,541,438	\$202,042	8.64%
Operating Expenses	274,511	213,091	244,996	258,744	13,748	5.61%
Capital Outlay	-	-	-	-	-	0.00%
Total Appropriation	\$2,489,481	\$2,512,101	\$2,584,392	\$2,800,182	\$215,790	8.35%

APPROPRIATION ORDER 2025-167

Inspectional Services Department (Majority Vote Full Council)

ORDERED:

That the sum of \$2,800,183 be appropriated for the purpose of funding the Town's FY 2026 Inspectional Services Department budget, and to meet such appropriation, that \$2,726,029 be raised from current year revenues, and that \$74,154 be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

Summary of Budget Changes

The Inspectional Services Department's proposed FY 2026 budget is increasing by \$215,790 or 8.35% over the approved FY 2025 budget. Personnel budget change includes contractual obligations and the creation of an Administrative Assistant for Code Compliance position. Operating costs are increasing \$13,748 due to lease vehicle cost increases.

	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$2,584,392	
Contractual Obligations Net of Staff Turnover	151,242	-	-	151,242	-
One-Time Charges	-	-	-	-	-
FY 2026 Budget Changes					
1. Administrative Assistant Code Compliance	50,800	-	-	50,800	1.00
2. Vehicle Lease Renewal	-	13,748	-	13,748	-
FY 2026 Proposed Budget	\$202,042	\$13,748	-	\$2,800,182	1.00

DEPARTMENT OF PUBLIC WORKS – GENERAL FUND

Public Works Dept. Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$7,848,432	\$9,169,114	\$9,879,871	\$9,903,394	\$23,523	0.24%
Fees, Licenses, Permits	248,952	220,875	225,000	225,000	-	0.00%
Interest and Other	1,868,747	1,200,319	1,200,000	1,224,676	24,676	2.06%
Special Revenue Funds	79,640	79,640	79,640	191,340	111,700	140.26%
Reserves	-	-	-	719,707	719,707	0.00%
Total Sources of Funding	\$10,045,771	\$10,669,948	\$11,384,511	\$12,264,117	\$879,606	7.73%

Expenditure Category						
Personnel	\$5,775,025	\$5,916,315	\$6,736,923	\$7,292,529	\$555,606	8.25%
Operating Expenses	3,926,185	4,103,633	3,997,588	4,311,588	314,000	7.85%
Capital Outlay	344,561	650,000	650,000	660,000	10,000	1.54%
Total Appropriation	\$10,045,771	\$10,669,948	\$11,384,511	\$12,264,117	\$879,606	7.73%

APPROPRIATION ORDER 2025-168

Public Works Department General Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$12,264,116** be appropriated for the purpose of funding the Town's FY 2026 Department of Public Works General Fund budget, and to meet such appropriation, that **\$11,353,069** be raised from current year revenue, that **\$125,000** be provided from the Embarkation Fee Special Revenue Fund, that **\$66,340** be provided from the Bismore Special Revenue Fund, and that **\$719,707** be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

Summary of Budget Changes

The Department of Public Works' proposed FY 2026 budget reflects an increase of \$879,606, or 7.73%, over the approved FY 2025 budget. The personnel budget increase accounts for contractual obligations and the addition of a Storm Water Project Manager to support expanding infrastructure needs. Operating expenses have been adjusted to reflect inflationary pressures on supplies and services. Capital outlay will continue funding for the department's ongoing vehicle replacement and building improvement programs.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$11,384,511	
Contractual Obligations Net of Staff Turnover	505,610	-	-	505,610	-
One-Time Charges	-	-	(650,000)	(650,000)	-
FY 2026 Budget Changes					
1. Storm Water Project Manager	49,996	-	-	49,996	1.00
2. Pond and Lake Water Quality Sample Analysis	-	11,000	-	11,000	-
3. Police Details - DPW Highway	-	35,000	-	35,000	-
4. Road Marking	-	100,000	-	100,000	-
5. Osterville Bridge Maintenance	-	40,000	-	40,000	-
6. Sandy Neck Trail	-	25,000	-	25,000	-
7. Sandblast / Paint	-	20,000	-	20,000	-

8. Tree Service	-	50,000	-	50,000	-
9. Supply Lines - DPW S&G	-	15,000	-	15,000	-
10. Facility Maintenance	-	5,000	-	5,000	-
11. Alarm Repairs	-	5,000	-	5,000	-
12. Animal Pest Control	-	8,000	-	8,000	-
13. Capital Outlay	-	-	660,000	660,000	-
FY 2026 Proposed Budget	\$555,606	\$314,000	10,000	\$12,264,117	1.00

SOLID WASTE ENTERPRISE FUND

Solid Waste Enterprise Fund	Actual	Projected	Approved	Proposed	Change	Percent
Source of Funding	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Charges for Services	\$4,616,606	\$4,560,303	\$4,515,151	4,375,615	(\$139,536)	-3.09%
Interest and Other	193,777	155,000	140,200	140,200	-	0.00%
Total Operating Sources	\$4,810,383	\$4,715,303	\$4,655,351	\$4,515,815	(\$139,536)	-3.00%
Transfers From Completed Projects	23,171	-	-	-	-	0.00%
Total Capital Sources	\$23,171	\$0	\$0	\$0	\$0	0.00%
Total Sources of Funding	\$4,833,554	\$4,715,303	\$4,655,351	\$4,515,815	(\$139,536)	-3.00%
Direct Operating Expenses						
Personnel	\$1,194,650	\$1,268,919	\$1,323,919	1,390,325	\$66,406	5.02%
Benefits	149,764	203,418	213,418	223,109	9,691	4.54%
Operating Expenses	2,182,629	2,640,287	2,690,287	2,761,144	70,857	2.63%
Capital Outlay	-	-	-	30,000	30,000	0.00%
Debt Service	3,920	30,800	30,800	29,680	(1,120)	-3.64%
Total Direct Operating Expenses	\$3,530,963	\$4,143,424	\$4,258,424	\$4,434,258	\$175,834	4.13%
Indirect Operating Costs						
General Fund Staff	\$93,147	\$104,429	\$104,429	\$107,639	\$3,210	3.07%
Pensions	234,691	222,700	222,700	238,215	15,515	6.97%
Audit & Software Costs	14,403	14,402	14,402	15,888	1,486	10.32%
Property, Casualty, Liability Insurance	27,989	33,982	33,982	35,538	1,556	4.58%
Workers' Compensation Insurance	4,325	-	-	89,387	89,387	0.00%
Retirees Health Insurance	20,961	21,414	21,414	21,414	-	0.00%
Total Indirect Operating Expenses	\$395,516	\$396,927	\$396,927	\$508,081	\$111,154	28.00%
Total Operating Expenses	\$3,926,479	\$4,540,351	\$4,655,351	\$4,942,339	\$286,988	6.16%
Capital Improvements Program	100,000	315,000	315,000	-	(315,000)	-100.00%
Total Capital Expenses	\$100,000	\$315,000	\$315,000	\$0	(\$315,000)	-100.00%
Total Expenses	\$4,026,479	\$4,855,351	\$4,970,351	\$4,942,339	(\$28,012)	-0.56%
Excess (Deficiency) Cash Basis	\$807,075	(\$140,048)	(\$315,000)	(\$426,524)	(\$111,524)	

Beginning Certified Free Cash	\$ 1,078,235	\$ 1,885,310	\$ 1,745,262
FY 2025 Projected Excess (Deficiency)		\$ (140,048)	
Ending Projected Certified Free Cash	\$ 1,885,310	\$ 1,745,262	\$ 1,318,738

Note: The appropriation order only includes funding for the direct operating expenses, as the indirect costs are included in the appropriations of the General Fund.

APPROPRIATION ORDER 2025-169

Public Works Department Solid Waste Enterprise Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$4,434,258** be appropriated for the purpose of funding the Town's FY 2026 Department of Public Works Solid Waste Enterprise Fund budget, and to meet such appropriation that **\$4,007,734** be raised from the Enterprise Fund revenues, and that **\$426,524** be provided from the Solid Waste Enterprise Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The direct operating expenses of the Solid Waste Enterprise Fund’s proposed FY 2026 budget are increasing \$175,834 or 4.13% over the approved FY 2025 budget. The Personnel budget includes funding for contractual obligations and an additional \$23,000 for overtime. Operating expenses include adjustments for the cost of disposal for household, construction/demolition, and recycled materials. Budget is within the existing rate model and does not rely upon the use of reserves.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$4,655,351	
Contractual Obligations, Staff Turnover & Allocation Changes	37,582	-	-	37,582	-
Change in Indirect Costs	120,417	6,252	-	126,669	-
Debt Service	-	(1,120)	-	(1,120)	-
FY 2025 Budget Changes					
1. Overtime	23,000	-	-	23,000	-
2. Recycling Material Disposal	-	11,438	-	11,438	-
3 C&D Disposal	-	12,800	-	12,800	-
4 Contracted Services	-	10,000	-	10,000	-
5. Uniforms	-	7,000	-	7,000	-
6. Municipal Solid Waste Disposal Fee	-	29,619	-	29,619	-
7 HVAC System Replacement	-	-	30,000	30,000	-
FY 2026 Proposed Budget	180,999	\$75,989	\$30,000	\$4,942,339	-

WATER POLLUTION CONTROL ENTERPRISE FUND

Water Pollution Control Enterprise Fund	Actual	Projected	Approved	Proposed	Change	Percent
Source of Funding	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Intergovernmental Aid - WPCF Operations	121,058	-	-	121,000	121,000	0.00%
Charges for Services - WPCF Operations	4,140,287	5,880,563	5,939,963	6,199,299	259,336	0.00%
Interest and Other - WPCF Operations	418,002	501,502	185,263	199,000	13,737	7.41%
Transfers In - CWMP	1,723,000	3,098,288	5,466,389	5,943,350	476,961	8.73%
Total Operating Sources	\$6,402,347	\$9,480,353	\$11,591,615	\$12,462,649	\$871,034	7.51%

Transfers From Completed Projects - WPCF Operations	134,000	134,000	-	-	-	0.00%
Borrowing Authorizations - WPCF Operations	6,916,000	6,916,000	1,600,000	3,300,000	1,700,000	106.25%
Transfers In - CWMP	2,650,000	2,650,000	750,000	4,475,000	3,725,000	496.67%
Borrowing Authorizations - CWMP	30,900,000	30,900,000	168,980,000	61,600,000	(107,380,000)	-63.55%
Total Capital Sources	\$40,600,000	\$40,600,000	\$171,330,000	\$69,375,000	(\$101,955,000)	-59.51%

Total Sources of Funding	\$47,002,347	\$50,080,353	\$182,921,615	\$81,837,649	(\$101,083,966)	-55.26%
---------------------------------	---------------------	---------------------	----------------------	---------------------	------------------------	----------------

Direct Operating Expenses						
Personnel - WPCF Operation	\$1,185,150	\$1,311,239	\$1,324,484	1,564,700.00	\$240,216	18.14%
Benefits - WPCF Operation	127,722	\$113,939	115,090	160,173	45,083	39.17%
Operating Expenses - WPCF Operations	1,765,432	\$2,104,156	2,125,410	2,151,410	26,000	1.22%
Capital Outlay - WPCF Operation	164,437	\$148,500	150,000	150,000	-	0.00%
Debt Service - WPCF Operations	1,131,252	\$1,664,984	1,681,802	1,721,087	39,285	2.34%
Personnel - CWMP	\$308,982	\$1,853,623	\$1,872,346	2,239,370.00	\$367,024	19.60%
Benefits - CWMP	94,500	\$364,977	368,664	173,256	(195,408)	-53.00%
Operating Expenses - CWMP	28,120	\$299,549	302,575	304,647	2,072	0.68%
Capital Outlay - CWMP	-	\$69,300	70,000	-	(70,000)	-100.00%
Debt Service - CWMP	575,945	\$2,895,207	2,924,452	3,054,647	130,195	4.45%
Transfers Out	-	-	-	-	-	0.00%
Total Direct Operating Expenses	\$5,381,540	\$10,825,475	\$10,934,823	\$11,519,290	\$584,467	5.35%

Indirect Operating Costs - WPCF Operations						
General Fund Staff	\$205,835	\$227,964	\$227,964	\$346,347	\$118,383	51.93%
Pensions	218,176	\$216,890	216,890	450,884	233,994	107.89%
Audit & Software Costs	24,214	\$24,214	24,214	33,416	9,202	38.00%
Property, Casualty, Liability Insurance	69,862	\$76,166	76,166	79,114	2,948	3.87%
Workers' Compensation Insurance	54,121	\$82,153	82,153	1,913	(80,240)	-97.67%
Retirees Health Insurance	33,690	\$29,405	29,405	31,685	2,280	7.75%
Total Indirect Operating Expenses	\$605,898	\$656,792	\$656,792	\$943,359	\$286,567	43.63%

Total Operating Expenses	\$5,987,438	\$11,482,267	\$11,591,615	\$12,462,649	\$871,034	7.51%
---------------------------------	--------------------	---------------------	---------------------	---------------------	------------------	--------------

Capital Improvements Program	40,600,000	40,600,000	171,595,000	69,540,000	(102,055,000)	-59.47%
Total Capital Expenses	\$40,600,000	\$40,600,000	\$171,595,000	\$69,540,000	(\$102,055,000)	-59.47%

Total Expenses	\$46,587,438	\$52,082,267	\$183,186,615	\$82,002,649	(\$101,183,966)	-55.24%
-----------------------	---------------------	---------------------	----------------------	---------------------	------------------------	----------------

Excess (Deficiency) Cash Basis	\$414,909	(\$2,001,913)	(\$265,000)	(\$165,000)	\$100,000
---------------------------------------	------------------	----------------------	--------------------	--------------------	------------------

Beginning Certified Free Cash - WPCF Operations	<u>\$ 5,683,737</u>	<u>\$ 6,098,646</u>	<u>\$ 4,096,733</u>
FY 2025 Projected Excess (Deficiency)	<u>\$ (2,001,913)</u>	<u>\$ (2,001,913)</u>	<u>\$ (2,001,913)</u>
Ending Projected Certified Free Cash - WPCF Operations	<u>\$ 6,098,646</u>	<u>\$ 4,096,733</u>	<u>\$ 3,931,733</u>

Note: The appropriation order only includes funding for the direct operating expenses, as the indirect costs are included in the appropriations of the General Fund.

APPROPRIATION ORDER 2025-170

Public Works Department Water Pollution Control Enterprise Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$11,519,290** be appropriated for the purpose of funding the Town's FY 2026 Department of Public Works Water Pollution Control Enterprise Fund budget, and to meet such appropriation that **\$5,575,940** be raised from the Enterprise Fund revenues, and that **\$5,943,850** be provided from the Sewer Construction and Private Road Maintenance and Improvement Special Revenue Fund, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The direct operating expenses for Water Pollution Control’s proposed FY 2026 are increasing \$350,584 and CWMP operations are increasing \$233,883 from the approved FY 2025 budget. The personnel budget changes for the Water Control Plant allow for contractual obligations and allocation adjustments of staffing. Personnel budgets in the CWMP program increased 19.6%. Operating budget changes include costs associated with software licenses used to support GIS needs of the CWMP. Capital outlay is reduced from FY 2025 one-time purchases.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$11,591,615	
Contract Obligations, Staff Turnover & Alloc. Chgs - WPCF Operations	285,299	-	-	285,299	-
Contract Obligations, Staff Turnover & Alloc. Chgs - CWMP	171,616	-	-	171,616	4.00
Change in Indirect Costs	-	286,567	-	286,567	-
Reduction in Capital Outlay - CWMP	-	-	(70,000)	(70,000)	-
Debt Service - WPCF Operations	-	39,285	-	39,285	-
Debt Service CWMP	-	130,195	-	130,195	-
FY 2026 Budget Changes					
1. Software Maintenance/Licenses	-	28,072	-	28,072	-
FY 2026 Proposed Budget	\$456,915	\$ 484,119	\$ (70,000)	\$ 12,462,649	5.00

WATER SUPPLY ENTERPRISE FUND

Water Supply Enterprise Fund	Actual	Projected	Approved	Proposed	Change	Percent
Source of Funding	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Charges for Services	7,874,553	7,868,001	7,713,726	8,188,200	474,474	6.15%
Interest and Other	1,246,367	714,734	549,795	612,977	63,182	11.49%
Transfers In	1,040,000	1,037,075	1,037,075	937,500	(99,575)	-9.60%
Total Operating Sources	\$10,160,920	\$9,619,809	\$9,300,596	\$9,738,677	\$438,081	4.71%
Transfers From Completed Projects	147,600	-	-	-	-	0.00%
Borrowing Authorizations	6,899,400	39,600,000	39,600,000	1,500,000	(38,100,000)	-96.21%
Total Capital Sources	\$7,047,000	\$39,600,000	\$39,600,000	\$1,500,000	(\$38,100,000)	-96.21%
Total Sources of Funding	\$17,207,920	\$49,219,809	\$48,900,596	\$11,238,677	(\$37,661,919)	-77.02%
Direct Operating Expenses						
Personnel	\$267,862	\$313,177	\$329,660	346,762.00	\$17,102	5.19%
Benefits	32,429	29,672	31,234	45,678	14,444	46.24%
Operating Expenses	4,436,954	4,926,687	4,971,430	5,109,659	138,229	2.78%
Capital Outlay	174,936	165,170	166,000	166,000	-	0.00%
Debt Service	798,042	3,153,366	3,611,006	3,885,630	274,624	7.61%
Total Direct Operating Expenses	\$5,710,223	\$8,588,072	\$9,109,330	\$9,553,729	\$444,399	4.88%
Indirect Operating Costs						
General Fund Staff	\$99,188	\$110,009	\$110,010	\$99,422	(\$10,588)	-9.62%
Pensions	57,225	43,854	43,855	47,084	3,229	7.36%
Audit & Software Costs	7,454	7,454	7,454	7,296	(158)	-2.12%
Property, Casualty, Liability Insurance	28,025	29,947	29,947	31,146	1,199	4.00%
Retirees Health Insurance	3,366	-	-	-	-	0.00%
Total Indirect Operating Expenses	\$195,258	\$191,264	\$191,266	\$184,948	(\$6,318)	-3.30%
Total Operating Expenses	\$5,905,481	\$8,779,336	\$9,300,596	\$9,738,677	\$438,081	4.71%
Capital Improvements Program	7,247,000	39,800,000	39,800,000	1,700,000	(38,100,000)	-95.73%
Total Capital Expenses	\$7,247,000	\$39,800,000	\$39,800,000	\$1,700,000	(\$38,100,000)	-95.73%
Total Expenses	\$13,152,481	\$48,579,336	\$49,100,596	\$11,438,677	(\$37,661,919)	-76.70%
Excess (Deficiency) Cash Basis	\$4,055,439	\$640,473	(\$200,000)	(\$200,000)	\$0	

Beginning Certified Free Cash	<u>\$ 1,654,219</u>	<u>\$ 5,709,658</u>	<u>\$ 6,350,131</u>
FY 2025 Projected Excess (Deficiency)		<u>\$ 640,473</u>	
Ending Projected Certified Free Cash	<u>\$ 5,709,658</u>	<u>\$ 6,350,131</u>	<u>\$ 6,150,131</u>

Note: The appropriation order only includes funding for the direct operating expenses as the indirect costs are included in the appropriations of the General Fund.

APPROPRIATION ORDER 2025-171

Public Works Department Water Supply Enterprise Fund (Two-thirds Vote Full Council)

ORDERED:

That the sum of **\$9,553,729** be appropriated for the purpose of funding the Town's FY 2026 Department of Public Works Water Supply Enterprise Fund budget, and to meet such appropriation that **\$8,616,229** be raised from the Enterprise Fund revenues, that **\$900,000** be provided from the Water Stabilization Fund, and that **\$37,500** be provided from the Capital Trust Fund, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The direct operating expenses for the Water Supply Enterprise Fund’s proposed FY 2026 budget are increasing \$444,399 or 4.88% over the approved FY 2025 budget. Personnel budget changes include contractual obligations and the reduction of 0.10 FTE from Water Supply to the CWMP. Debt Service costs increased by \$274,624 as prior capital projects are financed. Operating budget changes include additional funding for the management contract. Capital outlay is level funded and continues the funding for the annual emergency repairs program.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$9,300,596	
Contractual Obligations, Staff Turnover & Allocation Changes	31,545	-	-	31,545	(0.10)
Change in Indirect Costs	3,229	(9,547)	-	(6,318)	
Debt Service	-	274,624	-	274,624	-
FY 2026 Budget Changes					
1. Management Contract	-	138,230	-	138,230	-
FY 2026 Proposed Budget	\$ 34,774	\$ 403,307	\$ -	\$ 9,738,677	(0.10)

TOWN COUNCIL DEPARTMENT – GENERAL FUND

Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$198,970	\$210,141	\$213,341	\$213,234	(\$107)	-0.05%
Enterprise Funds	50,751	50,751	50,751	56,636	5,885	11.60%
Total Sources of Funding	\$249,721	\$260,892	\$264,092	\$269,870	\$5,778	2.19%

Expenditure Category						
Personnel	\$231,488	\$ 233,670	\$ 236,670	\$ 242,448	\$5,778	2.44%
Operating Expenses	18,233	27,222	27,422	27,422	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Total Appropriation	\$249,721	\$260,892	\$264,092	\$269,870	\$5,778	2.19%

APPROPRIATION ORDER 2025-172

Town Council Department (Majority Vote Full Council)

ORDERED:

That the sum of **\$269,870** be appropriated for the purpose of funding the Town's FY 2026 Town Council budget and to meet such appropriation, that **\$269,870** be raised from current year's revenue, as presented to the Town Council by the Town Manager.

Summary of Budget Changes

The Town Council proposed budget for FY 2026 is increasing \$5,778 for anticipated contractual increases. Operating expenses are level funded at \$27,422.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$264,092	
Contractual Obligations Net of Staff Turnover	5,778	-	-	5,778	-
One-time Charges	-	-	-	-	-
FY 2026 Budget Changes					
	-	-	-	-	-
	-	-	-	-	-
FY 2026 Proposed Budget	5,778	-	-	\$269,870	-

TOWN MANAGER DEPARTMENT – GENERAL FUND

Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$149,959	\$749,243	\$862,336	\$595,101	(\$267,235)	-30.99%
Fees, Licenses, Permits	516,928	464,600	502,500	519,250	10,800	3.33%
Interest and Other	593,452	10,898	10,000	10,000	-	0.00%
Enterprise Funds	131,903	164,008	200,463	238,681	38,218	19.06%
Reserves	-	-	-	37,077	34,048	0.00%
Total Sources of Funding	\$1,392,243	\$1,388,749	\$1,575,299	\$1,400,109	(\$175,190)	-11.12%

Expenditure Category						
Personnel	\$1,252,519	\$1,262,597	\$1,403,597	\$1,226,407	(\$177,190)	-12.62%
Operating Expenses	139,724	126,152	171,702	173,702	2,000	1.16%
Total Appropriation	\$1,392,243	\$1,388,749	\$1,575,299	\$1,400,109	(\$175,190)	-11.12%

APPROPRIATION ORDER 2025-173

Town Manager Department (Majority Vote Full Council)

ORDERED:

That the sum of **\$1,400,109** be appropriated for the purpose of funding the Town's FY 2026 Town Manager budget and to meet such appropriation, that **\$1,363,032** be raised from current year revenues, and that **\$37,077** be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

Summary of Budget Changes

The Town Manager's proposed FY 2026 budget decreased by \$175,190, or -11.12% from the approved FY 2025 budget. The reduction is attributable to the movement of the Town Safety Officer from the Town Mangers budget to the Human Resources department and a reduction for anticipated vacancy savings. Minor increases in operating expenses for funding for the Clean Team contract.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$1,575,299	
Contractual Obligations Net of Staff Turnover	(56,722)	-	-	(56,722)	-
One-time Charges	-		-	-	-
FY 2026 Budget Changes					
1. Safety Officer to Human Resources Department	(120,468)	-	-	(120,468)	(1.00)
2. Clean Team Contract		7,000		7,000	
3. Translation Funding		(5,000)		(5,000)	
FY 2026 Proposed Budget	\$ (177,190)	2,000	\$0	\$1,400,109	(1.00)

PUBLIC, EDUCATIONAL, AND GOVERNMENTAL ACCESS ENTERPRISE FUND

Public, Educational, Government (PEG)	Actual	Projected	Approved	Proposed	Change	Percent
Funding Sources	FY 2024	FY 2025	FY 2025	FY 2026	FY25- 26	Change
Fees, Licenses, Permits	\$993,565	\$938,375	\$944,590	\$887,000	(\$57,590)	-6.10%
Charges for Services		-			-	0.00%
Interest and Other	135,306	117,000	50,000	100,000	50,000	100.00%
Total Operating Sources	\$1,128,872	\$1,055,375	\$994,590	\$987,000	(\$7,590)	-0.76%

Direct Operating Expenses						
Personnel	\$466,909	\$561,195	\$566,195	693,436.00	\$127,241	22.47%
Benefits	28,198	33,450	35,450	63,502	28,052	79.13%
Operating Expenses	161,731	170,738	174,738	169,299	(5,439)	-3.11%
Capital Outlay	-	105,000	105,000	55,000	(50,000)	-47.62%
Total Direct Operating Expenses	\$656,838	\$870,383	\$881,383	\$981,237	\$99,854	11.33%

Indirect Operating Costs						
General Fund Staff	21,337	\$23,271	\$23,271	\$27,249	\$3,978	17.09%
Pensions	75,530	84,906	84,906	89,656	4,750	5.59%
Audit & Software Costs	2,216	2,471	2,471	2,871	400	16.19%
Property, Casualty, Liability Insurance	2,310	2,559	2,559	2,794	235	9.18%
Total Indirect Operating Expenses	\$101,393	\$113,207	\$113,207	\$122,570	\$9,363	8.27%

Total Operating Expenses	\$758,231	\$983,590	\$994,590	\$1,103,807	\$109,217	10.98%
---------------------------------	------------------	------------------	------------------	--------------------	------------------	---------------

Excess (Deficiency) Cash Basis	\$370,641	\$71,785	\$0	(\$116,807)	(\$116,807)
---------------------------------------	------------------	-----------------	------------	--------------------	--------------------

Beginning Certified Free Cash	<u>\$ 3,351,049</u>	<u>\$ 3,721,690</u>	<u>\$ 3,793,475</u>
FY 2025 Projected Excess (Deficiency)		<u>\$ 71,785</u>	
Ending Projected Certified Free Cash	<u>\$ 3,721,690</u>	<u>\$ 3,793,475</u>	<u>\$ 3,676,668</u>

Note: The appropriation order only includes funding for the direct operating expenses, as the indirect costs are included in the appropriations of the General Fund.

APPROPRIATION ORDER 2025-174

Public, Education & Government Access Channels Enterprise Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$981,237** be appropriated for the purpose of funding the Town's FY 2026 Public, Education & Government (PEG) Access Channels Enterprise Fund budget, and to meet such appropriation, that **\$864,430** be raised from the PEG Enterprise Fund revenues, and that **\$116,807** be provided from the PEG Enterprise Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The direct operating expenses for the Public, Education and Government Access Channel Enterprise Fund's proposed FY 2026 budget are increasing \$99,854 or 11.33% from the approved FY 2025 budget. The personnel budget change is due to contractual obligations. Reductions in operating expense budget changes in both Government and Education programing saves \$5,439. Capital outlay is decreasing by \$50,000.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$994,590	
Contractual Obligations & Allocation Changes	130,293	-	-	130,293	1.00
Change in Indirect Costs	4,750	4,613	-	9,363	-
FY 2026 Budget Changes					
1. Reduction in Operating Expenses	-	(5,439)	-	(5,439)	-
2. Overtime Budget Increase	25,000	-	-	25,000	-
3. Reduction in Capital Outlay	-	-	(50,000)	(50,000)	-
FY 2026 Proposed Budget	160,043	(826)	(50,000)	1,103,807	1.00

ADMINISTRATIVE SERVICES DEPARTMENT – GENERAL FUND

Source of Funding	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$0	\$2,472,335	\$2,344,673	\$1,681,559	(\$663,114)	-28.28%
Intergovernmental	560,919	543,474	430,166	623,185	193,019	44.87%
Fines, Forfeitures, Penalties	2,266,789	1,588,970	1,334,000	1,242,000	(92,000)	-6.90%
Fees, Licenses, Permits	321,645	303,377	291,100	309,450	18,350	6.30%
Charges for Services	36	36	-	-	-	0.00%
Interest and Other	5,210,817	1,917,266	2,703,671	3,734,257	1,030,586	38.12%
Enterprise Funds	942,428	921,657	920,657	947,669	27,012	2.93%
Reserves	-	206,391	206,391	189,625	(16,766)	-8.12%
Total Sources of Funding	\$9,302,634	\$7,953,506	\$8,230,658	\$8,727,745	\$497,087	6.04%

Expenditure Category						
Personnel	\$5,164,843	\$5,504,215	\$5,706,081	\$6,137,303	\$431,222	7.56%
Operating Expenses	2,051,714	2,344,291	2,419,577	2,485,442	65,865	2.72%
Capital Outlay	169,332	105,000	105,000	105,000	-	0.00%
Total Appropriation	\$7,385,889	\$7,953,506	\$8,230,658	\$8,727,745	\$497,087	6.04%

APPROPRIATION ORDER 2025-175

Administrative Services Department (Majority Vote Full Council)

ORDERED:

That the sum of **\$8,727,744** be appropriated for the purpose of funding the Town's FY 2026 Administrative Services Department budget, and to meet such appropriation, that **\$8,538,119** be raised from current year revenue, and that **\$189,625** be provided from the General Fund reserves, as presented to the Town Council by the Town Manager.

SUMMARY OF BUDGET CHANGES

The Administrative Department's proposed FY 2026 budget reflects an increase of \$497,087, or 6.04%, over the approved FY 2025 budget. The personnel budget increase is primarily driven by contractual obligations and the transfer of the Safety Officer position from the Town Manager's cost center to Human Resources. Operating expense increases are modest and include adjustments for Information Technology software and license subscriptions, as well as Human Resources recruiting programs. Capital outlay continues to support the annual replacement of technology hardware.

Budget Reconciliation	Personnel	Operating	Capital Outlay	Totals	FTE
FY 2025 Approved Budget				\$8,230,658	
Contractual Obligations Net of Staff Turnover	310,754	-	-	310,754	-
One-time Costs	-	(25,000)	-	(25,000)	-
FY 2026 Budget Changes					
1. Safety Officer	120,468	-	-	120,468	1.00
2. Recruiting Software	-	45,000	-	45,000	-
3. Software support / I.T. Licensing	-	45,865	-	45,865	-
FY 2026 Proposed Budget	431,222	65,865	\$0	\$8,727,745	1.00

OTHER REQUIREMENTS – GENERAL FUND

Other Requirements Funding Category	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Taxes	\$ 63,174,246	\$56,926,066	\$63,537,160	\$67,897,262	\$ 4,360,102	6.86%
Intergovernmental	4,682,985	5,073,857	4,873,857	4,358,897	(514,960)	-10.57%
Special Revenue Funds	86,700	86,700	86,700	-	(86,700)	-100.0%
Enterprise Funds	2,238,683	2,238,683	2,238,683	2,825,611	586,928	26.22%
Trust Funds	190,000	190,000	190,000	180,000	(10,000)	-5.26%
Reserves	250,000	3,811,568	3,811,568	3,250,000	561,568)	-14.73%
Total Sources of Funding	\$ 70,622,614	\$68,326,874	\$74,737,968	\$78,511,770	\$ 3,773,802	5.05%

Expenditure Category	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Retirement Assessments	\$ 12,180,911	\$12,613,092	\$12,613,092	\$13,660,295	\$ 1,047,203	8.30%
OPEB Contribution	750,000	800,000	800,000	850,000	50,000	6.25%
Health Insurance for Active Employees	8,638,116	7,775,000	11,902,163	11,799,894	102,269)	-0.86%
Retiree Health & Sick Benefits	5,645,499	5,025,000	6,378,240	6,657,222	278,982	4.37%
Workers' Compensation & Unemployment	1,133,060	1,100,000	1,200,000	1,000,000	200,000)	-16.67%
Medicare & Life Insurance	1,441,649	1,270,000	1,450,691	1,565,060	114,369	7.88%
Total Employee Benefits	\$ 29,789,235	\$28,583,092	\$34,344,186	\$35,532,471	\$ 1,188,285	3.46%

Debt Service, Grants, Assessments & Other	Actual FY 2024	Projected FY 2025	Approved FY 2025	Proposed FY 2026	Change FY25- 26	Percent Change
Debt Service	\$ 7,227,289	\$ 7,249,511	\$ 7,249,511	\$ 8,242,318	\$ 992,807	13.69%
Library Grants	2,106,908	2,228,650	2,228,650	2,280,101	51,451	2.31%
Tourism Grant	147,996	127,000	127,000	127,000	-	0.00%
Property & Liability Insurance	2,430,634	2,300,000	2,800,000	2,800,000	-	0.00%
Celebrations	146,183	185,000	185,000	185,000	-	0.00%
Lombard Trust Rent	52,000	52,000	52,000	52,000	-	0.00%
Veterans' District Assessment & Benefit Payments	345,234	400,000	400,000	400,000	-	0.00%
Old Kings Highway	10,950	11,200	11,200	11,450	250	2.23%
Greenhead Fly Control District	5,820	5,820	5,820	6,225	405	6.96%
County Tax & Cape Cod Commission Assessments	1,306,088	1,338,739	1,338,739	1,383,016	44,277	3.31%
Mosquito Control	481,063	564,028	564,028	568,003	3,975	0.70%
Air Pollution Control Districts	24,191	24,790	24,790	28,029	3,239	13.07%
Regional School District Assessment	4,980,692	4,792,279	4,792,279	5,384,604	592,325	12.36%
Commonwealth Charter School Assessment	6,361,114	7,455,244	7,455,244	7,652,592	197,348	2.65%
School Choice Assessment	1,631,699	1,634,665	1,634,665	1,846,289	211,624	12.95%
RMV Non-renewal Surcharge	82,340	97,220	97,220	97,220	-	0.00%
Cape Cod Regional Transit Authority	655,114	671,493	671,493	688,280	16,787	2.50%
Special Education Assessment	30,267	31,477	31,477	66,248	34,771	110.4%
Snow & Ice Deficit	-	138,473	138,473	400,000	261,527	188.8%
Town Council Reserve Fund	-	-	150,000	250,000	100,000	66.67%
Total Debt Service, Grants, Assessments & Other	\$ 28,025,582	\$29,307,589	\$29,957,589	\$32,468,375	\$ 2,510,786	8.38%
Subtotal Before Transfers	\$ 57,814,817	\$57,890,681	\$64,301,775	\$68,000,846	\$ 3,699,071	5.75%
Transfer to Capital Trust Fund	\$ 11,370,803	\$ 8,999,199	8,999,199	8,987,285	(11,914)	-0.13%
Transfer to Capital Projects Funds	-	-	-	-	-	0.00%
Transfers to Enterprise Funds	1,436,994	1,436,994	1,436,994	1,523,639	86,645	6.03%
Total Transfers	\$ 12,807,797	\$10,436,193	\$10,436,193	\$10,510,924	\$ 74,731	0.72%
Grand Total Other Requirements	\$ 70,622,614	\$ 68,326,874	\$ 74,737,968	\$78,511,770	\$ 3,773,802	5.05%

APPROPRIATION ORDER 2025-176

Town Council Reserve Fund (Majority Vote Full Council)

ORDERED:

That the sum of **\$250,000** be appropriated for the purpose of funding the Town Council’s FY 2026 Reserve Fund and to meet such appropriation, that **\$250,000** be provided from the General Fund reserves.

APPROPRIATION ORDER 2025-177

General Fund Other Requirements (Majority Vote Full Council)

ORDERED:

That the sum of **\$59,717,232** be appropriated for the purpose of funding the Town’s FY 2026 Other Requirements budget, and to meet such appropriation, that **\$56,537,232** be raised from current year revenue, that **\$180,000** be provided from the Pension Reserve Trust Fund, and that **\$3,000,000** be provided from the General Fund reserves, all for the purpose of funding the Town’s FY 2026 General Fund Other Requirements budget as presented to the Town Council by the Town Manager.

RECONCILIATION OF APPROPRIATION ORDER TO TOTAL OTHER REQUIREMENTS

Total Other Requirements	\$ 78,511,770
Town Council Reserve (2025-176)	(250,000.00)
Transfers to Enterprise Funds (2025-163 & 2025-165)	(1,523,639)
Retired Teacher Health Insurance Assessed on Cherry sheet	(4,291,222)
Commonwealth Charter and School Choice Assessments on Cherry Sheet	(9,498,881)
State & County Assessments on Cherry Sheet	(2,830,796)
Snow & Ice Deficit	(400,000.00)
Appropriation amount	\$ 59,717,232

SUMMARY OF BUDGET CHANGES

The proposed budget for Other Requirements in FY 2026 budget is increasing \$3,669,071 over the approved FY 2025 budget before transfers to the Capital or Enterprise Funds. Employee benefits are increasing \$1,188,285 mainly due to an increase in the pension assessments of 8.3%. Debt service increases \$992,807 in FY 2026. A small snow & ice spending deficit from FY 2025 budget (\$400,000) is anticipated and will be made up in the FY2026 budget. The Town Council’s reserve fund is once again funded at \$250,000.

COMMUNITY PRESERVATION FUND ADMINISTRATION EXPENSES AND FY 2026 PROGRAM SET-ASIDES

APPROPRIATION ORDER 2025-178

Community Preservation Fund Program Set-Asides and Administrative Expenses (Majority Vote Full Council)

ORDERED:

That, pursuant to the provisions of General Law Chapter 44B Section 6, for the fiscal year beginning July 1, 2025, the following sums of the annual revenues of the Community Preservation Fund be set aside for further appropriation and expenditure for the following purposes: **\$532,335** for open space and recreation; **\$532,335** for historic resources; **\$532,335** for community housing; **\$3,452,657** for a budget reserve, and that the sum of **\$250,000** be appropriated from the annual revenues of the Community Preservation Fund for the administrative expenses of the Community Preservation Committee, to be expended under the direction of the Town Manager or the Community Preservation Committee with the prior approval of the Town Manager.

APPROPRIATION ORDER 2025-179

Community Preservation Fund Debt Service (Majority Vote Full Council)

ORDERED:

That the sum of **\$91,340** be appropriated for the purpose of paying the FY 2026 Community Preservation Fund debt service requirements, and to meet such appropriation, that **\$23,690** be provided from current year revenues of the Community Preservation Fund and that **\$67,650** be provided from the reserves for the historic preservation program within the Community Preservation Fund.

DETERMINATION OF COMMUNITY PRESERVATION FUND (CPF) FY 2026 BUDGET APPROPRIATION ORDERS

STEP 1 - Calculate Estimated CPF FY26 Revenue:

Net FY 2025 Surtax	\$ 4,492,280
Projected increase in RE tax levy	3.5%
Estimated FY26 surtax	4,649,510
Estimated FY26 state match (15% of FY25 surtax)	673,842
Total estimated CPF FY26 revenue	\$ 5,323,352

STEP 2 - Identify CPF FY26 Debt Service:

FY26 Historic Preservation debt service	\$ 67,650
FY26 Land Bank debt service	23,690
Total FY26 debt service payments	\$ 91,340

STEP 3 - Determine CPF Revenue Available for Program Areas:

Estimated FY26 revenue	\$ 5,323,352
FY26 revenue committed to Land Bank debt service	(23,690)
FY26 administration budget (maximum of 5% of est. revenue or \$266,168)	(250,000)
Balance available for program areas	\$ 5,049,662

STEP 4 - Calculate Minimum Set-asides:

Reserve for Open Space/Recreation (OSR)	\$ 532,335
Reserve for Historic Preservation (HP)	532,335
Reserve for Community Housing (CH)	532,335

Subtotal minimum set-asides	1,597,005
Balance available for program areas	5,049,662
Balance remaining - budgeted reserve	<u>\$ 3,452,657</u>

REVOLVING FUNDS FY 2026 REVOLVING FUND SPENDING LIMITS

FISCAL YEAR 2026 SPENDING LIMITATIONS 2025-180

Revolving Funds (Majority Vote Full Council)

RESOLVED:

That the Town Council hereby authorizes the following spending limitations for fiscal year 2026 revolving funds:

Senior Services Classroom Education Fund - **\$100,000**

Recreation Program Fund - **\$325,000**

Shellfish Propagation Fund - **\$200,000**

Consumer Protection Fund - **\$600,000**

Geographical Information Technology Fund - **\$10,000**

Arts and Culture Program Fund - **\$50,000**

Asset Management Fund - **\$500,000**

The revolving funds statute, G. L. c. 44 § 53E½, requires that such funds be established once by ordinance and that the Town Council vote to establish the spending limit before July 1 each year for the upcoming fiscal year for each fund so established. This spending limit can be increased, as needed, during the fiscal year with the approval of the Town Council.

FULLY ALLOCATED BUDGET

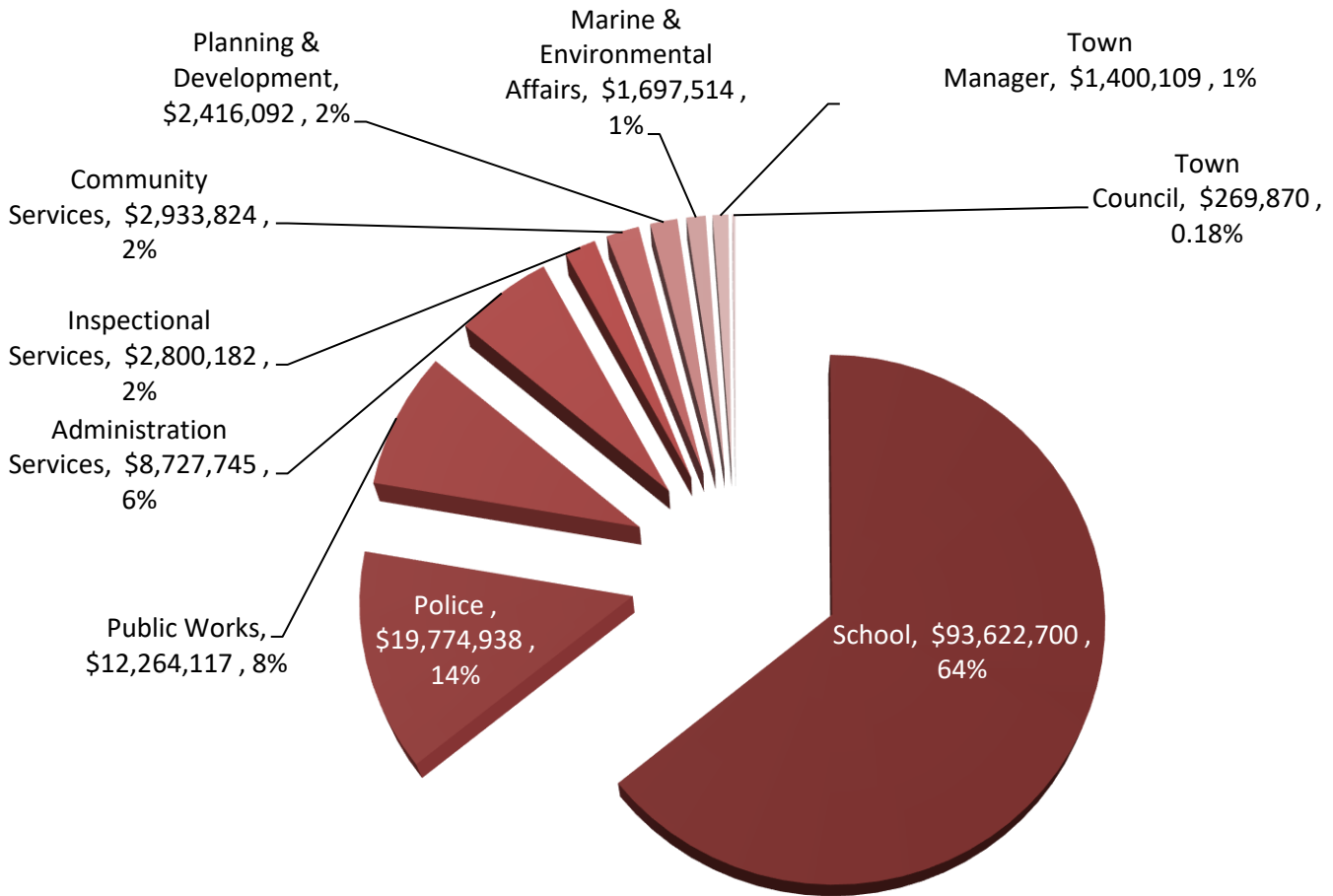
A Fully Allocated Budget illustrates the proposed FY 2026 General Fund operating budget on a full allocation basis. This is for illustrative purposes only. The proposed budget is not approved using this format. All costs included in the "Other Requirements" category are allocated to operating departments in an attempt to illustrate a fully allocated budget. Several assumptions are made to assign costs to operating departments as this is based on a proposed budget and not actual costs.

DIRECT OPERATING EXPENDITURES BY DEPARTMENT

The proposed FY 2026 direct operating expenditures for all General Fund departments are as follows:

Direct Operating Expenditures

Total = \$145,907,091

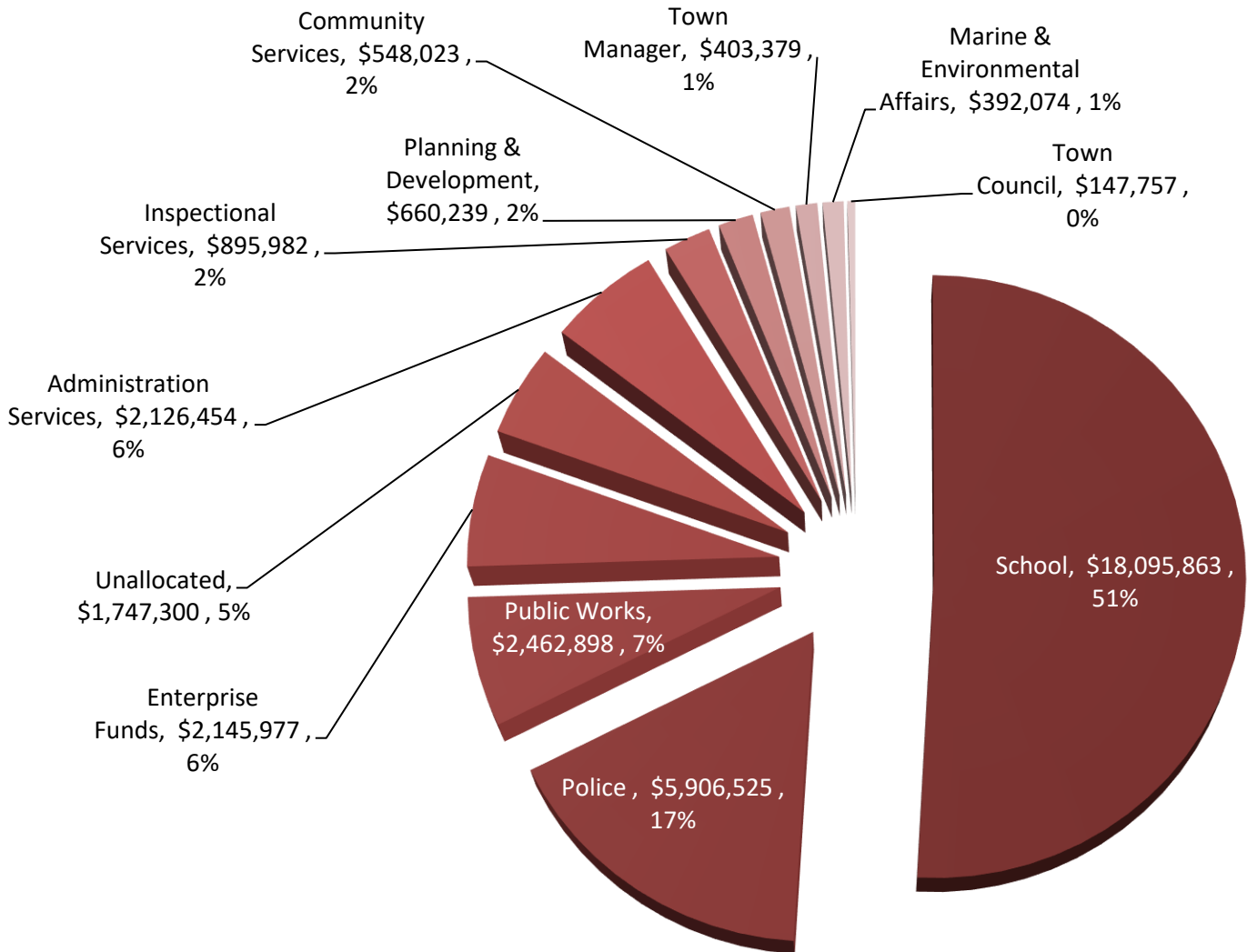


The Town's three largest departments, Schools, Police and Public Works, comprise 86% of all direct expenditure for operations.

ALLOCATION OF EMPLOYEE BENEFITS

The proposed FY 2026 budget for employee benefits allocated to the operational components of Town is as follows:

Allocation of Employee Benefits Total = \$35,532,471

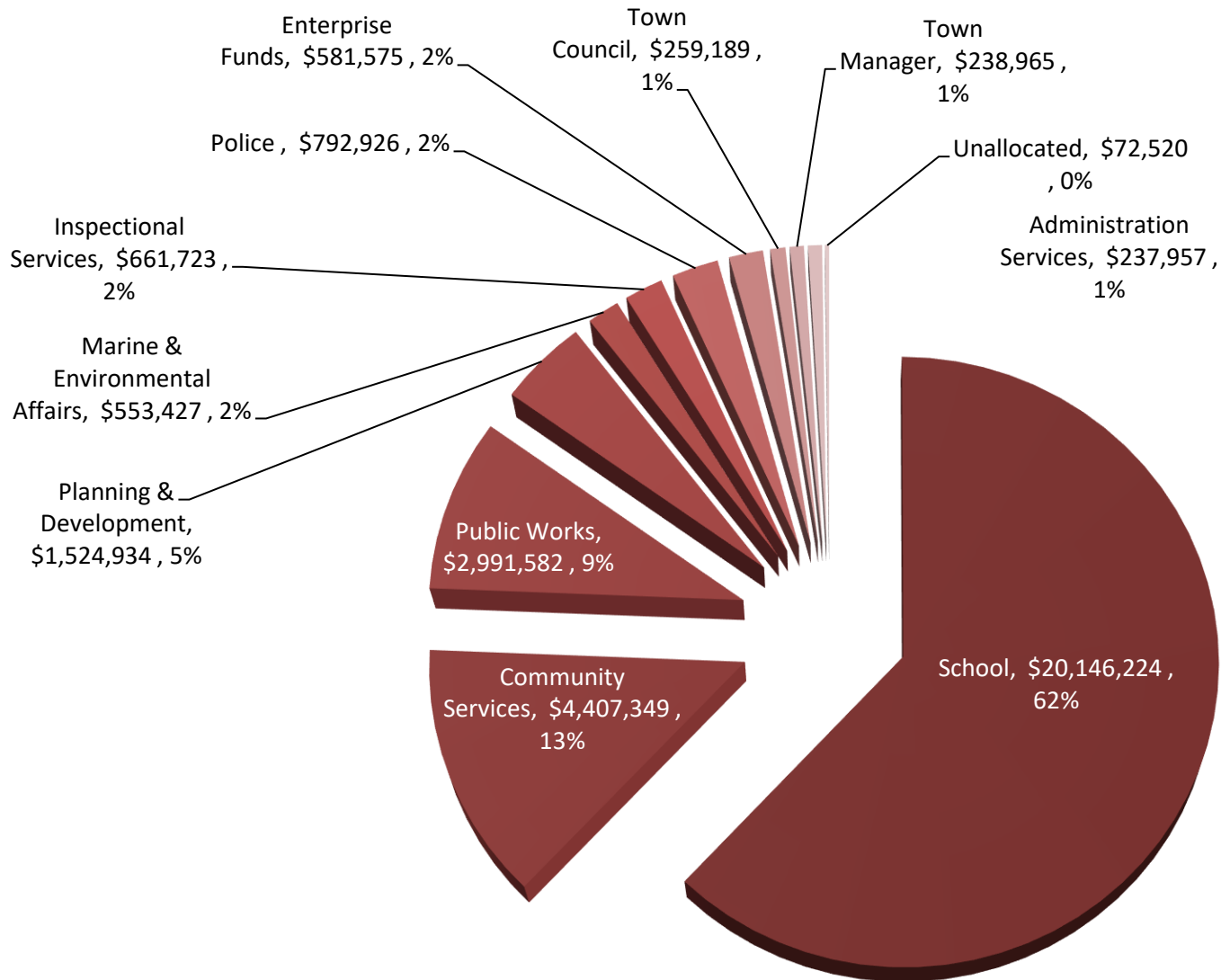


The “Unallocated” amount of \$1,747,300 represents mostly sick buyback, unemployment, and worker’s compensation. The town self-insures unemployment and worker compensation, and it is not yet known where the costs of these types of expenses will be incurred in FY 2026.

ALLOCATION OF OTHER FIXED COSTS IN THE GENERAL FUND

The proposed FY 2026 budget for debt service, grants, and assessments and other costs, and transfers are allocated to the operational components of the town as follows:

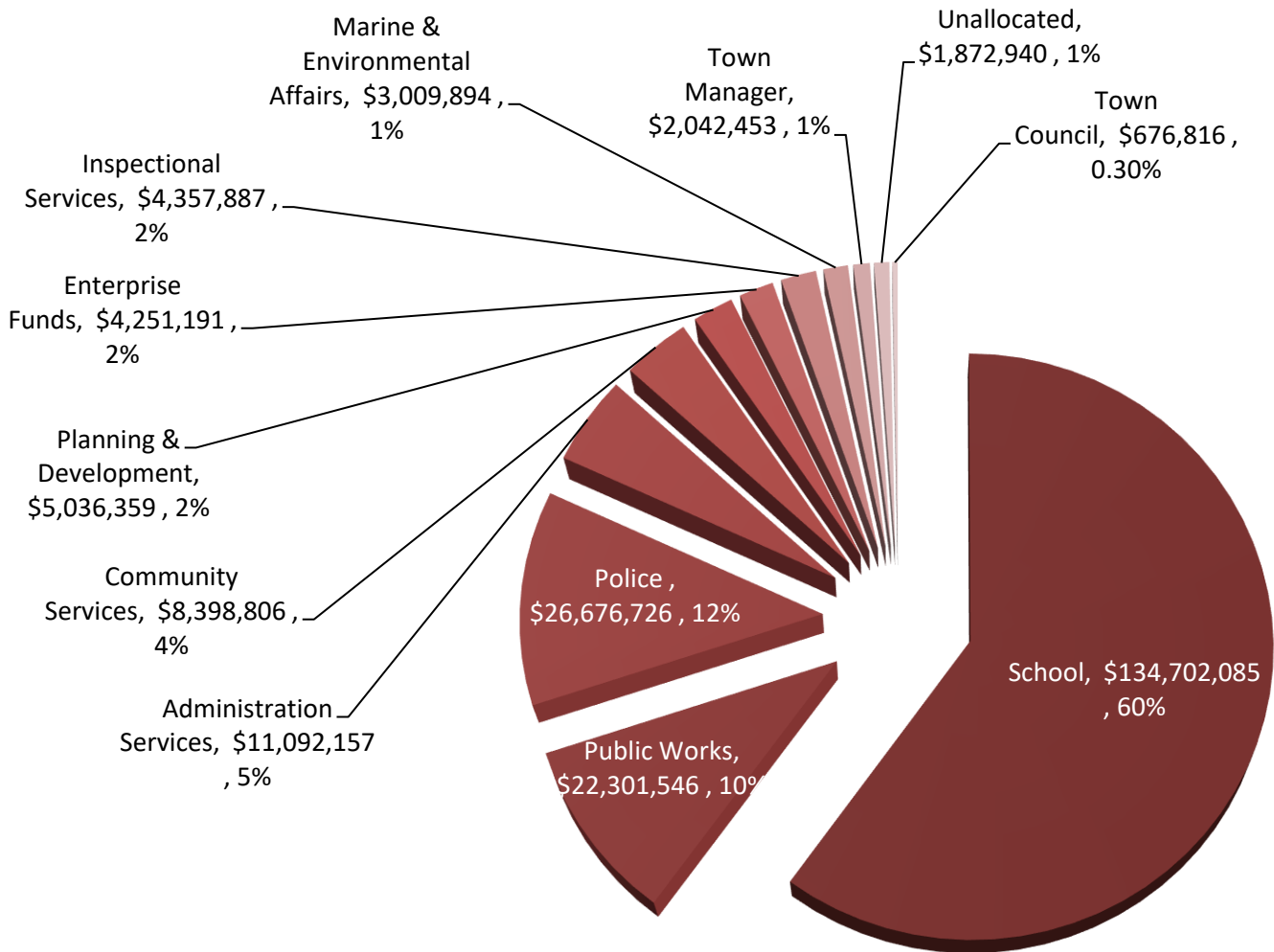
Allocation of Debt Service, Grants, Assessments & Other Costs Total = \$32,468,375



FULLY ALLOCATED BUDGET BY DEPARTMENT

The proposed FY 2026 fully allocated General Fund budget by department operation is as follows:

Fully Allocated Budget by Department Total = \$224,418,861

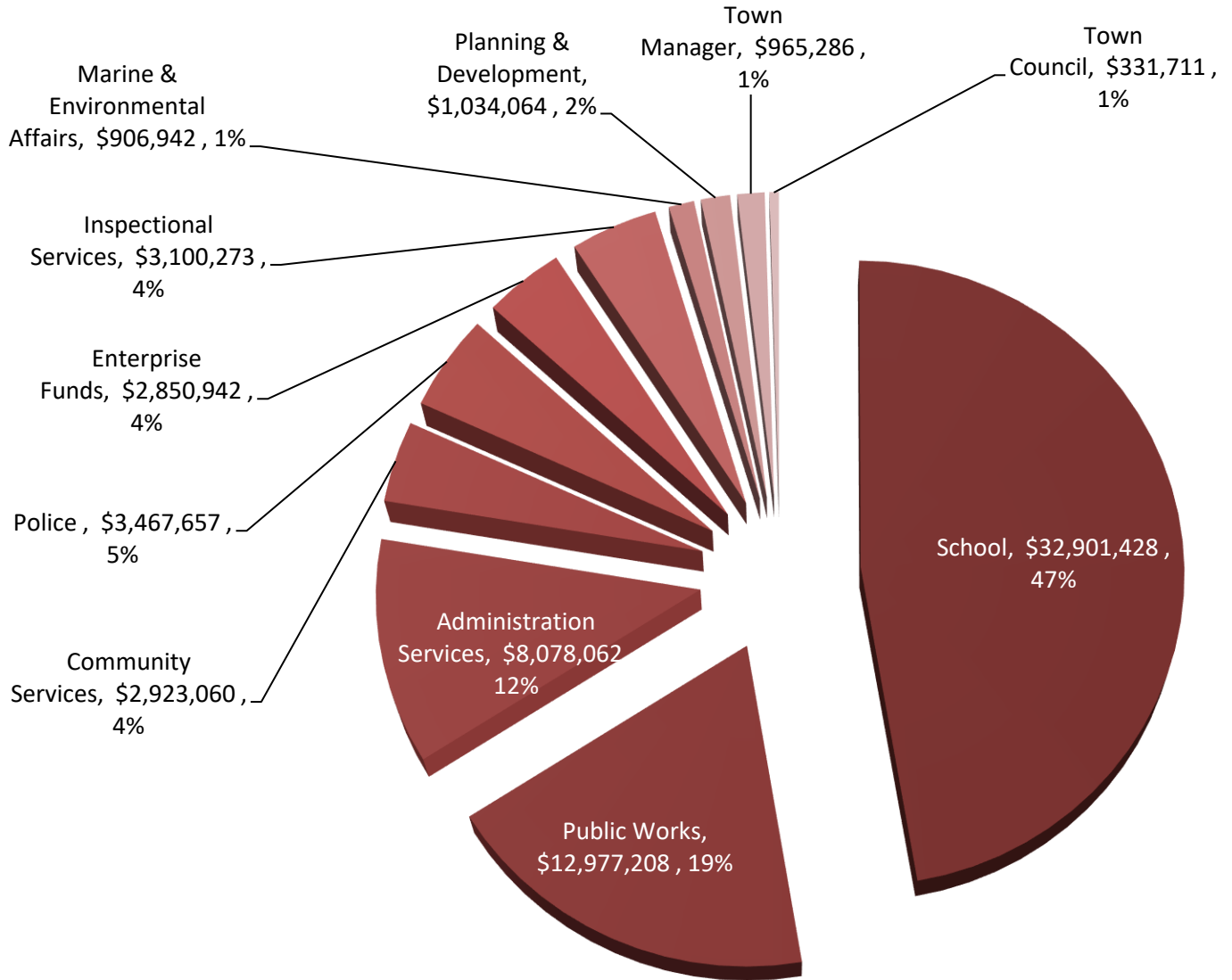


The "Unallocated" amount of \$1,872,940 represents mostly sick buyback, unemployment, and worker's compensation. The town self-insures unemployment and worker compensation, and it is not yet known where these costs will be incurred in FY 2026.

ALLOCATION OF NON-PROPERTY TAX RESOURCES IN THE GENERAL FUND

The total estimated non-property tax resources used to balance the proposed FY 2026 General Fund includes all excise taxes, intergovernmental aid and other receipts generated at the local level. These resources are allocated by department as follows:

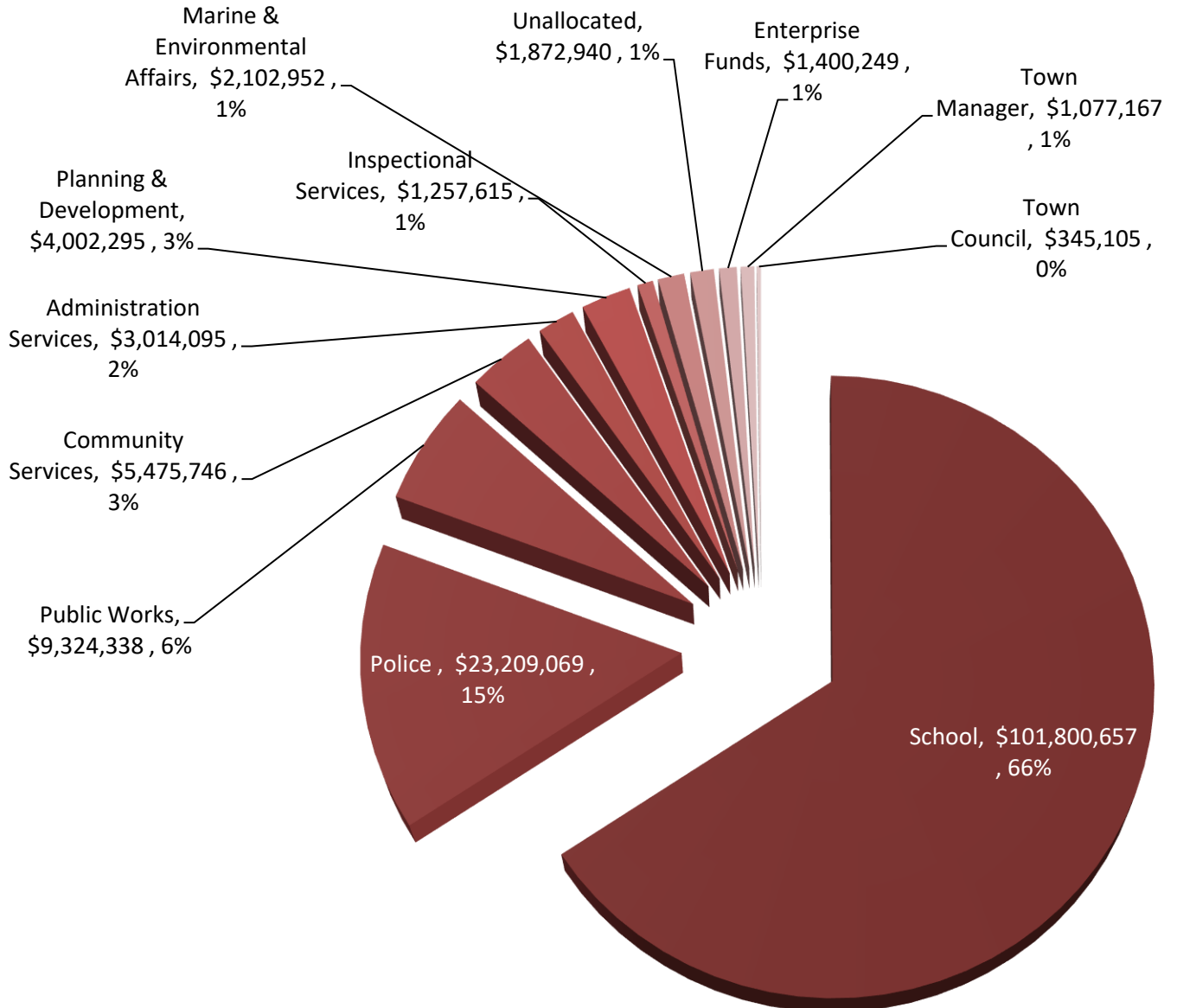
Allocation of Non-Property Tax Resources Total = \$69,536,634



ESTIMATED PROPERTY TAX ALLOCATION BY DEPARTMENT

After netting all non-property tax resources against the fully allocated General Fund operating budget for FY 2026 by department, the net amount represents the property tax support needed for each area.

Allocation of Estimated Property Tax Total = \$154,882,227



ALLOCATION WORKSHEET – EXPENDITURES / RESOURCES

Expense Category	Proposed FY 2026	General Fund										Enterprise Funds		
		Unallocated	Town Council	Town Manager	School	Police	Public Works	Marine & Environmental Affairs	Community Services	Inspectional Services	Administration Services			Planning & Development
Department Operations	145,907,091	-	269,870	1,400,109	93,622,700	19,774,938	12,264,117	1,697,514	2,933,824	2,800,182	8,727,745	2,416,092	-	145,907,091
Employee Benefits														
Retirement Assessments	\$ 13,660,295	-	33,706	276,908	3,841,023	3,239,113	1,545,396	266,129	300,719	581,676	1,252,960	400,233	1,922,433	13,660,295
Health Insurance for Active Employees	11,799,894	371,116	77,310	94,157	7,829,684	1,576,150	511,185	83,823	175,851	221,384	650,601	208,633	-	11,799,894
Retiree Health & Sick Benefits	6,657,222	500,000	28,422	14,732	4,734,897	761,478	269,981	25,023	34,022	54,737	128,012	21,736	84,182	6,657,222
Other Post Employment Benefits	850,000	-	3,978	2,062	662,710	106,579	37,787	3,502	4,762	7,661	17,917	3,042	-	850,000
Workers' Compensation & Unemployment	1,000,000	860,638	-	-	-	-	-	-	-	-	-	-	139,362	1,000,000
Medical & Life Insurance	1,565,060	15,546	4,341	15,521	1,027,549	223,205	98,550	13,597	32,669	30,524	76,965	26,594	-	1,565,060
Total	35,532,471	1,747,300	147,757	403,379	18,095,863	5,906,525	2,462,898	392,074	548,023	895,982	2,126,454	660,239	2,145,977	35,532,471
Debt Service, Grants, Assessments & Other														
Debt Service	8,242,318	72,520	-	-	3,873,581	276,238	2,229,360	500,875	695,738	-	-	594,006	-	8,242,318
Regional School District	5,384,604	-	-	-	5,384,604	-	-	-	-	-	-	-	-	5,384,604
Commonwealth Charter Schools	7,652,592	-	-	-	7,652,592	-	-	-	-	-	-	-	-	7,652,592
School Choice	1,846,289	-	-	-	1,846,289	-	-	-	-	-	-	-	-	1,846,289
Library Grants	2,280,101	-	-	-	-	-	-	-	2,280,101	-	-	-	-	2,280,101
Tourism Grant	127,000	-	-	-	-	-	-	-	-	-	-	127,000	-	127,000
Property & Liability Insurance	2,800,000	-	5,822	221,493	1,322,910	269,913	209,175	31,369	69,619	24,522	31,822	31,780	581,575	2,800,000
Interest on Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Celebrations	185,000	-	-	-	-	-	-	-	185,000	-	-	-	-	185,000
Lombard Trust Rent	52,000	-	-	-	-	-	-	-	52,000	-	-	-	-	52,000
Veterans' District Assessment & Benefit F	400,000	-	-	-	-	-	-	-	400,000	-	-	-	-	400,000
Old Kings Highway	11,450	-	-	-	-	-	-	-	-	-	-	11,450	-	11,450
Greenhead Fly Control District	6,225	-	-	-	-	-	-	-	-	6,225	-	-	-	6,225
County Tax & Cape Cod Commission Asses	1,383,016	-	3,368	17,472	-	246,776	153,047	21,184	36,611.87	34,944	108,916	760,698	-	1,383,016
Mosquito Control	568,003	-	-	-	-	-	-	-	-	568,003	-	-	-	568,003
Air Pollution Control Districts	28,029	-	-	-	-	-	-	-	-	28,029	-	-	-	28,029
RMV Non-renewal Surcharge	97,220	-	-	-	-	-	-	-	-	-	97,220	-	-	97,220
Cape Cod Regional Transit Authority	688,280	-	-	-	-	-	-	-	688,280	-	-	-	-	688,280
Special Education Assessment	66,248	-	-	-	66,248	-	-	-	-	-	-	-	-	66,248
Snow & Ice Removal Deficit	400,000	-	-	-	-	-	400,000	-	-	-	-	-	-	400,000
Town Council Reserve	250,000	-	250,000	-	-	-	-	-	-	-	-	-	-	250,000
Total	32,468,375	72,520	259,189	238,965	20,146,224	792,926	2,991,582	553,427	4,407,349	661,723	237,957	1,524,934	581,575	32,468,375
Total Fixed Cost & Operating Expenditures	\$ 213,907,937	1,819,821	676,816	2,042,453	131,864,787	26,474,389	17,718,598	2,643,016	7,889,196	4,357,887	11,092,157	4,601,265	2,727,552	213,907,937
Transfers	10,510,924	53,119	-	-	2,837,298	202,337	4,582,949	366,878	509,610	-	-	435,094	1,523,639	10,510,924
Grand Total	\$ 224,418,861	\$ 1,872,940	\$ 676,816	\$ 2,042,453	\$ 134,702,085	\$ 26,676,726	\$ 22,301,546	\$ 3,009,894	\$ 8,398,806	\$ 4,357,887	\$ 11,092,157	\$ 5,036,359	\$ 4,251,191	\$ 224,418,861

ALLOCATION WORKSHEET – RESOURCES

Proposed FY 2026	General Fund											Enterprise Funds		
	Unallocated	Town Council	Town Manager	School	Police	Public Works	Marine & Environmental Affairs	Community Services	Inspectional Services	Administration Services	Planning & Development			
Resources:														
Motor Vehicle Excise	9,012,558	-	-	-	-	-	9,012,558	-	-	-	-	-	-	9,012,558
Boat Excise	125,000	-	-	-	-	-	-	125,000	-	-	-	-	-	125,000
Motel/Hotel Excise	2,125,000	-	10,968	56,905	-	803,715	498,452	68,992	119,240	113,808	354,723	98,197	-	2,125,000
PILOT	39,000	-	-	-	-	-	-	-	-	39,000	-	-	-	39,000
Intergovernmental	30,678,209	-	13,663	70,883	27,196,437	1,001,145.08	832,481.79	85,940	148,531	141,765	1,065,044.28	122,319	-	30,678,209
Charges for Services	2,923,650	-	-	-	-	300,000	-	-	2,508,200	1,000	-	114,450	-	2,923,650
Fees, Licenses & Permits	4,180,000	-	-	519,250	-	218,000	225,000	105,500	5,000	2,684,200	309,450	113,600	-	4,180,000
Fines & Penalties	1,584,000	-	-	-	-	92,000	-	-	-	20,000	1,242,000	230,000	-	1,584,000
Interest & Other	5,281,433	-	-	10,000	-	312,000	1,224,676	-	-	-	3,734,257	500	-	5,281,433
Special Revenue Funds	930,000	-	-	-	-	50,000	191,340	450,000	-	-	-	238,660	-	930,000
Enterprise Funds	4,072,097	-	56,636	238,681	-	-	-	-	-	-	947,669	3,500	2,825,610	4,072,097
Pension Trust Fund	180,000	-	444.14	3,649	50,613	42,681	20,363	3,507	3,963	7,665	16,510	5,274	25,332	180,000
Capital Trust Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserves	8,405,687	-	250,000	65,918	5,654,378	648,116	972,337	68,003	138,127	131,835	369,409	107,563	-	8,405,687
Total Resources Excluding Property Taxes	69,536,634	-	331,711	965,286	32,901,428	3,467,657	12,977,208	906,942	2,923,060	3,100,273	8,078,062	1,034,064	2,850,942	69,536,634
Property Tax Support	\$ 154,882,227	\$ 1,872,940	\$ 345,105	\$ 1,077,167	\$ 101,800,657	\$ 23,209,069	\$ 9,324,338	\$ 2,102,952	\$ 5,475,746	\$ 1,257,615	\$ 3,014,095	\$ 4,002,295	\$ 1,400,249	\$ 154,882,227
Grand Total	\$ 224,418,861	\$ 1,872,940	\$ 676,816	\$ 2,042,453	\$ 134,702,085	\$ 26,676,726	\$ 22,301,546	\$ 3,009,894	\$ 8,398,806	\$ 4,357,887	\$ 11,092,157	\$ 5,036,359	\$ 4,251,191	\$ 224,418,861